

Chapter 6

The Problems that England Faced after the French and Indian War

In 1759, thirty-one-year-old General James Wolfe led a small but determined band of British soldiers up the steep cliff before the French capital of Canada, and captured the city of Quebec. This daring victory climaxed the triumph of British soldiers in North America. It was followed by equally stunning victories in Europe, the West Indies, and Asia. By 1763, the French were thoroughly defeated and ready to discuss terms at the peace table.



As he lay dying, James Wolfe received word that the French had surrendered

As a result of the peace treaty, France surrendered her claims to Canada and most of India, but kept her "sugar islands." England now could claim all of America north of Florida and east of the Mississippi, the West Indies (including Haiti), as well as India.

The colonies rejoiced at this victory and the advantageous peace treaty that seemed to promise that all the lands east of the Mississippi were now open to them. However, despite the rejoicing on both sides of the Atlantic, three major problems confronted the British following their notable victories.

The newly acquired territories were inviting to settlers, speculators, traders, and trappers. But who would occupy and govern them? Nine years of warfare had exhausted the British treasury and saddled England with huge debt. How would it be paid, and by whom? Finally, the war, combined with lax enforcement, had encouraged widespread smuggling to avoid British trade laws. What should be done about the mercantile regulations?

This chapter examines these problems, challenges readers to find sensible solutions, and asks them to evaluate the solutions proposed by the British government.

Problem 1: Western Lands

In the Ohio River Valley, Chief Pontiac realized that the defeat of his French allies meant his ancestral lands would soon be overrun by English settlers. Resolving to fight the intruders while he still might win, Pontiac gathered the tribes of the Ohio Valley under his leadership and attacked the British forts in the West. Soon every English outpost but Duquesne (now Pittsburgh) and Detroit fell. Hundreds of pioneers were killed, and many of the survivors were forced to abandon their homesteads.

Pontiac's warriors were finally defeated, but not by colonial soldiers. British redcoats were dispatched to crush the Native American fighters who wished to expel all foreigners from their homelands. The conclusion officials in London drew from this episode was that the colonists could or would not defend themselves. This conclusion was reinforced by the failure of colonists to supply men, supplies, or revenues to help the British war effort during the French and Indian War. Fearing renewed fighting with

the Native Americans, the French, and the Spanish, British field commanders suggested permanent garrisons along the Ohio River Valley, the Great Lakes, and the Mississippi.

English policy makers also began to plan for the development of the Ohio Valley and other Western territories. They were faced with several problems. First, there were conflicting claims over the Ohio area between Pennsylvania and Virginia. Second, decisions had to be made whether and what lands had to be set aside for sale, for farming, and for hunting and trapping. Third, the competing claims of colonial speculators (such as George Washington's Ohio Company) and British land agents had to be resolved. Finally, the claims of Native Americans, some of whom had signed treaties with England in exchange for their war-time cooperation, had to be resolved.

Possible Solutions:

1. Station several regiments of British troops in the colonies to defend the West against the French and the Native Americans.
2. Temporarily close Western lands until sound plans for their future could be drawn up.
3. Allow settlers to move west at their own risk without defending them against the Native Americans.

Problem 2: Trade Regulations

While the colonists were expected to obey the mercantile laws regulating their trade with England and the rest of the world, they in fact frequently avoided both the laws and the tariffs required at colonial ports. During the war with France, colonial shippers coolly smuggled goods past British men-of-war supposedly blockading enemy ports in the French West Indies. Indeed, smuggling had become a way of life for many American merchants. Several colonial fortunes, including that of John Hancock, were earned at the expense of British trade regulations. So widespread was the smuggling, the British customs service in America collected less than £2,000 per year although it cost four times that amount to run the service. The British estimated that goods worth some £700,000 each year were imported illegally by colonists who avoided paying the required duties. If these gross violations continued, the British reasoned, England would be denied the major benefits that her colonies were supposed to bring her.

One of the great difficulties in preventing smuggling seemed to rest with the British customs service. Its officials were usually inefficient, corrupt, or both. They often took care of themselves by accepting bribes rather than collecting the revenues due the King. Even in the rare case that smugglers were caught, however, they frequently escaped punishment. The problem, in part, was that the accused would be made to stand trial before a jury of their peers who did not believe that smuggling was a crime.

Possible Solutions:

1. Pass strong laws to enforce existing trade regulations, i.e. eliminate jury trial for people accused of smuggling and eliminate the need for search warrants.
2. Repeal all trade regulations.
3. Allow smuggling to continue.

Problem 3: Finances

Officials in London estimated that 10,000 British soldiers would be needed to defend the American colonists from Native Americans and a possible French attempt to re-establish their base in Canada. The cost of maintaining such a large army would be £300,000 per year. The British thought the colonists should help pay for the cost of their own protection.

Furthermore, the French and Indian War had cost the British treasury £70,000,000 and doubled their national debt to £140,000,000. Compared to this staggering sum, the colonists' debts were extremely light, as was their tax burden. Not counting the mercantile regulations, the colonists paid only about 1/20th of the taxes that were paid by the British. Attempts to raise taxes in Great Britain had resulted in the famous cider riots. The British had already reimbursed the colonists with £275,000, for their share of the costs of the French and Indian War. Now, taxpayers in England thought it was about time that their counterparts in the New World should ante-up.

The colonists saw no reason for paying England to fight a war to keep them in the British Empire. They had never paid direct taxes to England, and had no intention of paying for a war they claimed they hadn't started and didn't need, especially since they had no say in the government which might be asking them to pay what it thought was their "fair share."

Possible solutions

1. Increase taxes on people living in England.
2. Put taxes on articles of everyday use on people living in the colonies.
3. Have colonists pay the same taxes as people living in England.

