

LIBERTY DOLLAR NEWS: March 2005 Vol. 7 No. 3

CALL TO ACTION:

Welcome new readers, Associates, Merchants and RCOs! Ready to get some Liberty Dollars and join the fun? Wait no longer! This is the time to make a stand for value and protect your money. You have to do it yourself because, trust me, the government is not going to do it! So please take action! Read this whole Newsletter. Especially item #6 on the Death of the Dollar. Share the Learning Channel video with your friends and business associates. Spend more, make more, with the "inflation proof" Liberty Dollars. They really work! Enjoy!

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1. New 2005 Silver Libertys ... are super!

Thanks to North Austin RCO Jason Pratt for leading the effort, along with nine other dedicated RCOs, to manufacture the die for the 2005 Liberty! We now have a stunning new one ounce 2005 Silver Liberty. Although the obverse remains the same, the reverse has several notable differences: date is changed to 2005, Liberty Dollar Currency legend at the top is replaced with LIBERTYDOLLAR.ORG and phone number is changed to 800.NEW.DOLLAR. The biggest change is the new wide rim that not only matches the obverse, but also now provides a very smooth, pocket friendly piece - a long sought-after development.

So check it out for yourself. Use it yourself. And protect yourself from the coming wave of inflation. If you don't think that doubling the price for gasoline is not going to impact our economy, please think again. And if you 'think' the government is going to 'do something' you are right, but it is not going to be good for you or our country. Right now with silver at only \$7.00, please take action to protect your purchasing power and your quality of life from the depreciating US dollar. Get out of the US dollar!

2. Counter Mat and Employee's Guide

The Counter Mats have hit the counter and are already performing. Have you seen them? They're sharp! Big, blue and white with samples of the obverse and reverse of the new 2005 Silver Libertys and the \$10, \$5 and \$1 Silver Certificates, they look great. And the Success Stories are already in. David Hay, the new RCO in Des Moines Iowa reports:

I had five Merchants signed up before LDU5 and have signed up four more. One, a bar and grill is doing great. They started out using five Silver Libertys then went to 10 a week. When I dropped off their counter mat on Monday after LDU5 they got their usual 10 Silver Libertys at 10:30 in the morning. At 5 o'clock that evening they called me back and for 20 more!

You don't have to be a RCO (although it pays to be a RCO) to use the Counter Mat, just get them at

only \$10 for your store to make more money, do and have fun. Share them with your fellow business associates.

Making money - Making change

How can you change your cash register into a cash machine? Real simple, just start using the Merchant display, counter mat, employee's guide and merchant script! Be sure to share the new Employee's Guide with everyone in your business so they know how easy it is to use the Liberty Dollar in everyday business. It is not only easy - it's profitable!

THIS BUSINESS NOW ACCEPTS LIBERTY DOLLARS

Here Are Ten Things Every Employee Should Know!

1. Liberty Dollars are now accepted and offered at this establishment. Liberty Dollars are good for our business, our customers, and our community.
2. Always smile when giving or receiving Liberty Dollars.
3. To make change: Simply drop the \$10 Silver Liberty in the customer's hand instead of a regular \$10 bill, saying, "Would you like your change in silver?"
4. If you are asked what it is, say, "It's a ten Liberty Dollar - ten dollars in pure silver. We take them here and so do more and more places around town." Show them the Merchant Directory.
5. If you encounter resistance, immediately offer a regular \$10 bill.
6. Don't hesitate to accept Liberty Dollars for payment. Let the customer know that you are glad he is using Liberty Dollars.
7. If you are asked if it can be deposited in a bank, quickly explain that it's a local currency, not bank money, and that banks don't currently accept Liberty Dollars for deposit.
8. Don't get into any discussions about money, monetary policy, or any aspect of the U.S. dollar. Simply offer the Liberty Dollar. If it is accepted, fine. If it is not, smile, and give the customer regular change.
9. If you are asked any other questions, please hand a brochure and a Merchant Directory to the customer.
10. If the customer wants additional information, point out the Web address and toll free phone number on the brochure.

Thank you! If you have further questions,
Please contact your manager.

