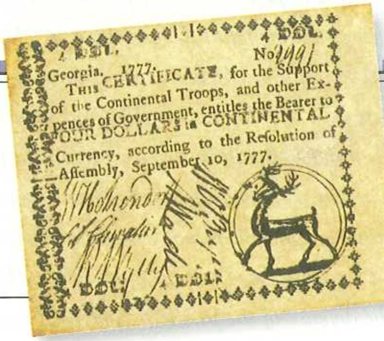
7

THE FIRST REPUBLIC
1776–1789



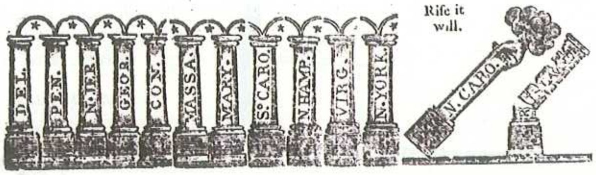
4 DOL.
4 DOL. No 2991
Georgia, 1777.
THIS CERTIFICATE, for the Support of the Continental Troops, and other Expences of Government, entitles the Bearer to FOUR DOLLARS in CONTINENTAL Currency, according to the Reſolution of Aſſembly, September 10, 1777.
DOL. 4 DOL.

WHAT WERE the Articles of Confederation?

WHAT WERE the weaknesses of the United States after the Revolution?

WHAT WAS the Constitutional Convention?

WHAT WAS the struggle over ratification between the Federalists and Antifederalists?

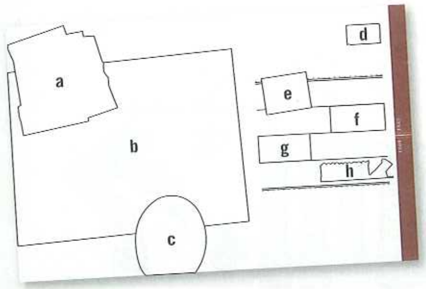

DEL.
PEN.
N.JER.
GEOR.
CON.
MASSA.
MARY.
S°. CARO.
N.HAMP.
VIRG.
N.YORK.
Riſe it will.
N.CARO.

> *Springfield*
> *Jan. 26, 1787*
>
> *Sir,*
>
> *The unhappy time is come in which we have been obliged to shed blood. Shays, who was at the head of about twelve hundred men, marched yesterday afternoon about four o'Clock, towards the public buildings in battle array. He marched his men in an open column by platoons. I sent several times [through aides] to him to know what he was after, or what he wanted. His reply was he wanted barracks, and barracks he would have and stores. The answer returned was he must purchase them dear if he had them. He still proceeded on his march until he approached within two hundred and fifty yards of the arsenal. He then made a halt. I immediately sent Major Lyman, one of my aides, and Capt. Buffington to inform him not to march his troops any nearer to Arsenal on his peril, as I was stationed here by order of your Excellency and the Secretary at War, for the defence of the public property, in case he did I should surely fire on him and his men. [After rebuffing Lyman and Buffington.] Shays immediately put his troops in motion, and marched on rapidly near one hundred yards. I then ordered Major Stephens, who commanded the Artillery to fire upon them. He accordingly did. The two first shott he endeavored to overshoot them, in hopes they would have taken warning without firing among them, but it had no effect on them. Major Stevens then directed his shott thro' the center of his column. The fourth or fifth shot put their whole column into the utmost confusion. Shays made an attempt to display [spread out] the column, but in vain. We had one howitz which was loaded with grape shot, which when fired, gave them great uneasiness. Had I been disposed to destroy them, I might have charged upon their rear and flanks with my Infantry and the two field pieces, and could have killed the greater part of his whole army within twenty five minutes. There was not a single musket fired on either side. I found three men dead on the spol, and one wounded, who is since dead. . . .*
>
> *I am, Sir, with great respect, Your Excellency's most*
> *Obedient lible Servt*
> *—W. Shepard*

General Shepard to Governor Bowdoin, Jan. 26, 1787, in *American Historical Review*, Vol 2: July 1897, p. 694.

IMAGE KEY

for pages 166–167



- **a.** Articles of Confederation.
- **b.** Congress voting Independence
- **c.** Phyllis Wheatley
- **d.** The first Stars and Stripes, 1777.
- **e.** Georgia $4 banknote, 1777, issued "for the support of the Continental Troops and other Expences of Government."
- **f.** The encounter on 26 January 1787 between Shay's rebels and government troops before the arsenal at Springfield, Massachusetts.
- **g.** Constitutional Convention at Philadelphia, 1787.
- **h.** The pillars of the "federal edifice" represented by the American colonies in a 1788 cartoon supporting the United States Constitution.

WILLIAM SHEPARD, the commander of the Hampshire County militia, informed Massachusets Governor James Bowdoin that the armed insurgents led by Daniel Shays had been routed in their attempt to seize the federal arsenal at Springfield. Shays was a hitherto obscure Revolutionary war captain. Like many of his fellow farmers in western Massachusetts, Shays faced hard times in the 1780s. Falling farm prices, a shortage of money, heavy taxes, and mounting debts produced an economic crisis that threatened many farmers with imprisonment for debt and the loss of their farms. Faced with an unresponsive state legislature, angry farmers protested and shut down the county courts. By 1786 Shays had emerged as one of their key leaders, and the ragtag army of farmers that he marched against the Springfield arsenal now aimed to overthrow the state government.

State leaders and eastern merchants were horrified. Liberty for them was equated with the right of the individual to pursue wealth and amass property. By contrast, the struggling farmers and artisans defined the liberty won in the Revolution more in terms of the right of communities to defend their interests against moneyed and aristocratic elites.

Driven out of Massachusetts when his army collapsed in 1787, Shays again became an obscure figure. Still, the movement that bears his name dramatized the fragile nature and conflicting values of America's first republic under the Articles of Confederation. Providing for little more than a loose union of the states, the Articles were ratified in 1781. The years that followed were marked by a running debate over the meaning of liberty and the extent of power to be entrusted to a national government. Americans favoring a stronger, more centralized government cited Shays's Rebellion as an example of the chaos that could destroy the republic unless fundamental changes were made. Those changes came with the writing and ratification of the Constitution of the United States in 1788.

THE NEW ORDER OF REPUBLICANISM

As royal authority collapsed during the Revolution, various provincial congresses and committees assumed power in each of the former colonies. The Continental Congress, seeking to build support for the war effort, was concerned that these new institutions should have a firm legal and popular foundation. In May 1776, the Congress called on the colonies to form new state governments "under the authority of the people."

WHAT WERE the Articles of Confederation?

This call reflected the political philosophy of republicanism that animated the Revolution (see Chapter 6). To Americans, republicanism meant that legitimate political authority derives from the people. The people are sovereign and should elect the officials who govern them; those officials should represent the people's interests. Another key aspect of republicanism was the revolutionary idea that the people could define and limit governmental power through written constitutions.

DEFINING THE PEOPLE

When news of the peace treaty with Britain reached New Bern, North Carolina, in June 1783, the citizens held a grand celebration. As reported by Francisco de Miranda, a visiting Spanish officer, "There was a barbecue [a roast pig] and a barrel of rum, from which the leading officials and citizens of the region promiscuously drank with the meanest and lowest kind of people, holding hands and drinking from the same cup."

For Miranda, this boisterous mingling of all citizens as seeming equals confirmed the republican belief that the people were sovereign. But republicanism also taught that political rights should be limited to property owners, as informed political judgment required economic self-sufficiency. This precept restricted political participation to propertied white men. Virtually everyone else—propertyless white men, servants legally bound to others, women, slaves, most free black people, and Native Americans—was denied political rights during the Revolutionary era. (See American Views: "A French Observer Describes a New Society." p. 170)

Some 60 to 85 percent of adult white men owned property and could participate in politics—a far higher proportion than elsewhere in the world of the eighteenth century. The greatest concentration of the remaining 25 percent or so shut

QUICK REVIEW

Property, Race, Gender, and Citizenship

- Republicans limited political rights to white male property owners.
- 60 to 80 percent of adult white men owned property.
- Revolution did not challenge exclusion of women from politics.

• AMERICAN VIEWS •

A FRENCH OBSERVER DESCRIBES A NEW SOCIETY

In 1782, J. Hector St. John Crèvecoeur, a Frenchman who had lived and traveled in British North America, published his impressions of America. The following selection from his Letters from an American Farmer *captures the optimism and sense of newness that he found. More so than any other literary work, the* Letters *stamped the new American republic, especially in the minds of Europeans, as the home of the world's freest and most equal people.*

WHAT IS Crèvecoeur's image of America? Do you believe it was overly optimistic? Why does Crèvecoeur emphasize the absence of titles and great disparities of wealth? What was so new about America to Crèvecoeur? Why did Crèvecoeur ignore African slaves and Native Americans in his definition of the American?

I wish I could be acquainted with the feelings and thoughts which must agitate the heart and present themselves to the mind of an enlightened Englishman when he first lands on this continent. . . . He is arrived on a new continent; a modern society offers itself to his contemplation, different from what he had hitherto seen. It is not composed, as in Europe, of great lords who possess everything and of a herd of people who have nothing. Here are no aristocratical families, no courts, no kings, no bishops, no ecclesiastical dominion, no invisible power giving to a few a very visible one, no great manufactures employing thousands, no great refinements of luxury. The rich and the poor are not so far removed from each other as they are in Europe. Some few towns excepted, we are all tillers of the earth, from Nova Scotia to West Florida. We are a people of cultivators scattered over an immense territory, communicating with each other by means of good roads and navigable rivers, united by the silken bands of mild government, all respecting the laws without dreading their power, because they are equitable. We are all animated with the spirit of an industry which is unfettered and unrestrained, because each person works for himself. . . . A pleasing uniformity of decent competence appears throughout our habitations. The meanest of our log-houses is a dry and comfortable habitation. Lawyer and merchant are the fairest titles our towns afford; that of a farmer is the only appellation of the rural inhabitants of our country. It must take some time ere he can reconcile himself to our dictionary, which is but short in words of dignity and names of honour. . . . We have no princes for whom we toil, starve, and bleed; we are the most perfect society now existing in the world. Here man is free as he ought to be, nor is this pleasing equality so transitory as many others are: Many ages will not see the shores of our great lakes replenished with inland nations, nor the unknown bounds of North America entirely peopled. . . .

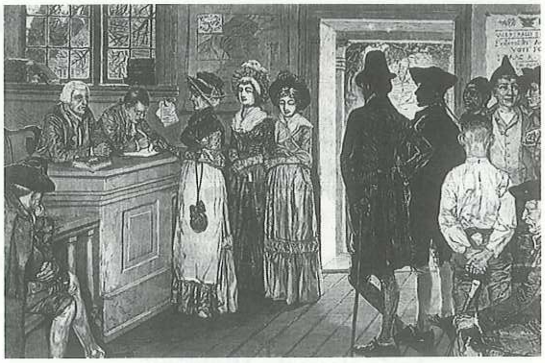
The next wish of this traveller will be to know whence came all these people. They are a mixture of English, Scotch, Irish, French, Dutch, Germans, and Swedes. From this promiscuous breed, that race now called Americans have arisen. . . .

What, then, is the American, this new man? He is either an European or the descendant of an European; hence that strange mixture of blood, which you will find in no other country. . . . He is an American, who, leaving behind him all his ancient prejudices and manners, receives new ones from the new mode of life he has embraced, the new government he obeys, and the new rank he holds. He becomes an American by being received in the broad lap of our Alma Mater. Here individuals of all nations are melted into a new race of men, whose labours and posterity will one day cause great changes in the world.

