SECTION

What You Will Learn...

Main Ideas

- 1. Regional differences grew during Jackson's presidency.
- 2. The rights of the states were debated amid arguments about a national tariff.
- 3. Jackson's attack on the Bank sparked controversy.
- 4. Jackson's policies led to the Panic of 1837.

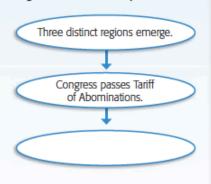
The Big Idea

Andrew Jackson's presidency was marked by political conflicts.

Key Terms and People

Tariff of Abominations, p. 327 states' rights doctrine, p. 328 nullification crisis, p. 328 Daniel Webster, p. 328 McCulloch v. Maryland, p. 330 Whig Party, p. 330 Panic of 1837, p. 331 William Henry Harrison, p. 331

As you read, use a diagram like the one below to show the conflicts facing Andrew Jackson during his administration. Add more ovals to your organizer as necessary.



Jackson's Administration

If YOU were there...

You live on a small farm in South Carolina in 1829. Your family grows corn and cotton to sell, as well as vegetables for your own table. Although you grow your own food, you also depend on imported wool, flax, iron, and hemp to make ropes. But the government has just put new taxes on these products from Europe. Now they're too expensive for you to buy!

> How would you feel about the new taxes on imports?

BUILDING BACKGROUND Even though Americans had a new feeling of national unity, different sections of the country still had very different interests. The industrial North competed with the agricultural South and the western frontier. As Congress favored one section over another, political differences grew.

Sectional Differences Increase

Regional differences had a major effect on Andrew Jackson's presidency. Americans' views of Jackson's policies were based on where they lived and the economy of those regions.

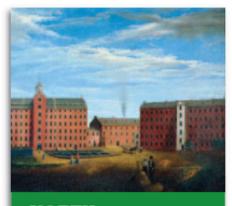
Three Regions Emerge

There were three main U.S. regions in the early 1800s. The North, first of all, had an economy based on trade and on manufacturing. Northerners supported tariffs because tariffs helped them compete with British factories. Northerners also opposed the federal government's sale of public land at cheap prices. Cheap land encouraged potential laborers to move from northern factory towns to the West.

The second region was the South. Its economy was based on farming. Southern farmers raised all types of crops, but the most popular were the cash crops of cotton and tobacco. Southerners sold a large portion of their crops to foreign nations.

Regions of the United States, Early 1800s





NORTH

- Economy based on manufacturing
- Support for tariffs—American goods could be sold at lower prices than could British goods



SOUTH

- Economy based on agriculture
- Opposition to tariffs, which increased the cost of imported



- Emerging economy
- Support for internal improvements and the sale of public lands

Southerners imported their manufactured goods. Tariffs made imported goods more expensive for southern farmers. In addition, high tariffs angered some of the South's European trading partners. These trading partners would likely raise their own tariffs in retaliation. To avoid this situation, southerners called for low tariffs.

Southerners also relied on enslaved African Americans to work the plantations. The issue of slavery would become increasingly controversial between the North and South.

In the third region, the West, the frontier economy was just emerging. Settlers favored policies that boosted their farming economy and encouraged further settlement. Western farmers grew a wide variety of crops. Their biggest priority was cheap land and internal improvements such as better roads and water transportation.

Tariff of Abominations

Tariffs became one of the first issues that President Jackson faced. In 1827, the year before Jackson's election, northern manufacturers began to demand a tariff on imported woolen goods. Northerners wanted the tariff to protect their industries from foreign competition, especially from Great Britain.

British companies were driving American ones out of business with their inexpensive manufactured goods. The tariff northerners supported, however, was so high that importing wool would be impossible. Southerners opposed the tariff, saying it would hurt their economy.

Before Andrew Jackson took office, Congress placed a high tariff on imports. Angry southerners called it the Tariff of Abominations. (An abomination is a hateful thing.) Southern voters were outraged.

