

Myths and what



The Colony of Scotland (1698–1700) was situated on the isthmus of Panama on the Gulf of Darién. The aim was to have a route connecting the Pacific and the Atlantic to enable trade. It was abandoned after a siege by Spain in 1700.

The background to this page is the Flag of the Company of Scotland Trading to Africa and the Indies (1698).

lies – a surprise!



by Gordon
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WHAT ABOUT the Darien Scheme then, eh? Ah, the traditional cry of the *British Nationalist* and the cringing *Proud Scot* But every time the prospect of Scotland trading as an outward looking independent nation raises its ambitious head. They present it as irrefutable proof that we were, and remain, too wee, too poor, and too stupid to succeed without the broad shoulders of the United Kingdom to protect us. After all, where would Scotland be if the English Parliament hadn't bailed us out of impending bankruptcy back in the early 1700s by generously settling any outstanding debts from our Darien misadventure and bringing us under their protective care in the precious union? Aye, right! Granted, it wasn't Scotland's finest hour or brightest idea, for a number of reasons. But, as we know only too well, history is written by the victors and where the British (English) Establishment is involved, then and now, well... never let the facts get in the way of a good story...

Although Scotland retained its political independence after the Union of the Crowns in 1603, access to foreign trade was severely curtailed by English domination of the seas around the British Isles and all the major trading routes of the day. Traditional trading partners, such as the Netherlands, France and Spain, were effectively cut off from our merchants, as were the emerging trading areas of the burgeoning British Empire, like Africa and the East Indies. In 1693 William Paterson, a trader from Tinwald in Dumfriesshire (who would later be a co-founder of the Bank of England), came up with the idea of Scotland establishing its own Empire. He identified the first colony to be Darien, part of the country now known as Panama, and set about convincing the Scottish Parliament that a trading company with a monopoly on overseas trade should be established in order to replicate the success England was enjoying with its colonial trading. What could possibly go wrong?

The Scottish Parliament was a busy place in the summer of 1695, with the Government establishing both the *Bank of Scotland* and the *Company of Scotland* in rapid succession. The Bank of Scotland was established to support Scottish business (in contrast to the Bank of England's

main priority being to finance defence – *plus ça change!*) while the Company of Scotland was to be an overseas trading company with a monopoly on Scottish trade to Africa, India and the Americas. The Company was to be initially funded by public subscription and agreements were quickly reached with investors in Amsterdam, Hamburg and London. This success was, however, not welcomed by the major English traders, who went squawking tae King William, (our King too, by the way... II of Scotland, III of England), and the Company was subsequently forced to refund these subscriptions under threat of legal action. Still convinced by the potential of their plans the Company resolved to raise the necessary funds, around £400,000, wholly within Scotland. This they achieved in a matter of weeks as the venture was enthusiastically supported by the Scottish public. (In today's money that sum raised would be around £60 million!)

Darien was to be the Company of Scotland's first venture, and in 1698 five ships carried 1,200 colonising Scots via a circuitous route (to avoid detection by English warships) from Leith to Darien. On arrival they immediately renamed their destination *New Caledonia*, and set about building *Fort St Andrew* and establishing their township of *New Edinburgh*. Talk about imperialism – I did mention this wasn't our finest hour! Anyway, while the Scots were busying themselves creating their version of the promised land, the English had ordered their colonies not to communicate or cooperate with the Scots and King Billy had ordered his English Government not to help or support Darien in any way. Did I mention he was our King too? Nice!

