

LIBERTY DOLLAR NEWS: JUNE 2002 VOL. 4 NO. 6

ACTION ITEMS: NEW RC Log In Page... NEW Profit Statement... NEW Info. Card... NEW Chart

1. Thanks for the Show of Support!

Before we get into ALL the news, thank you for the terrific support. NORFED is truly a great organization as exemplified by its outpouring of assistance. After last month's Newsletter, many Redemption Centers and Supporters responded. Although there was no way to use everyone, the offers and kind words of support were greatly appreciated as NORFED has experienced its darkest moment. Our heartfelt thanks to everyone, as we slowly dig our way out of our problems and on to greater heights and our noble goals. A very special thanks to Tim Milberger RC/KY for leading the techno team and becoming our Redemption Center of the Month. Thank you!

2. NEW Log in Page for Redemption Centers

This is BIG NEWS!!! The LOG IN for Redemption Centers has finally been corrected. Now you can log in and place your discounted RC order ON LINE. Unfortunately, it wasn't just one problem, but a series of problems and was resolved by several talented tech people. Simply go to the new Redemption Center button. Select LOG IN from the mini menu at the top of the page where you can LOG IN, SEARCH FOR RC and BECOME A RC. Check it out for yourself and please let us know if you have any problems. In addition to placing an order, you can check on your referral fees and update your RC information. My apology for such a problematic inconvenience.

3. NEW Sign Up Page for Liberty Merchants

Well it just hasn't happened. I had high hopes but yet again another techie flaked out... We will be launching this feature ASAP. Stay tuned.

4. NEW Profit Statement available

Some times the most well meaning people ask questions or offer suggestions because they think NORFED is flush with cash. Unfortunately, this has never been the case! So in answer to those who wonder where "all" the money goes, please check out our new Profit Statement on the Mother Lode of Info Page or simply visit: http://www.libertydollar.org/norfed_profit_statement.htm. You will also find out why NORFED is not a 501 c (3), that we are not a fraud or a scam and see the beautiful Silver Liberty as a Pie Chart. Many thanks to Jason Pratt RC/TX for his many efforts on this project. Your feed back is welcome.

5. NEW Information Card to hand out with the currency

If you have just become a RC or placed an order recently, SOON you will be receiving a new Information Card to hand out when you use the currency. The Card explains why the Liberty Dollar is superior to the FRN, why banks may not accept it for deposit, and why it is the moral, legal and honest currency that we all should be using for the good of our money, families and communities. We will be mailing some Cards to everyone who received an order after May 1, 2002 SOON. Please add your name, phone number, or contact info in the space below the address on the front of the card. And if you would simply like to get some cards, please email Truth@libertydollar.org. The card is at the

printers and should be available SOON. Thank you for getting the currency into circulation and returning America to value one Liberty Dollar at a time.

6. NEW Chart compares FRN to ALD

Last month we announced the NORFED Chart which speaks more clearly and convincingly about the falling value of the US Dollar verses the price of silver. The Chart presents the purchasing power of the Liberty Dollar as if had been issued as a US Silver Dollar in 1913 with approximately 3/4 of an ounce of .999 fine silver against the government's own paper FRN.

Unfortunately, many people had trouble downloading or viewing the Chart. So we have placed it on the new Media Info Page. Simply click on the new Media Info button. Select PRESS KIT from the mini menu at the top of the page where you can choose from ARTICLES ABOUT NORFED, PRESS KIT or USER STORIES. Scroll down and you will find the Chart. Please print it out and share with your friends.

Just remember we used the governments own figures for the FRN as measured by the US Bureau of Labor Statistics without compensating for the massive intervention by the government or the fact that silver was removed from the US coinage in 1965. God only knows what the true figures are but when you divide \$3.90 by four cents, it equals 9750%! And even though this is over 100% per year since 1913, it is NOT hyperinflation yet. But this should be a sobering wake up call for any sovereign individual with money to protect. Please take protective action NOW.

7. eLibertyDollar Update

"No news" is not good news. In spite of Tim Milberger, our Redemption Center of the Month, who answered prayers for IT help, there have just been too many problems to turn our attention towards finishing the eLibertyDollar project. Although it remains our ASAP goal, several problems must be resolved before we can launch the long sought after digital Liberty Dollar. Hopefully, we will have an ETA or better news next month. Watch for an ALERT when it happens.

