

Massachusetts Bay Colony

And its debt

In a previous essay †, Henry VIII's 'fiscal and monetary actions' were examined. Of more relevance to Americans today would be 'The Colony of Massachusetts Bay' and its subsequent debt.

'The Colony of Massachusetts Bay' was 'established' by 'charter' in 1630 – less than a century *after* Henry VIII's 'reign' ended – and only a few decades *before* 'the founding' of 'the Bank of England.' Arguably, the collection of lunatics religious making up 'Massachusetts Bay Colony' did more in promoting 'paper money' (or 'holding the king's/state's liabilities as assets') than any king had achieved over centuries and centuries of effort. On both sides of the Atlantic, such 'debt liability assets' were only intended 'to be held' by 'the upper classes' from whatever idea of 'society' they were trying to envisage.

Henry VIII's 'estate' had 'revenue' from 'agrarian rent' and 'customs duty.' Similarly, 'The Colony of Massachusetts Bay,' with its 'officials elected by narrow plebiscite,' had revenue from 'estates,' 'personal sources' and 'The English Parliament.' As with any 'enterprise,' 'colonial enterprise's' objective was to 'earn profits for its owners' by whatever means necessary.



In 1686, eight years before 'The Bank of England' was 'founded,' 'The Legislature' of the colony, led by a John Dudley, proposed ideas around 'a bank' to 'issue notes forced on the public.' There was no more complicated a reason for this idea (plus those in its style) than 'The Legislature' running out of silver coin, specifically for its war against France in Quebec, with soldiers (hopefully) accepting these notes in payment over all else.

By 1690, 'the bank' had morphed into 'a direct issue of The Legislature,' with each note reading:

This indented Bill of [...] Shillings due from the Massachusetts Colony to the Possessor shall be in value equal to money and shall be accordingly accepted by the Treasurer and Receiver Subordinates to him in all Public payments and for any stock at any time in the Treasury – New England, February the third, 1690. By order of the General Court.

Each note was of to be of no less 'value' than 20 shillings, keeping its circulation to 'wealthier residents.' Compare this with 'the king's debts' in medieval England being held by his 'barons' etc.. 'Public payments' and 'stock at the Treasury' were intended as 'principal uses' for these notes outside of as direct 'payment to soldiers.' Where would such 'public payments' arise for the notes' well-heeled holders? In a myriad of ways; eg in 'Latin grammar school fees,' or 'handling charges for chattel imported.'

War in Quebec not going to plan, more notes were issued, with them only being widely accepted after a plan for their 'retirement' was made evident; 'to redeem them in specie' out of 'the colony's 'revenue.'

Since then, 'The Legislature' (with other 'The Legislatures' now forming a 'Union of States') made the notes 'legal tender for all debts' as well as 'granting a premium of 5% on all payments of debts to the government' – which should be viewed as the first 'council interest rate' to 'keep its notes attractive'... as society was/is split; destroyed. Where and how were 'debts' between each other and the council arising? Such questionable action was considered a given for 'fiat systems.'



Public's 'justification for acceptance' of 'government fiat' in C17th

Whilst not being in 'the wealthiest bracket of society' in (mainly northern) England at that time, colonizers leaving for America in C17th would have been 'sufficiently wealthy' enough to have 'funded their journeys' and would have been of 'sufficient credit' as well as literacy to take part in 'contracts' required of them for that journey. They would have been familiar with a 'highly stratified society' in England and had no issue in such 'a society' being established amongst themselves; for want of comparison or developed principles.

As evidenced by 'The Salem witch trials' of 1692/3, which saw hundreds 'accused of witchcraft' and many hanged, society was composed of 'religious, God-fearing and murderous' simpletons (arguably a trait that has become magnified since then) who 'obeyed their masters' regardless; giving them 'employment' as they did.

Consider some of the backgrounds of those 'in favour' of 'government fiat' like the Wanton bros. of Rhode Island. One such brother was not only 'a merchant' but 'one of the wealthiest merchants in Rhode Island,' another not just 'a ship builder' but 'a leading ship builder.' These 'fiat protagonists' liked the idea of paying 'their indentured employees' in paper over coin... with 'employees' not having any say in the matter.

'Government fiat' was favoured not by 'indebted tenant farmers' or 'common ship workers' but by those 'who owned' them.



Today

Are themes mentioned beforehand 'confined to the past'...? Not at all: 'The Colony of Massachusetts Bay' and its 'legislated fiat' was the model for the other 12 colonies that together formed 'The United States of America.'

These colonies 'declared full independence' in 1776 – whereupon the indentured; owned, just worked and 'paid their dues' to someone else over 'the king of England.' All individual colony 'revenues' and 'expenditures' would have been rolled up into 'a national revenue and expenditure' of 'The United States of America.'

This outright fraud on a nascent 'society' led to vacuous talk such as about 'the price of silver' – its 'escalation' being the result of distractive non-concepts such as 'over-issue of notes.' It has led to 'concepts' such as 'trade deficits,' 'capital accounts' and 'gold standards' about which lots speak of, as if these 'concepts' have real meaning; when they are just as fictitious as the fiat they are expressed in.

Defenders of this 'capitalist process,' this 'government fiat,' accumulating over three centuries now in America, will look at all 'achievements,' from 'improved public education' to 'space flights,' as a direct consequence that 'process,' without addressing all horrors that accompanied and accompany it. In a matter of decades, 'The Legislature' of 'The Colony of Massachusetts Bay' had achieved what had taken 'the kings of Scotland' centuries – a complete perversion; mass delusion in meaning of money.

Today, armed with 'MBA qualifications' (for fiat) the public do not see the fraud of fiat and do not want to see it.



† <https://purelytheoreticalresearch.com/upload/Henry-VIII-a-particular-example-of-a-prevalent-type.pdf>

Sources:

Rothbard, M. N., *Conceived in Liberty*, Arlington House Publishers, 1979.

Schuettinger, R.L. & Butler, E.F., *Forty Centuries of Wage and Price Controls*, 1979.