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Through entry into the juristic highways of Interstate Commerce by participation in an insurance policy program, as insurance is Interstate Commerce, and the King retains a third party beneficiary status in all Commercial transactions that fall under his regulatory Commercial Jurisdiction penumbra. In 1944, the Supreme Court decided a Case called *United States vs. South-Eastern Underwriters Association*,[\[1\]](#) which held that insurance, all by itself, is Interstate Commerce; so if you manage to participate in policies of insurance, you are participating in Interstate Commerce; Federal commercial benefits are being accepted, and the reciprocal *quid pro quo* taxation is necessary. The fact that the insurance company may be state chartered and licensed to do business in only one state, and that the policy may have been negotiated, accepted, written, and entered into in only one state are not relevant indicia as effecting limitations on federal Jurisdictions; *persons* paying premiums on policies of Insurance are *persons* playing in King's Commerce. A year later after *United States vs. South-Eastern Underwriters Association* was ruled upon, the Congress enacted the *McCarren Act*,[\[2\]](#) declaring that the:

"... continued regulation and taxation by the several states of the business of insurance is in the public interest, and that silence on the part of Congress shall not be construed to impose any barrier to the regulation or taxation of such business by the several states."

Yes, even the Congress of the United States knows that the application of *Principles of Nature* relating to silence that are incorporated into the *Ratification Doctrine* is even held to be binding on them in some circumstances.

This Congressional pronouncement, that silence in the context of a proposition being made constitutes acceptance, applies to all appropriate factual settings, and is held to apply to all *persons*, even the Congress itself. But as for taxation expectations, your acceptance of the benefits of an insurance program is deemed as evidence of entry into Interstate Commerce, and hence such participants are an object suitable for Federal taxation, regardless of any political Status, and regardless of the presence or absence of any other juristic contract.

[1] 322 U.S. 533 (1944). [[return](#)]

[2] 59 Statutes 33; Title 15, Section 1011 to 1015.
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Invisible Contracts

by **George Mercier**

Federal Licensing Programs

[Pages 480-481]

By experiencing the direct benefits of Commercial enrichment acquired through a Federal license program, such as being an SEC registered stockbroker, or an ATF licensed manufacturer of fireworks, which is an obvious pursuit of federally participated profit or gain. Several federal monopolies were designed specifically for the existing participants to experience intensive Commercial enrichment in, as the net effect of a regulatory jurisdiction is to discourage potential new market entrants from competing with established corporate titans. In any market there are only so many potential customers available, and excluding new upstarts allows existing Grandfathers to have a bigger slice of the pie they would not otherwise be experiencing. For example, the creation of National Banks by the Congress, through the Comptroller of the Currency, is one such monopoly designed to enrich existing market participants, while shutting out new banks

and damaging the end consumer. In any one demographic banking district, there is only so much business to be had; cutting out new entrants keeps a bigger slice of the banking pie for the owners.[1]

The secondary consequences of restraining the number of new market entrants politically are elevated prices the end consumer winds up paying, constricted services and retarded technological innovations.[2]

[1] For example, in 1967, F.W. Pitts wanted to bring a new National Bank into the Hartsville, South Carolina area. He submitted an application to the Comptroller of the Currency for a license certificate, and the request was denied. Reason:

"... we were unable to reach a favorable conclusion as to the need factor." - *Camp vs. Pitts*, 411 U.S. 138, at 139 (1973).

That is correct: The Comptroller denied the application because the community was already adequately served by other banks, and there was no "need," seemingly, for the new proposed national bank. In this way, the existing banks in Hartsville shut out a new impending competitor. The letter from the Comptroller, in turning down the License request, listed the banks already in the Hartsville area and the deposits they carried [CAMP, id., at 139]. The Comptroller seemed to be very concerned about enhancing the financial enrichment of the existing banks; and at no time was there any discussion about the improved service the end consumer would be experiencing, or of the very competitive rates of interest on loans that new upstarts searching for business charge. But like the tightly regulated issuance of local Television Station licenses by the FCC, the Comptroller of the Currency is on a mission: To make sure that the owners of existing banks are very well fed, and so throwing Torts at the public is nothing they are going to concern themselves with. For a summary of the laws creating obstacles for new prospective

banks to go into business, see the Editor's Notes called *Bank Charters, Branching, Holding Company and Merger Laws: Competition Frustrated* in 71 Yale Law Journal 592 (1962). [[return](#)]

[2] The telephone companies have exclusive geographical districts assigned to them with no competitors -- a pure monopoly; and if the FCC had not intervened to allow third party telephones and other equipment to be connected to local telephone company lines, you would never have been able to have automatic redialing on your phones -- such nice little effort savers are the result of competition, and not your local phone company, who could care less. Computers have been used extensively for telephone switching since the middle 1960's, and the continuing refusal of the phone company to assign a few byte locations in their computer's memory to remember your last dialed number, occurred for just one reason: They have a monopoly, they have their enrichment pipeline set up, and they don't care about you at all [a relative statement that will be viewed as being excessively harsh by those who never bothered to give any thought to evaluating, comparatively, the service attitude manifested by businessmen in a competitive operating atmosphere, with those businessmen who don't need to concern themselves with competitive pressures.] Yes, *Minimalism* rules in all uncompetitive environments, Commercial and otherwise.

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