

## **LIBERTY DOLLAR NEWS: March 2006 Vol. 8 No. 3**

### **CALL TO ACTION:**

Welcome new readers, Associates, Merchants and RCOs! Three ALD articles in one month, new oil bourse in euros, no more M3 from the Federal Reserve, these events and many more are conspiring to change the world, like it or not. Please read this whole Newsletter. Enjoy the healthy margin with the new \$20 Silver Base Currency and remember that when silver goes up, the margin goes down. Paper Silver Certificates are due out soon! And a new \$1000 Gold Liberty dated 2006 will be announced soon also. Stay tuned for more on the Liberty Dollar - America's "inflation proof currency".

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### **1. Oil in Euros & Federal Reserve Stops Publishing M3**

LEAP has published a report that links seven major crisis to two major global events. Here is brief sample of the article. Please go to the complete article. This is an important read:

[http://newropeansmagazine.org/index.php?option=com\\_content&task=view&id=3463&Itemid=85for%20a%20cop](http://newropeansmagazine.org/index.php?option=com_content&task=view&id=3463&Itemid=85for%20a%20cop)

The Laboratoire Européen d'Anticipation Politique Europe 2020 (LEAP/E2020) now estimates to over 80% the probability that the week of March 20-26, 2006 will be the beginning of the most significant political crisis the world has known since the Fall of the Iron Curtain in 1989, together with an economic and financial crisis of a scope comparable with that of 1929. This last week of March 2006 will be the turning-point of a number of critical developments, resulting in an acceleration of all the factors leading to a major crisis, disregard any American or Israeli military intervention against Iran. In case such an intervention is conducted, the probability of a major crisis to start rises up to 100%, according to LEAP/E2020.

#### **An Alarm based on 2 verifiable events**

The announcement of this crisis results from the analysis of decisions taken by the two key-actors of the main on-going international crisis, i.e. the United States and Iran. On the one hand there is the Iranian decision of opening the first oil bourse priced in Euros on March 20th, 2006 in Teheran, available to all oil producers of the region ;

On the other hand, the Federal Reserve will stop publishing M3 figures (the most reliable indicator of the amount of dollars circulating in the world) from March 23, 2006 onward. M3 is the broadest definition of the supply of US dollars in circulation plus private checking accounts, retail savings accounts, money market funds and large time deposits.

These two decisions constitute altogether the indicators, the causes and the consequences of the historical transition in progress between the order created after World War II and the new international equilibrium in gestation since the collapse of the USSR. Their magnitude as much as their simultaneity will catalyze all the tensions, weaknesses and imbalances accumulated since more than a decade throughout the international system.

#### **A world crisis declined in 7 sector-based crises**

LEAP/E2020's researchers and analysts thus identified 7 convergent crises that the American and Iranian decisions coming into effect during the last week of March 2006, will catalyze and turn into a total crisis, affecting the whole planet in the political, economic and financial fields, as well as in the military field most probably too:

1. Crisis of confidence in the Dollar
2. Crisis of US financial imbalances
3. Oil crisis
4. Crisis of the American leadership
5. Crisis of the Arab-Muslim world
6. Global governance crisis
7. European governance crisis

The Fed announced on March 9th, with no palatable explanation, that they will no longer publish M-3 as of March 23rd. While they claim that M-3 is useless, in the blurb on their website, the fact is banks are still reporting all the data on their Call Reports used to calculate M-3. The Fed has not eliminated the unique M-3 components from the Bank Call Reports.

M-3 was increased by \$28.3 billion last week, a 14.2 percent annualized rate of growth. Over the past 2 weeks, M-3 was boosted an amazing \$81.9 billion, for an annualized rate of growth of 20.7 percent! Over the past 8 weeks, M-3 is up 129.6 billion, an 8.2 percent rate of growth, and is up a whopping \$249.7 billion over the past 12 weeks, a 10.7 percent annualized rate of growth, a \$1.0 trillion annual expansion. It would appear that they can not wait to pump money to high heaven like some sort of fiat tower of Babel.

Iran's opening of an Oil Bourse priced in Euros at the end of March 2006 will be the end of the monopoly of the Dollar on the global oil market. The immediate result is likely to upset the international currency market as producing countries will be able to charge their production in Euros. In parallel, European countries in particular will be able to buy oil directly in their own currency without going through the Dollar.