8. Liberty Card Update

Likewise, the Liberty Card, NORFED's new smart card lingers as we resolve all the problems after Ed Gray's abrupt departure to cocoo land. The card, pre-charged with \$20, is still being included in the initial Redemption Center pack of \$100 Liberty Dollars as we wish to alert every new RC about the eLibertyDollar. As I have said, if you have a card and you do not wish to wait, please return the card to NORFED and we will send two Silver Libertys to you for the \$20 on the card. And yes, Liberty Cards are still available to RC at only \$5.00 versus \$10.00. All cards come pre-charged with \$20 Liberty Dollars at a 10% discount so the total cost when not included as part of a new RCs' initial currency pack is \$23.

9. US Mint to buy silver on the Free Market...

A bill has been introduced in Congress to authorize the US Mint to purchase silver on the open market. The June 11 cover of Numismatic News featured a major article that announced that Rep. Frank Lucas (R-OK) has introduced H.R. 4846 "Silver Eagle Coin Continuation Act of 2002". Action is necessary, as the law that created the Silver Eagle program requires the US Mint to draw silver exclusively from the government stockpiles. Then on June 25th, amid reports that the Mint was finally near the end of its silver, the Mint moved to allay fears with yet another press release. More BS from our favorite government. Sooner or later the market will win, just as it did in 1965 when silver was removed from

US coinage for the first time in our country's history.

10. Colored FRN money coming

And talk about BS... It appears that the FRN is changing colors even faster than originally thought. In late April, Bankrate.com featured an article titled "America's money may come in a rainbow of colors in 2003". In particular it said: Washington is considering changing the color of our money. By 2003, U.S. bank notes may no longer be green and black, but come in the colors of the rainbow.

So good ol' greenbacks could become redbacks, bluebacks, orangebacks and yellowbacks. Autumnmistbacks? "Colored money would be fascinating," says U.S. Treasurer Mary Ellen Withrow. "We have run some tests on our new press to see what it can do and worked with it a little bit."

No color choices have even been suggested yet, she said. But one thing will stay the same -- all the new bills will be the same size as they are today. Withrow said the [Bureau of Engraving and Printing](#) had thought about changing the bills so that each denomination was a different size, but the idea had been rejected. Tinting the notes is just one of the changes under consideration by the bureau for the next generation of money, but most of the changes will be technology-based.

The changes are primarily there to foil increasingly crafty, computer-armed counterfeiters. "The designs of the new generation of money are still being discussed," says Edward Sheehan, manager of the external affairs division of the bureau. "Nothing has been decided yet."

Then on the Front Page of the June 21-23 edition of USA Today, our nation's lead mouthpiece for the CFR, it announced that "As early as fall 2003, the \$20 bill will have a new color, as the United States launches a major revamping of its currency that will feature multicolor bills... as the twenty is the most counterfeit bill and the favorite of automated teller machines." It omitted that all FRNs are "counterfeit" to the US Constitution and the ideals of what money should be.

11. Quote of the Month

"If they can get you asking the wrong questions, they don't have to worry about answers." Thomas Pynchon

12. Question of the month

QUESTION: Can the initial (Standard Order) that a new Redemption Center places for \$250 when he signs up be changed?

ANSWER: The initial Standard Order can not be changed but any additional items may be added to it at the time of becoming a new RC.

13. Redemption Center of the Month

Without a doubt, Tim Milberger, one of our newest and youngest Redemption Centers has come to NORFED aid and spearheaded the problem solving and the re-design of our computer systems. Tim has simply been a God-sent. Thank you Tim!

14. The Nature of Money

Recently, I was invited to participate in a new Educational Audio Series for Pinnacle Quest International. As this was for an hour long CD, it is a bit long but contains good information about "The Nature of Money - Where it came From - Where it is Going" Enjoy it as your time permits.

Thanks again for your support fore without it we will never be able to get back to value.

Bernard von NotHaus
Senior Economist / Editor

The Nature Of **M O N E Y** Where it came From - Where it is Going

The history of money has been the history of the common man's quest to be free. In today's age this is often called "Go to Hell" money. Ahhh, that nebulous goal to have so much money that if you are hassled, you have the means - that's the monetary means - to tell the problem to "Go to Hell!"

