

LIBERTY DOLLAR NEWS: January 2003 Vol. 5 No. 1

ACTION ITEM: WOW...Volume 5! Who would have thought it? We will be five years old and are planning a big party... so PLEASE read Article #4. And don't forget to introduce The Liberty Dollar to a new person every day. Do the DROP and remember to KISS! Thanks.

TABLE OF CONTENTS:

1. "The Cops Picked Me Up"
2. "New Money doesn't bug Federal Reserve"
3. Press Release Campaign
4. IMPORTANT: Money for American Liberty Festival
5. NORFED "Bank"
6. NEW URL, Email Purged, Changes!!!
7. Disclaimer – More Changes
8. Raylene joins NORFED, etc.
9. American Numismatic Assoc. Carries Liberty Dollar
10. Question of the Month
11. Redemption Center of the Month
12. Quote of the Month

Appendix A

Appendix B

1. "The Cops Picked Me Up"

Like most people, I found this shocking post on the ALD-Forum (ald-forum@yahoogroups.com). After reading it I was stunned and left wondering "What happened next?" Here is the rest of the story and some important advice as to what to do if this happens to you. This "incident" is paraphrased from my interview with John:

On January 3, 2003, John L. Hill RC/OH and his wife went shopping at a local mall and John used four Silver Libertys to purchase some clothes at the Dillard Department Store. John explained what the Silver Libertys were to the cashier and she happily took them and even showed them around.

A short time later while shopping in another store, a policeman came up to John and asked if he was the person spending some "Silver Dollars"? John acknowledged that he was that person and showed him one. Within a few seconds, six big beefy cops surrounded John and his wife and took them to their security room in the mall. John and his wife were interrogated for about ten minutes. All the while

John remained, calm, polite, reiterated his innocent position and offered to exchange the Silver Libertys for Federal Reserve Notes. During the interrogation, the police call someone, obviously found out the currency was not illegal (or anything else for that matter) and released John and his wife to exchange the Silver Libertys for FRN and go on about their lives.

So what is to be learned? The most important point, which was John's question as I discussed this with him was, How to deal with such an "incident"? And with more and more Liberty Dollars being used, it is reasonable to expect more and more "incidents", like the Secret Service's call to Rory in last month's newsletter. So it is important to have a well rehearsed plan of action.

Now, as I am not an attorney and can not give you "legal advise", as one who has had his share of "incidents" and has interviewed many other incidents, a clear course of action is recommended:

- First, be prepared, remain calm and polite at ALL times
- Get the names and badge numbers of the officers
- Offer to exchange the Liberty Dollars for Federal Reserve Notes
- Continue to declare your complete innocence
- Answer their questions very succinctly. KEEP SILENT.

Remember the police have been brainwashed NOT to believe "criminals"

- DO NOT attempt to explain the Federal Reserve or monetary issues
- DO NOT volunteer any info thereby and self-profile yourself
- If you are threatened by an arrest, ask on what grounds

Counter any charges of "counterfeit" etc. charges with reason, if not the law

- Suggest they call somebody because you are innocent. Only suggest the Secret Service unless it is the very last straw, as we do not want to be a nuance.
- Always remain calm and courteous.
- Report all "incidents" to NORFED - ASAP

Unfortunately, we don't know who the police called. It could have been the Secret Service, as God knows they have been called over a hundred times. But they probably called the Police Headquarters, who didn't know what to do and said if John was willing to exchange that "silver stuff" for "regular money" then "let'em go..." or something along those lines.

Again, the important points are to remain calm, know you did nothing illegal, offer to pay with Federal Reserve Notes and PLEASE report every "incident" to NORFED ASAP. It is extremely important that NORFED is informed of every incident so that we can be of best service to all of us using The Liberty Dollar. Knowing the number of incidents and recording the way they are resolved is critical to the long-term success of the currency and our goals. PLEASE report any "incident" you have with any authority to NORFED ASAP. And under no circumstances, do we recommend or support writing the Chief of Police or any other authority about any Liberty Dollar incident! DO NOT kick a sleeping dog!!! We do not need to draw any more attention to our peaceful efforts than what are bound to happen as we return America to value – one Liberty Dollar at a time.

