

Jacksonian Democracy

Learning Target:

I can evaluate the growth of the federal government during the Age of Jackson.

Critical Vocabulary:

Election of 1824, John Quincy Adams, Andrew Jackson, "Corrupt Bargain," Election of 1828, Universal White Manhood Suffrage, Spoils System, Democratic Party, Whig Party, Nullification Crisis, "Tariff of Abominations," "The South Carolina Exposition," Peggy Eaton Affair, Maysville Road, Hayne-Webster Debate, Tariff of 1832, Nullification Proclamation, Force Bill, Tariff of 1833, Second Bank of the United States, Panic of 1819, *McCulloch v. Maryland*, Bank War, Nicholas Biddle, "Pet Banks," Specie Circular, Panic of 1837, Martin Van Buren, Independent Treasury Bill, Five Civilized Tribes, Indian Removal Act, *Worcester v. Georgia*, Chief Black Hawk, Chief Osceola, Santa Anna, Battle of the Alamo, Sam Houston, Trail of Tears

The Election of 1824

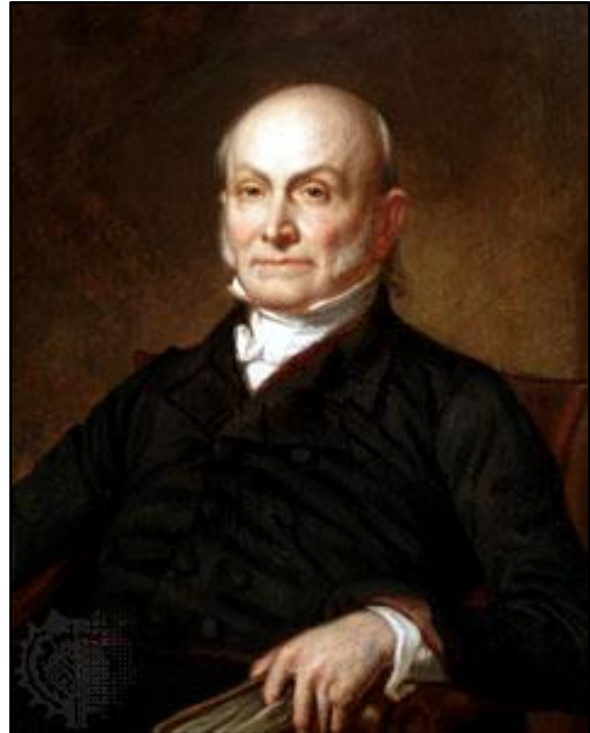
As James Monroe's second presidential term was coming to an end in 1824, a heated battle ensued to select his replacement. With the Federalist Party losing steam, all four presidential candidate front-runners were self-declared Republicans.

Three of the candidates were well-known because of their current political roles. William Crawford and **John Quincy Adams** were serving in Monroe's administration as Secretary of the Treasury and Secretary of State, respectively. Speaker of the House Henry Clay also threw his hat in the ring. The fourth contender was General **Andrew Jackson**, a senator from Tennessee known for his success in defeating the British at New Orleans in 1815.

Jackson and Adams, who emerged as the front-runners, were a study in contradiction. Adams, a staunch nationalist and a typical New Englander, was reserved and aloof, while Jackson, the westerner and war hero, glad-handed his way to political popularity. Jackson avoided taking a firm position on most issues, preferring instead to be vague and not offend any voters.

Jackson's plan to be everything to every voter worked. When the popular votes were counted, he carried 42 percent to Adams' 31 percent. Clay and Crawford each took around 12 percent of the popular vote. However, the electoral system complicated what was an otherwise simple voting process.

At this time, states differed on how electoral votes were assigned. Some states assigned electoral votes to reflect the popular vote, while other states assigned

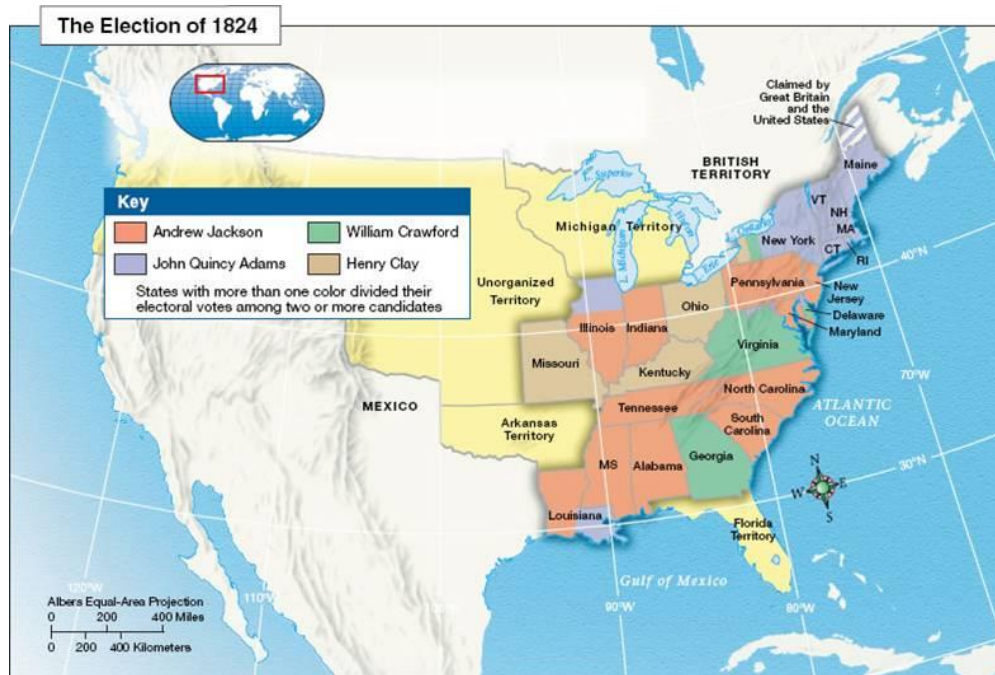


electoral votes according to the votes of their legislature. When the electoral votes were counted in 1824, no one candidate held the required majority to be named president. Jackson had 99 electoral votes, Adams held 84, Crawford earned 41, and Clay garnered 37 electoral votes.

According to the Twelfth Amendment to the Constitution, the decision now went to the House of Representatives, who would select a winner from the top three electoral vote-earners—in this case, Jackson, Adams, and Crawford. Although Clay could not be chosen as President, he held a great deal of power in the selection process through his role as Speaker of the House.

Secretary of Treasury William Crawford was not seriously considered in the selection process due to health problems that left him partially paralyzed and with limited sight. Again, the choice came down to Adams and Jackson.

