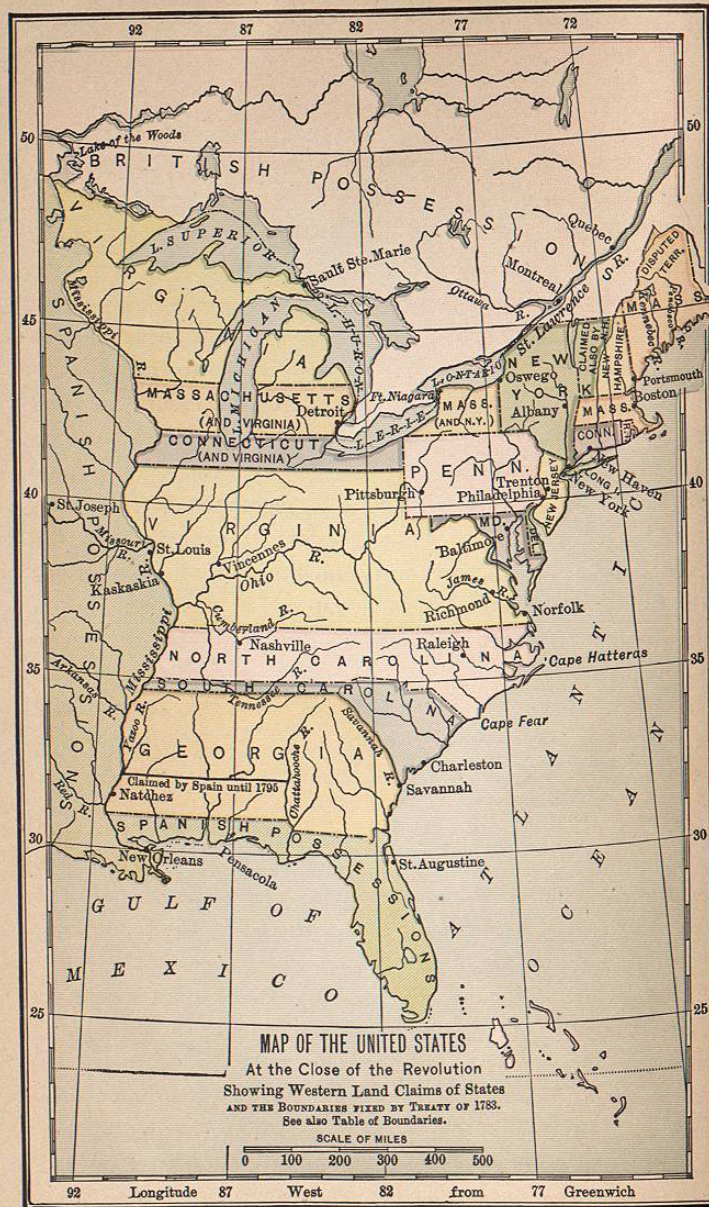


II. THE CONFEDERATION (1781-89).

326. Authority of Congress During the War. — The first Continental Congress (1774) claimed no political power. It was merely a committee of the different colonies to consult about their wrongs. At the beginning of the Revolution, the need of concerted action of all the colonies was so apparent that the Congress of 1775, by universal consent, began to exercise important powers of government relating to the management of the war. This Congress and its successors assumed control of the continental armies, appointed officers and enlisted troops, borrowed and issued money, declared the independence of the united colonies, and negotiated a treaty with France. All these and other powers it exercised on the authority of the vague and by no means uniform instructions of the different states to their delegates. Its measures had, in themselves, no authority over any one of the thirteen sovereign and independent states, save in the willing obedience of each. It was six years after Congress began to exercise certain powers of government before any constitution defining those powers was formally agreed upon.

327. Adoption of the First Constitution. — We have seen (§ 272) that, at the time of the Declaration of Independence, Congress took steps to prepare a constitution for the United States. This constitution, called the Articles of Confederation, was to have no binding effect until all the states should ratify it. Most of the states did so at once. But Maryland refused her assent until the lands northwest of the Ohio should be surrendered by those states claiming them, and should be recognized as the common property of all the states, to be used in paying the debts contracted by Congress. She based her position on the grounds, (1) that the control of this region had been wrested from the French by the French and Indian War,



in which all the states had shared; (2) that the possession of such a vast territory would give an overshadowing influence to the few states claiming it. Thus it was 1781 before Maryland ratified the Articles. They then went into full effect.

