The Articles of Confederation

**Directions:** *Given the subheadings for each section below, write a question you think will be addressed in that section. While reading each section, underline words which may help you to answer the question you created. Then, write an answer to that question, using the information underlined.*

**America’s Flawed Government**

**Question: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

The Articles of Confederation established a very weak central government. The states had spent several years fighting for independence from Britain. They did not want to give up the independence to a new central government that might become tyrannical.

Under the Articles, once a year, each state would select a delegation to send to the capital city. This group, generally referred to as the Congress, was the entire government. There were no separate executive and judicial branches.

The Congress had the right to declare war, raise armies, and sign treaties. Although these powers were significant, the Congress was not given the power to impose taxes, and it was explicitly denied the power to regulate trade.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Problems with Trade: Every State for Themselves**

**Question: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

During the boycotts of the 1760s and the Revolutionary War, American artisans and manufacturers had prospered by making goods that people had previously bought from the British. After the war ended, British merchants flooded the United States with inexpensive British goods, driving many American artisans out of business.

British trade practices convinced many states to fight back by restricting British imports. Unfortunately, the states did not all impose the same duties, or taxes, on imported goods. The British would then take their goods to the states that had the lowest taxes or fewest restrictions. Once British goods were in the United States, they moved overland into the states that had tried to keep them out.

Because the Articles of Confederation did not allow the Congress to regulate commerce, the states began setting up customs posts on their borders to prevent the British from exploiting the different trade laws. They also levied taxes on each other’s goods to raise revenue. New York, for example, taxed firewood from Connecticut and cabbage from New Jersey. New Jersey retaliated by charging New York for a harbor lighthouse on the New Jersey side of the Hudson River. Each state was beginning to act as an independent country, and this behavior threatened the unity of the new United States.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**Problems with Foreign Affairs: A Powerless Congress**

**Question: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

The Articles of Confederation also created problems of Congress in other areas of foreign policy. The first problems surfaced immediately after the Treaty of Paris, which ended the Revolutionary War, was signed. Neither Britain nor the United States carried out the terms of the treaty, primarily because the Congress lacked the power to uphold its side of the treaty.

Before the war, many American merchants and planters had borrowed money from British lenders. In the peace treaty, the United States had agreed that the states should allow British creditors to recover their prewar debts by suing in American courts. The Congress had no power to compel the states to do this, however, and many states placed restrictions on Britain’s ability to collect its debts.

Even when the British were able to get the matter into court, they often found that American judges and juries sided with the American debtors. The United States had also agreed that the states should return the property that had been confiscated from Loyalists (those who supported Britain) during the war. Again, the Congress could not compel the states to do this, further angering the British.

In retaliation, the British refused to evacuate American soil, as specified in the treaty. British forces continued to occupy a string of frontier posts south of the Great Lakes, inside American territory. The Congress had no way to resolve these problems. It did not have the power to impose taxes, so it could not raise the money to pay a financial settlement to Britain for the debts and Loyalist property. It also could not afford to raise an army to expel the British from American territory.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

**The Economic Crisis: From Debt to Violence**

**Question: \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**

While the Congress struggled with diplomatic issues, many other Americans were struggling financially. The end of the Revolutionary War and the decline of trade with Britain had plunged the United States into a severe economic recession. Farmers were among those most affected by the recession. They were not earning as much money as they once did, and they had to keep borrowing to get their next crop in the ground. Many also had mortgages to pay. At the same time, the Revolutionary War had left both the Congress and many states in debt. To pay for the war, many states issued bonds as a way to borrow money from wealthy merchants and planters. With the war over, the people holding those bonds wanted them to be redeemed for gold or silver.

To pay off their debts, the states could raise taxes, but farmers and other people in debt urged the state governments to issue paper money instead. They also wanted the states to make the paper money available to farmers through government loans on farm mortgages.

Since paper money would not be backed up by gold and silver, and people would not trust it, inflation---a decline in the value of money---began. Debtors would be able to pay their debts using paper money that steadily lost its value. This would let them pay off their debts more easily. Lenders, on the other hand, including many merchants and importers, strongly opposed paper money because they would not be receiving the true amount they were owed. Beginning in 1785, seven states began issuing paper money.

In Rhode Island, paper money eventually became so worthless that merchants refused to accept it. After an angry mob rioted against the merchants, Rhode Island’s assembly passed a law forcing people to accept the paper money. Those who refused could be arrested and fined.

The violence in Rhode Island demonstrated two things to many American leaders. The Rhode Island assembly, influenced by the mob, had forced wealthy creditors to accept worthless money. This showed that unless a government was properly designed, the people could use the power of government to steal from the wealthy. The events also suggested that a strong central government was needed to take on the country’s debts and stabilize the currency.

**\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ \_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_**