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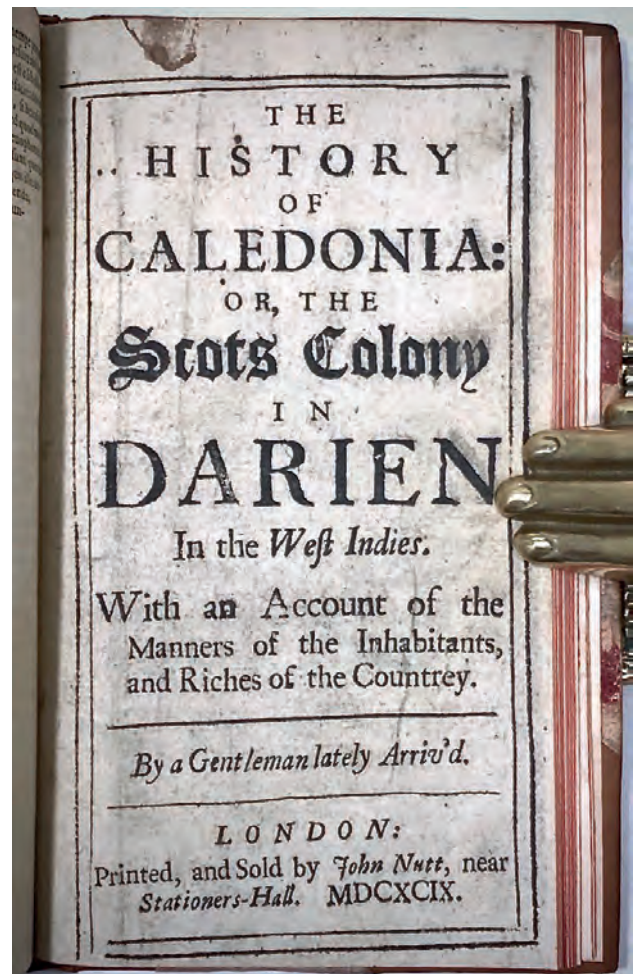
Company of Scotland HQ - Darien House, Edinburgh (now demolished)



Spain wasn't best pleased with the whole venture either, as they had their own claims to the territory, and blockaded Fort St Andrew in an effort to drive the Scots out, which they finally achieved in 1700. That was the end of Darien, but the Company of Scotland persisted with its efforts to establish trading links elsewhere bringing it into constant conflict with the English. By this time, Queen Anne had ascended the throne and was anxious to avoid war with Scotland, which was a distinct possibility as the continuous English interference in Scottish trading activities had, understandably, not been appreciated by either the Scottish Parliament or the Scottish public. Her solution was to instigate negotiations with the Scottish nobility with a view to uniting the parliaments of Scotland and England. Why would the Scots be interested in giving up their political independence? Well, as always, follow the money...!

As part of the Treaty of Union negotiations in 1707, the English Parliament offered the sum of £398,085 (and 10 shillings!) to, effectively, reimburse those individuals who had lost their investment in the Company of Scotland. As the principal investors were drawn from the ranks of the same nobility negotiating the treaty...

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This chest was used to store the money and documents of the Company of Scotland, established in 1695.



hence we see with absolute clarity the targets of the famous Burns' line "We're bought and sold for English gold, sic a parcel o' rogues in a nation"!

The truth is that both Darien and the Company of Scotland were funded by private investors, not by the Scottish Government. Therefore, it is completely false to assert that the country of Scotland was bankrupt or close to bankruptcy as a result of the failure of either Darien or the Company of Scotland. Historian Gordon MacGregor confirms this view: "No doubt some of the larger single investors took a serious hit, and the Alien Act of 1705 threatened further depletion of their precious reserves. It wasn't the country that was bankrupt but those at the top who didn't like taking a loss and would rather sell-out and recoup their losses than defend their country's interests. They really do think we're daft!"

That the ventures failed in large part due to the sleekit subterfuge of the English Establishment, supported and encouraged by (supposedly!) our own monarchy, is also clear. The money paid to Scotland to reimburse individual investors was officially described as being compensation for Scotland assuming a proportional share of England's national debt – importantly, Scotland had no national debt whatsoever... In today's money, that English national debt was around £2.5 billion! Remember, as pointed out earlier, that was exchanged for £60 million to private coffers... Good work lads!

So, next time a BritNat or Vichy Scot attempts to patronise with the *What about Darien?* myth, remember that it was their forebears who wrote the accepted narrative and remember their reasons for doing so – to keep Scotland down. Let's stand by our *iScot Magazine* principles – be "o independent mind" and "Choose Scotland – Big Enough. Smart Enough. Rich Enough."