The Three-Fifths Compromise was a compromise reached between delegates from southern states and those from northern states during the 1787 United States Constitutional Convention. The debate was over if, and if so, how, slaves would be counted when determining a state's total population for legislative representation and taxing purposes. The issue was important, as this population number would then be used to determine the number of seats that the state would have in the United States House of Representatives for the next ten years, and to determine what percentage of the nation's direct tax burden the state would have to bear. The compromise was proposed by delegates James Wilson and Roger Sherman.

The Convention had unanimously accepted the principle that representation in the House of Representatives would be in proportion to the relative state populations. However, since slaves could not vote, non-slaves in slave states would thus have the benefit of increased representation in the House and the Electoral College. Delegates opposed to slavery proposed that only free inhabitants of each state be counted for apportionment purposes, while delegates supportive of slavery, on the other hand, opposed the proposal, wanting slaves to count in their actual numbers. A compromise which was finally agreed upon—of counting "all other persons" as only three-fifths of their actual numbers—reduced the representation of the slave states relative to the original proposals, but improved it over the Northern position.[1] An inducement for slave states to accept the Compromise was its tie to taxation in the same ratio, so that the burden of taxation on the slave states was also reduced.

The Three-Fifths Compromise, is found in Article 1, Section 2, Paragraph 3 of the United States Constitution which reads: "Representatives and direct Taxes shall be apportioned among the several States which may be included within this Union, according to their respective Numbers, which shall be determined by adding to the whole Number of free Persons, including those bound to Service for a Term of Years, and excluding Indians not taxed, three fifths of all other Persons."

The three-fifths ratio originated with a 1783 amendment proposed to the Articles of Confederation. The amendment was to have changed the basis for determining the wealth of each state, and hence its tax obligations, from real estate to population, as a measure of ability to produce wealth. The proposal by a committee of the Congress had suggested that taxes "shall be supplied by the several colonies in proportion to the number of inhabitants of every age, sex, and quality, except Indians not paying taxes."[2][3] The South immediately objected to this formula since it would include slaves, who were viewed primarily as property, in calculating the amount of taxes to be paid. As Thomas Jefferson wrote in his notes on the debates, the southern states would be taxed "according to their numbers and their wealth conjunctly, while the northern would be taxed on numbers only."

A contentious issue at the Constitutional Convention was whether slaves would be counted as part of the population in determining representation of the states in the Congress or would instead be considered property and, as such, not be considered for purposes of representation. Delegates from states with a large population of slaves argued that slaves should be considered persons in determining representation, but as property if the new government were to levy taxes on the states on the basis of population. Delegates from states where slavery had become rare argued that slaves should be included in taxation, but not in determining representation.

The proposed ratio was, however, a ready solution to the impasse that arose during the Constitutional Convention. In that situation, the alignment of the contending forces was the reverse of what had obtained under the Articles of Confederation. In amending the Articles, the North wanted slaves to count for more than the South did because the objective was to determine taxes paid by the states to the federal government. In the Constitutional Convention, the more important issue was representation in Congress, so the South wanted slaves to count for more than the North did.

"Much has been said of the impropriety of representing men who have no will of their own. ...They are men, though degraded to the condition of slavery. They are persons known to the municipal laws of the states which they inhabit, as well as to the laws of nature. But representation and taxation go together.... Would it be just to impose a singular burden, without conferring some adequate advantage?"

—Alexander Hamilton
The Connecticut Compromise
The Connecticut Compromise (also known as the Great Compromise of 1787 or Sherman’s Compromise) was an agreement that large and small states reached during the Constitutional Convention of 1787 that in part defined the legislative structure and representation that each state would have under the United States Constitution. It retained the bicameral legislature as proposed by Roger Sherman, along with proportional representation in the lower house, but required the upper house to be weighted equally between the states. Each state would have two representatives in the upper house.

On May 29, 1787, Edmund Randolph of the Virginia delegation proposed the creation of a bicameral legislature. Under his proposal, membership in both houses would be allocated to each state proportional to its population; however, candidates for the lower house would be nominated and elected by the people of each state. This allowed fairness and equality to the people. Candidates for the upper house would be nominated by the state legislatures of each state and then elected by the members of the lower house. This proposal was known as the Virginia Plan.

Less populous states like Delaware were afraid that such an arrangement would result in their voices and interests being drowned out by the larger states. Many delegates also felt that the Convention did not have the authority to completely scrap the Articles of Confederation, as the Virginia Plan would have. In response, on June 15, 1787, William Paterson of the New Jersey delegation proposed a legislature consisting of a single house. Each state was to have equal representation in this body, regardless of population. The New Jersey Plan, as it was called, would have left the Articles of Confederation in place, but would have amended them to somewhat increase Congress’s powers.