Grenville Takes Charge

With the ending of the French and Indian War, finally, the British were free to address themselves to the most pressing problems of the Empire. Some of the problems, of course, were raised by the war itself. But, most of them had been of long standing, and the war had only called attention to them. The new British Prime Minister, George Grenville, was a no-nonsense businessman eager to restore England's finances. Historians have accused him of being more concerned with balancing a budget than saving an Empire, but the problems he faced were real enough.

Suggested Student Exercises:

1. Define or identify and briefly show the importance to the chapter of each of the following:

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| a. James Wolfe and Quebec | d. competing claims | h. problem of trade regulations |
| b. Chief Pontiac | e. British debt | i. colonists' and British standard of living |
| c. problem of western lands | f. problem of finances | |
| | g. Americans' smuggling | |

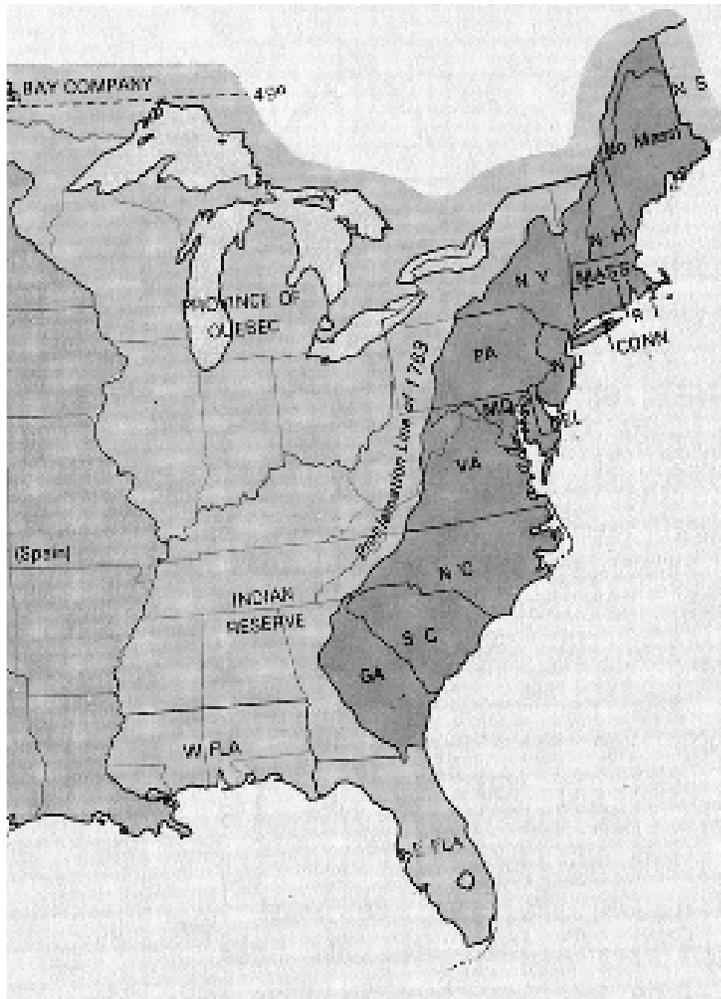
2. As your teacher directs, select one or two of the three major problems facing Grenville and decide on a fair solution to the problem by selecting one of the possible solutions listed after the problem. (Do not make up any other solution.) Then state the value assumption underlying your decision. For example, you may wish to pass strong laws to enforce trade regulations because you believe adherence to the law is the most important value. Then write a short paragraph connecting your decision to your value.

3. Form groups with other students who have proposed solutions to the same problem. Discuss your solution with these students and prepare to share your decision with the entire class.

Epilogue: Solutions to the Problems of Empire

Facing the same problems you were asked to consider, Parliament and the Crown made the following decisions:

Western Lands



Colonies in 1763 showing lands set aside for Native Americans

1. **The Proclamation of 1763** prohibited American colonists from settling west of the ridge running across the Appalachian Mountains or from purchasing lands in that area. All colonists who had already crossed this divide and settled in Ohio, Kentucky and other regions in the west were ordered to return and all land sales in that area were canceled.

Only Native Americans would be permitted to live in these regions until the British decided on a permanent solution.

2. The British decided to station 10,000 soldiers in North America to protect the colonists from attacks by Spain, France, or Native American tribes. The annual cost was estimated at £300,000.

3. The **Quartering Act** of 1765 provided that colonists help support troops stationed in America by supplying living quarters, candles, and rum.

Trade Regulations

1. The **Writs of Assistance**, 1761, gave customs agents the right to search for smuggled goods in private homes and other places without first securing a search warrant.
2. The **Sugar Act**, 1764, reduced the tax on molasses from 6 to 3 pence per gallon because the British hoped to make smuggling less profitable and thereby collect more money.
3. With the expansion of the jurisdiction of Admiralty (military) courts to include cases involving trade regulations, colonist accused of smuggling could be tried before a judge rather than a jury. The judge was entitled to 5 per cent of the ship's cargo, if the accused was convicted.
4. The British navy was ordered to aid the customs officials in their efforts to enforce trade regulations.

Taxation

1. The **Sugar Act**, 1764, lowered tax on molasses, but stated for the first time that the purpose of the tax was to raise revenue rather than regulate trade.
2. The **Stamp Act**, 1765, patterned after a similar law in England placed taxes on legal documents, newspapers, dice, and playing cards. Designed to raise about £100,000 annually, about 1/3 the cost of stationing troops in America.

Do you think these decisions on the whole were statesmen-like solutions to the problems faced by the British, or were they narrow and self-serving, with no serious concessions to colonial interests?