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| *Focus Question:*  *Why did Jackson dislike the bank so much?*  *What caused Jackson to continue his attacks on the bank?* | **What actions of Jackson caused the economy to collapse; how did this affect the next election?**  Mr. Biddle’s Bank   * The Second Bank controlled all U.S. money, Nicholas Biddle ran. * Jackson disliked banks, having lost money to them. * Biddle asked for a charter renewal from Congress in 1832, thinking the election year would prevent Jackson from taking a risk.   Jackson’s War on the Bank   * Jackson vetoed Congress charter to renew the bank. * Sent a letter to Congress saying it was unconstitutional, dismissed the Supreme Court. * When Jackson was reelected, he thought the people supported his war on the bank, continued to attack it. * The war between Biddle and Jackson continued, until eventually the bank closed and the economy suffered.   Prosperity Becomes Panic   * Inflation devalued the U.S. dollar to an extreme. * Martin van Buren was elected president, distress at the time became known as *Panic of 1837*. * A depression followed the Panic. * Almost 90% of factories closed in 1837, affected all of the country, hurt cities the most.   The Rise of the Whig Party   * Henry Clay and Daniel Webster argued that the U.S. needed to support the economy — van Buren disagreed. * Most Americans blamed van Buren for the depression. * Clay, Webster, and other opponents of Jackson formed the Whig Party, nominated Harrison and Tyler to run.   The Election of 1840   * Harrison won in a close election with van Buren; emphasized Harrison as the common man. * Harrison caught a cold after his two-hour speech in the freezing cold temperatures at his inauguration, died; John Tyler became president.   Summary  Jackson caused the economy to collapse by closing the national bank. Later, van Buren took office, but was largely blamed on him, and not Jackson. As a result of this, the Whig party formed, and won the election of 1840. |
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