3. LDU5 and Soon Liberty Dollar University 6!

Liberty Dollar University (LDU) was originally conceived by Wayne Hicks as a 'training ground' for new Regional Currency Offices (RCOs). Over the course of two years and five Universities, it has grown and changed. The recent LDU5, which just concluded on March 19, in Elkhart, Indiana broke new ground and became the 'proving ground' for future RCOs. The LDU5 class of 16 included three Liberty Associates who were interested enough about the RCO program that they decided to spend \$200 to find out before they even applied to become a RCO. Smart move on their part that paid off. All three potential RCOs had the opportunity to learn about the RCO business model and get their individual questions answered. All three have since applied and become a RCO. My congratulations to

Dave Gillie, the fourth RCO in Michigan, Pete Hallock, first RCO in Pennsylvania, and Mark Jouzapaitis, the new RCO in Chicago.

Mark your calendars! LDU6 is now slated for Austin, Texas! Are you interested in finding out about the next big wave as America returns to a value based monetary system? Ever wish you had hung out with Bill Gates 25 years ago? Well, consider coming to Liberty Dollar University 6 in Austin, Texas. Planned dates are June 29 - July 2, with Meet & Greet on Wednesday evening, class all day on Thursday and Friday, field trip and discussion on Saturday morning and a Texas style BBQ that afternoon. Only \$200 for any Liberty Associate, \$100 for a spouse or partner, free for returning RCOs who have attended a LDU.

Get the info, and get profitable with the Liberty Dollar business model. Call the office for all the particulars.

4. Government money or silver money?

Do you think people are confused when they accept the Liberty Dollar as being government money? Personally I don't feel that way, but if you do, I encourage you to address it in a very straightforward manner when you use the Liberty Dollar. Simply ask the merchant, "Do you want government money or silver money?" With such a simple question, you totally dispel any likelihood of miscommunication. Plus, it immediately points out that there is a difference between the two currencies. (And yes, we are all aware that FRNs are not "government money" but most people don't know the truth. Remember: you have to be careful about overwhelming people with too much information all at once.)

This is a great question to use in connection with the Merchant Script when approaching merchants. But please don't dwell on the Federal Reserve or monetary policy when approaching merchants about using the Liberty Dollar. Keep the presentation focused on the advantages the Liberty Dollar provides to the merchant.

5. Annual National Tour

It is not too early to start thinking about the Annual National Tour for 2005 - my 7th! I have already gotten requests for meetings, appearances, dinners, presentations, and stopovers this year. As you may have heard, I am known as someone who "sleeps around". In fact, I enjoy staying with people who support the Liberty Economy, plus it gives me more time to get into greater detail with my host's questions, get more people started with the Liberty Dollar, and brainstorm the best ways to grow the currency into prominence. So if this sounds interesting to you, please send an email to me, and I will do my best to incorporate you into my crazy schedule. And remember, if I don't hear from you, you will probably not hear from me as it is just too crazy to call people.

My current schedule which will start in Miami, with hundreds of stops along the way, will include: Savannah, Raleigh, Washington DC, New York, New England, Buffalo, Ohio, Michigan, Chicago, Iola WI, Minneapolis, Iowa, Evansville, Texas, New Mexico, Arizona, LA, SF, Ashland OR, Portland, Seattle, Coeur d'Alene, Utah, Colorado, Evansville, Mississippi, Alabama, Georgia, and finally back to Miami.

Tour starts right after LDU6 and wraps up the end of October. Four months of money and fun. I invite you to be a part of it. Send an email to me and I will let you know the particulars, and set a time when we can "cross paths". See you on the Tour!

6. GM and the Death of the Dollar

Remember the phrase, what is good for General Motors is good for America? Well, we might now say what is bad for GM is bad for America. Jason Hommel, a noted silver buff who rivals my support for the great precious metal, has written a very interesting article regarding General Motors and its impact on the US dollar, and might I add its impact on the Liberty Dollar. Please forward this article to

everyone you know who still has some of those dreaded non-Federal non-Reserve IOU Notes.

The Death of the Dollar

By Jason Hommel

March 18, 2005

www.Silverstockreport.com

Cesar was supposed to be a god. Julius Caesar was killed on the Ides of March. (March 15th) Today, we don't make men gods. Instead society has made our financial system into a false god. On March 15th, 2005, (the ides of March) we may have just witnessed the beginning of the death of our financial system as General Motors stock took a nosedive from \$34/share down to \$30.

<http://finance.yahoo.com/q/bc?s=GM&t=5d&l=on&z=m&q=1&c=>

It does not seem like much (GM down just over 10% in one day), but as of March 17th, the stock is down to \$28.35, and the market cap is down to \$16 billion. (GM is down nearly 18% for the week.) It's the type of volatility that we usually only see in silver stocks!

What does this mean?

