

# First Congress Unit - Lesson 3: Tariff Bill

## Congress Debates One Way to Pay for Government Services—The Tariff

The Constitution of the United States declares that “The Congress shall have the Power To lay and collect Taxes, Duties, Imposts and Excises.” It further specifies that “All bills for Raising Revenue shall originate in the House of Representatives.” While the proposals in the First Federal Congress to tax certain imported goods such as molasses were clearly opposed by the northern or “eastern” states, opposition to a protective “impost” or tariff proposal rose generally from the southern states. This lesson is designed to highlight the taxing powers and role of Congress in providing the revenue that is needed to perform government tasks while showing how the tariff was one factor in the emerging sectional tensions within the United States.

**Targeted Audience:** Students of early American history and government.

**Goals:** This lesson is designed to help students understand **(a)** the role that Congress plays in choosing which revenue sources (taxes) should fund government services, **(b)** the role that the House of Representatives plays in introducing federal tax bills, **(c)** the purposes, costs, and benefits of different kinds of tariffs, and **(d)** the role that tariffs played in creating sectional tensions within the United States prior to the Civil War.

### Focus Questions

- What are some of the major sources and uses of tax revenue for the federal government?
- What are "imposts" or tariffs and for what purposes are they used?
- What effects do tariffs have on international trade?

**Time to Complete:** 1-2 class periods.

### Standards Addressed

- **Delaware:**
  - **Civics Standard 1 (Grades 6-8):** Students will understand that governments have the power to levy taxes.
  - **Economic Standard 3 (grades 6-8):** Students will examine how...government policies allow either free or restricted trade.
  - National
  - **Grades 5-8:** Students should be able to explain the necessity of taxes and the purposes for which taxes are used.

- **Grades 9-12:** Students should be able to evaluate, take, and defend positions on issues regarding how government should raise money to pay for its operations and services.

## Materials Needed

- Copies of Handout 1 (see Unit Resources) - modified parliamentary procedure
- Copies of Handout 3-2 (see Unit Resources) - role cards
- Copies of Handout 3-3 (see Unit Resources) - legislative brief

**Terms to know:** import, export, tariff, protective tariff, duty, manufactured good, dumping, revenue, domestic, foreign.

## Procedures

**1. Entry Activity:** Prior to class, draw a simple bar graph showing the volume of imported car sales to be twice as high as the volume of domestic car sales in a given country. Distribute 3"x5" index cards to students as they enter the room. Ask the students to suggest some strategies the government might use to insure that the volume of domestic car sales is higher than the volume of foreign car sales the next time trade statistics are released. After you collect the cards, invite students to share their strategies.

**2. Lesson Description:** Tell students that, due partly to trade restrictions imposed by Parliament during the colonial period, the United States in 1790 was still dependent on foreign countries to supply them with numerous goods. A second problem faced by Americans involved English trade restrictions. England mercantile system denied Americans the right to trade freely with England or its territorial possessions. Tell them that in today's "session" of Congress they are going to debate a proposed solution to these problems.

**3. Parliamentary Rules:** Distribute copies of Handout 1 ("Simplified Parliamentary Procedures" - see Unit Resources) so that the students can refer to them during the debates.

**4. Distribute Legislative Brief 1 (Handout 3-2 - see Unit Resources):** Ask students to read their briefs then clarify any questions they may have about the contents of the brief. If you are pressed for time, this reading can be assigned for homework the night before the lesson is conducted.

**5. Distribute Role Cards (Handout 3-3 - see Unit Resources):** Ask students to read their role cards then clarify any questions they may have about the contents of their roles.

### 6. Debate

### 7. Vote

## 8. Debrief

**(a) Reflect.** Ask students:

- to offer reasons why governments need money and where they get it from.
- why tax bills must originate in the House of Representatives.
- why governments impose protective tariffs.
- what impact tariffs have on international trade.
- what role the FFC played in restoring national credit.

**(b) Reteach.** One of the problems that can occur when using simulations as a method of instruction is that students may “learn” that what they did during the simulation actually occurred in history. Be sure that the students conclude the lesson with the understanding that the FFC approved a low tariff that averaged about 8%. The highest tariff in American history—the Hawley-Smoot tariff—set some rates as high as 59%.

## Teaching Tips

The concept of tariffs and their impact on trade is often difficult for students to grasp, especially if you are teaching elementary or middle school students. Prior to this lesson, you may want to investigate your students’ understanding of tariffs. You can begin with a KWL, explore the purposes of tariffs, have students analyze the advantages and disadvantages of tariffs using a cost-benefit chart, and examine the impact of tariffs on trade.

## Recommended Readings/Works Cited

- Bickford, Charlene Bangs and Bowling, Kenneth R. *Birth of the Nation: The First Federal Congress 1789-1791*. Madison House Publishers. Madison, WI. 1989.
- *The Annals of America: 1784-1796 Organizing the New Nation*. Volume 3. Encyclopedia Britannica, Inc. Chicago. 1968.