President John Quincy Adams signed the tariff legislation, though he did not fully support it. In early U.S. history, presidents tended to reserve veto power for legislation that they believed violated the Constitution. Signing the tariff bill meant Adams would surely be defeated in his re-election bid. The new tariff added fuel to the growing sectional differences plaguing the young nation.

READING CHECK Summarizing Describe the sectional economic differences in the United States during the early 1800s.

States' Rights Debate

When Andrew Jackson took office in 1829, he was forced to respond to the growing conflict over tariffs. At the core of the dispute was the question of an individual state's right to disregard a law that had been passed by the U.S. Congress.

Nullification Crisis

ACADEMIC Vocabulary

criteria basic requirements

Focus on READING

What conclusions can you draw about the importance of the states' rights debate after reading this section?

Early in his political career, Vice President John C. Calhoun had supported the criteria of a strong central government. But in 1828 when Congress passed the Tariff of Abominations, Calhoun joined his fellow southerners in protest. Economic depression and previous tariffs had severely damaged the economy of his home state, South Carolina. It was only beginning to recover in 1828. Some leaders in the state even spoke of leaving the Union over the issue of tariffs.

In response to the tariff, Calhoun drafted the South Carolina Exposition and Protest. It said that Congress should not favor one state or region over another. Calhoun used the Protest to advance the **states' rights doctrine**, which said that since the states had formed the national government, state power should be greater than federal power. He believed states had the right to nullify, or reject, any federal law they judged to be unconstitutional.

Calhoun's theory was controversial, and it drew some fierce challengers. Many of them were from the northern states that had benefited from increased tariffs. These opponents believed that the American people, not the individual states, made up the Union. Conflict between the supporters and the opponents of nullification deepened. The dispute became known as the nullification crisis.

Although he chose not to put his name on his Exposition and Protest, Calhoun did resign from the vice presidency. He was then elected to the Senate, where he continued his arguments in favor of nullification. Martin Van Buren replaced Calhoun as vice president when Jackson was re-elected president.

The Hayne-Webster Debate

The debate about states' rights began early in our nation's history. Thomas Jefferson and James Madison supported the states' power to disagree with the federal government in the Virginia and Kentucky Resolutions of 1798–99. Some of the delegates at the Hartford Convention supported states' rights. But Calhoun's theory went further. He believed that states could judge whether a law was or was not constitutional. This position put the power of the Supreme Court in question.

The issue of nullification was intensely debated on the floor of the Senate in 1830. Robert Y. Hayne, senator from South Carolina, defended states' rights. He argued that nullification gave states a way to lawfully protest federal legislation. Daniel Webster of Massachusetts argued that the United States was one nation, not a pact among independent states. He believed that the welfare of the nation should override that of individual states.

Jackson Responds

Although deeply opposed to nullification, Jackson was concerned about economic problems in the southern states. In 1832 he urged Congress to pass another tariff that lowered the previous rate. South Carolina thought the slight change was inadequate. The state legislature took a monumental step; it decided to test the doctrine of states' rights.

South Carolina's first action was to pass the Nullification Act, which declared the 1828 and 1832 tariffs "null, void ... [and not] binding upon this State, its officers or citizens." South Carolina threatened to withdraw from the Union if federal troops were used to collect duties. The legislature also voted to form its own army. Jackson was enraged.

The president sternly condemned nullification. Jackson declared that he would enforce the law in South Carolina. At his request, Congress passed the Force Bill, approving use of the army if necessary. In light of Jackson's determined position, no other state chose to support South Carolina.

Early in 1833, Henry Clay of Kentucky had proposed a compromise that would gradually lower the tariff over several years. As Jackson's intentions became clear, both the U.S. Congress and South Carolina moved quickly to approve the compromise. The Congress would decrease the tariff, and South Carolina's leaders would enforce the law.