The end of the publication by the American Federal Reserve of the M3 monetary aggregate (and that of other components), a decision vehemently criticized by the community of economists and financial analysts, will have as a consequence to lose transparency on the evolution of the amount of Dollars in circulation worldwide.

According to LEAP/E2020, the non-accidental conjunction of the Iranian and American decisions, is a

decisive stage in the release of a systemic crisis marking the end of the international order set up after World War II.

Franck Biancheri, Director of the LEAP/E20/20 study concludes that there is *still time to undertake measures in order to reduce significantly the impact of this crisis on your positions whether these are economic, political or financial.*

## **2. First Day of Issue of the \$20 Certificates**

Thank you for your patience. I am happy to inform you that the brand new red \$20 Certificates, plus the new \$20 Silver Base \$10s, \$5s, and \$1s are actually being printed right now! Very shortly the elaborate printing process, foiling, micro printing, and special anti-counterfeit features will produce an outstanding new paper currency – still 100% backed and redeemable in one ounce \$20 Silver Libertys.

Please be advised, that we cannot fill all the backorders on the first day. So we have reserved the first day for a formal First Day of Issue for the new \$40 Currency Packs. At no extra cost, you can have a pack of currency with all the Silver Certificates dated with the actual First Day of Issue (FDI) date. Each currency pack will contain eight Silver Certificates: one \$20, one \$10, one \$5, and five \$1s.

The original packets dated October 1, 1998 have become quite rare and it is likely that this set of currency will also enjoy such fame. And to add to its rarity, only ten (10) packs may be ordered per Liberty Associate. But most important – is that only the orders that are ordered for the First Day of Issue will be dated with the First Day of Issue date. So please place your order for the FDI currency pack. If you have currency on order, please consider changing part of your order to include some FDI currency packs. Remember only 10 FDI packets per Liberty Associate. And yes, you must be a Liberty Associate to order this special First Day of Issue currency pack.

Special Limited Offer: Please take action NOW. We anticipate the currency within two weeks and will set the FDI date and start shipping the First Day of Issue currency packs before working our way through the build-up of currency orders. Luckily most people are not aware of the FDI, so this historic event will be a non-event for them.

THIS OFFER WILL EXPIRE ON APRIL 10. 2006.

ATTENTION: If you want to order FDI \$40 Currency Packets, please place your order with the Office and specify “FDI” \$40 Currency Packets NOW. This Special Limited Offer is not available online. You must call, fax or email the Office to order your own FDI \$40 Currency Pack.

## **3. Three Articles on the Liberty Dollar**

From the department that says there is no such thing as bad publicity, three different “news” articles about the Liberty Dollar were published recently. The slant was usually bad at the beginning and improved throughout the article. Most were quite good. All are representative of the monetary education that the Liberty Dollar is creating. And of course more discussion about money is one of the purposes of the Liberty Dollar.

### **Article #1: “Police issue warning over 'Liberty Dollars'”**

By R.J. Cohn, Staff writer for the *Bonner County Daily Bee* in Sandpoint ID, on Wednesday, March 01 2006

PONDERAY -- They may look like the real thing, but Liberty Dollars now circulating in the greater Sandpoint area are neither legal tender, nor can they be accepted at banks or deposited in savings and checking accounts.

The whole article, complete with holes, is available at:

[http://www.libertydollar.org/html/articles/policeissuewarning\\_3-01-2006.asp](http://www.libertydollar.org/html/articles/policeissuewarning_3-01-2006.asp)

**Article #2: Man bucks system with his 'Liberty Dollars'**

But police file theft charges over use of alternative coins”

By John Brewer for the St. Paul Pioneer Press, February 26, 2006

A River Falls, Wis., man's disdain for federal currency has resulted in the circulation of dozens of silver "Liberty Dollars" and has led police to charge the man with theft.

Eric Krenz, an accounting major at the University of Wisconsin-River Falls, said he's only trying to offer an alternative to the Federal Reserve note, but a St. Paul coin dealer said the coins have little value.

"It really is a scam," said David Runge of St. Paul's Soaring Eagle Coins. "It really is misleading to the people that buy these."