2. "New Money doesn't bug Federal Reserve"

Isn't this headline great?! The *Paradise Post* in Paradise, California just ran two major articles. Very well done, with big pictures, color and on the front page! How did this happen?! As I have said time and again, it is all up to the Redemption Centers. And this time it was Charles Douglas! He simply went to his local newspaper with The Liberty Dollar, because it IS newsworthy! That is all it really takes. Of course a bit of planning greatly enhances any venture. So before you go, call the paper and find out what is the best time to visit. Then, DON'T STEAL YOUR OWN THUNDER by telling the paper what you want to bring them. They will invariably ask...they are in the news business... but DON'T TELL THEM ON THE PHONE. Go to the paper, with the brochure, copies of past articles so they can see what others have written, the recent Paradise Post article, copy of the new Press Release below and samples of The Liberty Dollars. Please note the following press release, as we have just launched a new Press Release Campaign of six releases over the next twelve weeks.

And walla! There will be an article, with your name, and Redemption Center in the paper. And in Charles' case, it got even better because the follow up article interviewed the Federal Reserve, which even mentioned me by name for the first time. Among many memorable quotes is, "...what von NotHaus and NORFED is doing is not illegal." Carol Eckord, spokeswoman for the F*R* continues, "It is similar to a gift certificate at a department store." Right on Carol! Please take a moment and read both articles in [Appendix A and B](#). Then take the Press Release from the following article and some Liberty Dollars to your local newspaper, and be sure to mention that NORFED is non-profit, and...you will get coverage!!! We need to take the message of the Free Money Movement to every newspaper in the country. Get your picture on the Front Page and send NORFED two copies!!

3. Press Release Campaign

As mentioned in the previous article, NORFED has launched a campaign of six Press Releases over the next twelve weeks. Each one can be used as a stand-alone release or used together. All contain a link to the new press page (www.LibertyDollar.org/press). Please add your own contact info at the bottom before you take it to your local newspaper. The fact that a new national currency is represented by a local resident (maybe even a subscriber to the newspaper that is dedicated to local events), is "news" and needs to be told! You just need to inform the newspaper about it! Like I said, the success is really up to the Redemption Centers, that is why I am also a RC. Check your info pack, there are past articles in it, you can print articles from the web site, and you can print the *Paradise Post* articles from this newsletter. Please call or email the NORFED office if we can do anything to assist you in getting coverage:

FIRST PRESS RELEASE: 28 January 2003 - For Immediate Release

LIBERTY DOLLAR NOW ONLINE

The alternative money geniuses with The Liberty Dollar have done it again. Now they have digitized the new gold and silver dollar online for conducting business on the Internet, via e-mail, and through electronic funds transfer, for their 30,000+ users.

Since 1998, more than three million Liberty Dollars had been put into circulation. "Now, we have put the Liberty Dollar Online to marry the strength of a value backed currency with the speed and convenience of the Internet," said Bernard von NotHaus, Monetary Architect.

"This e-currency is absolutely unique," continues Mr. von NotHaus, "no other money provider offers 100% backing and 100% physical redemption in gold and silver, digital convenience, and paper certificates, all integrated in a single, economic model that pays people to use the money. We are

proud to say that after 23 years of extensive research and development, we built a system that works – technically, economically and legally."

Simply put, users can e-mail Liberty Dollars to anyone in the world, buy over the Internet, or continue to use them at their neighborhood stores where they exchange dollar-for-dollar with the US Dollar. Plus the digital and paper currency may be redeemed for the beautifully designed one ounce Silver Liberty by the "bearer on demand".

The Liberty Dollar, America's second most popular currency, is marketed at a discount and is used at a profit, something you can't get from the Federal Reserve. Plus you can spend Liberty Dollars Online instantly without any bank fees, anywhere in the world.

"The digital Liberty Dollar is the latest -- and most useful -- in a growing market of electronic value backed currencies," said Louis James, President of The Henry Hazlitt Foundation, who believes that a sound money is vital to ensuring long-term peace and prosperity.

The Liberty Dollar is distributed by NORFED, a non-profit, educational, national organization, which uses the free enterprise system to bring competition to the Federal Reserve monopoly and "return America to value – one dollar at a time".