Henry Clay was the polar opposite of John Quincy Adams—Adams a puritanical, moral man and Clay a hard-living gambler with an urge to duel—however, Clay did not feel the animosity toward him that he felt toward Jackson. Clay had championed his "American System," which promoted tariffs to support American manufacturers, a national bank, and domestic improvements at the federal government's expense, all in the name of country unity. Jackson did not



resulted in Jackson losing the 1824 presidential election. Jackson also strongly believed that government should be run “by the people,” with individuals accepting limited terms in office and then returning to the private sector to avoid the corruption that tended to follow career politicians.

During the early nineteenth century, a wave of suffrage efforts was sweeping the nation to guarantee voting rights for all white

support Clay’s American System, so Clay gave his endorsement to John Quincy Adams, who was selected as the sixth President of the United States.

Clay’s support did not go unrewarded. Days after Adams was selected as President, he chose Clay as his Secretary of State, a coveted position because frequently the individual in this role went on to be president. Clay’s appointment caused an uproar among Jackson’s supporters, who believed that Clay and Adams had conspired to get Adams into office—Clay scratching Adams’ back by giving him the presidential nod, and Adams returning the favor with a prime position in his cabinet. This tumult was labeled the “**Corrupt Bargain**” of 1824.

Since Adams was such a moral man, it is unlikely that the accusations of corruptness were accurate. However, Jackson’s supporters took the idea and ran with it, using it to launch their campaign for Jackson as president in the 1828 election, even as Adams was taking office in 1824. The Jacksonians’ efforts to derail Adams’ presidency were the primary cause of Adams serving only one presidential term.

The Election of 1828

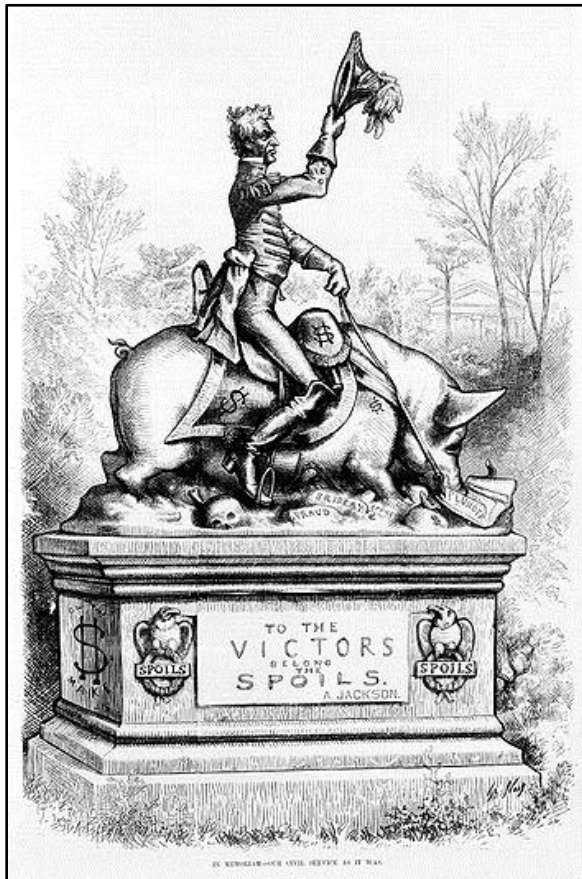
As Andrew Jackson’s supporters worked to put him first in line for the 1828 election, the public began to learn more about him. Labeled “Old Hickory” by supporters who drew parallels between the war hero and a sturdy hickory tree, Jackson represented the New West as a land of hardiness and stamina.

A plantation and slave owner, Jackson’s political beliefs were not easily labeled as either federalist or antifederalist, although Jackson did support states’ rights and initiatives and did not believe in a supreme central government. This was a bone of contention between Jackson and Henry Clay, whose influence

men, regardless of property ownership or taxes paid. Between 1812 and 1821, six new western states granted **universal white manhood suffrage**. During the same period, four eastern states significantly reduced land ownership voting requirements for white males.

As these efforts gained momentum and the constituency grew to include less wealthy voters, more emphasis was placed on the “common man.” Politicians, including Jackson, had to rethink their campaign strategies to maximize their appeal. Jackson had already earned respect as a war hero, and with his strategy to identify himself as a common man just like the people he would represent, he was able to garner the necessary votes to beat Adams and earn the presidency in 1828. As in the election of 1824, Jackson again beat Adams in the popular vote, but this time he gained 178 electoral votes to Adams’ 83. He accepted his office, the first president from the west, clothed in black in honor of his recently deceased wife, Rachel.

As Jackson took office, his theory of limiting staffers’ terms stirred both positive and negative emotions. His predecessor, John Quincy Adams, had resisted replacing the previous administration’s staff with his own as long as the staffers remained productive. However, this caused Adams to lose support of those who expected a political post in exchange for their efforts. Conversely, Jackson believed in appointing his own staff comprised of his supporters, which also allowed him to eliminate the Adams and Clay supporters from his administration. This system of political back-scratching came to be known as the **Spoils System**, and was present on a wide-scale at all levels of government.



The Spoils System had several negative consequences. Often, the individuals who were appointed were unskilled at best, and incapable at worst, of fulfilling the responsibilities of their posts. Furthermore, the Spoils System could be abused. Occasionally, corrupt individuals were placed in offices that they ultimately abused, stealing millions of dollars from the government. This system also created scandals as politically motivated supporters of one candidate worked hard to uncover—or in some cases, fabricate—offensive stories about the opposition. Although Jackson did not employ the Spoils System on the grand scale as some who followed him as chief executive, he certainly had a hand in developing its practice.

New Political Parties

The political revolution stirred up by Jackson's alternative staffing methods also resulted in the shift from a one-party political system to a two-party system. Although both Andrew Jackson and John Quincy Adams called themselves Republicans in the 1824 election, it was apparent that their political beliefs were not aligned. Between 1824 and 1828, the supporters of each candidate polarized into two political parties—the National-Republicans, those who supported Adams and would later become known as the Whig Party, and the Democratic-Republicans, who worked to get Jackson elected and who would later shorten their name to the Democratic Party.

Along with new political parties came new attitudes. The suffrage movement brought power to the common man, and the common men responded by turning out in droves to vote.

Additionally, with the new attitudes reflecting the demise of aristocracy, the common man now expected politicians to cater to them. It was during this time that modern methods of politicking, including banners, parades, parties, and incentives began to be employed. Although not nearly on the national scale of later elections, this was the premier era of baby-kissing and hand-shaking as a means to election. In an effort to be more organized, nominating conventions were held to select candidates, and the caucus system was eliminated.

The **Democratic Party** was picking up steam with Jackson's election in 1828. In accordance with the "common man" ideals, Democrats denounced Henry Clay's "American System" and supported states' rights. Democrats also defended the Spoils System as a necessary element of an efficient government.