Unfortunately, the vast majority of people never arrive at such a level of monetary freedom. And why? Simply because money has become such a routine part of our lives - its origin is rarely understood or even considered.

The exact origin of money itself is lost in the mists of time because in the beginning money was barter. We can confirm from archaeological finds that the birthplace of metal money was the ancient Middle East. And we know from man's earliest writing, the Cuneiform, that silver was used to pay for rent, taxes and compensation in 2400 BC. And that the alluvial deposits along the bank of the Nile were mined well over 5,000 years ago. So there is every possibility that gold and silver dates to the very beginning of civilized man - back to at least 10,000 years ago. Silver used to pay rent and taxes? Gee, I guess things have not changed that much in the last 5,000 years and maybe it is 10, 000 years!

In any case, it is like the old saying, "Gold is where you find it." Gold actually exists everywhere. It is in the ground, rivers, oceans, plants and even in our own bodies. Yet it remains tantalizingly difficult to extract in worthwhile quantities. Gold was created during the infancy of our planet. From the great inner cauldron and flaming gases that burst through the crust during the volcano process, currents of chemical reactions crystallized into precious metals, gold and silver.

But man did not seek gold and silver at the outset. No, it was nature that brought it to him. Gradually the wind and rain eroded the outcroppings. Slowly the nuggets of electrum (that's a naturally occurring alloy of gold and silver) were set free. Torrents in the stream-bed rounded and polished them. The sun shone on them. Then finally one day, someone noticed a beautiful shining object. And gold was discovered.

The original groups of hunter-gatherers didn't use gold and silver as they provided for only themselves or traded with other groups by direct barter, i.e. one to one, without money. Later, trading became more convenient with the use of indirect barter; i.e. trading into a common third party commodity which was then traded for the intended item. During the early part of that period, practically every medium such as seashells, bananas, cattle, land and metal was used for the third party commodity,

which is commonly known as money today.

With the advent of indirect barter, man's wealth developed, gold and silver became the most accepted medium for trading. Freed from other mediums that did not last, man began to accumulate wealth and great civilizations, like the Phoenicians, the Babylonians, the Assyrians, the Egyptians, all arose to use gold. Then in 560 BC, King Croesus of Lydia stamped his heraldic device into electrum - and the first gold coin was minted. For the first time, gold was transformed into a true medium of exchange that was guaranteed and democratized for commerce.

Even though the Greeks also used iron nails as money, the Romans used salt, the Brits used sword blades, and the American Indians used wampum, they all came to prefer gold and silver as the best money. As the goldsmiths and jewelers had already built vaults for their business, people stored their gold and silver with the goldsmith and received a warehouse receipt. Then in 618, the Chinese invented the first paper money. But it was not until 1661 - over 1000 years later - Sweden would issue the first paper money and introduced the West to the paper money banking.

After people became accustomed to accepting warehouse receipts in commerce in lieu of the physical gold or silver, the depositors found it was easier to get several smaller warehouse receipts. As these small warehouse receipts became popular they were used exclusively because they still represented stored value. Then over time, the goldsmiths became bankers and the warehouse receipts became banknotes._

Unfortunately, the bankers soon realized that the people rarely redeemed the gold and silver so they began to issue duplicate warehouse receipts. Eventually this fraud of 'fractional reserve banking' was legalized in the United States as the Federal Reserve System by the government for their own agenda.

So for over the past 5,000 years of recorded history, gold and silver has evolved as the preferred money for world trade and emerged as the pre-eminent global currency. Today, gold and silver is trusted as the ultimate store of value and the recognized medium of exchange because no other substance embodies the unique characteristics of precious metals.

This consensus of acceptance came about through thousands, possibly millions of transactions. Each time man acting in his own self interest decided that gold and silver was the best medium to put his value in. Oh, sure not everybody arrived at this conclusion at the same time - as these transactions happened over years, decades, even centuries. Some people used bananas. Others used cattle. Some used women as money. Others used gold and silver.

But bananas proved to be a poor store of value, they rotted. The cattle were rustled, slaughtered or died. And women were hard to divide up and of course there were other problems too. The ones who put their trust in gold and silver prospered. And as they prospered, they were copied. Slowly people came to accept gold and silver as money. Why? Because of their own self interest taught them that it was the best money.