Jim Davidson, a Redemption Center in Houston says, "The most important reason I use The Liberty Dollar is to offer 'honest money' in my business dealings. History has shown time and again that currencies which are not redeemable for gold and silver lose value through inflation and manipulation."

More information for the press is available at www.LibertyDollar.org/press/

[Please add your own contact info here.]

####

4. IMPORTANT: Money for American Liberty Festival

Got some money? Looking to have a party? We are looking for you!

Seriously, the Fifth Anniversary of The Liberty Dollar is drawing near. As you probably know October 1, 2003 is our birthday and we are planning a big "Rock n' Talk" festival of five national speakers alternating with five bands, noon to midnight, August 23 in Austin, Texas. I just got a call from Gregg Allman about the Allman Brothers Band being the headline act. Rest assured, if not Gregg, it will be someone who rocks! I have also invited Woody Harrelson to be one of the five speakers. We are tentatively holding Exhibit Hall #5 at the Austin Convention Center where Bonnie Raitt did her big TV special last year. The Festival is coming together quickly, which is wonderful, as this will give us six months to market the event and pre-sell the tickets because it is not going to be just another "patriot" event. We want to draw 3000+ people to hear our message and have fun! Five years is awesome!!! What we have done is awesome!!! One major event like this will turbo charge our efforts and will have thousands of people talking about The Liberty Dollar and returning America to value – one dollar at a time!

We now need to sign the contracts for the bands, speakers and the Convention Center. To do that we need to pay the deposit money, so we need to raise some funds rather quickly. And as you can imagine, bank financing is out! Nor are we asking for any donations. For us to win and to celebrate our Fifth Anniversary, we need to self-finance the event. So to finalize the contracts, we need to raise \$50,000 in short term loans, immediately. All loans will be made between lender and NORFED, who will pay 10% interest on all loans until repaid. Loans will be repaid from the gate (tickets sales). And

with six months to pre-sell the event and thousands of Liberty Dollar supports, plus one of the best priced concerts in a long time, this plan seems very reasonable. It is even possible to pre-sell the event and refund the money BEFORE the event! Regardless, NORFED will continue to pay 10% on all loans until paid in full.

Given our marketing research, it appears that a minimum of 1000 people (RC, including their family and supporters) will come from within the organization as this promises to be a true “meeting of the tribes” for Redemption Centers. Plus an absolute minimum of 1000 from the Austin area and another 1000 from the little outlying towns like Dallas , Fort Worth , San Antonio and Houston – all within a few hours drive. So an attendance of 3,000 people at \$30 to \$40 for a day long event of five speakers and five bands, in a town known for music, seems to be quite reasonable and able to create a sold out event and meet the \$100,000 budget. So I invite you to get involved, get a back stage pass and let me know how much you can loan NORFED. Thanks again for all your support! This promises to be one hell of a good party – hope to see you there!!!

If for any reason, the American Liberty Festival is cancelled, or the bands do not play or the speakers do not appear, all their deposit money will be returned to NORFED and refunded to the lenders plus the 10% interest as per the terms of the loan contract.

If you are interested in playing a vital role in the American Liberty Festival, lets talk. Please contact me via email: Bernard@LibertyDollar.org or call the NORFED office at 888.421.6181 and leave a message for me.

5. NORFED “Bank”

How many times have we heard about a “NORFED Bank”? Yet again, I was recently drawn into discussions, only to realize, yet again that it just isn’t the right time or even the right name. Ladies and Gentlemen, please, we all want the same thing, but we could never be a “bank” in the current scheme. If you think “coin” is a controlled use word, check out “bank”! Besides, a bank is not just some cute, fun, interesting business. Banking comes about out of demand. It is a business or it is nothing. Please don’t waste too much time dreaming about a “bank” quite yet... Yes, the horizontal, geodesic structure is coming together nicely as a proven model. But we will never be a “bank”, at least not with the current meaning.

PS: When you get a wildassed idea like starting a “bank”, please call me. Not only do I like wildassed ideas; I have been involved in this currency business for almost 30 years and could probably be of help and save you some time. So send me an email, maybe you will hit with the right idea at the right time and win! I want to help, not just talk.