The **Whig Party**, although out of power in the executive branch, was also further defining itself. Its roots were firmly entrenched in Alexander Hamilton's Federalist ideals, including supporting a national bank and a strong central government that would finance improvements within United States borders. Northern industrialists and merchants flocked to the Whig Party because it emphasized protecting their industries through high tariffs. Both Northern and Southern opponents to Andrew Jackson were drawn to the Whig Party.

The Whig Party, which served as the backbone for the modern Republican Party, toyed with moral reform early on. It believed that a strong federal government could—and should—use its power to resolve society's concerns. These social welfare efforts were, and continue to be, a strong barrier between political parties.

The Tariff of 1828

Andrew Jackson was elected as President of the United States because the American people saw him as the "everyman." His leadership during the Battle of New Orleans in 1819 gave him the respect of wealthy businessmen, and his simple roots resonated with those who were struggling to carve their own niche. However, his popularity did not ensure that he would avoid scandal and resentment during his presidency.

Jackson's supporters, angry over John Quincy Adams' win in the 1824 election, strategized to sabotage his presidency. They pushed a proposal through Congress that would raise tariffs significantly on manufactured items such as wool and textiles. Since Adams was a New Englander and any hike in tariff duties would be enthusiastically supported there, Jacksonians hoped to portray Adams as favoring his home region over the south and west.

The Jacksonians expected a backlash from their somewhat outrageous tariff proposal, which was exactly their purpose. They hoped to push this tariff through to embarrass Adams and his administration and to assist Jackson in getting elected in 1828.

As it turned out, Jackson did not need the tariff to be elected; his popularity got him elected in 1828. However, the proposal was still on the table. It finally passed in 1828, and instead of being an embarrassment to Adams, it wreaked havoc during Jackson's presidency and came to be called the "**Tariff of Abominations.**"

When the tariff went into effect, Southerners complained long and loudly. While other parts of the country were experiencing a boom, the economy in the south was stalling. Manufacturing interests, especially in the north, could gain assistance from a "protective tariff," but Southerners felt the financial strain of the tariffs due to their reliance on northern commodities. Residents of the south felt they were being treated unfairly, and they rallied against the Tariff of 1828 and against Jackson himself.

The Nullification Crisis

South Carolina, in particular, acted out against the Tariff of 1828. South Carolinians campaigned heavily against the tariff, justifying their arguments with the principles set out in the Kentucky and Virginia Resolutions written in the previous century by Jefferson and Madison to support states' rights. They also supported their case by arguing that the U.S. Constitution allowed states to individually nullify federal laws for the whole union.

The South Carolina legislature published a pamphlet titled "**The South Carolina Exposition,**" which offered persuasive arguments for nullifying the Tariff of 1828, stating that it was unjust and unconstitutional. South Carolina eventually revealed that the author of "The South Carolina Exposition" was none other than John C. Calhoun, Vice President of the United States. Calhoun was raised in South Carolina and supported the efforts to nullify the Tariff of 1828.

Supporters of nullification, who came to be known as the "nullies," attempted to pass nullification through the South Carolina state legislature, but their efforts were impeded by the Unionists, a small but determined group of men who believed that states did not hold nullification rights. Although other states made rumblings about joining South Carolina's cause, none ever actually did, and South Carolina fought the tariff battle alone.

The nullification cause benefited from Calhoun's leadership. Calhoun was serving as Jackson's Vice President, but he had fallen out of Jackson's favor as his successor thanks in part to Martin Van Buren's efforts. Van Buren, who was Secretary of State, delighted in any situation that widened the divide between Jackson and Calhoun.

One infamous situation that caused a rift between Jackson and Calhoun, and helped confirm Van Buren as Jackson's favorite, was the **Peggy Eaton Affair**. Peggy, the wife of Secretary of War John Eaton, had been accused of adultery prior to her marriage to John. The gossip mill speculated that Peggy had cheated on her first husband with John, causing her first husband to commit suicide. Even though John married Peggy, the shroud of dishonor stayed with her.

Jackson had lived through similar scandals surrounding his wife, Rachel. He and Rachel had married, erroneously believing that her divorce from her first husband had been finalized. When the mistake was discovered, Jackson had the divorce finalized and he and Rachel remarried, this time legally. Still, Jackson's detractors accused Rachel of being an adulteress, and Jackson blamed those accusers for her illness and eventual death.

Not wanting Peggy Eaton and her husband to suffer the same fate, Jackson demanded that his cabinet and their wives treat Peggy as their social equal. However, Calhoun's wife, Floride, continued to snub Eaton and directed her friends to do the same. Calhoun, hoping to keep domestic harmony, followed Floride's lead, much to Jackson's dismay. However Van Buren, a widower who had no worries about marital discord, was free to lavish Eaton with attention, putting him in the President's favor.

Van Buren also took every opportunity to point out where Calhoun's opinions differed from Jackson's, particularly where federal aid to local projects was concerned. One major project that sought federal aid was the national road-building effort. In 1830, Congress passed a proposal for a road in Kentucky to run from Maysville to Lexington. Calhoun supported this effort and championed the use of federal dollars for the **Maysville Road** construction, since it would eventually be linked to a national road.

However, Jackson exercised his veto power. He acted partially out of his continued animosity for Henry Clay (whose home state would benefit entirely from the Maysville Road), and partly out of his belief that providing federal aid for a single state project was unconstitutional. Supporters of the Maysville Road project were quite angry, and they began calling Jackson "King Andrew" because they believed he had abused his power as President.

Calhoun was dismayed at Jackson's rejection of both the Maysville Road proposal and of him as Jackson's political successor. Jackson made his feeling clear about Calhoun on April 13, 1830, during an annual event honoring the birthday of ex-President Thomas Jefferson. During the party, at which both Jackson and Calhoun were present, every toast given extolled states' rights—until Jackson's turn, that is. His toast, "Our Union—It must be preserved!" left no doubt about his position, or about his opposition to Calhoun.

Calhoun immediately followed Jackson's toast with one of his own extolling states' rights, but for Calhoun, it was apparent that his differences with Jackson would limit his political aspirations. Still, he was determined to fight for his home state, and having lost his hopes for ascending the political ladder, Calhoun switched his focus to championing the south.

Calhoun was not the only prominent figure fighting for South Carolina's rights. Senator Robert Y. Hayne followed Calhoun's example of leadership during an event that would come to be known as the **Hayne-Webster Debate**.

Hayne was serving in the Senate when a fellow senator, Samuel A. Foot of Connecticut, proposed a restriction on the sale of western lands still owned by the federal government. Believing that this proposal was an attempt to restrict western expansion and the inevitable political influence of a strong western region, Missouri Senator Thomas Hart Benton appealed to the South to join forces with him to defeat the proposal. Governor Hayne recognized the potential benefits of an alliance with the emerging west and he quickly stepped forward.