Despite the compromise, neither side changed its beliefs about states' rights. The argument continued for years, ending in the huge conflict known as the Civil War.

READING CHECK Summarizing What led to the nullification crisis, and why was it important?

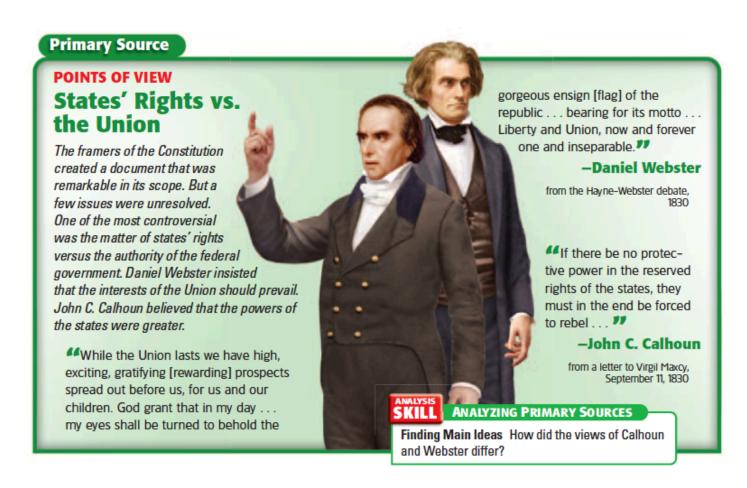
Jackson Attacks the Bank

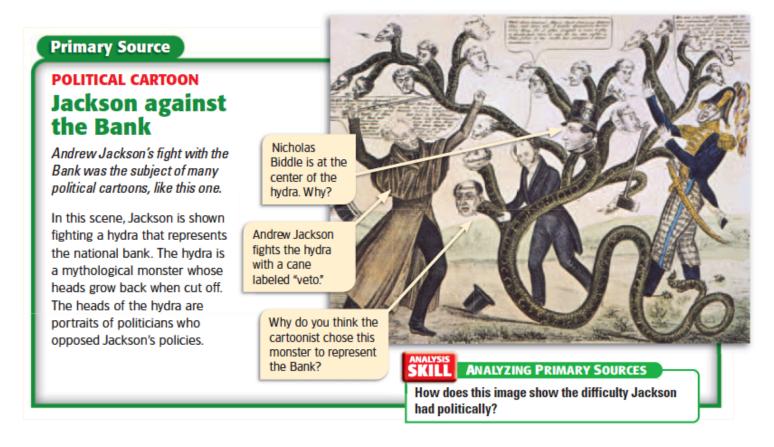
President Jackson upheld federal authority in the nullification crisis. He did not, however, always support greater federal power. For example, he opposed the Second Bank of the United States, founded by Congress in 1816.

The Second Bank of the United States was given a 20-year charter. This charter gave it the power to act exclusively as the federal government's financial agent. The Bank held federal deposits, made transfers of federal funds between states, and dealt with any payments or receipts involving the federal government. It also issued bank notes, or paper currency. Some 80 percent of the Bank was privately owned, but its operations were supervised by Congress and the president.

Many states, particularly in the South, had opposed the Bank. Small farmers believed that the Bank only helped wealthy businesspeople. Jackson also questioned the legality of the Bank. He believed it was an unconstitutional extension of the power of Congress. The states, he thought, should have the power to control the banking system.

Some states decided to take action. Maryland tried to pass a tax that would limit the





Bank's operations. James McCulloch, cashier of the Bank's branch in Maryland, refused to pay this tax. The state took him to court, and the resulting case went all the way to the U.S. Supreme Court. In McCulloch v. Maryland, the Court ruled that the national bank was constitutional.

Nicholas Biddle, the Bank's director, decided to push for a bill to renew the Bank's charter in 1832. Jackson campaigned for the bill's defeat. "I will kill it," he promised. True to his word, Jackson vetoed the legislation when Congress sent it to him.

