

Magazine publisher touts value of 'new' money

By Jane McManus
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Caption: New currency — a \$10 silver coin and a \$1 bill — which producers say is backed by silver.

Jim Thomas wants you to give up your cash.

The publisher of the Evansville-based "alternative" conservative magazine "Media Bypass," wants a new currency to replace the federal reserve greenbacks currently in circulation.

To accomplish that Thomas is offering "silver certificates" produced by a group proposing an independent silver-backed monetary system.

"I'm making a political statement. It's not to get rich I'm not making any money. I'm making a political statement: I don't like the currency." said Thomas, who has a "redemption center" in the offices of his magazine on the city's East Side.

The new paper currency, designed and produced by the National Organization for the Repeal of the Federal Reserve Act, is in denominations of \$1, \$5 and \$10.

Fully backed by silver, according to Thomas, the bills can be evenly exchanged with federal reserve notes. However, the back of the NORFED currency carries "restricted warehouse receipt terms."

The small print states that to redeem the notes for a NORFED one-ounce "Liberty" silver coin, the bearer must have \$10 worth of NORFED notes.

Rodney Heckman, owner of American Coin Inc. in Evansville, said he would sell a one-ounce silver coin for \$1 over the "spot" market, or \$6.24 at yesterday's market price.

"There's possibly some profit there for NORFED," said Thomas, who is able to buy the NORFED currency at a 10 percent discount, then sell the currency at face value.

When asked why individuals who wanted to protest the government's currency wouldn't be better off going to a coin shop to purchase silver at a cheaper price,

Thomas said, "Well, you're not making a political statement when you're going to a coin dealer. Because it's not currency."

When asked if those who exchange their federal reserve notes for NORFED's would be able to make retail purchases, such as groceries, Thomas said, "That's the idea, but they (retailers) may not take it yet. It's going to take some time to introduce it."

To answer the question of why anybody would want to trade federal reserve notes for currency that, as yet, has no buying power, Thomas said, "They want it because it has value. It's something that they own and they can call their own."

Thomas, who has "at least \$1,000 worth" of the NORFED currency and expects less than half a dozen people locally to be interested in acquiring the stuff, did emphasize that the silver-backed currency should not be used as an investment.

"If anybody did it for investment purposes they wouldn't know what they were doing," said Thomas. "That's not what the organization is about."

Thomas said the NORFED currency is printed in California, then shipped to the Sunshine Minting Company in Coeur d'Alene, Idaho, for signature. Coeur d'Alene is where the silver which backs the currency is warehoused, according to Thomas

"I don't know how much (silver) is there." said Thomas.

He has not been to the Idaho facility. When asked how he knew the silver existed, Thomas said. "There are places in Kentucky I haven't been, but I know they're there.

"I have talked to a lot of stockholders in that company that have made a lot of money. I don't believe a reputable company would sign off if it wasn't there."

There is no listing for a Sunshine Minting Co. in the Standard and Poor stock guide, which lists all publicly traded stocks. The guide does list a Sunshine Mining Co. in Boise, Idaho.

In a press release, NORFED is described as "a member-based, non-profit organization and proponent of the new monetary system owned by the American people ... By converting Federal Reserve Notes into a new currency, Americans can participate in replacing a debt-based monetary system with a system based on silver."

Thomas said the senior economist and principal of NORFED is Bernard von NotHaus, identified by Thomas as the "mint master" of the Royal Hawaiian Mint, a privately held company located in Honolulu where the certificates are kept.

Thomas said a picture of him and von NotHaus, to appear in the November issue of "Media Bypass," identifying the two as co-founders of NORFED is Incorrect. He said von NotHaus is the only NORFED principal Thomas is aware of.

Thomas, who did not know von NotHaus' educational background, said he doesn't know what the profits from the sale of the currency are spent on, "other than (von NotHaus) said he was going to do repealing of the federal reserve act." The Federal Reserve Act was passed in 1913, establishing the federal reserve banking system.