Source: J. Hector St. John Crèvecoeur, *Letters from an American Farmer and Sketches of Eighteenth-Century America*, ed. Albert E. Stone (1986), pp. 66–70.

out of the political process were unskilled laborers and mariners living in port cities. In Philadelphia, for example, half the population of taxable adult men and women in the 1780s reported no taxable property. The city's working poor still included indentured servants, bound by contract to give personal service for a fixed time, as well as the walking poor—vagrants and transients.

The Revolution did little to change the traditional patriarchal assumption that politics and public life should be the exclusive domain of men. Women, according to republican beliefs, were dependent under the control of their husbands and fathers. Under common law (the customary, largely unwritten law that Americans had inherited from Britain), women surrendered their property rights at marriage. Legally and economically, husbands had complete control over their wives. As a result, argued Theophilus Parsons of Massachusetts in 1778, women were, as a matter of course, "so situated as to have no wills of their own."



With the exception of New Jersey, where women meeting the property qualifications were eligible to vote, the state constitutions of the Revolutionary era prohibited women from voting.

Howard Pyle, Corbis / Bettmann

5–9
Rights of Women in an Independent Republic

To be sure, some women saw in the political and social enthusiasm of the Revolution an opportunity to protest the most oppressive features of their subordination. "I won't have it thought that because we are the weaker sex as to bodily strength we are capable of nothing more than domestic concerns," wrote Eliza Wilkinson of South Carolina. Men, she lamented, "won't even allow us liberty of thought and that is all I want." But most women accepted the view that their proper place was in the home with their families. Only the New Jersey constitution of 1776 defined **suffrage**—the right to vote—in gender-free terms, extending it to all propertied adults "worth fifty pounds," until 1807, when the state legislature changed its constitution.

QUICK REVIEW

African Americans and the Revolution

- Revolutionary principles sparked some to challenge slavery.
- More than 50,000 slaves gained freedom as result of the war.
- By 1800 free black population reached 100,000.

The Revolution had a more immediate impact on the lives of many African Americans. Revolutionary principles of liberty and equality and evangelical notions of human fellowship convinced many white people for the first time to challenge black slavery. In 1784, Virginia Methodists condemned slavery as "contrary to the Golden Law of God on which hang all the Laws and Prophets, and the unalienable Rights of Mankind, as well as every Principle of Revolution." Black people seized opportunities for freedom that emerged from some whites' rejection of slavery, the disruptions of the war, and the needs of both sides for military manpower. As the number of free black people increased from a few thousand at mid-century to 100,000 by 1800, African-American communities and cultures also expanded and developed.

Upwards of fifty thousand slaves, or one in ten of those in bondage, gained their freedom as a result of the war. One route was through military service, which generally carried a promise of freedom. When the British began raising black troops, the Americans followed suit. All of the states except Georgia and South Carolina recruited black regiments. Some five thousand black men served in the Continental armies, and they, like their counterparts in British units, were mostly slaves. Most slaves who gained freedom during the war, however, were those who fled their owners and made their way to the port cities of the North.

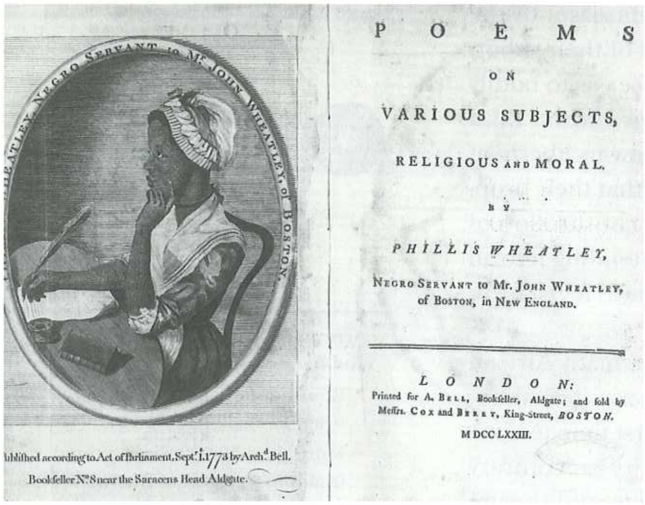
By making slave property generally less secure, the Revolution encouraged many masters to free their slaves. Once freed, black people tried to break all the bonds of their former servitude. As the number of free black people increased, those still enslaved grew bolder in their efforts to gain freedom. "Henny," warned a Maryland slaveowner in 1783, "will try to pass for a free woman as several have lately been set free in this neighbourhood."

If slavery experienced some strain in the South during the Revolution, in the North, where slaves were only a small percentage of the population, it crumbled.

Suffrage The right to vote in a political election.

CHRONOLOGY

1776	States begin writing the first constitutions.
1777	Articles of Confederation proposed.
1781	Articles ratified.
1783	Americans celebrate independence and the peace treaty with Britain.
1784	Onset of the postwar depression. Spain closes the Mississippi. Separatist plots in the West. Treaty of Fort Stanwix.
1785	Land Ordinance of 1785. States begin to issue more paper money. Treaty of Fort McIntosh.
1786	Shays's Rebellion breaks out. Jay-Gardoqui Treaty defeated. Annapolis Convention.
1787	Constitutional Convention at Philadelphia. Northwest Ordinance.
1788	Constitution ratified and goes into effect. Publication of *The Federalist.*


HEATLEY, NEGRO SERVANT to Mr. JOHN WHEATLEY, of BOSTON.
ubliſhed according to Act of Parliament, Sept. 1.1773 by Archd. Bell.
Bookſeller No. 8 near the Saracens Head Aldgate.

P O E M S

ON

VARIOUS SUBJECTS,

RELIGIOUS AND MORAL.

BY

PHILLIS WHEATLEY,

NEGRO SERVANT to MR. JOHN WHEATLEY,
of BOSTON, in NEW ENGLAND.

LONDON:
Printed for A. BELL, Bookſeller, Aldgate; and ſold by
Meſſrs. COX and BERRY, King-Street, *BOSTON.*
MDCCLXXIII.

Phillis Wheatley was an acclaimed African-American poet. Kidnapped into slavery as a child in Africa, she was a domestic slave to the Wheatley family of Boston when her first poems were published in 1773.

Scipio Moorhead; Corbis / Bettmann

Most northern states ended slavery between 1777 and 1784. New York followed in 1799 and New Jersey in 1804. Although a majority of white Northerners now agreed that slavery was incompatible with the Revolution's commitment to **natural rights** (the inherent human rights to life and liberty), they refused to sanction an immediate emancipation. The laws ending slavery in most of the northern states called only for the children of slaves to be freed, and only when they reached adulthood.

Although black men were allowed to vote, most were too poor to meet the property qualifications. They faced discrimination in jobs and housing, were barred from juries, and were denied a fair share of funds for schools. With the help of the small class of property holders among them, they began establishing their own churches and self-help associations.

The impact of the Revolution on Native Americans was almost entirely negative (see Chapter 6). Most stayed neutral during the war or fought for the British. Just as the Americans sought to shake off British control, so the Indians—especially the western tribes and most of the Iroquois Confederation—sought to free themselves from American dominance. Thus British defeat deprived the Indians of a valuable ally and exposed them to the wrath of the victorious patriots. "The minds of these people appear as much agitated as those of the unhappy Loyalists," observed a British officer late in the war of the pro-British southern Indians; "they have very seriously proposed to abandon their country and accompany us [in an evacuation], having made all the world their enemies by their attachment to us."

The state governments and the Confederation Congress treated Indian lands after the Revolution as a prize of war to be distributed to white settlers. Even the few tribes that had furnished troops for the American cause lost control over most of their homelands. White Americans did not consider Native Americans to be part of their republican society. With the exception of Massachusetts, the states denied voting and legal rights to the Indians.

Natural rights Political philosophy that maintains that individuals have an inherent right, found in nature and preceding any government or written law, to life and liberty.

THE STATE CONSTITUTIONS

"Oppose everything that leans to aristocracy, of power in the hands of the rich and chief men exercised to the oppression of the poor." So the voters of Mecklenburg County, North Carolina, instructed their delegates to the state's constitutional convention in 1776.

New state constitutions, ten of which were in place by 1777, were written documents, a striking departure from the English practice of treating a constitution as a collection of customary rights and practices that had evolved over time. In the American view, a constitution was a codification of the powers of government and the rights of citizenship that functioned as a fundamental law to which all public authority was held accountable. Annual elections were now the norm for governors, who were also made subject to *impeachment*—charges of misconduct, resolved at a public trial—and limited in the number of terms they could serve. Most important, for it struck at what patriots felt was the main source of executive domination and corruption, governors lost control over patronage, the power to appoint executive and judicial officials.

As the new constitutions curbed the power of governors, they increased that of the legislatures, making them the focal point of government. Colonial assemblies had been in the forefront of popular opposition to British authority; and the state legislatures that succeeded them were now seen as the most trustworthy defenders of individual liberty. The new constitutions expanded the power of the legislatures to appoint officials and to oversee military and financial matters. To make the legislatures more expressive of the popular will, the new constitutions included provisions that lowered property requirements for voting and officeholding, mandated annual elections, increased the number of seats in the legislatures, and made representation more proportional to the geographical distribution of population. Upper houses, whose members were previously appointed by the colonial governors, were made independent of the executive and opened to popular election.

QUICK REVIEW

New State Constitutions

- New constitutions guaranteed individual rights.
- Constitutions weakened tie between church and state.
- In general the legislative gained power at the expense of the executive.

Americans knew that legislatures, too, could act tyrannically. So in a final check on arbitrary power, each state constitution eventually included some form of a **bill of rights** that set explicit limits on the power of government to interfere in the lives of citizens. The Virginia Declaration of Rights, written by the planter George Mason and adopted in June 1776, set the precedent for this notable republican feature. By 1784, the constitutions of all thirteen states had provisions guaranteeing religious liberty, freedom of the press, and a citizen's right to such fair legal practices as trial by jury.

The new constitutions weakened but did not always sever the traditional tie between church and state. Many Americans held, as the Massachusetts Constitution of 1780 put it, that "the happiness of a people, and the good order and preservation of civil government, essentially depend upon piety, religion, and morality." Many states, notably in New England, levied taxes for the support of religion. The states of New England also continued to maintain Congregationalism as the state-supported religion while allowing dissenting Baptists and Methodists access to funds from the compulsory religious taxes.

The Mid-Atlantic states lacked the religious uniformity of New England. The region had several prominent denominations—Quaker, Episcopalian, Presbyterian, Dutch Reformed, and Lutheran—and this pluralism checked legislative efforts to impose religious taxes or designate any denomination as the established church. In the South, where many Anglican (or Episcopalian) clergymen had been Tories, the Anglican Church lost its former established status.

Although in general the executive lost power and the legislative gained power under the new state constitutions, the actual structure of each state government reflected the outcome of political struggles between radical and conservative republicans. The radicals wanted to open government to all male citizens. The conservatives, though they agreed that government had to be derived from the people, feared "mob rule" and wanted to limit government to an educated elite of substantial property holders. Most conservatives, like Jeremy Belknap of New

Bill of Rights A written summary of inalienable rights and liberties.

Hampshire, thought that the people had to be "taught . . . that they are not able to govern themselves."