6. NEW URL, Email Purged, Changes!!!

Well, guess what? NORFED’s URL has been changed. We are now www.LibertyDollar.org. And all emails have changed too. YES, just like we changed the masthead from NORFED to The Liberty Dollar last year, as part of our Fifth Anniversary, we have changed the URL. Please don’t worry about using the NORFED address, or emails @NORFED, they will continue to work indefinitely in the future. Putting the name of the product in the URL will draw more people to our site and help spread the word. In the past year, traffic to our site has grown from 5,000 unique visitors per month to drawing 75,000 to 100,000 visitors per month! And of course, the American Liberty Festival and its headline act and head-turning speakers will be featured there as soon as we complete the contracts.

We have also purged all un-delivered emails. Of course if you got this via email, you got it, and if you didn't, guess what? But please check with your sponsorees and friends and make sure they are getting the Liberty Dollar News.

And if you move or change your email address, PLEASE EMAIL NORFED with your new info. If you don't tell us, we don't know. Simple.

7. Disclaimer – More Changes

Have you visited the old NORFED.org site, now (www.LibertyDollar.org) recently? If you have and you looked real closely, you would see that the infamous Disclaimer has been moved to its own page and now is simply linked by the word “Disclaimer” at the bottom of the page. It is our plan to develop the Disclaimer page with additional info, research, case law, etc. so that the visitor will get a complete idea of the situation, intent, meaning, and limited nature of the Disclaimer. Again, my sincere thanks for all whom have helped on the Disclaimer. Your continued assistance has been greatly appreciated.

8. Raylene Joins NORFED ...

Ms. Raylene Callis has joined NORFED. She has been very quick to pick up on what NORFED is all about and has been doing an outstanding job. Please give her a call and an order. Let her help you by giving her your referrals and she will follow up on them, and you will still get the \$100 Sponsorship Fee, plus the residuals. Let her help you accomplish our common goals.

Now, in an unrelated matter, no one should have to mention such an obvious point, but as NORFED continues to get calls without leaving any message and then when a past caller does “get through” complains that they called several times. Some even ask us why we didn't call them back! Dah...we can't call you if you don't leave a message... So if you call NORFED, please leave a message, so we CAN call you back...

Please bare with us, the fact that we are busy is very good! The fact that we continue to add to the staff, is a significant development. Hopefully you will be able to “get through” easier. But if you get the answering machine, PLEASE leave your name and phone number VERY SLOWLY so we can get it right and get right back to you, quickly. Thank you for being understanding.

9. American Numismatic Association carries Liberty Dollar

As someone who has been a member of the numismatic community and an active member of the American Numismatic Association (ANA) for years, I am pleased to announce that the ANA now carries The Liberty Dollar in their Money Store. Located in Colorado Springs, I encourage everyone with an interest in money to visit the ANA and for those with a serious interest in money, to consider joining the ANA. They have an awesome library, which they lend out via the mail and a host of special services like no other organization in the world. In fact the ANA is the largest such organization in the world and one I am proud to support. The fact that the ANA carries The Liberty Dollar is just another step along the path towards our goal of “returning American to value – one dollar at a time”. Thanks for your support.

10. Question of the Month

QUESTION: When is the Liberty Card (Smart Card) going to be out?

ANSWER: Soon, and here is a brief history of what “soon” means. When we first distributed the Liberty Card last May in Cancun , we were of the opinion that the Liberty Dollar in digital form was ready and the smart card software was almost ready. Well, as you may know, when we returned our IT person went cocoo, and we had to start over on the digital Liberty Dollar software, which we launched on November 15. We are now working with a new vendor for the Liberty Card as the original software was out of date. The new vendor is writing a new software based on a common banking platform which will eventually allow the Liberty Card to interface with ATMs. In short, it just keeps getting better, but like good food, ‘good money takes time’. So if you have a Liberty Card and you don’t want to wait (soon will certainly be months...) please send you card to NORFED and redeem the \$20 on it for Silver Libertys or Certificates, your choice.