Hayne was soon drawn into a debate to justify his position. The proposal to restrict western expansion was originated by Samuel Foot, but it was the eloquent and dynamic orator Daniel Webster, a senator from Massachusetts, who engaged in verbal sparring with Hayne. Although Hayne was an able speaker in his own right, he was no match for the awe-inspiring Webster.

During the debate, Daniel Webster was able to steer Hayne toward another sensitive issue—nullification. Webster underscored nationalism and the destruction which could befall a nation that allows one state to nullify a federal law, making himself out to be a unifier and Hayne a divider. Hayne made attempts to steer the debate back to the interpretation of the Constitution regarding the sale of federal lands, but the damage was done. Daniel Webster won the debate with his argument for nationalism, and Hayne lost public support for his interpretation of the Constitution.

The Compromise Tariff of 1833

Meanwhile, South Carolina stood firm against the Tariff of 1828 with such acts of defiance as lowering the flags to half-mast. These displays made President Jackson realize that intervention was necessary. John C. Calhoun still carried some influence with the president, who at Calhoun's urging encouraged Congress to enact the **Tariff of 1832**. This new tariff reduced the rate of the Tariff of 1828. However, producers in the south remained distraught over the high tariffs and resisted this compromise, as well.



Again, the nullifiers asked the South Carolina legislature to nullify the tariff, which would affect the entire union. This time, the legislature agreed. In fact, the legislature went further by choosing Robert Y. Hayne as the new South Carolina governor, selecting Calhoun to fulfill Hayne's spot in the Senate, and threatening to secede from the Union if the tariffs were not reduced.

However, President Jackson was tired of threats from the nullifiers, and disgusted by the idea that one state could nullify a federal law and secede from the union. His response was firm. He met their challenge by raising an army and sending it to South Carolina. Shortly after his re-election, in his annual message on December 4, 1832, Jackson stated his intention to enforce the tariff, although he too encouraged Congress to reduce the burdensome tariff rates.

Jackson followed his speech six days later with the **Nullification Proclamation**, which further denounced South Carolina's action. With his army standing ready to enforce the tariff, Jackson called South Carolina's bluff. He called upon Congress to develop a **Force Bill** to authorize his use of army personnel to enforce the tariff. Existing legislation already granted him that power, but Jackson felt that a new and specific bill would strengthen his case against South Carolina.

With South Carolina painted into a corner, Calhoun, who had resigned his vice presidency to lead the nullification cause, pleaded with his old friend Henry Clay to help him draft a solution. Clay, who had been embroiled in the scandals surrounding the 1824 presidential election, responded with a compromise proposal. Under Clay's plan, the high tariffs that burdened the South would be reduced by ten percent over an eight-year period. The compromise **Tariff of 1833** was passed by a small minority in Congress, but it finally brought about significant tariff change.

The new rates were not as low as the Southerners would have liked, but they were more pleased with the compromise than they were with the Force Bill, which they called the "Bloody Bill." In response, although the South Carolina legislature voted to rescind its nullification of the tariff acts, it also nullified Jackson's Force Bill. By then the nullification of the Force Bill was a moot point, but it allowed South Carolina to feel a small taste of victory. However, the issues of nullification and succession had stirred the first rumblings that would eventually lead to the Civil War.

The Second Bank of the United States

In addition to the fight over the tariff, another area of economic concern in nineteenth century America was banking on the frontier. Frontier land was cheap, and speculators would buy large tracts expecting the price to go up as settlers entered the region. In order to finance their investments, speculators borrowed as much as they could from "wildcat" banks that sprang up to cater to this demand. These banks were themselves often speculative in nature, being more interested in making a fast dollar than building a secure banking business. Their excessive loan practices caused many more banknotes to be in circulation in the United States than there were deposits to cover them. Hard-pressed banks were sometimes forced to suspend specie payments to depositors and noteholders wanting to withdraw coins. Confidence in banknotes dropped, causing them to lose value, and more of them were needed to purchase the same amount of goods.

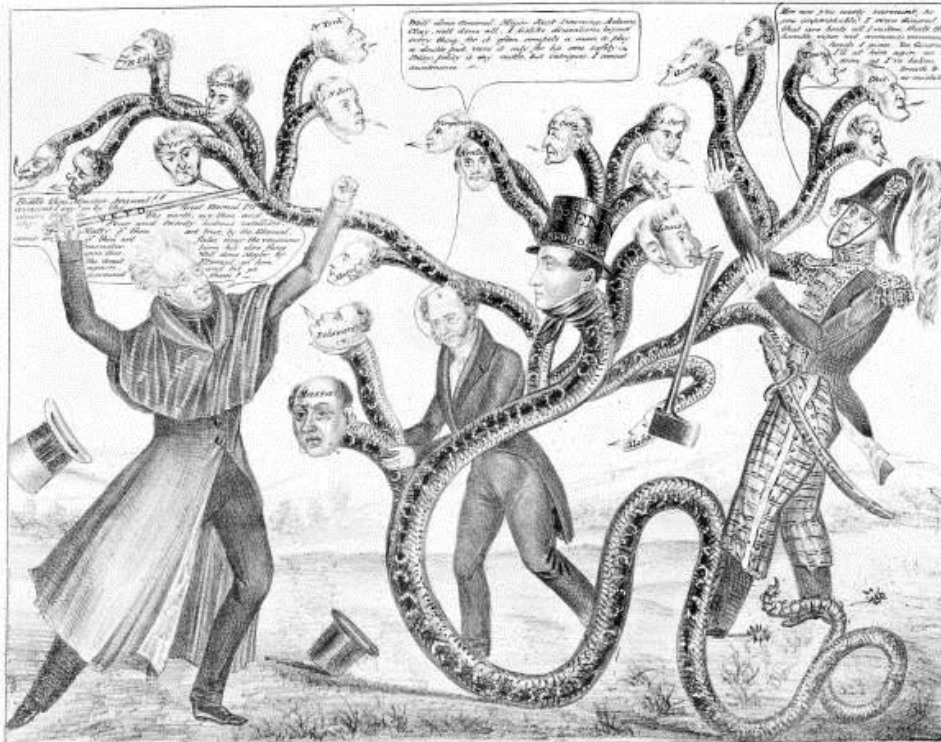
A similar situation of unstable currency had existed after the Revolutionary War. Alexander Hamilton as Secretary of Treasury proposed a national bank that would issue banknotes of stable value. Among other benefits, Hamilton felt such a bank would tie the interests of the wealthy to the interests of the government and, therefore, to Americans in general. The federal government would supply one-fifth of the new bank's initial capital, much of it in government bonds. Private investors would supply the other four-fifths. After much debate, Congress created the First Bank of the United States, and President Washington signed it into law amid grave misgivings in 1791. Thomas Jefferson had opposed the bank saying it vastly exceeded what was specified in the Constitution and that it opened "a boundless field of power, no longer susceptible of any definition." Hamilton countered that the power to charter

corporations was inherent in government and that the Constitution authorized Congress to pass any laws "necessary and proper for carrying into execution . . . powers vested by the Constitution in the government of the United States." This provision came to be known as the "elastic clause" for its opening to a broad interpretation or "loose construction" of the powers granted to the government by the Constitution. The Bank's charter ran out in 1811 and was allowed to lapse because of a turn of the political tide in favor of strict construction as well as deep concerns over the large proportion of British ownership in the Bank. Absence of a central bank hurt trade and hampered the war effort in 1812.