In South Carolina, where conservative planters gained the upper hand, the constitution mandated property qualifications that barred 90 percent of the state's white males from holding elective public office. In contrast, Pennsylvania's Scots-Irish farmers and Philadelphia artisans took charge and gave the vote to all free males who paid taxes and eliminated property qualifications for officeholding. In addition, the constitution concentrated power in a unicameral (single-house) legislature, eliminating both the office of governor and the more elite upper legislative house. The constitution's framers also required legislators to stand for election annually and barred them from serving more than four years out of seven.

The constitutions of the other states, although not as bold in their democratic reforms as Pennsylvania's, typically enhanced the political influence of ordinary citizens more than the constitution of South Carolina did. Unlike the colonial assemblies, the new bicameral (two-house) legislatures included many artisans and small farmers. This growing political equality was accompanied by demands that those in government be more responsive to the people. Summing up the prevailing American view, William Hooper of North Carolina wrote in 1776, "Rulers must be conceived as the creatures of the people, made for their use, accountable to them, and subject to removal as soon as they act inconsistent with the purposes for which they were formed."

THE ARTICLES OF CONFEDERATION

Once the Continental Congress decided on independence in 1776, it needed to create a legal basis for a permanent union of the states. According to the key provision of the **Articles of Confederation** that Congress submitted to the states in November 1777, "Each State retains its sovereignty, freedom and independence, and every power, jurisdiction and right, which is not by this confederation expressly delegated to the United States, in Congress assembled." The effect was to create a loose confederation of autonomous states.

The powers the Articles of Confederation delegated to the central government were extremely limited. There were no provisions for a national judiciary or a separate executive branch of government. The Articles made Congress the sole instrument of national authority but restricted it with constitutional safeguards that kept it from theatening the interests of the states. Each state had one vote in Congress, making each politically equal regardless of size or population. State legislatures were to choose congressional delegations in annual elections, and delegates could serve only three years out of six. Delegates were to follow the instructions of their state legislatures and could be recalled at any time. Important measures, such as those dealing with finances or war and peace, required approval from a majority of nine states. Amendments to the Articles of Confederation, including the levying of national taxes, required the unanimous consent of the states.

Congress had authority primarily in the areas of foreign policy and national defense. It could declare war, make peace, conduct foreign affairs, negotiate with Native Americans, and settle disputes between states. But it had no authority to raise troops or impose taxes. It could only ask the states to supply troops and money.

The central principle behind the Articles was the fear of oppressive, centralized power. Edward Rutledge, a delegate from South Carolina to the Continental Congress, argued that the new Confederation Congress was vested "with no more Power than is absolutely necessary." Residents of West Springfield, Massachusetts, in instructions to their congressional representatives in 1778 resolved: "It is *freedom,* & not a choice of the *forms of servitude* for which we contend."

Articles of Confederation Written document setting up the loose confederation of states that comprised the first national government of the United States.

Most states quickly ratified the Articles of Confederation, but because they needed the approval of all thirteen states, it was not until Maryland ratified the articles in 1781 that they officially took effect. What caused the delay was the demand of some states to give Congress a power not included in the Articles submitted for ratification in 1777.

QUICK REVIEW

Powers of the Central Government Under the Articles of Confederation

- No national judiciary.
- No separate executive branch.
- Congress sole national authority.
- No Congressional authority to raise troops or impose taxes.

The issue here concerned the unsettled lands in the West between the Appalachian Mountains and the Mississippi River. Some states claimed these lands by virtue of their colonial charter rights. The so-called landless states—those with no claim to the West—insisted that it be set aside as a reserve of public land. Land speculators, many of them leading politicians, who had purchased huge tracts of land from the Indians before the Revolution, sided with the landless states. They expected Congress would be more likely to honor their land titles than the individual states.

The British threat to the Chesapeake area in early 1781 finally broke the impasse. Though retaining control of Kentucky, Virginia gave up its claim in the West to a vast area extending north of the Ohio River. In turn, Maryland, now desperate for military aid from Congress, agreed to ratify the Articles.

PROBLEMS AT HOME

Neither prosperity nor political stability accompanied the return of peace in 1783. The national government struggled to avoid bankruptcy, and in 1784, an economic depression struck the country. As fiscal problems deepened, creditor and debtor groups clashed angrily in state legislatures. The only solid accomplishment of the Confederation Congress during this troubled period was to formulate an orderly and democratic plan for the settlement of the West.

WHAT WERE the weaknesses of the United States after the Revolution?

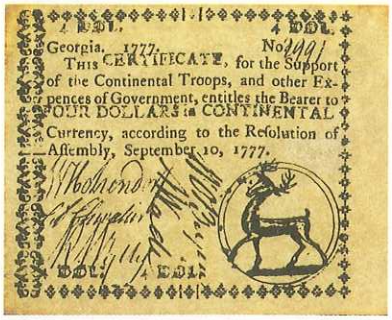
THE FISCAL CRISIS

The Continental Congress and the states incurred heavy debts to finance the Revolutionary War. Unable to impose and collect sufficient taxes to cover the debts and without reserves of gold or silver, they had to borrow funds and issue certificates or bonds pledging repayment. Congress had the largest responsibility for war debts. To do so it printed close to $250 million in paper notes backed only by its good faith. By the end of the war in 1781, these Continental dollars were nearly worthless, and the national debt stood at $11 million. As Congress issued new securities to settle claims by soldiers and civilians, this sum rose to $28 million in just a few years.

Congress never did put its tottering finances on a sound footing. Its fiscal problems ultimately discredited the Articles of Confederation to the **nationalists**, a loose bloc of congressmen, army officers, and public creditors who wanted to strengthen the Confederation at the expense of the states. The nationalists first began to organize in the dark days of 1780 and 1781 when inflation was rampant, the army was going unpaid, Congress had ceased paying interest on the public debt, and the war effort itself seemed in danger of collapsing. Galvanized by this crisis, the nationalists rallied behind Robert Morris, a Philadelphia merchant appointed as superintendent of finance for the Confederation government.

Morris sought to enhance national authority through a bold program of financial and political reform. He began by securing a charter from Congress in 1781 for the Bank of North America, the nation's first commercial bank. Morris wanted it to serve as a national institution, and he used it to hold government funds, make loans to the government, and issue bank notes—paper money that could be used to settle debts and pay taxes owed to the United States.

Nationalists Group of leaders in the 1780s who spearheaded the drive to replace the Articles of Confederation with a stronger central government.



4 DOL. 4 DOL.

Georgia. 1777. No 2991

This CERTIFICATE, for the Support of the Continental Troops, and other Expences of Government, entitles the Bearer to FOUR DOLLARS in CONTINENTAL Currency, according to the Reſolution of Aſſembly, September 10, 1777.

4 DOL. 4 DOL.

Issued in 1777, this Georgia four-dollar banknote was an example of the type of paper money used to finance the Revolutionary War.

The Granger Collection, New York

Morris temporarily stabilized the nation's finances. Nonetheless, he was blocked in his efforts to gain the taxing power needed to restore the shattered credit of the Confederation government.

Morris's central nationalist objective was to create a "bond of union" by having Congress assume payment of the entire national debt. Once paid back, the people who had financed the war would identify their economic self-interest with the effective exercise of power by the national government.

To achieve this political goal, Morris had to gain for Congress what it had always lacked: the power to tax. In 1781, he proposed a national impost, or tariff, of 5 percent on imported goods. Because this was a national tax, it required an amendment to the Articles of Confederation and the consent of all thirteen states. Rhode Island—critically dependent on its own import duties to finance its war debt—was the only state to reject it. When a revised impost plan was considered two years later, New York blocked its passage. These failures doomed Morris's financial reforms. He left office in 1784.

The failure of the impost tax was one of many setbacks that put the nationalists temporarily on the defensive. With the conclusion of peace in 1783, confidence in state government returned. The states continued to balk at paying Congress and denied it even limited authority to regulate foreign commerce. Most ominously for the nationalist cause, the states began to assume responsibility for part of the national debt. By 1786, New Jersey, Pennsylvania, Maryland, and New York had absorbed one-third of the debt by issuing state bonds to their citizens in exchange for national securities. As Morris had warned in 1781, such a policy entailed "a principle of disunion . . . which must be ruinous."

Without the power to tax, Congress was a hostage to the sovereignty of the individual states with no real authority over the nation's economic affairs. When the economy plunged into a severe depression in 1784, it could only look on helplessly.

QUICK REVIEW

Debt and the Balance of Trade

- Britain sought to keep America weak and dependent.
- Trade imbalance soared in the 1780s.
- Collapse of credit bubble in 1784 led to depression.

ECONOMIC DEPRESSION

During the Revolutionary War, Britain closed its markets to American goods. After the war, the British continued this policy, hoping to keep the United States weak and dependent. In the summer of 1783, they excluded Americans from the lucrative trade with the British West Indies that before the Revolution had been the colonists' primary source for the credits they needed to offset their imports from Britain.

Meanwhile, British merchants were happy to satisfy America's pent-up demand for consumer goods. A flood of cheap British imports inundated the American market, and coastal merchants sold them to inland traders and shopkeepers by extending easy credit terms. In turn, these local businessmen sold the goods to farmers and artisans in the interior. Ultimately, however, the British merchants required payment in hard currency, gold and silver coins. By now, America's only source of hard currency was foreign loans obtained by Congress and what money the French army had spent during the war. This was soon exhausted as America's trade deficit with Britain—the excess of imports over exports—ballooned in the early 1780s to £5 million.

The result was an immense bubble of credit that finally burst in 1784, triggering a depression that would linger for most of the rest of the decade. As merchants began to press debtors for immediate payment, prices collapsed (they fell more than 25 percent between 1784 and 1786), and debtors were unable to pay.

Small farmers everywhere had trouble paying their taxes. In 1786, James Swan of Massachusetts wrote of farmers in his state: "There is no family that does not want some money for some purposes, and the little which the farmer carries home from market, must be applied to other uses, besides paying off the [tax] collector's bills." Rural shopkeepers often could not move goods unless they agreed to barter them for farm produce. Western Massachusetts storeowner Abigail Dwight reported in 1785 that "most of these People sell on credit for To-Morrow at large—for very little Cash stirring this way—to be pay'd for in old Horses—cows some Boards—cabbages—turnips—Potatoes etc."

Wages fell 25 percent between 1785 and 1789, and workers began to organize. They called for tariffs on British imports and for legislative measures to promote American manufacturers. Farmers faced a wave of lawsuits for the collection of debts and the dread possibility of losing their land. "To be tenants to landlords, we know not who," protested the farmers of Conway, Massachusetts, "and pay rent for lands, purchased with our money, and converted from howling wilderness, into fruitful fields, by the sweat of our brows, seems . . . truly shocking."

With insufficient money in circulation to raise prices and reverse the downturn, the depression fed on itself. Congress was powerless to raise cash and was unable to pay off its old debts, including what it owed to the Revolutionary soldiers. Many state governments made things worse by imposing heavy taxes payable in the paper money they had issued during the Revolution. The result was further to reduce the amount of money in circulation, forcing prices still lower.

No longer protected under the old Navigation Acts as British vessels, American ships were now barred from most ports in the British Empire. Cargoes from the West Indies to New England fell off sharply, and the market for whale oil and fish, two of New England's major exports, dried up.

The economy of the Mid-Atlantic region was stronger, but even there the loss of the provisioning trade to the British West Indies in grains, livestock, and dairy products cut into the income of merchants and farmers and forced layoffs among artisans who serviced the shipping trade.

