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| Growing Problems | * ***Successes***   + ***Revolutionary War wins independence***   + ***organizing and governing territories*** * But problems lead them to believe government does not have enough power |  |
| Economic problems  Describe the economic situation in the new states.  What effect does the economic situation have on the government? | * Each state had its own trade policy   + tried to protect its farmers and manufacturers by ***taxing goods brought into the state from other states***   + each state printed its ***own money***   + this ***discouraged trade*** between states * Also central national government ***couldn’t tax***   + little money to run gov’t   + Situation get worse each year |  |
| Foreign Affairs | * Appeared weak to other nations – so treated with scorn   + *British* never left forts in West – thought we couldn’t make them   + ***Spanish*** blocked American use of New Orleans     - so farmer had to send produce across mountains |  |
| Shays’ Rebellion  Describe the cause of Shays’ Rebellion.  Explain what results from Shays’ Rebellion. | * mid-1780s – depression   + depression – business activity slow, prices and wages drop, unemployment is high   + caused widespread despair and anger * Hit farmers in Massachusetts hard   + ***unable to pay taxes on land (subsistence – no cash)***   + ***state gov’t seize farms to sell*** them for tax money   + ***angry farmers demand***      - ***sales are stopped***     - loans with lower interest rates * ***1786 - Revolutionary War hero Daniel Shays leads uprising***   + ***1,000 farmers***   + ***try to seize arms from a state warehouse***   + ***Shays and other leaders arrested militia*** * Rebellion fizzles out – but ***starts talk of need for strong central government*** to prevent such unrest   + **Congress calls convention in Philadelphia** in 1787   + ***task – revise Articles*** | Depression caused by taxes shutting down trade  WRONG –  ***government hit hard***   * ***no money coming in because no trade to tax*** * ***so tax land*** |