

1763: Challenges Facing Great Britain

- ▶ Pay off the Seven Years (French and Indian) War debt
 - Raise revenue through taxes and tariffs in England and America
 - ▶ Much larger land area to govern and defend
 - French traders, Native Americans and British colonists all desire the wealth that comes with the land.
 - Leads to conflict: Pontiac's Rebellion
 - ▶ Leads to George III's *Proclamation of 1763*
 - No new British settlements west of the Appalachian Mountains
 - British settlers who are west of the Appalachians must move back
 - Indian Reserve: all land between the Appalachians and the Mississippi River
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