11. Redemption Center of the Month

One of the great things about NORFED and the Redemption Centers is the way everyone shares ideas and successes. And in doing so they build on each other’s work and creates the necessary structure, which brings real competition to the dreaded Federal Reserve. And that is exactly why, Steve Coerper RC/NC is the Redemption of the Month. Every month Bowie Ibarra (past RC of the MO) posts the list of places he used The Liberty Dollar. Well, take a look at Steve’s list below. Look at all the places, many are well established businesses! As we have discussed, if you don’t ask, you don’t get. And if we don’t ask to change the monetary rip-off, it won’t change. Of course, what most is when you ask, and get! Congratulations to Steve and his many successes of introducing The Liberty Dollar to so many people!

Steve Coerper's January Liberty Currency expenditures and responses in Raleigh , North Carolina . Please notice how many places ask for more!

Sitar India Restaurant - "Can you bring me ten more?"

Citgo Service Station - \$10 for gas on two occasions.

Kerr Drugs - Will accept all the Libertys I care to spend there.

Quik Gas - Gladly took first Liberty , then complained that "my bank won't take them." I offered to take the Liberty back for FRN, but he declined my offer.

Kanki Japanese Restaurant - Lady wanted one or two for her son's collection.

Then told me later that she had contacted the Secret Service and learned they are not "legal tender" or "lawful money." Wrote a letter of clarification but haven't done any other follow-up yet.

Snack bar at Courthouse - "Wow!"

Hardee's Restaurant - \$10 for breakfast

Wendy's - "Sorry, can't take it. But can I buy it from you for \$10?"

Lowe's Home Improvement - "Can you bring me three more?"

Fallons Flowers - "Can you bring me five more?"

Chinese Restaurant - \$20 for dinner

Shoe Repair - \$10 for labor. "Can you bring me more?"

Parking ramp - \$10, two different ramps on two occasions.

Red Lobster - \$50 for dinner

Hospital cafeteria - \$10 for lunch

School lunch - daughter spends one every week.

Wal-Mart - acceptance approved by office
Sam's Club - acceptance approved by office
Food Lion Grocery store - accepted whenever I shop there.
Golden Corral restaurant - \$10
Quail Corner Dry Cleaners - \$10 on at least two occasions
Buffalo Bowling - for bowling and also at snack bar.
Office Max - whenever I shop there. Probably 5 occasions so far.
Paper City party supplies - daughter bought Homecoming materials there. \$10
TGI Friday - \$50 for family dinner. Subsequent visit they said, "No"
Haven't followed up yet. Gave waitress a silver Liberty for a tip, and she's a friend for life.
Kroger Foods - \$10 for groceries with management approval.
Victory Baptist Church offering - placed silver in envelope with letter of explanation. Never heard back, which really surprised me.
Hands and Heart Medical - took \$10 co-pay then requested FRN "our bank won't take them."
Chiropractic Partners - \$10 co-pay, \$20 for food supplement. They are happy to accept them, and clearly understand what they are.
Great Clips - \$10 for a haircut.
PetsMart - \$10 on several occasions for cockatiel supplies. (I have 5 - they are great pets!)
Dominos Pizza - \$10 on each of two occasions.

Steve, you are the RC of the Month and an excellent model RC. Congratulations!

12. Quote of the Month

“The people must be helped to think naturally about money. They must be told what it is, and what makes it money, and what are the possible tricks of the present system which put nations and people under control of the few. “ Henry Ford, Sr.

APPENDIX A: First article by the Paradise Post:

Some Ridge residents now using “ Liberty Dollars”

Paradise Post – Thursday, January 9, 2003

By: Trevor Warner, Staff Writer

It used to be that America ’s ever-loved money was worth something.

It was backed by precious metals, specifically silver or gold, and a person could trade it in and get its face value in these metals per the instructions printed on a bill, “will pay to the bearer on demand.”

Now what the public is stuck with is “debt-backed” Federal Reserve Notes that aren’t worth the paper they are printed on, said Paradise resident Charles Douglas.

“It costs the same in ink and paper to make a \$100 bill that it does to make a \$1 dollar bill,” Douglas said.

He said that is one of the reasons the United State is in such debt; the more Federal Reserve Notes, commonly called “dollars,” that are in circulation, the more the US government owes the Federal Reserve Bank in interest.

“(Federal Reserve Notes) belong to the Federal Reserve and they loan it to the government with interest,” he said. “It is a debt instrument and the government has to pay the debt on the backs of the American people.”