So did money come about because of a palace dictate? Or because of some government action? Of course not! Although money was principally something for Kings, Queens and royalty. Hence the old adage "He who has the gold - make the rules." In many cases, if you were caught with cash, you were presumed guilty of theft! A man's home is his castle? Do be crazy! That was only true if he had a castle! Most of the people were treated like indentured servants. Now with the IRS stealing the one third of our money each year, one must ask, what is so different today? The answer lies in the

sophistication of the current monetary scheme.

In a brilliant move on the part of the current "I want to control the world" crowd, they have acknowledged that a "free" man works three times harder than a slave and twice as hard as an indentured servant. So their plan is to let the people be free - or at least let them think they are free. As Goethe, the German philosopher said, "No man is more enslaved than he who thinks he is free."

So what is money? Whereas money is often defined as a store of value, medium of exchange or a measure of value, these are only its uses, not what it is. Ralph Borsodi, one of my mentors, defines Money as simply a claim for something of value. Money is any "thing" that we can use to get what we want. So money can be any object, which is regularly used to make payments.

Money is simply that common item, thing, or commodity we accept for our goods, services or labor - knowing that it has value and we can use it to get what we want or need. Need? Does that mean that money is tied to our survival? Absolutely! Ask any immigrant. Ask any refugee. Ask anyone who has survived and they will tell you how important the value of money is when life hangs in the balance.

Ask our Founding Fathers. They were our country's original "survivalists". They lived through the Revolutionary War. They also witnessed the disastrous effects of the "Continental Currency" used during the Revolutionary War. Our Founding Fathers knew the importance of the value of the money. They knew that the money must have value and that value must have the undeniable discipline of intrinsic value. That is why they specified only gold and silver in the US Constitution. And reinforced it five years later with the Mint Act of 1792 which made it a capital offense - punishable by death - for anyone who devalued the currency. Might I add, that the Mint Act of 1792 has never been repealed and still stands today as the law of the land!

So what happened? Well the United States had its first central bank even before the Constitution was drafted. It was called the Bank of North America and was chartered by the Continental Congress in 1781. Ten years later with the ink hardly dry on the US Constitution, Alexander Hamilton succeeded in establishing America's second central bank for the advantage of the monetary powers. It was called the First Bank of the United States and was created by Congress in 1791. Luckily it failed too.

But in 1816, those bastards in Congress chartered the Second Bank of the United States, which was America's third central bank. Former General and President Andrew Jackson rose to battle the bankers and closed it, calling the central bankers "a den of vipers". He probably called them a lot worse - off the record!

Unfortunately, those who wish to enslave us with fiat government money did not die. In 1910 a group of New York bankers who represented approximately half of all the world's wealth met on Jekyll Island. And in 1913, just two days before Christmas, their blueprint for America's fourth central bank - the Federal Reserve - was finally legalized by Congress.

As a result of this unholy and unconstitutional alliance between the bankers who wanted to control all the money in the world - with the government who wanted an unlimited supply of money for their own agenda - we now have the worst of both monetary plagues. We have a 'fractional reserve system' that is totally based on fiat currency. In other words, our money is totally based on the hot air of the politicians! The fiat Federal Reserve Note have no value backing it. No discipline. No reason. Only force. And like every other fiat currency, it is doomed to fail. But only after much pain and suffering. Only then, after the tyrannical government has run its course and failed, is there a chance for a change

and an eventual return to value.

So where are we today? Where is "our" money - the "almighty" US Dollar? And what's in store for a world that has chosen the US Dollar as its "reserve" currency? With history as our guide, the immediate future does not bode well. Given the US government's successes with monetary crises starting with Mexico in 1995, then Russia, Asia, and Argentina - there are more to follow. Do I know where the next monetary crisis will be? NO. Do I know when? NO. The specific theater of action doesn't matter, because we will all be affected. How am I so sure? Because monetary crises are inherent with fiat currencies. The monetary crisis is a planned tool of the government to control the people by controlling the money.

Remember: When the government owns the money - it controls the people. When people own the money - the people control the government. As you know, although the US Dollar alias the Federal Reserve Note is portrayed as "government money" it is a private currency - owned and controlled by the Federal Reserve and operated at a profit for the advantage of their owners. It is the seat of our nation's problems as it inflicts economic persecution at the will of the government.