Inflation and the risk-taking behavior of frontier banks threatened the nation's financial stability. Frontier banks were beyond the regulatory reach of the state banks, however, because the state banks had no means to compel banks outside their state to exchange their notes for specie. In addition, on the frontier there was no cooperative network of banks to ensure sound practices as there was from one state to another. This situation prompted the federal government to charter the **Second Bank of the United States** in 1816. Like state banks and the First Bank of the United States, the Second Bank of the United States was privately owned. All federal funds were deposited in the Bank making it a powerful source of investment capital, and its federal charter extended its reach throughout the states and into the frontier. The government intended that the Bank's size and consistent practices would help regulate the speculative frontier banks.

Unfortunately, the first managers of the Second Bank of the United States did not understand its role in the economy. Almost immediately, the Bank fell into practices of overextending credit, especially among its western branches, which loaned ten times more banknotes than it had gold and silver on deposit. For several years a boom in frontier land values masked the danger to the country, but in 1819 land values declined and many frontier borrowers were unable to make their loan and mortgage payments. Wildcat banks were unable to meet their obligations, which created financial difficulties for their creditors and depositors, and so on throughout the economy. Foreclosures and bankruptcies were a painful reality to many in this era when the debtor's prison was still a legal institution. The **Panic of 1819** caused many business failures and was a general hardship for great numbers of people for the three years it continued.

The Second Bank of the United States had badly overextended credit, and many of its loans had defaulted in the panic, nearly causing it to fail. Only by taking the severest measures did it remain solvent. To save itself, the Bank refused to extend credit to smaller banks that were also financially in trouble. These banks, in turn, were forced to implement drastic measures such as calling in loans and foreclosing on mortgages in order to stay afloat.



GENERAL JACKSON SLAYING THE MANY HEADED MONSTER.

Though these steps saved the financial structures and institutions that supported the economy, they were hard on many individuals and businesses and even caused failures among banks. Consequently, public opinion was critical of the Second Bank of the United States in the aftermath of the panic.

In addition, many state banks felt that their authority to regulate credit within their state was threatened by a national bank such as the Second Bank of the United States. The State Bank of Maryland persuaded the Maryland Legislature to impose a tax on out-of-state banks, including the Second Bank of the United States. The federal government refused to pay the tax, whereupon Maryland sued the head cashier at the Maryland branch of the Bank of the United States, John W. McCulloch.

The case of **McCulloch v. Maryland** went to the U.S. Supreme Court, which was led by Chief Justice John Marshall. The Court ruled in favor of McCulloch. In writing the majority opinion, Marshall stated that “a power to create implies a power to preserve.” By this he meant that the government has the right to exercise its power and authority to protect an entity that it has legally created. Marshall went on to say, “the power to tax involves the power to destroy,” by which he conveyed the court’s opinion that a state government has no authority to exercise destructive power over a legitimate and constitutional entity chartered by the federal government.

Another significant aspect of the McCulloch case was Marshall’s defining the doctrine of “loose construction” of the Constitution. Loose construction allows the government to act outside what is specifically stated in the Constitution. Previously many people, particularly Jefferson and the Republicans, had insisted on “strict construction,” whereby the federal government is confined to do exactly what is expressly stated in the Constitution, no more and no less. Marshall argued, however, that the Constitution was derived from the

consent of the people and this allowed the government to act for the people’s benefit. He also stated that the tenets of the Constitution were not strictly set but were adaptable to circumstances and that whatever means were appropriate to achieve a desirable end, so long as they were not prohibited or morally wrong, were within the bounds of the intent of the Constitution. Often using Hamilton’s exact words, Marshall’s argument for a broad interpretation of the Constitution expanded the powers of the federal government. In particular, Marshall upheld the legality and appropriateness of the creation of the Second Bank of the United States by the federal government.

The Bank War

In its first years, the Second Bank of the United States weathered an economic panic and an important court case. These were not, however, to be the last of its troubles. Other forces were at work that would oppose and eventually destroy the Second Bank of the United States.

Early in the 1820s, Henry Clay advocated and helped implement what became known as the American System for developing a strong national economy. This system had three parts: tariffs to generate income and protect U.S. businesses, a transportation system of roads and canals, and a strong banking system that could make loans for large projects. Clay felt that the Second Bank of the United States was an indispensable part of this plan, and he approved the Bank’s now-cautious approach to credit and banking.

Following the Panic of 1819, the Second Bank of the United States functioned to stabilize the economy. It prevented the worst of the cycles of boom and bust that characterized this volatile period, by restraining unsound lending practices of smaller banks, especially the frontier wildcat banks. Since the Federal government deposited its substantial revenues of gold and silver in the Bank of the United States, the notes that the Bank issued were more uniform and stable in value than the notes of other banks.

Some people, however, felt that the Bank had too much power to restrict the speculative and potentially profitable business dealings of smaller banks. To frontier businessmen, the Bank was stealing their financial resources by demanding specie payments for the banknotes of frontier banks. They also resented what they considered to be the Bank's stifling of opportunity. If they engaged in speculation that might be highly profitable but also included risk, they felt this was their business and they should be free to do as they wished.

Frontiersmen felt a government that was so far away and had so little to do with their lives should not be able to dictate business practices to them. They found the idea of loose interpretation of the Constitution as defined by Chief Justice John Marshall to be repellent and dangerous. Westerners felt they were on the losing side of loose construction and heartily believed the government should stick to exactly what was enumerated in the Constitution and no more. President Jackson agreed with the Westerners that the lives and fortunes of Americans should not be dictated by government let alone a bank, and especially one that was not even a public entity.

Americans' strong and opposing opinions over the Bank of the United States made for an ideal political rallying point. Years before, Henry Clay had endorsed the Bank as one of the pillars of the American System of economic growth and nation building. He now had aspirations for the presidency in 1832 on the Whig ticket, and the Second Bank of the United States became a pawn in the game of election politics.

Predictably, for both philosophical and political reasons, Jackson came down against the Bank, calling it "the moneyed monster." He claimed the Bank was an illegal monopoly, and vowed that if he were re-elected he would not renew the Bank's charter when it ran out in 1836. The stage was set for a political battle, called the **Bank War**, over the Bank of the United States.