In the Southern states, British policies compounded the problem of recovering from the physical damage and social disruptions of the war. Some 10 percent of the region's slaves had fled, and production levels on plantations fell. Chesapeake planters needed a full decade to restore tobacco production to its prewar levels. And a collapse in tobacco prices in 1785 left most of them in the same chronic state of indebtedness that had plagued them on the eve of the Revolution. Rice production in the Carolina lowcountry was similarly slow to recover, despite the debts planters piled up to purchase additional slaves and repair their war-damaged plantations and dikes. Burdened by new British duties on American rice, planters saw rice exports fall by 50 percent. Small farmers in the pine barrens of North Carolina likewise had to adjust to the loss of their formerly protected British market for naval stores—tar, pitch, and turpentine.

WHERE TO LEARN MORE W

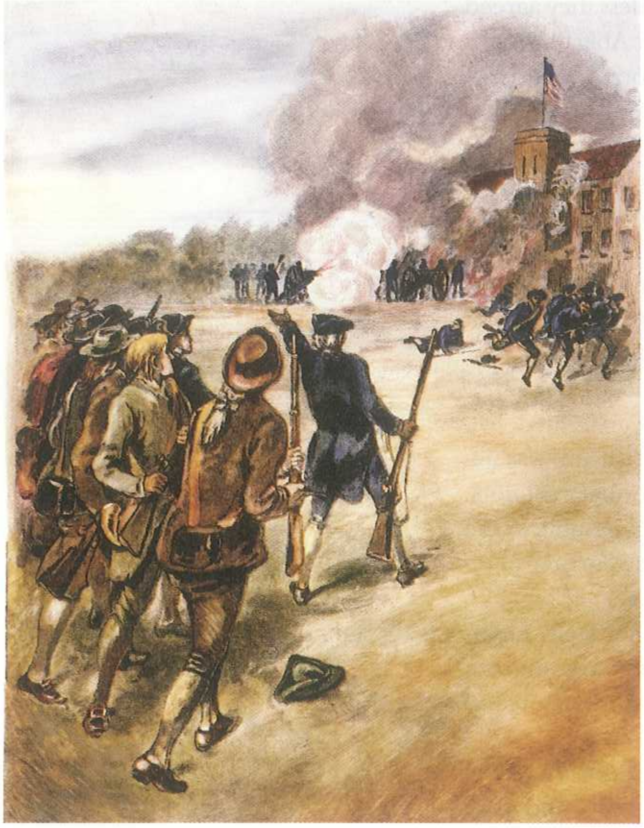
South Street Seaport Museum,
New York City, New York

By the late 1780s, an economic upturn was under way in the Mid-Atlantic states. Food exports to continental Europe were on the rise, and American merchants were developing new trading ties with India and China. Commercial treaties with the Dutch, Swedes, and Prussians also opened up markets that had been closed to the colonists. Nonetheless, a full recovery had to await the 1790s.

A stagnant economy and burdensome debt combined with a growing population (there were 50 percent more Americans in 1787 than there had been in 1775) to reduce living standards. With more losers than winners, economic conflict dominated the politics of the Confederation period.

THE ECONOMIC POLICIES OF THE STATES

Britain was an obvious target of popular anger over the economic depression. Merchants poorly positioned to adjust to the postwar dislocations of trade led a campaign to retaliate with duties on British ships and special taxes on their goods.



The clash between Shays's rebels and government troops at the Springfield arsenal marked the violent climax of the agrarian protests of the 1780s.

The Granger Collection, New York

Artisans and workers, especially in the North, pushed for tariffs on British goods to encourage domestic manufacturing and protect jobs and wages.

Shippers evaded high tariffs by bringing their cargoes in through states with no tariffs or less restrictive ones. States without ports, like New Jersey and North Carolina, complained of economic discrimination. When they purchased foreign goods from a neighboring shipping state, they were forced to pay part of the tariff cost, but all the revenue from the tariff accrued only to the importing state. James Madison neatly summarized the plight of these states: "New Jersey, placed between Philadelphia and New York, was likened to a cask tapped at both ends; And North Carolina, between Virginia and South Carolina, to a patient bleeding at both Arms."

Tariff policies also undermined efforts to confer on Congress the power to regulate commerce. The agrarian states of the South had different interests from the states of the North. With the exception of Virginia, they favored free trade policies that encouraged British imports. Southern planters took advantage of the low rates charged by British ships for transporting their crops to Europe, putting pressure on northern shippers to reduce their rates.

The bitterest divisions, however, were between debtors and creditors within states. As the value of debt securities dropped during the Revolutionary War, speculators bought them up for a fraction of their face value and then put pressure on the states to raise taxes and repay the debts in full in hard currency. Wealthy landowners and merchants likewise supported higher taxes and the rapid repayment of debts in hard currency. Arrayed against these creditor groups by the mid-1780s was a broad coalition of debtors comprised of middling farmers, small shopkeepers, artisans, laborers, and people who had overextended themselves speculating in Western land. The debtors wanted the states to issue paper money that they could use instead of hard money—gold and silver—to pay their debts. The paper money would have an inflationary effect, raising wages and the prices of farm commodities and reducing the value of debts contracted in hard currency.

6–7
Divergent Reactions to Shays's Rebellion

This was the economic context in which **Shays's Rebellion** exploded in the fall of 1786. Farm foreclosures and imprisonments for failure to pay debts increased sharply in western Massachusetts. Farmers petitioned the state legislators for economic relief. They demanded legislation that would temporarily prohibit creditors from seizing farms and processing suits for debt. When the creditor and seaboard interests in the legislature refused to pass any relief measures, some two thousand farmers took up arms against the state government. They shut down the courts and hence the legal machinery for collecting debts in three counties in western Massachusetts. When they marched on the state arsenal in Springfield, alarmed state officials raised troops to crush the uprising.

Shays's Rebellion An armed movement of debt-ridden farmers in western Massachusetts in the winter of 1786–1787. The rebellion created a crisis atmosphere.

Outside of western Massachusetts, discontented debtors generally were successful in changing the monetary policy of their states. In 1785 and 1786, seven states enacted laws for new paper money issues. In most cases, combined with laws that prevented or delayed creditors from seizing property from debtors to satisfy debts, the currency issues helped keep a lid on popular discontent.

Rhode Island was an exception to this pattern of fiscal responsibility. A rural party that gained control of the Rhode Island legislature in 1786 pushed through a currency law that flooded the state with paper money that could be used to pay all debts. Creditors who balked at accepting the new money at face value were subject to heavy penalties. Shocked, they went into hiding or left the state entirely, and merchants denounced the law as outright fraud.

The actions of the debtor party in Rhode Island alarmed conservatives everywhere. Now they were convinced that state legislatures dominated by farmers and artisans were dangerous. One South Carolina conservative declared that he could see nothing but an "open and outrageous . . . violation of every principle of justice" in paper money and debt relief laws. Conservatives, creditors, and nationalists alike now spoke of a democratic tyranny that would have to be checked if the republic were to survive and protect its property holders.

CONGRESS AND THE WEST

The Treaty of Paris and the surrender of charter claims by the states gave Congress control of a magnificent expanse of land between the Appalachian Mountains and the Mississippi River. Congress set forth a series of effective provisions for the settlement and governance of this first American West and its eventual absorption into the Union.

Asserting for the national government the right to formulate Indian policy, Congress negotiated a series of treaties with the Indians beginning in 1784 for the abandonment of their land claims in the West. By threatening to use military force, congressional commissioners in 1784 coerced the Iroquois Confederation of New York to cede half of its territory to the United States in the Treaty of Fort Stanwix. Similar tactics in 1785 resulted in the Treaty of Fort McIntosh in which the northwestern tribes ceded much of their land in Ohio. In opposition to states intent on grabbing Indian lands for themselves, Congress resolved in 1787 that its treaties were binding on all the states. Anxious for revenue, Congress insisted on payment from squatters who had filtered into the West before provisions for the land sales.

WHERE TO LEARN MORE W

Northern Indiana Center for History,
South Bend, Indiana

The most pressing political challenge was to secure the loyalty of the West to the new and fragile Union. To satisfy the demands of settlers for self-government, Congress resolved as early as 1779 that new states would be carved out of the western domain with all the rights of the original states. In the Ordinance of 1784, Thomas Jefferson proposed to create ten districts or territories, each of which could apply for admission as a state when its population equaled that of the free inhabitants in the least populous of the existing states. Jefferson also proposed that settlers be permitted to choose their own officials, and he called for the prohibition of slavery in the West after 1800. Shorn of its no-slavery features, the ordinance passed Congress but was never put into practice.

If it couldn't regulate land sales and pass on clear titles, Congress would, in effect, have surrendered its claim to govern. Congress had to act on national land policy, warned a western Pennsylvanian, or else "lose the only opportunity they ever will have of extending their power and influence over this new region." One way or another, settlers were going to get their land, but a pell-mell process of private acquisitions in widely scattered settlements threatened to touch off costly Indian wars, deprive the national government of vitally needed revenue, and encourage separatist movements.

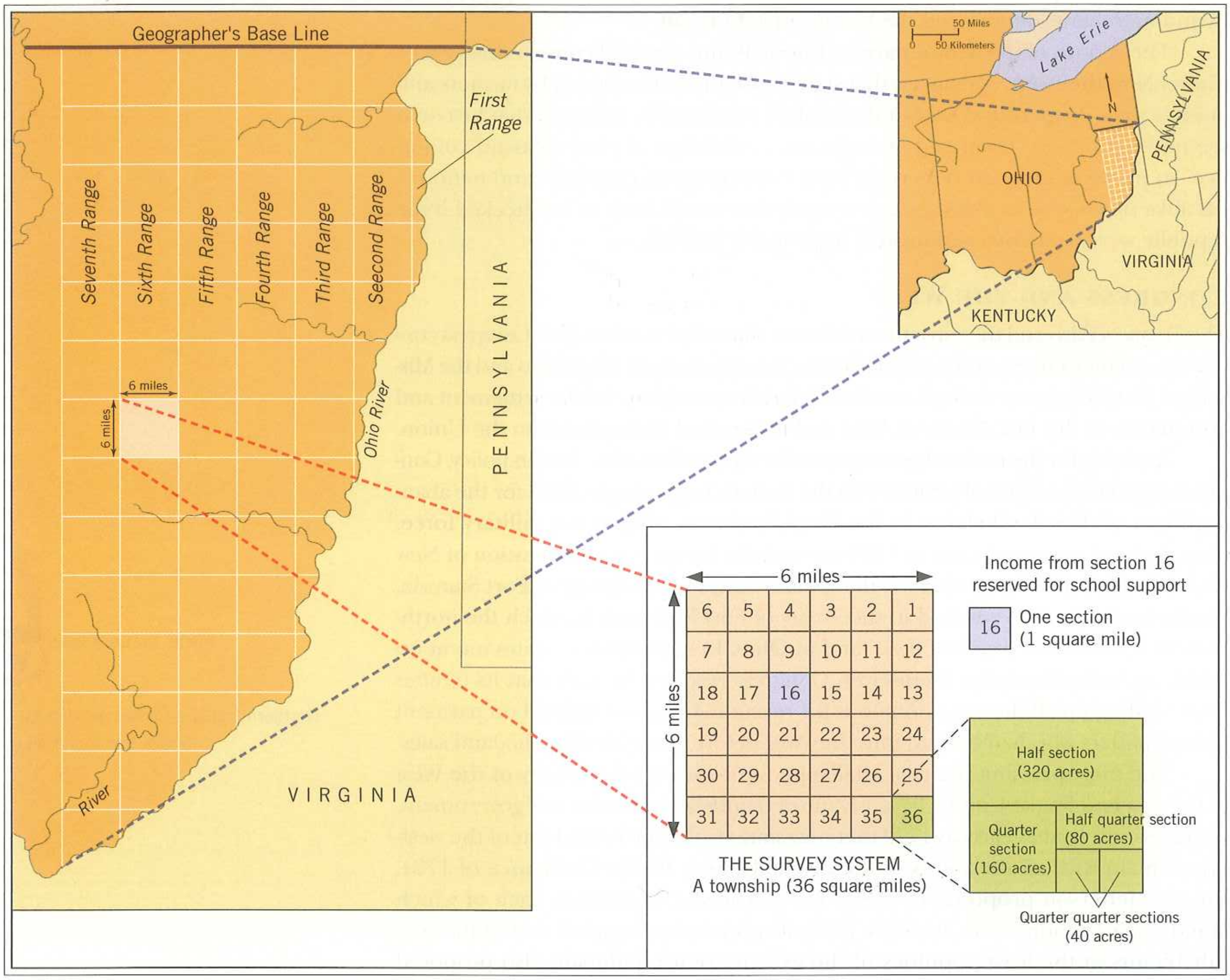
Congress responded with the **Land Ordinance of 1785**. The crucial feature of this seminal legislation was its stipulation that public lands be surveyed in a rectangular grid pattern before being offered for sale (see Map 7–1). By requiring that land first be plotted into townships of thirty-six uniform sections of 640 acres each, the ordinance adopted the New England system of land settlement, an approach that promoted compact settlements and produced undisputed land titles.