GM's stock price decline is like a dagger right into the heart of the U.S. financial system, and the dollar itself!

Why did it happen?

Apparently, someone in power did the equivalent of shouting "the emperor has no clothes" and people woke up, and are beginning to see more clearly! The media decided it was time to expose the truth that GM is nearly insolvent, and will expect to lose \$1.50/share in the first quarter alone!

But the story is worse than that! GM has \$300 billion in debt <http://finance.yahoo.com/q/ks?s=GM>

...and has a market cap, now, of \$16 billion. See the problem there? The bondholders could buy the company nearly 20 times over if they used their money to buy stock instead of loan it to the company. The implication is clear--that GM is headed towards bankruptcy, and will default on the bondholders, who will then own a company worth less than \$16 billion dollars!

For every one point that interest rates rise, refinancing GM's debt will cost an additional \$3 billion in annual interest payments -- money that they clearly do not have! Where is GM going to get another \$3 to \$6 to \$9 billion as interest rates rise by 1%, 2%, and 3% more? Selling cars? Nope. Selling stock?

Unlikely in this market! Borrowing more? From who? The U.S. government itself is propping up this bond market, and there are no buyers even for U.S. bonds, and there haven't been for months now!

So, therefore, GM will soon be a \$300 billion dollar blow-up!

How big is that? It's bigger than Enron, Global Crossing, LTCM, K-Mart, and the IRAQ war all put together!

\$300 billion going belly up is a big enough event to topple the U.S. government! How so? It will shake the confidence in the entire financial system. Companies as big as GM are not supposed to go bankrupt in our "normal" world. They are "supposed" to be "too big to fail".

The value of the "official" U.S. gold hoard of 261 million oz., at \$440/oz. is only a mere \$115 billion.

See what this \$300 billion blow-up will mean? Imagine the financial chaos as a pile of wealth almost three times larger than the current value of the U.S. "official" gold hoard evaporates!

The annual deficit is around \$700 billion. How will the U.S. government sell bonds to finance the deficit if bondholders are getting wiped out?

If the government can't sell bonds while running a deficit, then the government must simply be printing money to fund the deficit--and they are, as can be seen in the rate of growth of the money supply, M3!

Therefore, inflation is raging, and interest rates must keep pace, which is why GM is doomed!

Interest rates must head up, as confidence in the U.S. dollar bond market will be shaken like a tree in a hurricane!

Foreign nations are all sounding the alarm already that they will be selling U.S. bonds to diversify the holdings of their central banks: Russia, India, China, South Korea, Japan... what major foreign nation is

left to buy them?

A tsunami of dollar selling is about to begin, and will make the recent dollar decline seem like a small bump in the road.

It may take a few months for this to play out. You may have time to buy silver at under \$10/oz. for a few more weeks or months. But after GM declares bankruptcy, which may take between 3 months to a year, get ready for the dollar to crash by more than 90% in the following 6-12 months.

Germany's hyperinflation in the 1930's took about a year and a half. Recently, Argentina's took place nearly overnight. Who knows which way the dollar will die, whether a quick death, or a more slow and painful one?

Either way, the dollar is dead. Long live gold and silver!

Jason Hommel

www.Silverstockreport.com

7. New PowerPoint presentations

Not one, not two, but soon there will be a third PowerPoint presentation up on the Liberty Dollar site. Thanks to the fine work by Michael Symond, Matt Stubbs and Ron Goodger who will add his new PowerPoint that he featured at LDU5, we have three different PowerPoints to choose from. Now there are many ways to show people how to get started with the Liberty Dollar. Check them out at the bottom of the page at <http://www.libertydollar.org/html/learnmore.asp>. And if you would like to improve on this work, please do so. Send us a copy. After all, we are all trying to find the best way to present the Liberty Dollar before the US dollar fails and we need a replacement in place ASAP. Please let us know, which one works best and what you are doing to 'Return America to value - one Liberty Dollar at a time.

And right below the Power Points is the first Liberty Dollar podcast, hosted by Jason Pratt. Of course Jason is on the cutting edge with his Audio Blogs - the hot new way that takes blogs to a whole new level! Listen in to hear me talk about different topics each week related to the Liberty Dollar. Visit <http://austinsilver.blogspot.com> for the complete collection of Liberty Dollar "Moneyblogs". Very cool.

8. Sponsor more people / get more money

Are you familiar with the Liberty Dollar Affiliate Program? If you not, you are certainly missing out on one of the key ways to grow and profit from the Liberty Economy. Like any Affiliate Program, when you sponsor a new Liberty Associate you get a Referral. In the case of the Liberty Dollar, you get \$100 (in FRN unless you want ALD) for every Liberty Associate you sponsor. Sponsor more people / get more money.