Though the Bank's 20-year charter would not end for more than four years, Daniel Webster and Henry Clay sent a bill through Congress in 1832 to renew the Bank's charter immediately. Clay felt that this would hurt Jackson's chances for re-election because if Jackson signed the bill and renewed the charter, he would anger his powerful western constituency, which felt economically restrained by the Bank. But if

Jackson refused to sign the bill, he would lose the support of wealthy eastern businessmen. Jackson bitterly commented, "The Bank is trying to kill me, but I will kill it!"

The bill to renew the Bank's charter passed Congress, but Jackson refused to sign it, calling the Bank unconstitutional even though the Supreme Court had upheld the Bank's constitutionality thirteen years before in *McCulloch v. Maryland*. Until this time, U.S. presidents had made a point to defer to the intent of the Founding Fathers for equality among the executive, legislative, and judicial branches. By vetoing the recharter bill, and thus dooming the Bank, Jackson rejected the decision of the Supreme Court and overrode the will of the Congress. In this way he exercised the innately greater power of the executive branch of government over the other two branches and coincidentally earned himself the nickname of King Andrew I. Ironically, **Nicholas Biddle**, president of the Bank, had earlier been labeled Czar Nicholas I.

Andrew Jackson's presidential victory over Henry Clay in 1832 led him to believe that the people had given him a mandate concerning immediate destruction of the Bank. Though its charter would not run out until 1836, in 1833 Jackson ordered Secretary of Treasury Roger B. Taney to methodically remove all federal funds from the Bank by using them as the government's operating capital. In addition, no new government funds were to be deposited with the Bank. Instead, new funds were to be deposited in various state banks, which came to be known as "**pet banks.**"

Within just a few months, federal deposits in the Second Bank of the United States dropped by half. Fearful that the Bank now had more notes circulating than could be supported by its deposits and desperate to save the Bank, Biddle called in many of the Bank's loans, especially those to other banks. This unexpected demand placed a hardship on smaller banks and businesses, driving some to bankruptcy and causing a minor financial downturn called "Biddle's Panic." Biddle was criticized for the severity of his actions, but even so the Bank was nearly failing by the time its federal charter ran out in 1836. It was then rechartered as the State Bank of Philadelphia.

With the stabilizing influence of the Second Bank of the United States gone, many banks resumed their old habits of overextending credit and printing too many banknotes. This caused paper currency to become unreliable, and speculative loaning, especially in the West, mushroomed to dangerous levels. In order to rein in this printing and lending spree, Jackson had the Treasury issue a **Specie Circular**—an order to other banks that only specie (metallic gold or silver money) might be used to purchase public land on the frontier. The Specie Circular had such a negative effect on land sales that it triggered a recession in 1837.

Jackson's presidential term ended in 1836. Popular with the people to the end, his immediate economic legacy was fiscal instability for the country, which resulted in the **Panic of 1837** during his successor, **Martin Van Buren's**, presidency. His unshakable opinion remained, however, that over the long term an immensely powerful national bank held in private hands was a danger to democracy.

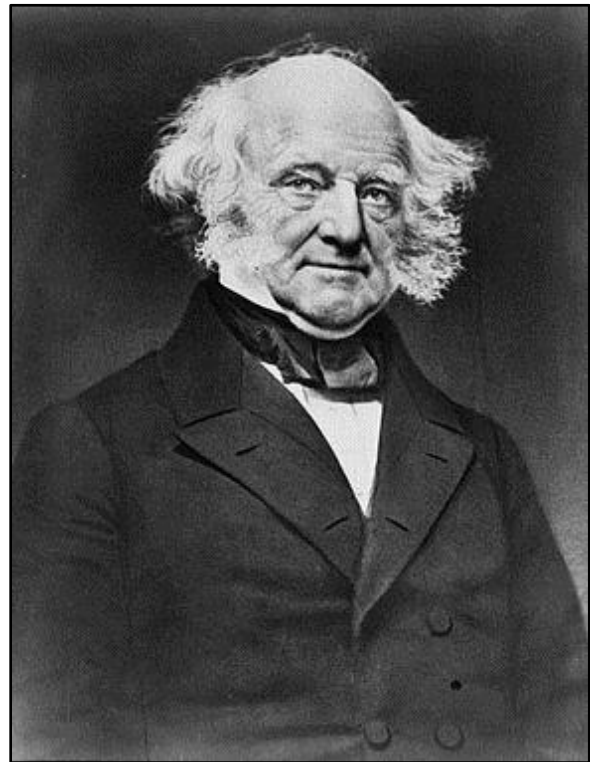
After the Panic of 1837, Van Buren separated government from banking by creating a government treasury to safeguard federal money. This move was generally unpopular since it removed federal funds from the state banks and reduced the pool of capital available for lending. Nevertheless, the **Independent Treasury Bill** passed Congress in 1840, and the institution continued until the twentieth century when it became part of the Federal Reserve System.

Native Americans & the New Republic

From the time the first colonies were settled in America, relations between the Native American Indians and white settlers ranged from respected friends to hated enemies. Into the 1800s, Americans who were still in competition with the Indians for land and resources considered them to be uncivilized and barbaric. But many Americans admired the Indians and valued their contributions to American history and culture. These people hoped that with time the Indians could be peaceably assimilated into American society. Even before the Revolution, churches and religious organizations sent missionaries among the Indians to try to convert them to Christianity. In 1787, the Society for Propagating the Gospel among Indians was founded for that purpose. The federal government joined the effort to "civilize" Native Americans that had first been undertaken by the colonies and the churches. In 1793, Congress designated \$20,000, a substantial sum for the time, to provide literacy, farming, and vocational assistance to Native Americans.

The United States recognized Indian tribes as separate nations of people entitled to their own lands that could only be obtained from them through treaties. Due to inexorable pressures of expansion, settlement, and commerce, however, treaties made with good intentions were often perceived as unsustainable within just a few years. The Indians felt betrayed and frequently reacted with violence when land promised to them forever was taken away. For the most part, however, they directed their energies toward maintaining their tribal identity while living in the new order.

