

## Strengths and Weaknesses of the Articles of Confederation

### Case Study #1 – Settling the National Debt

Because the state representatives who drew up the Articles of Confederation in 1777 feared the growth of a strong national government, they did not give the national government power to raise money directly by taxing property, people, or imported goods. Only the states could collect taxes. Congress decided how much each state should contribute to pay for the army and other national expenses. But then Congress could only send requests to the states to pay their shares – Congress had no way to make them pay.

During the War for Independence, Congress fell deep into debt. Many states failed to pay their shares of common expenses. Americans who had fought in the war, or who had supplied goods to the army, were given loan certificates from Congress promising annual interest payments for a number of years, and then payment at a future date of the full amount owed. Congress, however, failed even to make the annual interest payments.

In early 1781, Congress appointed Robert Morris to serve as secretary of finance and try to deal with the wartime financial crisis. Morris decided that the Articles of Confederation should be amended to allow Congress to place a 5 percent tax on imports. By the terms of the Articles, all 13 states had to agree to any amendment. Twelve states quickly agreed to Morris's proposed amendment. Rhode Island, however, said no. Rhode Island declared that giving Congress that power would make Congress "independent of [the states]; and so the proposed impost [tax] is [harmful] to the liberty of the United States."

When the war ended, Congress owed \$34 million to Americans and \$10 million to foreign lenders. Because it was most important that the young nation maintain a good reputation with foreign countries, the little money that Congress had went to pay the foreign debt. American lenders were forced to wait, and continue holding certificates that looked worthless.

### Case Study #2 – The Pirates of North Africa

During the second half of the 18<sup>th</sup> century, much of the North African coast was controlled by pirate chieftains. They supported themselves mainly by attacking merchant ships in the Mediterranean Sea. Ships and cargoes that fell into their hands were sold, while the captured crew members and passengers were either ransomed or forced to work as slaves.

Rather than going to the expense of stationing naval forces in the region, most European countries chose to pay the pirate chieftains a yearly tribute to ensure the safety of the ships flying their national flags. The annual cost of protection ranged from roughly \$100,000 to nearly \$1 million.

Before 1776, America was part of Britain's empire, so Britain's payments to the Barbary pirates covered American ships. However, when the American colonies declared their independence in 1776, their merchant ships lost British protection.

Under the Articles of Confederation, the United States had very limited national military power to protect its own ships. Short of money, Congress sold off the last ship from the Continental Navy two years after the war ended. Congress could not draft troops – it could only request them from the states.

In March 1785 Congress authorized John Adams, Benjamin Franklin, and Thomas Jefferson to spend up to \$85,000 to make peace treaties with the pirates. No agreement was reached, however, and in July 1785 two American merchant ships were captured by pirates operating from Algiers. The ruler of Algiers refused to discuss a peace treaty, and instead demanded \$59,000 in ransom. At the same time, the ruler of Tripoli insisted that the United States pay him an annual tribute of \$100,000.

Thomas Jefferson recommended that the United States team up with European nations to defeat the pirates, but Congress informed him that they could not provide the money to participate in the plan. Because the United States had neither the strength to fight the pirates nor the money to pay them off, the Americans remained imprisoned for ten years.

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### Case Study #3 – Soldiers in the Time of Peace

After their experience under the British government, Americans were especially suspicious of a standing army. They feared that a standing army could be a tool for imposing tyranny on the people.

Because of Congress's weak finances, the soldiers in the Continental Army were poorly treated. Food and clothing were often lacking, while the enlistment bonuses and wages that had been promised to soldiers were never fully paid. On several occasions during the war, entire regiments threatened to mutiny over back pay. George Washington and many of his officers spent large sums of their own money to equip themselves and their troops. In 1780, Congress promised to grant them a lifelong pension equaling half their regular pay once the war was over. Within two years, however, the promise was broken.

The problems did not end after the British surrendered at Yorktown in October 1781. The officers feared that, once the Continental Army was broken up and sent home, they would lose all influence, and Congress would never fulfill its promises. Some secretly joined forces and discussed a plan to threaten a military coup (takeover) as a way of pressuring the states to give Congress more power. When George Washington learned of the plot, he criticized his officers and ended it. Even after Congress announced on April 11, 1783 that the war was officially over, many soldiers refused to put down their weapons and return home until the issue of back pay was settled.

Under the Articles of Confederation, Congress lacked the authority to maintain a standing army in peacetime. America's entire military force, stationed mainly along the frontier, consisted of fewer than 700 soldiers.

Some officers from the Continental Army believed that they, not the politicians in Congress or the state legislatures, were best equipped to guide the young nation, and formed the Society of Cincinnati. The Massachusetts legislature viewed the Society as an effort to create a military aristocracy and strengthen national power. They criticized it as "dangerous to the peace, liberty, and safety of the United States."

### Case Study #4 – Western Lands

Disagreement over what to do with the lands west of the Appalachian Mountains delayed adoption of the Articles of Confederation. In several cases, two states laid claim to the same land; the colonial charters by which they had originally been granted lands from the King of England were often worded in vague ways or in terms that contradicted each other. The states that had no claim to the western lands, such as Maryland and Delaware, argued that territories should be shared among all the states. This issue was settled by January 1781. All states with claims to western lands surrendered them to the national government, and Congress promised that the western lands would "be settled and formed into distinct republican states."

Questions about how these territories would be settled also caused problems. Some settlers, called squatters, moved onto land without having legal ownership of it. Only after the squatters had labored to clear the land and make it suitable for farming would another person appear with evidence that they owned the land. In some cases, these people, called speculators, claimed to have purchased thousands of acres from Indian tribes. Squatters claimed in opposition that they were entitled to the land, because their labor had increased its value. Often the conflicting claims led to violence, forcing government troops to restore peace.

In 1785, Congress created a system for surveying and selling the western lands, so that ownership would be officially registered. Then, in July 1787, Congress approved the Northwest Ordinance, a plan for settling the western lands bounded by the Great Lakes, the Ohio River, and the Mississippi River. It included these terms:

- As soon as 5,000 free male adults settled in a district, they could elect representatives to represent their county in the territory's general assembly.
  - When the population of the territory reached 60,000, it would be admitted by Congress into the Union on equal footing with the original states, and could adopt a state constitution based on republican principles
  - Guarantees of religious freedom and trial by jury, and outlawing of slavery.
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Case Study #1

Who

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How

Cause

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Was the national government able to solve this problem effectively?

Why or why not?

Case Study #3

Who

What

Where

When

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Cause

Effect

Was the national government able to solve the problem? Explain.

Case Study #2

Who

What

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When

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Cause

Effect

Was the national government able to solve the problem effectively?

Why or why not?

Case Study #4

Who

What

Where

When

How

Cause

Effect

Was the national government able to solve the problem? Explain

