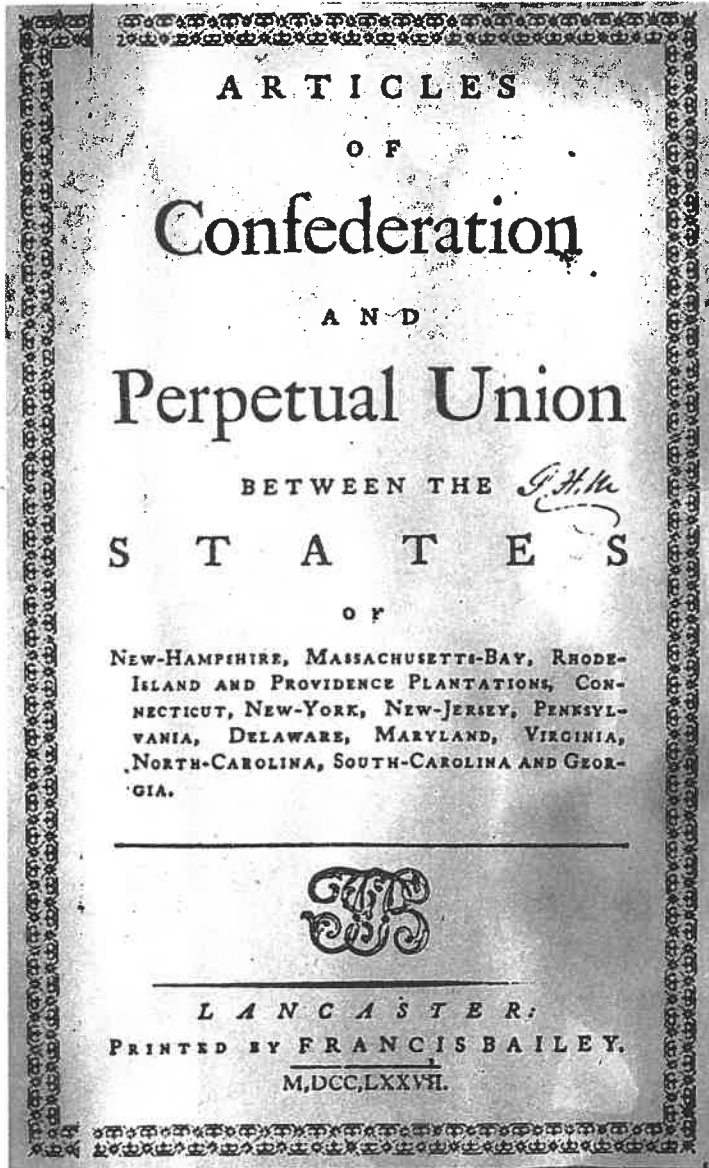


**territory** A region designated by Congress and organized under a governor. A territory may apply to become a state when it has a large enough population.

## 8.2 Early Quarrels and Accomplishments

Even before the Revolutionary War ended, the states began quarreling among themselves. Many of their quarrels were about taxes on goods that crossed state borders. New York, for example, taxed firewood from Connecticut and cabbages from New Jersey. The states also quarreled over boundaries. The inability of Congress to end such disagreements was one of the key weaknesses of the Articles of Confederation.



The Granger Collection, New York

This is the title page from the Articles of Confederation, the first constitution of the United States. Under the Articles, the states held the most power. The national government could not collect taxes or settle disputes between states.

**Developing Western Lands** Congress did get the states to agree on one important issue: how to develop the western lands acquired by the United States in the Treaty of Paris.

At that time, there was no orderly way of dividing up and selling these lands. Settlers walked into the wilderness and claimed the land they liked. Disputes over who owned what land clogged the courts.

To end this confusion, Congress passed the Land Ordinance of 1785. Under this law, western lands were divided into six-mile squares called *townships*. Each township was then divided into 36 sections of 640 acres each. One section of each square was set aside to support the township's public schools. The other sections were to be sold to settlers.

Surveyors proceeded to lay out townships in the Ohio Valley, then known as the Northwest Territory. By 1787, the government was ready to sell sections to settlers. This raised the question of how these areas should be governed. Were they to be colonies of the United States or new states?

**The Northwest Ordinance** Congress answered this question in the Northwest Ordinance of 1787. This law divided the Northwest Territory into smaller territories, each governed by a territorial governor. As soon as a territory had 5,000 free adult males, it could elect its own legislature, or lawmaking body. When the population reached 60,000, a territory could apply to Congress to become a state.

The Northwest Ordinance included a list of rights that gave settlers the same privileges as other citizens, except for one. Slavery was banned in the Northwest Territory.

This system of settlement served the nation well. Over time, the United States would continue to establish territories as it spread to the Pacific Ocean and beyond.