

The problems the Confederation faced in foreign relations revealed the basic weaknesses of the national government. The United States did not have the strength to face up to the superior forces of the British or the Spanish.

Economic Problems and Shays's Rebellion With American trade weakened, the nation was facing a serious economic crisis. Much of the Confederation's debt was owed to soldiers of the Revolutionary army. Upset at not being paid, approximately 300 soldiers demonstrated before the Pennsylvania State House where Congress was meeting in June 1783. The delegates were forced to flee the city. The event was another clear sign of Congress's weakness.

One reason Congress was unable to raise money to pay the soldiers was that it did not have the power to **levy**, or collect, taxes. The national government depended on the states to send money. The states, who also owed money because of the war, tried to raise money through taxes. However, few ordinary Americans could afford to pay them. Taxes on imported goods raised the cost of everyday necessities, further hurting average Americans.

Taxes in Massachusetts were some of the highest in the nation. The government's refusal to grant debt relief led to an uprising known as Shays's Rebellion. In January 1787, Shays led a march on a federal **arsenal**, a place where weapons are stored. Around one thousand soldiers from the state militia quickly defeated Shays's men.

America's leaders realized that an armed uprising of common farmers spelled danger for the nation. Some leaders hoped that the nation's ills could be solved by giving more power to the national government.

 **PROBLEMS AND SOLUTIONS** Identify the reasons why the national government was not strong enough.



Section Assessment



ONLINE QUIZ

For test practice, go to
Interactive Review @ ClassZone.com

TERMS & NAMES

1. Explain the importance of
 - Shays's Rebellion
 - Confederation Congress
 - Northwest Territory
 - Land Ordinance of 1785
 - Articles of Confederation
 - Northwest Ordinance

USING YOUR READING NOTES

2. **Problems and Solutions** Complete the outline you started at the beginning of this section.

The Articles of Confederation

I. *Features of the A. of C.*

—

—

II. *Needs addressed by the A. of C.*

—

—

KEY IDEAS

3. How did the Articles of Confederation prevent the national government from becoming too powerful?
4. Why was the Confederation Congress unable to resolve problems with Britain and Spain?

CRITICAL THINKING

5. **Connect Economics and History** Which side would you have supported in Shays's Rebellion—the farmers or the officials who called out the militia? Why?
6. **Analyze** Why were the states afraid of centralized authority and a strong national government?
7. **Writing Letter** Write a one-page letter from Daniel Shays to the governor of Massachusetts. In your letter, ask the governor to pardon, or forgive, your rebellion against the government.