Congress offered the plots of 640 acres at the then hefty sum of no less than $640, or $1 per acre, payable in hard currency or its equivalent. The goal here was

Land Ordinance of 1785 Act passed by Congress under the Articles of Confederation that created the grid system of surveys by which all subsequent public land was made available for sale.

MAP EXPLORATION

To explore an interactive version of this map, go to **http://www.prenhall.com/goldfield2/map7.1**


Geographer's Base Line
First Range
Seventh Range
Sixth Range
Fifth Range
Fourth Range
Third Range
Seecond Range
6 miles
6 miles
Ohio River
PENNSYLVANIA
River
VIRGINIA
0 50 Miles
0 50 Kilometers
Lake Erie
N
PENNSYLVANIA
OHIO
VIRGINIA
KENTUCKY
6 miles
6 miles
6 5 4 3 2 1
7 8 9 10 11 12
18 17 16 15 14 13
19 20 21 22 23 24
30 29 28 27 26 25
31 32 33 34 35 36
THE SURVEY SYSTEM
A township (36 square miles)
Income from section 16 reserved for school support
16 One section (1 square mile)
Half section (320 acres)
Quarter section (160 acres)
Half quarter section (80 acres)
Quarter quarter sections (40 acres)

MAP 7–1

Land Ordinance of 1785 The precise uniformity of the surveying system initiated in the Land Ordinance of 1785 created a rectangular grid pattern that was the model for all future land surveyed in the public domain.

WHAT WAS the significance of the surveying system initiated in the Land Ordinance of 1785?

to keep out the shiftless poor and reserve the West for enterprising and presumably law-abiding farm families who could afford the entry cost. Congress also set aside the income from the sale of the sixteenth section in each township for the support of public schools. Support for education, as a congressional report of 1783 put it, would help provide for "security against the increase of feeble, disorderly and dispersed settlements in those remote and extended territories [and] against the depravity of manners which they have a tendency to produce."

Before any land sales occurred under the Ordinance of 1785, impatient settlers continued to push north of the Ohio River and claim homesteads as squatters. They clashed both with local Indian tribes and the troops sent by Congress to evict them. Impatient itself with the slow process of surveying, Congress sold off a million and a half acres to a group of New England speculators organized as the Ohio Company. The speculators bought the land with greatly depreciated loan office certificates that had been issued to Revolutionary War veterans, and their cost per acre averaged less than 10 cents in hard money. They now pressed their allies in Congress to establish a governmental structure for the West that would protect their investment by bringing the unruly elements in the West under control. The **Northwest Ordinance of 1787**, the most significant legislative act of the Confederation Congress, filled this need, creating a political structure for the territories and a phased process for achieving statehood that neatly blended public and private interests.

According to the ordinance, controls on a new territory were to be strictest in the early stage of settlement, when Congress would appoint a territorial government consisting of a governor, a secretary, and three judges. When a territory reached a population of five thousand adult males, those with 50 acres of land or more could elect a legislature. The actions of the legislature, however, were subject to an absolute veto by the governor. Once a territory had a population of sixty thousand, the settlers could draft a constitution and apply for statehood "on an equal footing with the original states in all respects whatsoever."

QUICK REVIEW

Slavery and New States

- Northwest Ordinance of 1787 establishes political structure for new territories.
- Northwest Ordinance prohibited slavery in the Northwest.
- Southwest Ordinance of 1790 allowed slavery in the region south of the Ohio River.

The Northwest Ordinance of 1787 stipulated that only three to five states were to be formed out of the Northwest. This was because the admission of new states would weaken the original thirteen states' control over Congress. Although less democratic in many respects than Jefferson's plan in mandating a period of outside control by Congress, the 1787 ordinance did provide greater protection for property rights as well as a bill of rights guaranteeing individual freedoms. Most significant, it prohibited slavery.

Southern congressmen agreed to the slavery ban in part because they feared that planters in the new states would compete with them in the production of slave-produced staples such as tobacco. More important, however, they expected slavery to be permitted in the region south of the Ohio River that was still under the administrative authority of Virginia, North Carolina, and Georgia in the 1780s. Indeed, slavery was allowed in this region when the **Southwest Ordinance of 1790** brought it under national control, a decision that would have grave consequences in the future sectionalization of the United States.

Northwest Ordinance of 1787
Legislation that prohibited slavery in the Northwest Territories and provided the model for the incorporation of future territories into the union as co-equal states.

Southwest Ordinance of 1790
Legislation passed by Congress that set up a government with no prohibition on slavery in U.S. territory south of the Ohio River.

Although the Northwest Ordinance applied only to the national domain north of the Ohio River, it provided the organizational blueprint by which all future territory was brought into the Union. It went into effect immediately and set the original Union on a course of dynamic expansion through the addition of new states.

DIPLOMATIC WEAKNESSES

In the international arena of the 1780s, the United States was a weak and often ridiculed nation. Under the Articles of Confederation, Congress had the authority to negotiate foreign treaties but no economic or military power to enforce their terms. Unable to regulate commerce or set tariffs, it had no leverage with which to pry open the restricted trading empires of France, Spain, and most important, Britain.

France and the United States remained on friendly terms. The United States even had a favorable trade balance with France, selling more there than it bought. Both Britain and Spain, however, sought to block American expansion into the trans-Appalachian West. And a dispute with Spain over the West produced the most

WHAT WAS the Constitutional Convention?

serious diplomatic crisis of the period, one that spilled over into domestic politics, increasing tensions between northern and southern states and jeopardizing the country's chances of survival.

IMPASSE WITH BRITAIN

Key among those issues that poisoned Anglo-American relations in the 1780s were provisions in the peace treaty of 1783 that concerned prewar American debts to the British and the treatment of Loyalists by the patriots. To justify its own violations of the treaty, Britain claimed that America had failed to satisfy those provisions. The result was a diplomatic deadlock that hurt American interests in the West and in foreign trade.

The peace treaty called for the payment of all prewar debts at their "full value in sterling money"—that is, in hard currency. Many tobacco planters in the Chesapeake region of Virginia and Maryland had outstanding debts to British creditors. During the Revolution, the British army had carried off and freed many of the region's slaves without compensating the planters. Still angry, the planters were in no mood to repay their debts and agreed only to pay the face value of their debts to their state treasuries in state or Continental paper money, which was practically worthless.

During the Revolution, all the states had passed anti-Loyalist legislation. Many state governments had seized Loyalists' lands and goods, selling them to raise revenue for the war effort. Upwards of 100,000 Loyalists fled to Canada and England, and their property losses ran into millions of dollars. The peace treaty pledged Congress to "recommend" to the states that they stop persecuting Loyalists and restore Loyalist property, but wartime animosities remained high. Despite the pleadings of John Jay, the secretary for foreign affairs in the Confederation government, the states were slow to rescind their punitive legislation or allow the recovery of confiscated property.

Unpaid debts and the continued failure of the states to make restitution to the Loyalists gave the British a convenient pretext to hold on to the forts in the West that they had promised to give up in the Treaty of Paris. Refusal to abandon the forts, from Lake Champlain in upstate New York and westward along the Great Lakes was part of a strategy to keep the United States weak, divided, and small. The continued British presence in the region shut Americans out of the fur trade with the Indians, insulted the sovereignty of the United States, and threatened the security of its northern frontier. In 1784, exasperated New Yorkers warned Congress that unless the British were forced to leave, New York would "be compelled to consider herself as left to pursue her own Councils, destitute of the Protection of the United States." Spurred on by Canadian officials, the British also encouraged secessionist movements in the Northwest and sought out Indian allies to fight for a possible buffer state south of the Great Lakes that would keep Americans hemmed in along the Atlantic seaboard.

In Vermont, politicians led by brothers Ethan, Ira, and Levi Allen offered the British a treaty of friendship in exchange for recognition of Vermont's independence and trading privileges within the British Empire. The British declined for fear of unduly antagonizing the United States. In 1791, Vermont joined the Union as the fourteenth state.

American officials viewed Britain's retaliatory trade policies as the gravest threat to American security and prosperity. John Adams, the American minister to London, sought in vain to counter Britain's anti-American economic policies. "I may reason till I die to no purpose," Adams reported to Jay in June 1785, and he complained that he was treated as a complete "cypher."

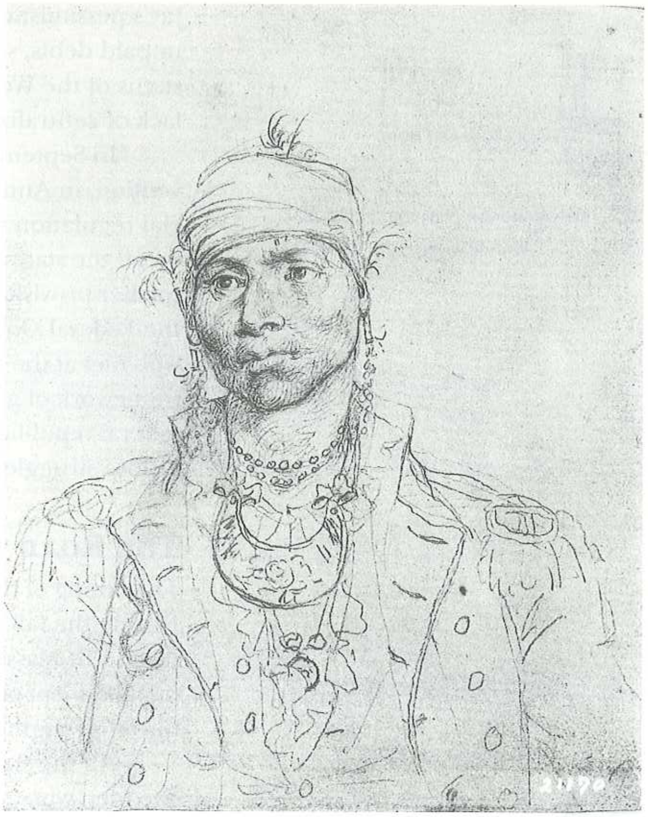
Adams soon concluded that the British would never lift their trading and shipping restrictions until forced to do so by a uniform American system of discriminatory duties on British goods. However a uniform policy was impossible to achieve under the Articles of Confederation.