So what IS the immediate future of money? In a word it is inflation. As we all know the IRS is a pain. Yes it has driven some people to suicide while stealing everybody else blind. But nothing compares to inflation. As millions of people know, you can often side step your way around the IRS with good information. But up until now, it has not been so easy with the monopolist Federal Reserve and its manufactured inflation.

You can call inflation "rising prices", or you can call it "an abnormal increase in the volume of money and credit..." as the Webster Dictionary does or "the redistribution of the people's wealth to the government by the most powerful, subtle, and dangerous form of taxation." You can call it anything you want. But in a word - inflation is "theft" by the monetary powers. It is the nemesis of the free, independent, sovereign individual and the liberty that our Founding Fathers dedicated this country to.

Please do not be deceived. Don't accept that a little inflation is OK. Any inflation is theft. What does "only 5% inflation" mean? It means that you will lose half... that is HALF...of your money in just 10 years if you retired today. And if you don't retire, it could be worse tomorrow! Look at the explosion of M-1 (money supply) since September 11. And that follows on the heels of the 50 or was it 75 or maybe 100 BILLION fiat dollars that were pumped into circulation for Y2K. Regardless, if it is inflation, recession, or a depression the future is one of more government and higher prices. Get out of the government money before they announce that inflation is back and they have to raise interest rates - to fight the inflation that they created. Damn! What a system?!

Is there an "out" of the government's monopoly money? Of course there is. Just look at the historical evidence from past monetary crises. During these "terrorist times" it might be best to look at pre-Nazi Germany. From 1919 to 1923 the Germans experienced a classic case of hyperinflation. As explained in [Economic Solutions](#) by Peter Kershaw:

In 1915, the highest denomination of a German Note was 100 Marks, which was roughly equivalent to one US Dollar. By October of 1923, 100 BILLION Marks Notes were common.

In 1915 a retired person could live comfortably off the interest from 50,000 Marks in the bank - by 1923 the same banks were closing those accounts for insufficient funds!

In January of 1919 you could buy an ounce of silver for 12 Marks. On November 30, 1923, only four years later, it took 544 TRILLION Marks to purchase the same ounce of silver. For those Germans who had simply taken their money out of the Mark and put it into a different currency or anything of value, they preserved their money and many prospered.

The situation in America is very much the same today. Be forewarned! President Bush, for the good little puppet that he is, has told us: "Everything is different after September 11." And indeed it is. Just as hyperinflation bred Hitler, we now stand at the same dangerous cross roads and must ponder if we are witnessing pre-Nazi America. When hyperinflation hits the US Dollar the effect will be even worse than the German experience - because the US Dollar is the reserve currency for the whole world. And this time there are no other currencies to flee to because all government currencies are the same fiat crap - just like the German Mark of the early 1920's.

Inflation is a clear and present danger. It is theft by the government to make paupers of everyone who uses their money so that they can control us while they live like fat cats from the sweat of our brow. And then retire to a lifestyle that many of us were never able to achieve because we were ground between the twin evils of inflation and the unconstitutional "income" tax.

So, while the government propaganda machine tells us that all is fine, an increasing number of people are quietly returning their money to value. Without fanfare, they are learning about the true nature of money and understanding that the safest way to preserve their money from inflation is to privatize it in gold, silver, or the new Liberty Dollar before the whole system collapses. Will it happen this year? I hope not. Will it happen in our lifetime? More than likely. It will happen, after the current totalitarian government has exhausted every avenue of suppression - and destroyed as many economies by fabricated monetary crises as possible.

As we have seen - throughout history gold and silver have always been the money of last resort, a symbol of wealth, and used to venerate God. Gold is unquestionably the ideal money because it can not be destroyed and has a much higher value to weight ratio than silver. But is gold the better of the two metals right now? No. Consider these three key points regarding silver:

#1: On an average, there is a new use for silver patented every day - over 350 new uses every year. More demand - means higher prices. In comparison, there are very few new uses patented for gold.

#2: During the big run up in precious metals in 1979/80, gold went from \$400/ounce to \$850/ounce. It doubled in value. If you had your money in gold, it doubled. In the same time frame, silver, "the poor man's gold", went from \$5.00/ounce to \$50.00/ounce. Do you need a calculator? Of course not. Silver went up 10 times! So, which metal would you have preferred then? More importantly, which metal should you have your money in now? I'll give you a hint. It is NOT government paper money!

