

**THE AMERICAN
REVOLUTION,
CHAPTER 7 NOTES,
PART 3**

War Finance

- ⦿ How did we pay for the Revolution?
 - Loans and gifts from friendly countries
 - Printing money (Continental dollars)
 - States refused to raise taxes
- ⦿ Crisis by 1781—Continental dollars were worthless

Robert Morris

- ⦿ Appointed secretary of finance in 1781
- ⦿ He was a wealthy merchant and investor
- ⦿ His plan:
 - Bank of North America chartered by Congress
 - Deposited gold and silver money obtained by loans from Holland and France
 - Issued new money backed by the assets on deposit

State Constitutions

- All fourteen states (orig. plus Vermont) adopted state constitutions between 1776 and 1780
- Virginia Declaration of Rights (1776)
- Bill for Establishing Religious Freedom (Virginia)—written by Jefferson
- Broadened base of politics