SPAIN AND THE MISSISSIPPI RIVER

At the close of the Revolutionary War, Spain reimposed barriers on American commerce within its empire. Spain also refused to recognize the southern and western boundaries of the United States as specified in the treaty with Britain in 1783, holding out instead for a more northerly border. And of greatest consequence, it denied the claim of the United States to free navigation of the entire length of the Mississippi River. Only with access to the Mississippi and the commercial right of deposit at New Orleans—that is, the right to transfer cargoes to oceangoing vessels—could the region's farmers, then mostly in what would become Tennessee and Kentucky, profitably reach national and international markets.

In the wake of the Revolution, the settlers of Kentucky, which was still part of Virginia, and Tennessee, which was still part of North Carolina, flirted with the idea of secession. Spain sought to trade on the divided loyalties of American speculators and frontier settlers to its advantage, employing some of them as spies and informers. Spain likewise sought to exploit divisions among Indian groups.

Spain stepped up pressure on the West in the summer of 1784 when it closed the Mississippi River within Spanish territory to American trade. Hoping now to benefit from American weakness, Spain also opened negotiations for a long-term settlement with the United States. The Spanish negotiator, Don Diego de Gardoqui, offered John Jay, negotiating for the Americans, a deal that cleverly played the interests of the North against those of the South and West. In exchange for an American agreement to surrender claims to navigate the Mississippi for thirty years, Gardoqui proposed to grant the United States significant trading concessions in the Spanish Empire that would benefit the financially pressed merchants of the north-eastern states. Jay reluctantly accepted the offer.



This portrait, sketched in about 1790 by John Trumbull, is the only known likeness of Alexander McGillivray, a Creek leader who effectively played off Spanish and American interests in the Southeast to gain a measure of independence for the Creeks in the 1780s.

Charles Allen Munn Collection, Fordham University Library, Bronx, N.Y.

When Jay released the terms of the proposed treaty with Spain in 1786, Congress erupted in angry debate. Southerners, who had taken the lead in the settlement of the West, accused Jay of selling out their interests. The treaty threatened the agrarian alliance they hoped to forge with the West, and increased the odds that the West would break from the East and go its own way. Vowing that they would not surrender the West, southern congressmen united to defeat ratification of the treaty.

The regional antagonisms exposed by the Jay-Gardoqui talks heightened the alarm over the future of the republic provoked by Shays's Rebellion earlier in 1786. The Union had never appeared more fragile or Congress under the Articles of Confederation so powerless to resolve its differences. As the sense of crisis deepened in 1786, the nationalists, led by Alexander Hamilton of New York and James Madison of Virginia, grew in influence and numbers.

TOWARD A NEW UNION

WHAT WAS the struggle over ratification between the Federalists and Antifederalists?

In June 1786, a worried John Jay wrote to George Washington that he was "uneasy and apprehensive; more so than during the war. Then we had a fixed object. . . . The case is now altered; we are going and doing wrong, and therefore I look forward to evils and calamities, but without being able to guess at the instrument, nature, or measure of them." Other nationalists fully shared

WHERE TO LEARN MORE

★ Independence National Historical Park, Philadelphia, Pennsylvania

Jay's pessimism. Everywhere they saw unsolved problems and portents of disaster: unpaid debts, social unrest, squabbling states, sectional hostilities, the uncertain status of the West, blocked channels of trade, foreign intrigues, and a paralyzing lack of centralized authority.

In September 1786, delegates from several states met at the **Annapolis Convention**, in Annapolis, Maryland, seeking to devise a uniform system of commercial regulation for the country. While there, a group of nationalist leaders called on all the states to send delegates to a convention at Philadelphia "to devise such further provisions as shall appear to them necessary to render the constitution of the Federal Government adequate to the exigencies of the Union." The leaders who met at the **Constitutional Convention** in Philadelphia forged an entirely new framework of governance, the **Constitution of the United States**, that called for a federal republic with a powerful and effective national government. In 1788, after a close struggle in state ratifying conventions, the Constitution was adopted.

THE ROAD TO PHILADELPHIA

The timing of the call for the Philadelphia Convention could not have been better. During the fall and winter of 1786, the agrarian protests unleashed by Shays's Rebellion in Massachusetts spilled over into other states. Coupled with talk of a dismemberment of the Union in the wake of the Jay-Gardoqui negotiations, the agrarian unrest strengthened the case of the nationalists for more centralized authority.

All the states except Rhode Island sent delegates to Philadelphia. The fifty-five men who attended the convention were chiefly lawyers by training or profession, most of them had served in the Confederation Congress, and more than one-third had fought in the Revolution. The delegates were members of an intellectual and political elite and were far wealthier than the average American. Most had investments in land and the public securities of the United States. At least nineteen owned slaves. Their greatest asset as a working body was their common commitment to a nationalist solution to the crisis of confidence they saw gripping the republic. Strong supporters of the Articles of Confederation mostly refused to attend, perhaps because, as Patrick Henry of Virginia remarked, they "smelt a rat."

6–9
Patrick Henry Speaks Against Ratification of the Constitution (1788)

THE CONVENTION AT WORK

Congress authorized only a revision of the Articles of Confederation. Almost from the start, however, the delegates at the Philadelphia Convention set about replacing the Articles altogether. Their first action was to elect George Washington unanimously as the convention's presiding officer, gaining credibility for their deliberations from his prestige. The most ardent nationalists then immediately seized the initiative by presenting the **Virginia Plan**. Drafted by James Madison, this plan replaced the Confederation Congress with a truly national government organized like most state governments, with a bicameral legislature, an executive, and a judiciary.

Two features of the Virginia Plan stood out. First, it granted the national Congress power to legislate "in all cases in which the separate states are incompetent" and to nullify any state laws that in its judgment were contrary to the "articles of Union." Second, it made representation in both houses of Congress proportional to population. This meant that the most populous states would have more votes in Congress than the less populous states, giving them effective control of the government. In short, Madison sought to all but eliminate the independent authority of the states while also forcing the smaller states to defer to the more populous ones in national affairs.

Annapolis Convention Conference of state delegates at Annapolis, Maryland, that issued a call in September 1786 for a convention to meet at Philadelphia to consider fundamental changes.

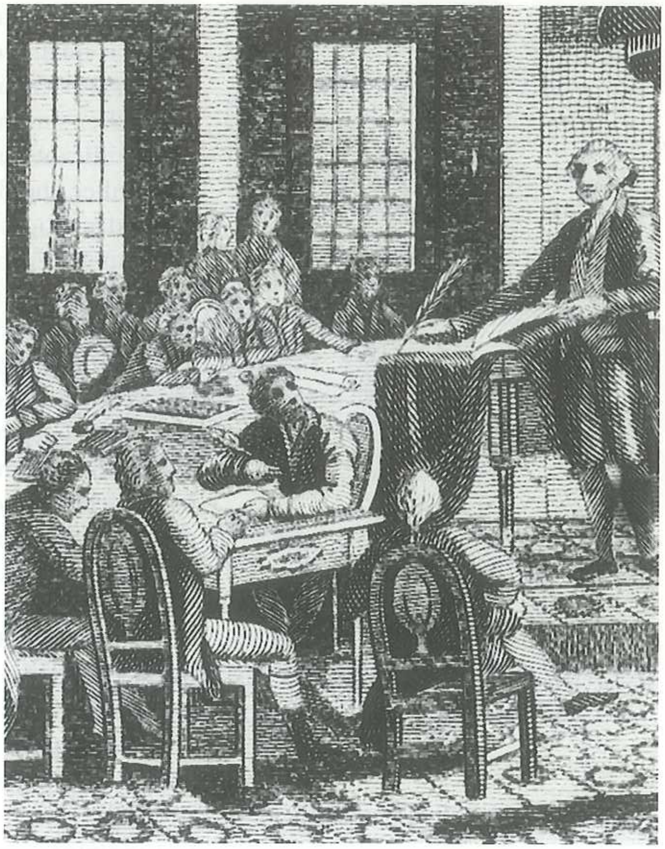
Constitutional Convention Convention that met in Philadelphia in 1787 and drafted the Constitution of the United States.

Constitution of the United States The written document providing for a new central government of the United States.

Virginia Plan Proposal calling for a national legislature in which the states would be represented according to population.

Delegates from the small states countered with the **New Jersey Plan**, introduced on June 15 by William Paterson. This plan kept intact the basic structure of the Confederation Congress—one state, one vote—but otherwise amended the Articles by giving the national government the explicit power to tax and to regulate domestic and foreign commerce. In addition, it gave acts of Congress precedence over state legislation.

The New Jersey Plan was quickly voted down, and the convention remained deadlocked for another month. The issue was finally resolved on July 16 with the so-called **Great Compromise**. Based on a proposal by Roger Sherman of Connecticut, the compromise split the differences between the small and large states. Small states were given equal footing with large states in the Senate, or upper house, where each would have two votes. In the lower house, the House of Representatives, the number of seats was made proportional to population, giving larger states the advantage. The Great Compromise also settled a sectional dispute over representation between the free (or about to be free) states and slave states. The southern states wanted slaves counted for apportioning representation in the House but excluded from direct tax assessments. The northern states wanted slaves counted for tax assessments but excluded for apportioning representation. The Great Compromise settled on an expedient, if morally troubling, formula: Free residents were to be counted precisely; to that count would be added three-fifths "of all other persons," excluding Indians not taxed. Thus the slave states gained additional political representation while the states in the North received assurances that the owners of nonvoting slaves would have to bear part of the cost of any direct taxes levied by the new government.



Washington presides over the Constitutional Convention.

Will Brown; Print and Picture Collection, the Free Library of Philadelphia

Next the convention debated the specific powers to be delegated to the new government. It was at this point that the sectional cleavage between North and South came to a head. As Madison had warned in late June, "the great division of interests" in the United States would arise from the effect of states "having or not having slaves."

The sectional clash first erupted over the power of Congress to regulate commerce. To prevent a northern majority from passing navigation acts favoring northern shippers, delegates from the Lower South demanded that a two-thirds majority be required to enact trade legislation. Suddenly, the central plank in the nationalists' program—the unified power to force trading concessions from Britain—was endangered. A frustrated Madison urged his fellow southerners to remember that "as we are laying the foundation of a great empire, we ought to take a permanent view of the subject."

In the end, Madison had his way; the delegates agreed that enacting trade legislation would require only a simple majority. In return, however, southerners exacted concessions on the slavery issue. The convention abandoned a proposal to ban the foreign slave trade. Instead, antislavery New Englanders reached a compromise with the delegates from the Lower South: Congress would be barred from acting against the slave trade for twenty years. In addition, bowing to the fears of planters that Congress could use its taxing power to undermine slavery, the convention denied Congress the right to tax exports from any state. And to alleviate

New Jersey Plan Proposal of the New Jersey delegation for a strengthened national government in which all states would have an equal representation in a unicameral legislature.