By the way, Douglas and many others attest that the Federal Reserve Bank is a private run bank and not “federal” at all.

The June 10, 1932 Congressional Record page 12595 seems to give weight to that argument stating, “some people think the Federal Reserve Banks are United States Government Institutions, they are not government institutions, they are private credit monopolies which prey upon the people of the United States for the benefit of themselves and their foreign customers.”

However, Douglas thinks he has found a way to circumvent at least part of the national debt and educate people about the Federal Reserve at the same time.

An avid coin collector, he has been interested in silver and gold as a commodity in general for most of his life.

About five years ago came across what is called the Liberty dollar, issued by NORFED, which claims that each Liberty dollar is worth 100 percent of its face value in silver and is 100 percent redeemable.

In fact, each Liberty dollar boldly states the old “Redeemable by bearer on demand” instructions. NORFED stands for the National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Code started in October of 1998 by Bernard von NotHaus, the organization’s senior economist.

Each Liberty dollar states that it is a receipt for one-tenth (\$1), one-half (\$5) or one (\$10) of .999 fine Troy ounce of silver and is signed by Von NotHaus.

According to the organization’s web sight, www.norfed.org, the silver is stored in a warehouse in Idaho .

Von NotHaus or representatives from his organization were not available for comment at press time.

Each Liberty dollar further states that it is an exercise in the First Amendment Right to petition the government for a silver based currency as mandated in the United States Constitution.

They come in \$1, \$5 and \$10 denominations and can be exchanged “dollar for dollar” with Federal Reserve Notes.

However, what good is money if you can’t spend it?

Federal Reserve Notes are everywhere and everybody uses them to buy goods and services. After all, they are the national currency.

The common use of Federal Reserve Notes gives them their value and trading power.

Though NORFED claims to have 500,000 to a million liberty dollars in circulation, that is next to nothing compared to the billions of Federal Reserve Notes used in America on a daily basis.

Though liberty dollars are the second most used currency in the nation, few people know about them

and even fewer will accept them, effectively devaluing their trading power.

That doesn't stop Don Maydole, owner of Paradise Natural Foods for 17 years, from accepting them or using them himself.

Maydole said he likes the premise of the Liberty dollar and its potential to knock down the national debt, however he knows it will take some time to catch on.

"People don't like change," he said. "Sometimes it is hard to get people to try something new."

He likens the Liberty dollar to credit cards and the dominance of Visa and MasterCard over newer cards like Discover.

"When Discover first came out people wouldn't take it," he said. "But people got used to it and most places will take it, now."

He said the liberty dollar is a grassroots effort to get rid of the national debt and he believes that awareness about the liberty dollar will kick start its popularity.

Once people realize that Federal Reserve Notes aren't backed by anything, he said he thinks the liberty dollar will start gaining popularity.

So, what is the point of carrying around paper notes when it is the silver that has the actual value?

Maydole said the weight of the coins could easily wear holes in someone's pockets and a person could lose the money.

Aside from that, it is just more convenient.

"That is why they went to the paper system in the first place," he said.

Though Liberty dollars can be used dollar to dollar with Federal Reserve Notes, Chico insurance agent Ed Black said they are not legal tender.

Black uses the Liberty dollar himself and said legal tender can only be issued by the government and has to be accepted for goods and services.

The Liberty dollar is used voluntarily and people are not forced to accept it for goods and services he said.

So as long as a Liberty dollar user doesn't claim that the liberty dollar is legal tender, the liberty dollar is perfectly legal to use if people choose to accept it, he said.

APPENDIX B: Second article by the Paradise Post:

New money doesn't bug Federal Reserve

Paradise Post – Tuesday, January 14, 2003

By: Trevor Warner, Staff Writer

The Federal Reserve Bank is not worried about Bernard von NotHaus and his new money, the liberty dollar.

Von NotHaus said he was tired of seeing the value of the American dollar, called a Federal Reserve Note, constantly depreciate and hurt the economy.

Instead of shrugging his shoulders and saying, “what can I do?” he decided to do something and founded NORFED, which distributes the liberty dollar.

NORFED stands for the National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Code.