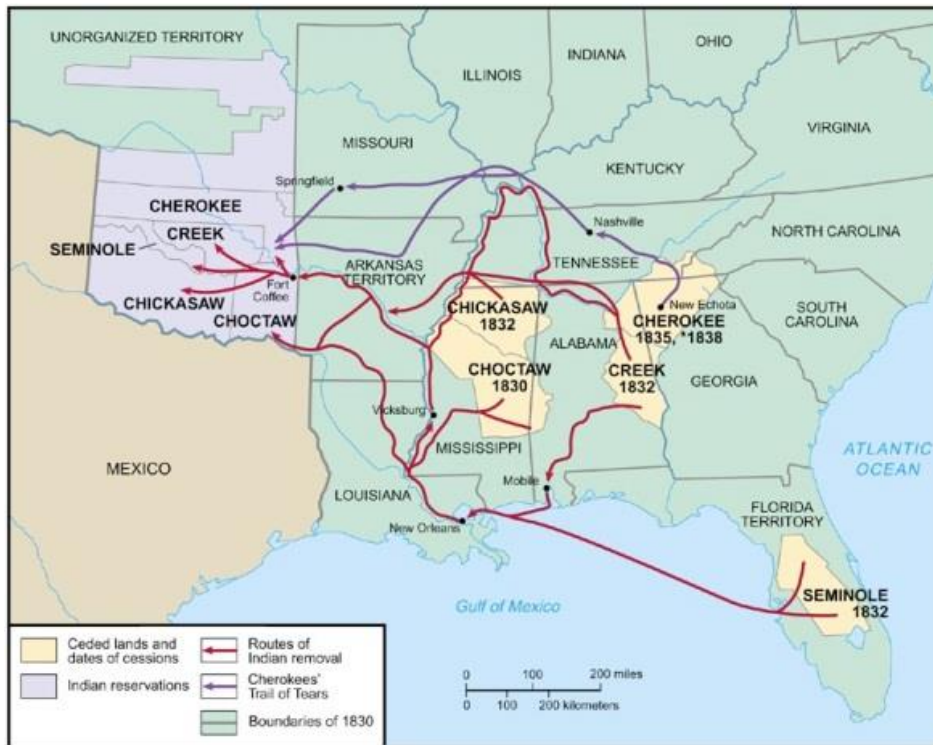
By 1830, most of the territories east of the Mississippi River had become states. The Democratic Party, led by President Andrew Jackson, was committed to economic progress in the states and to settlement and development of the western frontier. These goals put the government in conflict with the more than 125,000 Native Americans who still lived east of the Mississippi. By this time, many Indians had given up



nomadic hunting and had adopted a more settled way of life. In particular, the Cherokees, Creeks, Choctaws, Chickasaws, and Seminoles tried to live in harmony with their white neighbors who called them the **Five Civilized Tribes**. The real conflict between the government and the Indians was the land held by the Indians through legal treaties. White pioneers, frustrated by the lack of opportunity in the settled areas, pushed hard for new lands to purchase and farm, while states containing Indian territories resented the existence of lands within their borders over which they had no authority and from which they collected no revenue.

The Treaty of 1791 recognized the Cherokees' right to a substantial portion of northeastern Georgia. The Cherokees were very successful at adapting to a new way of life, farming the land, raising cattle, growing cotton, and even owning slaves to work their plantations. Missionaries established schools and helped the Cherokees in their new lives. One Cherokee, Sequoyah, devised the Cherokee syllabic alphabet of 85 characters so that his people could write down and preserve their thoughts. With a written language, the Cherokee were able to publish their own newspaper, The Cherokee Phoenix.

The Cherokees established their own governing body called the Cherokee National Council. In 1808, the Cherokee National Council developed a legal system, and in 1827 wrote a constitution enacting a system of tribal government to regulate affairs within the borders of their lands. Their government included an electoral system and a legislative, judicial, and executive branch. One tenet of the constitution was that on their



INDIAN REMOVAL

In 1830 at the request of Jackson, a bill went before Congress authorizing moving the Indians across the Mississippi. Daniel Webster and Henry Clay opposed the Indian Removal Bill, but its most bitterly outspoken opponent was Davy Crockett. Having served in the army under Jackson, Crockett was a Jacksonian Democrat until he and the president parted ways over treatment of the Indians. In the next Tennessee congressional election, the Democrats threw their support to another candidate, and Crockett was defeated. Disgusted with partisanship, Crockett left the arena of national politics and went to Texas, delivering, as

was the custom, a resounding rendition of his farewell speech at every stop along the way. Within a year he perished defending the Alamo.

own lands the Cherokee were not subject to the laws of Georgia. Treaties with the U.S. government recognized the Cherokee Nation, but the State of Georgia objected to having an independent Indian nation within its boundaries. Believing that the laws of Georgia should be sovereign throughout their state, Georgians passed legislation claiming jurisdiction over the Cherokee Nation in 1828.

Congress passed the **Indian Removal Act**, which provided for the resettlement of all Native Americans then residing east of the Mississippi to a newly defined Indian Territory in what is now Oklahoma. There the Indians were to be free to pursue their lives without interference. This removal was intended to be voluntary, but groups of Indians were strongly pressured to go. The legislation affected not only the Indians in Georgia, but over 100,000 Native Americans in other states, including all of the Five Civilized Tribes.

These political actions coincided with increasing economic pressures to open this area to white settlement and development. The Cherokee land was coveted for agricultural production at a time when the population of the state was increasing and demand for farmland was high. In addition, gold was discovered in the region and many whites were eager to mine it.

Little recognition was given to the fact that the Indians of the east were not familiar with how to subsist in the harsh conditions of the Great Plains or that the remuneration they received for their lands would benefit them little there. In addition, many tribes harbored ancient hostilities for other tribes. The Indian Removal Act made little provision for separation of groups. Once in the territory, Indians were left to get along however they might.

The Indian Removal Act

In the face of mounting opposition to federal protection for autonomous Indian nations in Georgia and other states—opposition that threatened to become violent—President Jackson decided to move the Indians to lands west of the Mississippi River. He felt this offered the best hope to preserve peace and protect the Indians from being scattered and destroyed. Opening new land to white settlement would also increase economic progress. Jackson insisted that the Indians receive a fair price for their lands and that the government pay all expenses of resettlement.

Nevertheless, many Indian groups, already surrounded by white settlements, accepted the government decree and moved west. The Choctaws of Mississippi made the trek from 1831 through 1833, and the Creeks of Alabama in 1836. Only nominally voluntary, these migrations often turned into forced marches during which many perished. The Choctaws lost one-fourth of their people before arriving in Oklahoma, while the Creeks lost 3,500 of the 15,000 who began the journey.

The Cherokees were not happy with the relocation plan and resisted being forced to move. In 1831, the Cherokees turned to the courts for defense against the Indian Removal Act and against the Georgia Legislature's nullification of Cherokee laws. Three times their cases went to the Supreme Court. In *Cherokee Nation v. Georgia*, Chief Justice John Marshall ruled that the Cherokee had "an unquestionable right" to their lands, but that they were "not a foreign state, in the sense of the Constitution" but rather a "domestic, dependent nation" and so could not sue in a United States court over Georgia's voiding their right to self-rule. Although this was a blow to the Cherokee case against Georgia, it cast doubt on the constitutionality of the Indian Removal Act.