Great Compromise Plan proposed at the 1787 Constitutional Convention for creating a national bicameral legislature in which all states would be equally represented in the Senate and proportionally represented in the House.

southern concerns that slaves might escape to freedom in the North, the new Constitution included an explicit provision calling on any state to return "persons held to Service or Labour" in another.

After settling the slavery question in late August, the convention had one last significant hurdle to clear: the question of the national executive. But in early September, the delegates moved quickly to fashion a chief executive office with broad discretionary powers. The prerogatives of the president included the rank of commander in chief of the armed forces, the authority to conduct foreign affairs and negotiate treaties, the right to appoint diplomatic and judicial officers, and the power to veto congressional legislation. The president's term of office was set at four years, with no limits on how often an individual could be reelected. Nearly everyone expected Washington to be the first president.

The delegates envisioned a forceful, energetic, and independent executive insulated from the whims of an uninformed public and the intrigues of the legislature. They rejected both popular election and election by Congress. The solution they hit upon was the convoluted system of an "electoral college." Each state was left free to determine how it would choose presidential electors equal to the number of its representatives and senators. These electors would then cast votes to select a president. If no candidate received a majority of the electoral votes, the election would be turned over to the House of Representatives, where each state would have one vote.

After a style committee polished the wording in the final draft of the Constitution, thirty-nine of the forty-two delegates still in attendance signed the document on September 17. The Preamble, which originally began with a list of the states, was reworded at the last minute to begin simply: "We the people of the United States, in order to form a more perfect Union . . . ." This subtle change had significant implications. By identifying the people, and not a collection of states, as the source of authority, it emphasized the national vision of the framers and their desire to create a government quite different from a confederation of states.

QUICK REVIEW

Central Government Under the Constitution

- More powerful than Congress under the Articles of Confederation.
- Establishment of strong single person executive.
- Establishment of the Supreme Court.
- Expanded economic powers for Congress.

OVERVIEW OF THE CONSTITUTION

The central government outlined in the Constitution was to have far more powers than those entrusted to Congress under the Articles of Confederation (see the overview table "The Articles of Confederation and the Constitution Compared"). The Constitution's provision for a strong, single-person executive had no precedent in the Articles. Nor did the provision for a Supreme Court. The Constitution vested this Court, as well as the lower courts that Congress was empowered to establish, with the judicial power of the United States. In addition, the Constitution specifically delegated to Congress the powers to tax, borrow and coin money, regulate commerce, and raise armed forces that the Confederation government had lacked.

Most of the economic powers of Congress came at the expense of the states, which were prohibited from passing tariffs, issuing money, or—in an obvious reference to the debtor relief legislation in the 1780s—enacting any law that infringed on the contractual rights of creditors to collect money from debtors. Also included was a clause stipulating that the Constitution and all national legislation and treaties were to be "the supreme law of the land," in effect giving the central government the power to declare state laws unconstitutional.

The Constitution's underlying political philosophy was that, in Madison's wonderful phrase, "ambition must be made to counter ambition." Madison and

OVERVIEW

THE ARTICLES OF CONFEDERATION AND THE CONSTITUTION COMPARED

	Articles	Constitution
Sovereign power of the central government	No power to tax or raise armies	Power granted on taxes and armed forces
Source of power	Individual states	Shared through federalism between states and the national government
Representation in Congress	Equal representation of states in a unicameral Congress	A bicameral legislature with equal representation of the states in the Senate and proportional representation in the House
Amendment process	Unanimous consent of the states	Consent of three-fourths of the states
Executive	None provided for	Office of the president
National judiciary	None provided for	Established the Supreme Court

the other members of the national elite who met at Philadelphia were convinced that self-interest motivated political behavior. Accepting interest group politics as inevitable and seeking to prevent a tyrannical majority from forming at the national level, the architects of the Constitution designed a central government in which competing blocs of power counterbalanced one another.

The Constitution placed both internal and external restraints on the powers of the central government. The division of the government into executive, legislative, and judicial branches, each with ways to limit the powers of the others, created an internal system of checks and balances. For example, the Senate's authority to approve or reject presidential appointments and to ratify or reject treaties curbed the powers of the executive. The president commanded the armed forces, but only Congress could declare war. The president could veto congressional legislation, but Congress could override that veto with a two-thirds vote. To pass in the first place, legislation had to be approved by both the House of Representatives, which, with its membership proportional to population, represented the interests of the people at large, and the Senate, which represented the interests of the states. As an ultimate check against executive abuse of power, Congress could impeach, convict, and remove a president from office for "Treason, bribary, or other high crimes and misdemeanors."

Although the Constitution did not explicitly grant it, the Supreme Court soon claimed the right to invalidate acts of Congress and the president that it found to be unconstitutional. This power of **judicial review** provided another check against legislative and executive authority. To guard against an arbitrary federal judiciary, the Constitution empowered Congress to determine the size of the Supreme Court and to indict and remove federal judges appointed by the president.

The external restraints on the central government were to be found in the nature of its relationship to the state governments. This relationship was based on

Judicial review A power implied in the Constitution that gives federal courts the right to review and determine the constitutionality of acts passed by Congress and state legislatures.

federalism, the division of power between local and central authorities. By listing specific powers for Congress, the Constitution implied that all other powers were to be retained by the states. Thus while strengthening the national government, the Constitution did not obliterate the sovereign rights of the states, leaving them free to curb the potential power of the national government in the ambiguous areas between national and state sovereignty.

This ambiguity in the federalism of the Constitution was both its greatest strength and its greatest weakness. It allowed both nationalists and advocates of states' rights to support the Constitution. But the issue of slavery, left unresolved in the gray area between state and national sovereignty, would continue to fester, sparking sectional conflict over the extent of national sovereignty that would plunge the republic into civil war three-quarters of a century later.

THE STRUGGLE OVER RATIFICATION

The Philadelphia delegates knew that they had exceeded their instructions by proposing an entirely new government, not an amended version of the Articles. Also aware that the Articles' requirement of unanimous consent by the state legislatures to any amendment would result in certain defeat, the delegates boldly bypassed both Congress and the state legislatures.

The last article of the Constitution stipulated that it would go into effect when it had been ratified by at least nine of the states acting through specially elected popular conventions. Influenced by the nationalist sentiments of many of its members, one-third of whom had attended the Philadelphia Convention, and perhaps weary of its own impotence, Congress accepted this drastic and not clearly legal procedure, submitting the Constitution to the states in late September 1787.

The publication of the text of the Constitution touched off a great political debate. Those who favored the Constitution now referred to themselves as **Federalists**, a term that helped deflect charges that they favored an excessive centralization of political authority. By default, the opponents of the Constitution were known as **Antifederalists**, a negative-sounding label that obscured their support of the state-centered sovereignty that most Americans associated with federalism. Initially outmaneuvered in this way, the Antifederalists never did mount an effective campaign to counter the Federalists' output of pamphlets, speeches, and newspaper editorials (see the overview table "Federalists versus the Antifederalists").

The Antifederalists did attract some men of wealth and social standing. Three of them—Elbridge Gerry of Massachusetts and George Mason and Edmund Randolph of Virginia—had been delegates at Philadelphia. But most Antifederalists were backcountry farmers, men with mud on their boots who lived far from centers of communication and market outlets for their produce. They argued that a large republic, such as the one framed by the Constitution, would inevitably become tyrannical because it was too distant and removed from the interests of common citizen-farmers.

The Antifederalists attacked the Constitution as a danger to the individual liberties and local independence they believed the Revolution had been fought to safeguard, but they lacked the social connections, access to newspapers, and self-confidence of the more cosmopolitan and better-educated Federalists. The Federalists could also more easily mobilize their supporters, who were concentrated in the port cities and commercial farming areas along the coast.

The Federalists skillfully built on the momentum for change that had developed out of the crisis atmosphere of 1786. They successfully portrayed the Con-

Federalism The sharing of powers between the national government and the states.

Federalists Supporters of the Constitution who favored its ratification.

Antifederalists Opponents of the Constitution in the debate over its ratification.

OVERVIEW

FEDERALISTS VERSUS THE ANTIFEDERALISTS

	Federalists	Antifederalists
Position on the Constitution	Favored the Constitution	Opposed the Constitution
Position on the Articles of Confederation	Felt the Articles had to be abandoned	Felt the Articles needed only to be amended
Position on the power of the states	Sought to curb the power of the states with a new central government	Felt the power of the states should be paramount
Position on the need for a bill of rights	Initially saw no need for a bill of rights in the Constitution	Saw the absence of a bill of rights in the proposed Constitution as a threat to individual liberties
Position on the optimum size of the republic	Believed a large republic could best safeguard personal freedoms	Believed only a small republic formed on common interests could protect individual rights
Source of support	Commercial farmers, merchants, shippers, artisans, holders of the national debt	State-centered politicians, most backcountry farmers

stitution as the best opportunity to erect a governing structure capable of preserving and extending the gains of the Revolution.

Conservatives shaken by Shays's Rebellion lined up behind the Constitution. So too did groups like creditors, merchants, manufacturers, urban artisans, and commercial farmers. A stronger national government, they believed, would promote economic development by protecting the home market from British imports, enlarging foreign markets for American exports, promoting a stable and uniform currency, and raising revenues to pay off the Revolutionary War debt.

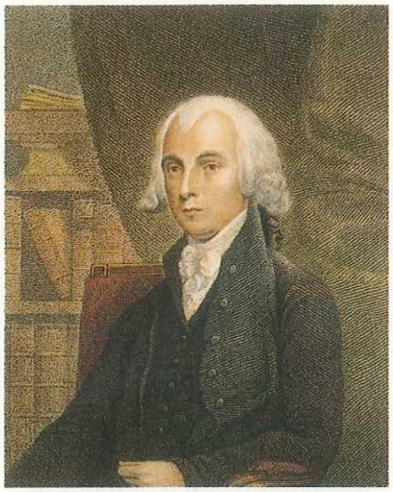
In the early stages, the Federalists scored a string of easy victories. Delaware ratified the Constitution on December 7, 1787, and within a month, so too had Pennsylvania, New Jersey, Georgia, and Connecticut. Except for Pennsylvania, these were small, sparsely populated states that stood to benefit economically or militarily from a stronger central government. The Constitution carried in the larger state of Pennsylvania because of the Federalists' strength in the commercial center of Philadelphia.

The Federalists faced their toughest challenge in the large states that had generally been more successful in going it alone during the 1780s. One of the most telling arguments of the Antifederalists in these and other states was the absence of a bill of rights in the Constitution. The framers had felt it unnecessary to include such an explicit protection of individual rights in a document intended to specify the powers of a national government and had barely discussed the issue. Responding to this challenge, the Federalists promised to recommend amending the Constitution with a bill of rights once it was ratified. By doing so, they split the ranks of the Antifederalists in Massachusetts. After the Federalists gained the support of two venerable heroes of the Revolution, John Hancock and Sam Adams, the Massachusetts convention approved the Constitution by a close vote in February 1788.

The major hurdles remaining for the Federalists were Virginia, the most populous state, and the strategically located New York. Technically, the Constitution could have gone into effect without them once Maryland, South Carolina, and New Hampshire had ratified it, bringing the total number of states to ratify to the required nine. But without Virginia and New York, the new Union would have been weak and the Federalist victory far from assured.