And #3: If you find this topic interesting, I encourage you to read "Silver Bonanza" by James Blanchard III. Jim distinguished himself when he founded NCMR and led the movement that returned the right to own gold to Americans in 1975. Silver Bonanza remains the definitive work on silver. The beginning covers the basics, the middle is more technical and, it finishes with investment advice. At the very end of the book, Jim summarizes the extent of the book and asks, rather rhetorically, can't you just see silver doubling from \$5.00 to \$10.00 a lot easier than gold doubling? Of course, because there are a lot more people with \$5.00 in their pocket than there are people with \$400 in their pocket. So given what you know - which metal would you prefer at this time?

Right now is the time to seize the opportunity to get out of government money and get into value. Now - while silver prices are still down - is the best time to convert some if not all of your paper money to value. And to urge your family, friends, and community to do the same. Find out about the alternative gold and silver currencies that are growing to provide a market for goods and services that accepts their value backed currency.

But at the same time as the totalitarian government is aggressively moving ahead with its plan to totally control all financial matters - there is yet an even more powerful force that grows relentlessly. In fact, this force is powered by the totalitarian's own success. The more the government grows the more this opposition force grows. What is this powerful force? It is you and I and all the people who act in their own self interest and do whatever needs to be done. This force is known as the free market and is represented by the ultimate free money - gold and silver money that still trades freely today.

Can the free market in gold and silver remain free? Yes. But first, let's acknowledge that no market is completely free. There is always a certain level of manipulation. If it isn't the "back door" dealings by the Russians, there has always been double-dealing, by the central banks. But regardless of the manipulations, gold trades worldwide. With all people. In every language. In every religion. In every possible political agenda. Many of them are at odds with the United States and each other.

No one group has a handle on the market. Oh sure, the central banks propagandists would have you believe that they can control the market because the central banks hold 33,000 tons of gold. First who believes those bastards? Second, guess what, they don't hold any silver! And third their gold is only a fraction of the 100,000 tons of gold in the world today. And many of the tons held by the central banks are held by groups with extreme opposite political, economic and religious views to each other. The vast majority of gold, about two-thirds, remains in the hands of the people!

So, will free markets continue to be free? Yes! Because competition is good and it will keep the gold and silver market freer than any other market. Remember gold and silver are called "the money of last resort" for good reason - because it provides real value in hand. Where it counts the most. Where there are no other claims against it.

As you may know, the prices of gold and silver are up! They have already begun to respond to the nervous financial markets, massive inflationary spending after September 11 and the evolving global meltdown of the current fiat monetary system. But are prices really going up? Of course it seems that way, but in reality, it is the falling value of the US Dollar that gives the appearance of higher metal prices. As the US Dollar becomes less valuable in the global market place, it takes more "dollars" to buy the same ounce of silver. Just like what happened in pre-Nazi Germany except now it is happening on a global scale.

Nothing speaks more clearly, more convincingly about the falling value of the US Dollar versus the price of silver than the NORFED Chart. The Chart presents the purchasing power of the Liberty Dollar as if had been issued as a US Silver Dollar in 1913 with approximately 3/4 of an ounce of .999 fine silver against the government's own paper FRN.

The Chart shows that from 1913, when the Federal Reserve Act was passed to the present, that the value of the paper FRN has lost 96% of its value and is now worth FOUR CENTS. In comparison, if the free market Liberty Dollar had been issued in 1913, it would be worth \$3.90 today (that's in FRNs with silver at \$5.00 per ounce). And this is using the governments own figures for the FRN as measured by the US Bureau of Labor Statistics without compensating for the massive intervention by

the government or the fact that silver was removed from the US coinage in 1965. God only knows what the true figures are but when you divide \$3.90 by four cents, it equals 9750%! And even though this is over 100% per year since 1913, it is NOT hyperinflation yet. But this should be a sobering wake up call for any sovereign individual with money to protect.

In light of what IS happening, what we need right now is our own money as called for by G. Edward Griffin, author of The Creature from Jekyll Island - A Second Look at the Federal Reserve. On Page 573, Ed Griffin said, "There are certain steps that must precede the abandonment of the Fed if we are to have safe passage. The first step is to convert our present fiat money into real money. That means we must create an entirely new money supply which is 100% backed by precious metal - and we must do so within a reasonably short period of time."

