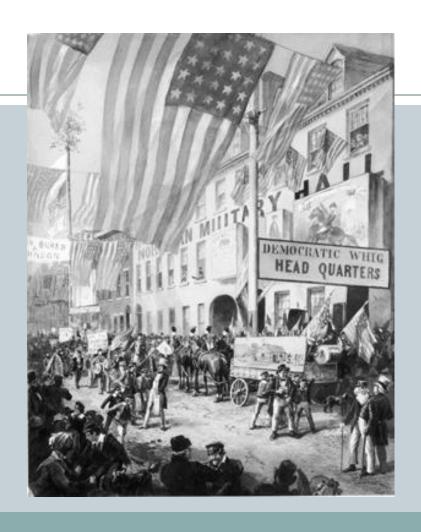
Terms and People

- nullification an action by a state that cancels a federal law to which the state objects
- Martin Van Buren President of the United States who succeeded Andrew Jackson
- William Henry Harrison Whig candidate who defeated Van Buren in the 1840 presidential election

Jackson and Van Buren



Objectives

- Describe the disagreement over the Bank of the United States.
- Discuss the differing viewpoints on the balance of federal and state powers.
- Explain why South Carolina threatened to secede from the Union.
- Describe the economic crisis that began in 1837.



How did old issues take a new shape in the conflict over a national bank and tariff?

The second Bank of the United States earned strong support from business people.

Made loans to businesses

Issued a stable currency

Kept government money safe

Created confidence in U.S. banks

However, many Americans disliked the Bank because it restricted loans made by state banks.

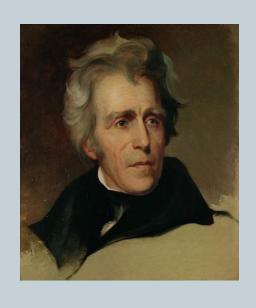




This angered farmers and merchants who wanted to borrow money to buy land.

Some blamed the bank for the 1819 financial crisis, when many people lost their farms.

The Bank's most powerful enemy was Andrew Jackson.



The Bank should be called "the Monster."

It favors the wealthy at the expense of ordinary people.

Jackson vetoed a bill to renew the Bank's charter. It ceased to exist in 1836.

Jackson's victory over the Bank had both positive and negative effects.

Positive

It increased the power of the presidency.

It showed that a President could face down powers in Congress.

Negative

It made it more difficult for Jackson's successor to deal with the economic crisis that began in 1837.

Although he had popular support, the national press ridiculed President Jackson for his quick temper and steely will.

They portrayed him as a king who trampled on rights protected by the Constitution.



Since the nation's founding, Americans had debated about the balance of power between the states and the federal government.

The Constitution gave the federal government many significant powers.

Federal Power

The Tenth
Amendment
reserved rights
for the states and
the people.

State Power

In 1828, the debate over states' rights reached a crisis level.

Congress passed a law raising tariffs on iron, textiles, and other products.

Vice President John C. Calhoun agreed with the Southerners. He argued that the states had the right of **nullification.**

Manufacturers in the North and some parts of the West supported the law.

Southerners felt the law was unfair. It made them pay more for goods.

Arguments for Nullification

America was formed from an agreement between states.

States kept certain powers.

States had the power to nullify unjust laws.

Arguments Against Nullification

America was formed by the entire American people.

Daniel Webster argued, "We are all agents of the same supreme power, the people."

President Jackson and Vice President Calhoun became bitter enemies due to their opposing views on states' rights and **nullification**.



Calhoun resigned in 1832 and was replaced by Martin Van Buren.

The crisis erupted in 1832, when Congress passed another tariff law.

South Carolina voted to nullify the tariffs and threatened to secede.

Jackson said that the Union could not be dissolved. He put troops in South Carolina on alert. A turning point in the crisis occurred when Congress passed two bills:

- One bill lowered tariffs.
- The other bill authorized the collection of tariffs by force.

South Carolina repealed its nullification of the tariffs because they were lower. The Force Bill became unnecessary.

The crisis was settled, but the question of states' rights remained.

When Martin Van Buren took office as President in 1837, he faced an economic crisis.

Cotton prices fell.

Cotton growers could not repay their loans.

Hundreds of banks went bankrupt.

This crisis, the Panic of 1837, lasted 6 years.

Van Buren ran for reelection in 1840 against Whig candidate William Henry Harrison.



The Whigs ran a skillful campaign to appeal to ordinary voters. They called it the Log Cabin Campaign



Harrison easily defeated Van Buren. The Age of Jackson was over.



Quiz

- 1. President when the Panic of 1837 struck the country
- 2. the man who ran a "log cabin campaign"
- 3. the Vice-president who supported nullification.
- 4. the supposed right to declare a federal law unconstitutional

- a. John C. Calhoun
- b. nullification
- c. Martin Van Buren
- d. William Henry Harrison
- e. resolve
- f. enrich

- 5. The economic collapse of the United States <u>after</u> Andrew Jackson left office was the Panic of 1837.
- 6. New Hampshire tried to nullify laws raising tariffs.
- 7. South Carolina threatened to withdraw from the Union, or secede.
- 8. The Age of Jackson ended when Martin Van Buren lost the election of 1824.
- 9. What were the causes of the Panic of 1837?