The best part about the Liberty Affiliate Program is that it is easy to use. Simply click on Affiliate in the top Navigational Bar on the Home Page (<http://www.libertydollar.org/html/affiliates.asp>). It explains the Program, shows you some of the links, banners and ads that you can put on your site. It then directs you to sign into your Associate page to start using the Affiliate Program. Simply follow the directions and viola, you are ready to sponsor your visitors to become a Liberty Associate.

Want to turbo charge your Affiliate Program? Write a personal endorsement about your experience with the Liberty Dollar or why you are involved, or why your visitor should get involved... plus the advantages, etc... and you will sponsor new Associate and get money.

The next best part of the Affiliate Program is that it has 'persistent tracking'. Just as you probably didn't become a Liberty Associate the first time you heard about the Liberty Dollar, your visitor probably will not either. So that delay is overcome by 'persistent tracking' that puts a cookie on your visitor's machine, so when your visitor returns to the Liberty Dollar site, he/she is still identified as being sponsored by you.

The Affiliate Program is the number one way people become Liberty Associates. So if you are not

using it, please join the party, start growing the Liberty Economy and get yourself paid for doing what is right and fun to boot!

9. Incident of the Month

At the time of this writing, I am happy to report we have no active incidents to report. Again, if you have contact with any government authority, please report it ASAP to the NORFED office so we can offer advise, assistance, and get better feel of the effect of our actions, as we return America to value - one Liberty Dollar at a time.

Thank you for your past support to report your incidents. It is very important for us to know what is happening.

10. Question of the Month

QUESTION: Why is the currency called a "dollar"?

ANSWER: What would you like to call it, Amerigo?

Paraphrasing from Jim Davidson's post of some time ago: People price goods and services in dollars, think in dollars, and take things at face value in dollars. I think it is a mistake to say, "We should change that" and implement a currency based on some other name for doing things. You can offer Amerigo to the market, but will people make exchanges priced in Amerigo the instant the new currency is available? Not all of them.

The dollar is an institution long accustomed to. People have used dollars in the USA since around 1700. If you motivate them to change, they may. So, what do you offer to motivate this change? How you do that? In the free market, people are free to price things in Amerigos and accept Amerigos in exchange. Yet, will they do so? Perhaps. But it might work better if people were introduced to this new currency in a new country. Maybe Freedonia?

The bottom line is that as long as the market place prices items in "dollars" it is essential to not only provide a currency with a known name but a currency that functions with the established currency. The easier it functions, the easier the transition. That is why the Liberty Dollar is named a dollar and that is why it is designed to function dollar-to-dollar with the current debt-based Federal Reserve Notes.

This plan of action is firmly based on historical precedent of monetary evolution. The Liberty Dollar will succeed if you introduce it to more people. We hope you'll introduce it to everyone you know.

11. Liberty Associate of the Month

Like life... most things start out small... and so did Liberty Dollar University. As LDU1 approached, there were about a dozen people "signed up" to attend in Berryville, Arkansas. Of course, we naively thought all would come and planned accordingly. In the week before the first University, a few called and cancelled. Of course all had perfectly good excuses. All were sorry. But a good number were still coming. Unfortunately, many did not call or showed up. In fact, at LDU1 only one person showed up! And he has gone on to become a very solid RCO and just attended LDU5. Who was the first and only student at LDU1? Who is this dedicated leader who has remained on the leading edge of the Liberty Dollar movement? He is Jeff Hoffmaster, the RCO for Rochester Hills, just north of Detroit, and one of four RCOs in Michigan. In fact, he was the first RCO in Michigan. It is an honor to name Jeff the Liberty Associate of the Month. Thank you Jeff, for your support and coming to three out of the five LDUs.

12. Quote of the Month

"The coin is a delicate meter of civil, social, and moral changes...It is the finest barometer of social storms, and announces revolutions." Ralph Waldo Emerson in "Essay on Wealth" 1860

Closing Remarks:

Now in our seventh year, lets show the new Counter Mats and 2005 Silver Libertys to our friends and business associates. For it is only by banding together and adopting a free and independent currency, which provides us with "just weights and measures" that we will be able to throw off the yoke of a manipulated monetary system and generate a peaceful and prosperous society.

Thanks again for all your efforts to return America to value - one dollar at a time!

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