Fortunately Ed Griffin and a group of dedicated free market Americans, has risen to the occasion and introduced just such a currency. The Liberty Dollar - American's inflation proof currency - is based on the US Constitution and has also been acknowledged to be legal by the US Treasury. The Liberty Dollar provides a simple solution to the Federal Reserve fraud and the next monetary crisis - regardless of what that crisis may be called by the government's spinmasters.

We need a totally new gold and silver currency that we can use to exemplify our individual sovereignty. Not just gold and silver bullion that is stored away for a rainy day, but a useful, circulating currency that provides the ability for it to be used in commerce between those who prefer to use value instead of fraudulent notes. We need a Free Money Movement as called for by Noble Laureate and Economist, Dr. F A von Hayek. In his classic work: Denationalisation of Money Hayek said:

"What we need now is a "Free Money Movement" comparable to the Free Trade Movement of the 19th century, demonstrating not merely the harm caused by acute inflation...but the deeper effects of ... stagnation that are indeed inherent in the present monetary arrangements ... I still believe that... it is better to take money completely out of the control of government. The only way to save civilization will be to deprive governments of the power over the supply of money." Thank you Dr. Hayek!

So let's face it! It's our money and it is up to us as a free people to determine what it should be! Let us use the best money. The money our Founding Fathers enumerated in the US Constitution. Let us deprive the government by not using "their" money. Let us start using our own money. There are already over 50 communities that have issued their own currency in competition to the government shell game.

The Ithaca Hour currency in Ithaca, New York by Paul Glover provides an interesting model that is based on labor. Likewise, Michael Linton's work on LETS - "Local Exchange Trading System" presents another non-metal backed currency. Meanwhile NORFED - the National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Code distributes The Liberty Dollar. Available in coin, paper, plastic and digital form, it is 100% backed and redeemable in gold and silver and has already been enthusiastically accepted by a growing national marketplace.

Can we really have our own money? Yes! And we must if we are to turn the tide of the massive federal government. Understandably, money requires a moral, legal and administrative organization, which can safeguard it against dishonesty and counterfeiting. But who should rightfully control the money? The government tells us that the Federal Reserve has the right because they give it to them. The Constitution says, "Congress shall have power to coin money, regulate the value thereof..."

So you might be surprised to learn that the ultimate right to control the money in the United States still rests with the people. Sure from the time of King Croesus, the "royal authority" to "coin money" has been vested in the king as a sovereign power. But wait! Our Founding Fathers founded America without a king. And because of that, one of their most difficult issues to resolve was what to do with the sovereign power to create money. They did not want that power to rest in any of the three branches of government so they put the sovereign power in the hands of the people. For the first time in history - the common man now holds the sovereign power.

For that reason, Americans are free to literally coin their own money. That is why private mints exist in the United States - and practically nowhere else in the world! That is why it was possible for me to be the Mintmaster and operate the Royal Hawaiian Mint for 25 years.

We the people, can make our own money, and circulate it just like the Colonialists did, And must if liberty is to survive! If we still have the courage of our Founding Fathers to be a free sovereign people - under God - and not as a stepchild of another King George and his damn federal Mafia, I mean the government, then we must make our own money.

We have the right to contract. We have the right to use anything we please as money. We must use these rights or we will surely lose them! What say ye?! Do you want to be free of the legalized theft by the government through inflation and the unconstitutional IRS? I know not what you choose. I choose to be a free sovereign American and urge you to seek out the only true money - the money our Founding Fathers chose for our country - the money with the unwavering discipline of gold and silver.

Liberty and prosperity comes to those who are determined to quest for it. In the past the sovereign individual's journey has often been a difficult one. Always opposed by those monetary powers that strive to continue the common man's enslavement. And although beset with countless setbacks over the years, centuries, even millenniums, man's relentless quest towards individual liberty is marked by two noteworthy documents:

The Magna Carta - was secured at the point of the sword when a group of angry nobles forced King John to acknowledge their basic rights on June 15, 1215 in a small meadow at Runnymede, England. And although the Magna Carta did not apply to the common man, it was the first time that any reigning sovereign acknowledged individual rights.