Von NotHaus and local users like Charles Douglas and Paradise Natural Foods Store owner, Don Maydole, said the liberty dollar is backed by silver, not debt, as they claim Federal Reserve Notes are.

Federal Reserve Spokeswoman Carol Eckord said what von NotHaus and NORFED are doing is not illegal.

“It is similar to a gift certificate at a department store,” she said, “and people accept them at their own risk.”

Von NotHaus, who has been working on the silver-backed currency concept for 23 years and implemented it in October of 1998, said the whole point of the liberty dollar is to educate people about the Federal Reserve and its money scam.

“There is a gigantic bubble in the debt-based currency,” von NotHaus said. “We need to return value to our monetary system. A government that does not control the money is a government that can be controlled.”

He said Federal Reserve Notes, commonly called “dollars,” are not owned by the American People or the United States Government, they are owned by the Federal Reserve Bank, which he said is a private bank and not federal at all.

The Federal Reserve Bank loans the notes to the government with interest, which causes inflation, he said.

He said the more Federal Reserve Notes that go into circulation, the more the government owes the Federal Reserve in interest, which puts America into an unpayable debt.

Eckord said “fiat money” (Federal Reserve Notes) is decreed to be legal tender of the land and though it is not backed by precious metals like silver or gold, it is backed by the “full faith and credit of the U.S. government.”

In other words, Federal Reserve Notes have value because people believe they do and trust the government, she said.

Eckord said the magnitude of the U.S. dollar and the fact that it is recognized world wide as viable currency shows that it is still valuable and people don’t have to worry about losing faith in the good old greenback.

She said a dollar will always be worth a dollar to merchants and consumers and the dollar has never gone down in value.

“There are 660 billion dollars circulating worldwide,” she said. “Two-thirds of that is probably over seas. Most people believe in the full faith and credit of the United States .”

She said could not speculate on what would happen if the liberty dollar caught on and people did lose faith in Federal Reserve Notes.

Von NotHaus said it is better that people catch on to the liberty dollar idea slowly and admits if everyone suddenly quit using Federal Reserve Notes it would be very bad for the country.

“That would be the worst thing for the county and the people,” he said. “This isn’t anti-government. This isn’t a revolutionary process, it is a slow, evolutionary process. We’re trying to do it peacefully.”

He said economic collapses in Russia , Mexico and Argentina prove that money backed by debt is destined to fail.

He believes Japan is next in line for an economic collapse and America will not be far behind.

“In the next monetary crisis, more people’s money will be protected (with liberty dollars),” he said. “Before five years ago (when NORFED started), people had no choice but to bend over.”

Von NotHaus said there are over 3 million liberty dollars in circulation compared to trillions of Federal Reserve Notes.

The liberty dollars are on a one to one trade with Federal Reserve Notes because he said NORFED acknowledges that the notes are the big gorilla of the world.

The silver that backs each liberty dollar is kept in a warehouse in Coeur d’ Alene, Idaho, he said, and an auditor does a monthly audit of the warehouse to ensure there is enough silver to back each liberty dollar.

The liberty dollars, which are warehouse receipts for the silver, are not issued until the auditor confirms the silver is available to back it.

Liberty dollars come in \$1, \$5 and \$10 denominations with the \$10 liberty dollar backed by one ounce of silver.

The \$1 liberty is worth one-tenth ounce of silver and the \$5 is worth a half ounce of silver.

Ridge resident David Smith thinks he smells a scam because one ounce of silver on the market is worth about \$4.

A person with a \$10 liberty dollar would ultimately lose out on \$6, Smith said.

However, von NotHaus said Smith is confusing the bulk price of silver and the manufactured price.

Von NotHaus said no one can buy silver for the spot price from the New York Commodity Exchange, where NORFED gets its silver.

Furthermore, he said the price of a liberty dollar certificate includes the market value of the silver, storage, printing, distribution and other expenses of a free market enterprise.

“Besides, what will you get if you tried to trade in your Federal Reserve Note?” he asked. “Nothing.”

More information on NORFED and the liberty dollar can be found at www.norfed.com.

Thank you for being part of the peaceful solution to the current monetary powers. For with your support we can return America to value – one dollar at a time.

Bernard von NotHaus

Monetary Architect / Editor