328. Nature of the Articles of Confederation. — The government of the United States under the Articles of Confederation was in the nature of a league between sovereign states for certain purposes. The Articles expressly declared that "each State retains its sovereignty, freedom, and independence." There was no president of the United States; there were no United States courts. The powers of government were vested in a Congress which was composed of one house, its members elected for one year, and paid by their respective states. No state could be represented by less than two or more than seven members. The voting in Congress was by states, each state having one vote. The most important powers of Congress were to declare war, deal with foreign nations, establish post-offices, settle disputes between states, borrow money, and fix the sums to be raised by the different states in proportion to the value of the land and buildings in each. The power to coin and issue money was shared with the states. The consent of nine states was necessary to carry any important measure. No change in the Articles could be made without the approval of every state.

329. Treaty with England. — The final treaty of peace with England (§ 323) was ratified by Congress in 1783. The boundaries of the United States were fixed at Canada on the north (§ 297), the Mississippi River on the west, and Florida extending west to the Mississippi on the south. The army was disbanded and the poorly paid soldiers returned to their homes. Washington appeared before Congress and resigned his office as commander-in-chief. Savannah, Charleston, and New York were evacuated by the British. It was twelve years

later, however, before Great Britain surrendered the western posts on the Canadian frontier.

330. The Northwest Territory.—At the close of the Revolution, Virginia held, besides her present limits and those of West Virginia and Kentucky, all the vast domain from the Ohio River to the Great Lakes and the Mississippi (§ 297). Her claim to the Illinois Country, or the "Northwest Territory," as it was afterward called, was based (1) on the limits fixed by her colonial charter of 1609, (2) on its conquest from the British by her troops under Clarke, (3) upon its actual occupation by her officers. Massachusetts, Connecticut, and New York also made claim to parts of this region, chiefly on the basis of their colonial charters. When the Articles of Confederation were being adopted, Maryland made the bold suggestion that the whole territory be surrendered to Congress as the common property of all the states (§ 326). This suggestion was finally carried out. In 1784 Virginia generously ceded to Congress all territory northwest of the Ohio that was claimed by her. The other states likewise gave up their claims. The acceptance of the gift made it necessary for Congress to assume new and important powers in regard to the government of the ceded territory. It did much to strengthen the union between the states, and was one of the most momentous events in our history.

331. The Ordinance of 1787.—The act of Congress providing for the government of the Northwest Territory is known as the Ordinance of 1787. It provided that the territory might be divided into states, not exceeding five in number, whenever the population of a proposed state should reach sixty thousand. In the meantime the territory was to be governed by officers appointed by Congress. In this territory the property of parents dying without wills should be equally divided among the children. (The laws of several states at that time gave



the eldest son all the property; in all other states he received a double share.) The Ordinance further provided for complete religious freedom. The rights of trial by jury and of the writ of *habeas corpus* were to be forever inviolable. Schools were to be encouraged, and slavery forever prohibited,¹ though fugitive slaves from other states were to be returned to their owners. Few acts of Congress have had a more far-reaching effect than the Ordinance of 1787. It not only moulded to a certain extent the subsequent history of the great states carved from the Northwest Territory, but it served as a model for the government of future territories, and affected great national questions of the next century.

332. The Southwest.—The western lands south of the Ohio were claimed by Virginia, North Carolina, South Carolina, and Georgia. In 1784, the inhabitants of the eastern part of the present State of Tennessee revolted from North Carolina and established a separate state, which they called Franklin. They elected John Sevier (hero of King's Mountain) governor, organized a Legislature, and sent a delegate to Congress. But North Carolina reestablished her authority, and, in 1790, ceded Tennessee Territory to the United States. South Carolina had given up her western claims in 1787. In 1792 Virginia consented that Kentucky be formed into a separate state. Georgia granted to the United States the territory of Alabama and Mississippi in 1802. Where the ceded land did not at once become a state (as Kentucky) it was first organized into a territory with a government similar to that of the Northwest Territory.