At the time of the convention, the South was growing more quickly than the North, and Southern states had the most extensive Western claims. South Carolina, North Carolina, and Georgia were small in the 1780s, but they expected growth, and thus favored proportional representation. New York was one of the largest states at the time, but two of its three representatives (Hamilton being the exception) favored an equal representation per state, as part of their desire to see maximum autonomy for the states. (The two representatives other than Hamilton left the convention before the representation issue was resolved, leaving Hamilton, and New York state, without a vote.)

James Madison and Alexander Hamilton were two of the leaders of the proportional representation group. Madison argued that a conspiracy of large states against the small states was unrealistic as the large states were so different from each other. Hamilton argued that the states were artificial entities made up of individuals, and accused small state representatives of wanting power, not liberty.

For their part, the small state representatives argued that the states were, in fact, of a legally equal status, and that proportional representation would be unfair to their states. Gunning Bedford, Jr. of Delaware notoriously threatened on behalf of the small states, "the small ones w[ould] find some foreign ally of more honor and good faith, who will take them by the hand and do them justice."

Elbridge Gerry ridiculed the small states’ claim of sovereignty, stating “that we never were independent States, were not such now, & never could be even on the principles of the Confederation. The States and the advocates for them were intoxicated with the idea of their sovereignty."

On June 19, the delegates rejected the New Jersey Plan and voted to proceed with a discussion of the Virginia Plan. The small States became increasingly discontented and some threatened to withdraw. On July 5, the committee submitted its report, which became the basis for the “Great Compromise” of the Convention. The report recommended that in the upper house each State should have an equal vote and in the lower house, each State should have one representative for every 40,000 inhabitants, counting slaves as three-fifths of an inhabitant, and that money bills should originate in the lower house.

In the “Great Compromise,” every state was given equal representation, previously known as the New Jersey Plan, in one house of Congress, and proportional representation, known before as the Virginia Plan, in the other. In the Senate, every state would have two seats. In the House of Representatives, the number of seats would depend on population. Because it was considered more responsive to majority sentiment, the House of Representatives was given the power to originate all legislation dealing with the federal budget and revenues/taxation, per the Origination Clause.

When, on July 12, the motion of Gouverneur Morris of Pennsylvania that direct taxation should also be in proportion to representation was adopted, the crisis had been successfully surmounted.
Another controversy erupted: What should be done about the slave trade, the importing of new slaves into the United States? Ten states had already outlawed it. Many delegates heatedly denounced it. But the three states that allowed it — Georgia and the two Carolinas — threatened to leave the convention if the trade were banned. A special committee worked out another compromise: Congress would have the power to ban the slave trade, but not until 1800. The convention voted to extend the date to 1808.

Article I: Section 9, U.S. Constitution
“The migration or importation of such persons as any of the states now existing shall think proper to admit, shall not be prohibited by the Congress prior to the year one thousand eight hundred and eight, but a tax or duty may be imposed on such importation, not exceeding ten dollars for each person.”

A final major issue involving slavery confronted the delegates. Southern states wanted other states to return escaped slaves. The Articles of Confederation had not guaranteed this. But when Congress adopted the Northwest Ordinance, it a clause promising that slaves who escaped to the Northwest Territories would be returned to their owners. The delegates placed a similar fugitive slave clause in the Constitution. This was part of a deal with New England states. In exchange for the fugitive slave clause, the New England states got concessions on shipping and trade.

Article IV: Section 2, U.S. Constitution
“[No Person held to Service or Labour in one State, under the Laws thereof, escaping into another, shall, in Consequence of any Law or Regulation therein, be discharged from such Service or Labour, but shall be delivered up on Claim of the Party to whom such Service or Labour may be due.]”

These compromises on slavery had serious effects on the nation. The fugitive slave clause (enforced through legislation passed in 1793 and 1850) allowed escaped slaves to be chased into the North and caught. It also resulted in the illegal kidnapping and return to slavery of thousands of free blacks. The three-fifths compromise increased the South’s representation in Congress and the Electoral College. In 12 of the first 16 presidential elections, a Southern slave owner won. Extending the slave trade past 1800 brought many slaves to America. South Carolina alone imported 40,000 slaves between 1803 and 1808 (when Congress overwhelmingly voted to end the trade). So many slaves entered that slavery spilled into the Louisiana territory and took root.

Northern states didn’t push too hard on slavery issues. Their main goal was to secure a new government. They feared antagonizing the South. Most of them saw slavery as a dying institution with no economic future. However, in five years the cotton gin would be invented, which made growing cotton on plantations immensely profitable, as well as slavery. The Declaration of Independence expressed lofty ideals of equality. The framers of the Constitution, intent on making a new government, left important questions of equality and fairness to the future. It would be some time before the great republic that they founded would approach the ideals expressed in the Declaration of Independence.