In *Worcester v. Georgia* in 1832, the Court reversed itself and ruled that the State of Georgia could not control the Cherokee within their territory. The case revolved around two missionaries, Samuel Austin Worcester and Elizur Butler, who were welcomed by the Cherokee but who had not obtained a license under Georgia law to live on Cherokee lands. Worcester and Butler were ordered by Georgia to take an oath of allegiance to the state or leave Cherokee land. They refused and were arrested. The missionaries were consigned to hard labor on a chain gang for 16 months while the case was being decided. Later they would accompany the Cherokees on their long trek to Oklahoma. In 1992, the Georgia legislature formally pardoned Worcester and Butler.

In a third case, the Court agreed that crimes committed in Cherokee Territory were beyond the jurisdiction of the State of Georgia. This case involved a Cherokee named Corn Tassel who had been convicted in a Georgia court of murdering another Indian. Corn Tassel's attorney appealed the conviction on the grounds that the killing had taken place in Cherokee territory, so Georgia had no right to try him. The Supreme Court sided with the Cherokees and found that the Georgia ruling was unconstitutional. President Jackson, however, made it clear that he would tolerate no independent nation within the borders of the United States. When he publicly backed Georgia, Corn Tassel was hanged. The Cherokees then understood that even the Supreme Court could not save their cause.

In backing Georgia against the Supreme Court, President Jackson was responding to pressures in several different areas. Political pressure to open Indian lands to white settlement had been mounting for some time. With increasing conflicts of interest between settlers and Indians came an ever-greater likelihood of violence not only for the Cherokees but for all Native Americans living east of the Mississippi. In addition, Jackson believed in states' rights and wanted to limit federal power, including the power of the Supreme Court. He was also understandably concerned with the dangers inherent in granting political autonomy to groups of people wanting to establish separate laws and governments that could

supersede the laws and government of a state. For these reasons he was at odds with Marshall's Court, which felt obligated to uphold the provisions of the treaties that had already been made with the Indians. Jackson made no effort to obscure the fact that while the Court might rule whatever it pleased, the executive branch was not constrained to follow the ruling.

The Sac (Sauk), and Fox tribes of Illinois and Wisconsin were also affected by the Indian Removal Act. One Sac chief signed a treaty abandoning Indian lands east of the Mississippi, and he moved the tribes to Iowa. **Chief Black Hawk**, however, along with a faction from the tribes, revolted against forced removal from the land of their ancestors. In 1832, they returned to their Illinois lands and conducted a campaign of raids and ambushes. The United States Army responded and violently suppressed what the government considered an Indian insurrection. Black Hawk was captured and imprisoned in St. Louis in 1833. Among the regular army troops involved in this action was Lieutenant Jefferson Davis of Mississippi, while Captain Abraham Lincoln served with the Illinois volunteers. Thirty years later these two men would head the Confederate and Union governments during the Civil War.

In the case of the Seminoles in Florida, callous and misguided decisions by the government contributed to the bloodiest Indian conflict in U.S. history. The Seminole Indians were ordered to merge with their ancestral enemy, the Creeks, for relocation. The Creeks were slaveowners, and many of the Seminoles had escaped from Creek slavery. The Seminoles were justifiably outraged and several hundred, joined by runaway black slaves, refused to leave Florida and move west. They retreated to the swamps of the Everglades, where they fought a bitter and protracted war with the United States Army. Over seven years (1835-1842), this conflict claimed the lives of 1,500 U.S. soldiers. In 1837, **Chief Osceola** was captured by treachery under a flag of truce and sent to a prison where he soon perished. Three thousand Seminoles were then forced to relocate to Oklahoma in a bitter forced march. Another 1,000 hid in the Everglades, however, and continued to fight for five more years. Some were never captured, and the Seminole tribe became divided by this struggle.

Jackson & Van Buren

Historians are divided on President Andrew Jackson's feelings toward Indians. Some claim he was a virulent Indian hater and cite as evidence the fact that he commanded the American troops that killed nearly 900 Creeks in the Battle of Horseshoe Bend in 1814. On the other hand, Jackson led an invasion of Florida in 1818 to capture runaway slaves and punish those who aided them. There he ordered Indians, Spanish, and British alike hanged or otherwise killed. Rather than claim simply that Jackson was an Indian hater, it might be more accurate to say that he was a man of his times, and the times were violent. Jackson was a



practical, action-oriented person, who felt it was clear that the time of the Indian nations within the states was over. That being the case, he saw no reason to prolong their inevitable departure. On the contrary, in light of the political and economic advantages to Indian removal, he insisted it be accomplished as quickly as possible.

Having served two terms, Jackson chose Martin Van Buren, his Secretary of State, to run as the Democratic candidate in 1836. Van Buren won against the newly organized, conservative Whig Party and continued the Jacksonian political tradition of championing the rights of individual citizens to prosper in America. Primarily this had been achieved by restraining monopolistic and oppressive business, as Jackson had considered the Bank of the United States to be. Making sure that new land was available for settlement had been another important part of Jackson's political strategy.

Unlike Jackson, Van Buren was sociable, diplomatic, and not given to making strong partisan statements. His presidency was mostly concerned with countering the recession that followed the demise of the Bank of the United States and the Jacksonian policy of insisting that western lands be paid for in gold or silver. Speculation had grown out of control, banks went under, and the banknotes that served as paper currency became worthless or highly unstable in value. In addition, instabilities in the British economy

and the failure of two major British banks had negative repercussions in the United States.

Unemployment in the U.S. reached 30% as wages dropped precipitously, often by half. Public relief was not considered a province of the government at that time, so hundreds of thousands of destitute people had no other assistance than what was provided by charities and volunteer organizations.

The Van Buren years suffered other difficulties, as well. A wheat crop failure forced grain prices to intolerable levels, triggering food riots in New York just as he was taking office. Later that

year, Antonio López de **Santa Anna** wiped out the legendary force at the **Battle of the Alamo**, and the American **Sam Houston** led an army that captured the Mexican general and forced him to relinquish the portion of Texas north of the Rio Grande. The Mexican government complained, but Texas wanted to join the Union. This presented a serious problem to the United States because Texas would join as a slave state and upset the delicate political balance in the country.

In the fall of 1838, the U.S. government, now under Van Buren, ordered the forcible removal of the Cherokees from Georgia to the Indian Territory in present-day Oklahoma. Of the 18,000 that began the 1,000 mile, 116-day trek, 4,000 perished on the way of illness, cold, starvation, and exhaustion. The U.S. Army oversaw the march and forced a continuous pace at rifle and bayonet point disregarding the terrible hardship of the travelers. For this reason, the journey is known as the **Trail of Tears**. Some historians partially blame the Cherokee leaders for failing to make preparations to leave during the time they were given. Regardless of who was responsible, however, the circumstances of suffering and death remain a tragic chapter in American history. In all, between 1831 and 1839 about 46,000 Indian people were relocated across the Mississippi River.