Congress could not get the two-thirds majority needed to override Jackson's veto. Jackson also weakened the Bank's power by moving most of its funds to state banks. In many cases, these banks used the funds to offer easy credit terms to people buying land. While this practice helped expansion in the West, it also led to inflation.

In the summer of 1836 Jackson tried to slow this inflation. He ordered Americans to use only gold or silver—instead of paper state-bank notes—to buy government-owned

land. This policy did not help the national economy as Jackson had hoped. Jackson did improve the economy by lowering the national debt. However, his policies opened the door for approaching economic troubles.

READING CHECK Analyzing Why did critics of the Second Bank of the United States oppose it?

Panic of 1837

Jackson was still very popular with voters in 1836. He chose not to run in 1836, however, and the Democrats nominated Vice President Martin Van Buren.

In 1834 a new political party had formed to oppose Jackson. Its members called themselves Whigs, after an English political party that opposed the monarchy, to make the point that Jackson was using his power like a king. The Whig Party favored the idea of a weak president and a strong Congress. Unable to agree on a candidate, the Whigs chose four men to run against Van Buren. Because of this indecision, and with backing from Jackson, Van Buren won the election.

The Supreme Court and Capitalism

CONNECT TO ECONOMICS

During the early 1800s, the Supreme Court made several rulings that helped define federal power over contracts and commerce. These rulings reinforced capitalism as the ruling economic system in the United States.

What effect did the Supreme Court have

What effect did the Supreme Court have on economic development?

1810

Fletcher v. Peck
State legislatures
could not pass laws
violating existing
contracts.

Dartmouth College v. Woodward

State legislatures could not pass laws to change the charters of institutions or businesses.

McCulloch v. Maryland

States do not have the power to tax federal institutions.

Gibbons v. Ogden

Only the federal government has the power to regulate interstate and foreign commerce.

Shortly after Van Buren took office, the country experienced the **Panic of 1837**, a severe economic depression. Jackson's banking policies and his unsuccessful plan to curb inflation contributed to the panic. But people blamed Van Buren.

In 1840 the Whigs united against the weakened Van Buren to stand behind one candidate, **William Henry Harrison**, an army general. Harrison won in an electoral landslide. The Whigs had achieved their goal of winning the presidency.

READING CHECK Identifying Cause and Effect

What contributed to the Panic of 1837, and how did it affect the 1840 election?

SUMMARY AND PREVIEW The states' rights debate dominated much of Jackson's presidency. In the next section you will learn about the removal of American Indians from the southeastern United States.

Section 2 Assessment

go.hrw.com Online Quiz KEYWORD: SC7 HP10

Reviewing Ideas, Terms, and People

- 1. a. Recall On what were the economies of the northern, southern, and western states based?
 - b. Predict How might the sectional issues involved in the dispute over the Tariff of Abominations lead to future problems between North and South?
- 2. a. Describe What roles did Daniel Webster and John C. Calhoun play in the nullification crisis?
 b. Summarize What idea did supporters of the states' rights doctrine promote?
- 3. a. Describe What problems resulted from weakening the Bank?
 - b. Draw Conclusions Why did Jackson veto the bill to renew the Second Bank of the United States?
- 4. a. Recall What caused the Panic of 1837?
 - b. Summarize How did the Whig Party win the election of 1840?
 - c. Elaborate Why do you think Jackson chose not to run for the presidency in 1836? Do you think he made the right decision? Why?

Critical Thinking

5. Identifying Cause and Effect Review your notes on the political conflicts during Jackson's administration. Then use a graphic organizer like the one below to show how some of Jackson's policies dealing with conflicts led to the Panic of 1837.



FOCUS ON WRITING



6. Identifying Important Conflicts Stories about conflict sell newspapers. As you read this section, list important conflicts that occurred during Jackson's presidency and note the role Jackson played in creating or resolving the conflicts.