333. Navigation of the Mississippi.—How to carry their products to the markets of the world was a serious problem to the settlers on the western frontier. There were few roads

¹ This was the first limitation by law of the extension of slavery, and it was supported by every Southern member of Congress.

across the mountains, and these were beset with difficulties and dangers. The Mississippi River became the great highway of trade for the farmers of the west. But the territory on both banks of the river near its mouth was now owned by Spain (see map). That nation claimed the sole right to the navigation of the lower Mississippi, and threatened to tax all other than Spanish vessels passing the mouth of the stream. In 1786 a treaty with Spain was proposed in Congress which provided that in return for certain privileges to be granted by Spain to our commerce in other parts of the world, we surrender for twenty-five years our right to navigate the Mississippi. The proposition was at first considered favorably. At once a storm of indignation arose throughout the South and Southwest. The result was, Congress finally rejected the proposal. But the angry discussions over the matter called attention to the importance of establishing our control over the Mississippi. At the same time a bitter feeling was aroused in the South against the New England states, whose delegates in Congress favored the proposed treaty.

334. Finances of the Country.—The varying and uncertain value of money was a continual source of distress from the time of the Declaration of Independence to the adoption of our present Constitution. Congress had no power to tax the people. Funds for the expenses of the war were obtained from three sources: (1) The manufacture of paper money by authority of Congress; (2) grants of money by the different states; (3) loans from Spain, France, and Holland, and from wealthy citizens of our own country (notably Robert Morris, of Penn-



Continental Money.

sylvania, whose generous aid to the destitute army just before the battle of Trenton, made that victory possible). The first issue of "Continental currency" was accepted by the people at its face value. But as the weakness of Congress became apparent, and the paper money continued to be issued, it rapidly decreased in value. Laws were passed to make the people accept the paper money as equal in value to gold. But by the middle of the war a Spanish silver dollar was worth forty of the paper dollars. A little later it took three paper dollars to equal one cent. By the close of the war the Continental money, having lost its value entirely, disappeared from circulation, and Congress issued no more. To describe an utterly worthless



Pine-Tree Shilling of Massachusetts.

object, people said it was "not worth a Continental." The different states issued paper money with a similar result. All sorts of gold, silver, and copper coins of England, Spain, France, and Holland were in circulation, such as ninepences, doubloons, pistoles, bits,¹ pistareens, and picayunes. It was not until 1786 that Congress coined any money. Then the silver dollar (containing $375\frac{64}{100}$ grains of silver), with the present subdivisions of dimes and cents, was made the unit of value. This simple system was planned by Thomas Jefferson and Gouverneur Morris.

335. Difficulties. — The varying standards of money in the different states threw business into hopeless confusion. There was no uniformity in the regulation of commerce. The states

¹ The "bit" was a Spanish and West Indian coin of the value of ten to twelve and-a-half cents. In some of the Western states to-day "two-bits," "four-bits," and "six-bits" are common terms to designate twenty-five, fifty, and seventy-five cents.

quarreled about the duties on imported goods. For example, New York having levied a heavy duty on certain articles imported from New Jersey, that state retaliated by imposing a tax of fifteen hundred dollars a year on a New York lighthouse situated on the New Jersey coast. In Massachusetts the poorer classes demanded that the state issue paper money. The Legislature refused, and at the same time appropriated additional funds to Congress. The people, already heavily taxed, rose in rebellion under Daniel Shays, an officer of the Revolution. The governor called out four thousand troops, and placed them under General Lincoln. After some bloodshed, "Shays's Rebellion" was suppressed.

336. Weakness of the Government. — It was soon found that the prosperity and good government of the people were impossible under the Articles of Confederation. We have seen that the states alone had the power of taxation. To provide for the running expenses of the government, Congress could only recommend to each state to pay its share of the total sum needed each year. Sometimes a state failed to pay its apportionment. Few states were prompt. The result was that Congress was constantly begging foreign nations for loans, while it got deeper and deeper into debt. In short, Congress had no power to act directly upon the people. It could act only upon the states, and then could not enforce obedience. In the words of a statesman of the time, "Congress may make and consider treaties, but they can only recommend the observance of them. They may appoint ambassadors, but they cannot defray their expenses. They may borrow money on the faith of the Union, but they cannot pay a dollar. They may coin money, but they cannot buy an ounce of bullion. They may make war and determine what troops are necessary, but they cannot raise a single soldier. In short, they may declare everything, but they can do nothing."