The second document was signed 561 years later when a determined group of fierce Colonialists established the pinnacle that defined the rights of the common man to life, liberty, and the pursuit of happiness on July 4, 1776 when they issued the Declaration of Independence. The importance of these two documents can not be overstated. The ideals of our Founding Fathers only live when we choose to live up to those ideals, use honest money, and educate our fellow countrymen to do the same.

Let us not blame the government entirely. Certainly, all three branches have conspired against the good of the people. But the people, you and I, must admit that our apathy has emboldened the government's grab for totalitarian control. For example, we have allowed the government to mis-educate our children for far too long. And for obvious reasons - it is hard to imagine that any government school would ever quote George Washington that said, "Government is not reason; it is not eloquence; it is force! Like fire, it is a dangerous servant and a fearful master." A free people must be free from both government money and government schools!

The distant future of money is reflected in the past. Just as the evolution of monetary instruments has been driven by man's quest for more convenience - so it will be in the future. At first it took thousands of years to move from bits and pieces of gold and silver bullion to man's first coin in 560 BC. Then it took only a 1000 years for the evolution of warehouse receipts. That was followed by business drafts. And personal checking took even less time. In 1950 Bloomingdale issued the first credit card for The Diners Club.

Each subsequent innovation has brought greater convenience to the money. Now, with the computers and the Internet, a total decentralization of the monetary architecture is possible. Now, you can move, spend, and control your finances in total privacy from your computer at home or business. And you can do all of that in the currency of your choice. The first private, non-government, digitized gold payment systems already run in parallel to the government's steal'em blind systems. e-gold, GoldMoney, eBullion, Crowne-Gold, and eLibertyDollar all offer interesting models. All offer digitized metal currency over the Internet with varying degrees of ease and credibility.

In addition to digitized value backed currencies on the Internet, a new card, a Smart Card is also available. Containing a computer chip that can store, transfer, and record - the Smart Card promises to revolutionize the monetary architecture once again. In fact, there are several models available now with more to appear as the market warms to the portability, privacy and greater convenience that this new technology offers.

As the noted author and futurist, Richard W. Rahn, pointed out in [The End of Money and the Struggle for Financial Privacy](#): "Technology has fast outpaced government's ability to maintain control of electronic finance. Advances in fiber-optics and encryption make it ever easier to transfer funds from one person to another anywhere around the globe almost instantaneously and without the use of paper and coins." Rahn continues: "The state already lost the technology battle. The question now is whether the state will face this technological reality and redesign its tax and financial systems, as well as anti-crime practices, to allow people to do what they will do, in a lawful manner."

With new technologies and currencies available and with inflation on the horizon, it is only a matter of time before the musical chairs of fiat money stops and anyone holding government money will have to face the music. Just be sure that whichever currency you are holding is not only as "Good as Gold", but that it is 100% backed and redeemable in real gold and silver.

Please don't be deceived by anybody that tries to proclaim the validity of their money unless it is proven by an independent audit. As many sound money economists advocate, the only reason that we have always had bad money is because private enterprise was not permitted to provide the best. Now that private competing currencies are available via the Internet, let us pray that their competition will end fiat government money. Money should serve at the benefit of the people - not the government.

In conclusion, James Baldwin tells us, money is exactly like sex. You think of nothing else if you don't have it and if you have it, you think of other things.

Seriously, the proper education of money is vitally important because money is unquestionably one of the most important items in our lives. It provides for our children, it buys our food and clothing, and protects us when we get old.

So where does money come from? Money comes from the value that we give it with the sweat of our brow.

Where is it going? Money is going to return to value - but only after a series of mounting monetary crises. Then market driven, gold backed, non-governmental, private competing currencies will become the norm.

How will this come about? We are already in the process. Just as the Gutenberg Press made information available to anyone, who sought it in the fifteenth century, the Internet is doing the same thing. Except this time it is not just another information explosion - this time it is also a TRUTH explosion.

We, Americans have a unique opportunity to show the world a way out of the fiat currency debacle. This is an opportunity for America to save the world economy from ruin by demonstrating our leadership and a commitment to liberty as we did with the Declaration of Independence and the US Constitution. By using The Liberty Dollar, we can give the world an example that honest money works, that liberty can be freely chosen, and that the people can make a difference.

Lets all exercise our American liberty by getting out of the government money and getting into value!
Please take action, Today!

Bernard von NotHaus
Seattle. June 13. 2002

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