As in Massachusetts, the Federalists were helped in these two crucial states by their promise of a bill of rights. And for the New York campaign, Madison, Jay, and Hamilton wrote an eloquent series of eighty-five essays known collectively as *The Federalist* to allay fears that the Constitution would so consolidate national power as to menace individual liberties. In the two most original and brilliant essays in *The Federalist*, essays 10 and 51, Madison turned traditional republican doctrine on its head. A large, diverse republic like the one envisaged by the Constitution, he reasoned, not a small and homogeneous one, offered the best hope for safeguarding the rights of all citizens. This was because a large republic would include a multitude of contending interest groups, making it difficult for any combination of them to coalesce into a tyrannical majority that could oppose minority rights. With this argument Madison had developed a political rationale by which Americans could have both an empire and personal freedom.

New York ratified on June 25, and Virginia followed the next day. North Carolina and Rhode Island did not ratify until after the new government was functioning. North Carolina joined the Union in 1789 once Congress submitted the amendments that comprised the Bill of Rights. The obstinate Rhode Islanders stayed out until 1790, when Congress forced them in with a threat of commercial reprisal.



Although physically frail, James Madison, shown here in a portrait made in about 1815, was a formidable thinker whose essays in *The Federalist* endure as a lasting contribution to political theory.

The Granger Collection, New York

CONCLUSION

Between 1776 and 1780, Americans developed a unique system of constitutionalism. They proclaimed the supremacy of constitutions over ordinary legislation; detailed the powers of government in a written document; provided protection for individual freedoms in bills of rights; and fashioned a process for framing governments through the election of delegates to a special constitutional convention and the popular ratification of the work of that convention. In all of these areas, Americans were pioneers in demonstrating how common citizens could create their own governments.

The curbs on centralized power that characterized the state constitutions also applied to what amounted to the first national constitution, the Articles of Confederation. Indeed, the inability of the Confederation Congress to exercise effective power in the areas of taxation and foreign trade was a crippling flaw that thoroughly discredited the Articles in the eyes of the nationalist-minded leaders who had emerged during the Revolution. These leaders overthrew the Articles at the Constitutional Convention in 1787 and engineered a peaceful revolution in securing the ratification of the Constitution. Their victory in creating a new central government with real national powers was built on the foundation of constitutional concepts and mechanisms that Americans had laid down in their states.

The new Constitution did rest on the consent of the governed, and it endured because it could be amended to reflect shifts in popular will and to widen the circle of Americans granted the rights of political citizenship.

Accepting as a given that self-interest drove political action, the framers of the Constitution designed the new national government to turn ambition against itself. They created rival centers of power that forced selfish factions to compete in a constant struggle to form a workable majority. The Constitution thus set the stage for an entirely new kind of national politics.

SUMMARY

The New Order of Republicanism As royal authority collapsed during the Revolution, various provincial congresses and committees assumed power in each of the former colonies. In May 1776, the Congress called on the colonies to form new state governments. Although the role of women was redefined during the Revolution, little changed the traditional patriarchal assumption that politics and public life should be the exclusive domain of men. Ten new state constitutions were in place by 1777. New constitutions curbed the power of governors and increased that of the legislatures, and each state eventually adopted some form of a bill of rights. Also in 1777, Congress submitted to the states the Articles of Confederation.

Problems at Home 1783 and 1784 were marked by instability, near bankruptcy, and an economic depression, much of which was caused by the heavy burden of paying back debts from the war. Bittersweet divisions formed between debtors and creditors within the states. In 1784 Congress negotiated a series of treaties with the Indians for lands west of the Appalachian Mountains and east of the Mississippi River. A series of land ordinances were passed down from Congress between 1784 and 1790, expanding developed regions into the Midwest.

Diplomatic Weaknesses In the international arena of the 1780s, the United States was a weak and often ridiculed nation. While France and the United States remained on favorable terms, Britain and Spain tried to block American expansion into the West. At the close of the Revolutionary War, Spain reimposed barriers on American commerce with its empire. And, Spain stepped up the pressure on the West in the summer of 1784 when it closed the Mississippi River within Spanish territory to American trade. As the sense of crisis deepened in 1786, the nationalists grew in influence and numbers.

Toward a New Union In September 1786, delegates from several states met at the Annapolis Convention, seeking to devise a uniform system of commercial regulation for the country. While there, another meeting was called in Philadelphia to devise provisions necessary to render the constitution of the government adequate. This second meeting was the Constitutional Convention. Members of the Constitutional Convention proposed the Virginia Plan and the New Jersey Plan, each dealing with representation matters. What came out of both of these plans was the Great Compromise. The convention went on to deal with such issues as slavery and a national executive. Ratification was slow as Federalists and Antifederalists were in direct opposition, but state by state, ratification finally came.

REVIEW QUESTIONS

1. How would you assess the decision made by Shepard and Shays that resulted in the clash at the Springfield arsenal?
2. How would you define republicanism? Do you think Americans still believe in the basic tenets of republicanism?
3. What was so unprecedented about the new state constitutions? What new ideas of government did they use?
4. What were the problems of the economy in the 1780s? Could economic recovery have been achieved under the Articles of Confederation? Why or why not?
5. Were the diplomatic weaknesses of the United States under the Articles as serious as its internal problems? What were the sources of those weaknesses, and how did they threaten national unity?
6. What sorts of men drafted the Constitution in 1787, and how representative were they of all Americans? How widespread was popular backing of the Constitution, and why was it ratified?
7. What explains the differences between the Federalists and Antifederalists? Did they share the same vision of what they wanted America to become?

KEY TERMS

Annapolis Convention (p. 184)
Antifederalists (p. 188)
Articles of Confederation (p. 174)
Bill of rights (p. 173)
Constitutional Convention (p. 184)
Constitution of the United States (p. 184)
Federalism (p. 188)
Federalists (p. 188)
Great Compromise (p. 185)
Judicial review (p. 187)
Land Ordinance of 1785 (p. 179)
Nationalists (p. 175)
Natural rights (p. 172)
New Jersey Plan (p. 185)
Northwest Ordinance of 1787 (p. 181)
Shays's Rebellion (p. 178)
Southwest Ordinance of 1790 (p. 181)
Suffrage (p. 171)
Virginia Plan (p. 184)

WHERE TO LEARN MORE

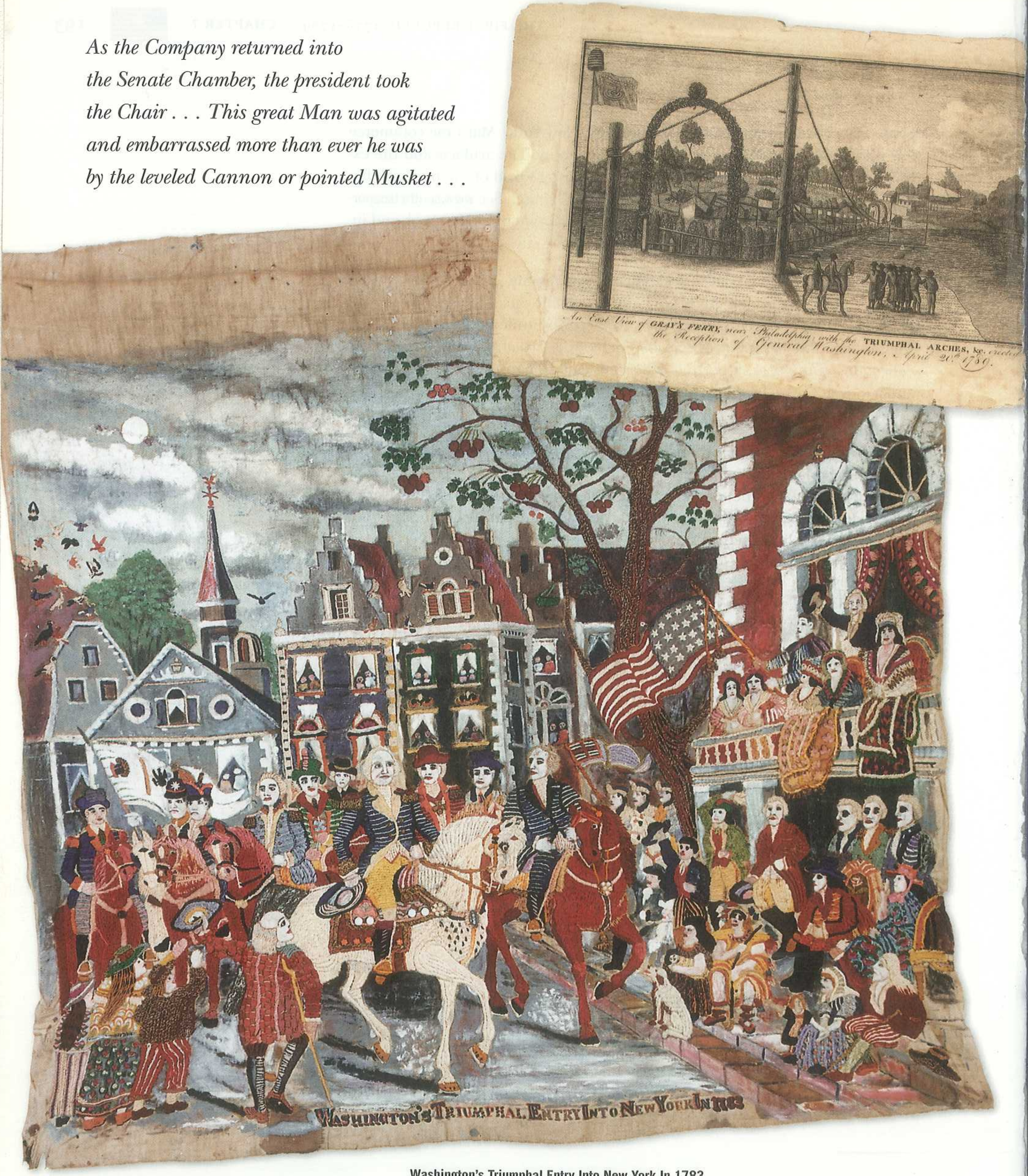
- **South Street Seaport Museum, New York City, New York.** Maritime commerce was the lifeblood of the postrevolutionary economy. The artifacts and the exhibits here offer a fine introduction to the seafaring world of the port city that became the nation's first capital in the new federal Union. See www.southstseaport.org for more on the impact of trade on the development of New York and information on preservation projects underway in the city.

- **Independence National Historical Park, Philadelphia, Pennsylvania.** Walks and guided tours through this historic district enable one to grasp much of the physical setting in which the delegates to the Constitutional Convention met. The website www.nps.gov/inde/home.htm includes a virtual tour of many of the collections at the park, a portrait gallery of leading figures in the Revolution, and a look at the archaeological projects underway in the park.

- **Northern Indiana Center for History, South Bend, Indiana.** The permanent exhibition on the St. Joseph River valley of northern Indiana and southern Michigan explains the material world of this region and how it changed as first Europeans and then Americans mingled and clashed with the Native American population. At www.centerforhistory.org/ one can learn more about the center and the variety of programs that it offers.

For additional study resources for this chapter, go to:
www.prenhall.com/goldfield/chapter7

As the Company returned into the Senate Chamber, the president took the Chair . . . This great Man was agitated and embarrassed more than ever he was by the leveled Cannon or pointed Musket . . .


An East View of GRAY'S FERRY, near Philadelphia, with the TRIUMPHAL ARCHES, &c. erected for the Reception of General Washington, April 20th 1789.
WASHINGTON'S TRIUMPHAL ENTRY INTO NEW YORK IN 1783

Washington's Triumphal Entry Into New York In 1783.
A tapestry painting of George Washington and his retinue riding into New York amid cheering crowds standing on the street and on the balconies.