The complete article is available at:

[http://www.libertydollar.org/html/articles/manbuckssystem\\_2-26-2006.asp](http://www.libertydollar.org/html/articles/manbuckssystem_2-26-2006.asp)

**Article #3: “Officials charge student spending Liberty Dollars”**

By Eric von Klinger staff writer for *Coin World*

Published an article about Eric Krenz also:

A college student in Wisconsin faces charges of theft for "spending" three silver Liberty Dollars at two River Falls gasoline stations. Krenz redeemed two of the three \$20 pieces and an employee of one of the stations bought one.

The well-written article concludes that:

The Liberty Dollar system is not the only alternative currency used in North America. Local paper currencies circulate in a number of communities in the United States and Canada, without federal interference.

The complete article is available at:

[http://www.libertydollar.org/html/articles/krenz\\_charge.asp](http://www.libertydollar.org/html/articles/krenz_charge.asp)

#### **4. \$52,237.96 for a Gold Backed Dollar**

Ever wonder what the price of gold would have to be if the US went back on the Gold Standard and every US dollar was backed by gold as required by law? Well here is an interesting article by Martin Presler.

M3 is the broad definition of the U.S. supply of money and is the total of currency in circulation plus

private checking accounts plus retail savings accounts and money market mutual funds plus large or wholesale time deposits, money market funds held by institutions and Eurodollar deposits held by U. S. residents at foreign branches of U. S. banks as well as at all branches of Canadian and British banks.

Note that M3 leaves out many thousands of millions of dollars such as Eurodollars held at other foreign banks and euros held by non U. S. residents, etc. Also note that as far as I know there hasn't been an audit of U.S owned gold in my lifetime, so nobody really knows how much gold (if any) is in those vaults. The government claims 8000 tons. My best guess is about 4000 tons so I split the difference at 6000 tons.

For the week ended Feb. 13th, 2006, M3, the U. S. money supply, (not seasonally adjusted) averaged 10,236.3 billion dollars.

10,236.3 Billion dollars rolls right off the tongue but it really is... \$10,236,300,000,000!

Divided by 6000 tons of gold = \$1,706,050,000 per ton.

\$ per ton divided by 2240 pounds in a ton = \$761,629.46 per pound.

\$ per pound divided by 14.58 troy oz in a pound = \$52,237.96 per oz.  
Sure is a lot of paper money floating around out there.

There you have it... if the US dollar was 100% gold backed right now, gold would have to be \$52,237.96 per oz. WOW is that upside... Kind of like Germany after WWI and a wheel barrow of money to buy a loaf of bread. Get ready! Get some Liberty Dollars.

## **5. Liberty Dollar University 9**

Liberty Dollar University 9 is shaping up! Four outstanding RCOs are planing to attend. This is your best opportunity to learn first hand about being a RCO. Please join us for an inspired and energized training to develop the Liberty Dollar in your region. You don't have to be a prospective RCO to attend - enthusiastic Associates are welcome! LDU is as much a proving ground for interested Associates as much as the training ground for new RCOs.

LDU9 starts on Tuesday, April 18 at 6:00 with a meet/greet and continues all day Wednesday and Thursday and may continue into Friday.

Please call/email the Office to make your reservation, which is required, so we can prepare the necessary materials. Only \$200 for Associates. No walk-ins, please.

Accomodations and seminar location: Days Inn in Alexandria, Virginia. Conveniently located on I-395 and exit 3-B, just minutes away from all the attractions of DC. Days Inn Alexandria offers a full range of amenities, including ample free parking. Call 703-354-4950 (ext 173 or 174) or 800-241-7382 to book your room at the special price of \$65.95 until April 5. Please mention the "Liberty Dollar" to get the special rate. And call the office at 888.421.6181 for your reservation and to pay for LDU-9.

Materials include: training syllabus with reference materials, sample ads, media package, sample articles, print-ready pictures, website development content, enrichment videos and audio ..... and additional extras!

## **6. 2006 Annual National Tour Is On!**

This year's 8<sup>th</sup> Annual National Tour (ANT-06) will commence on July 18<sup>th</sup> and will focus on visiting the growing list of Regional Currency Offices and concerned Americans from Miami to New England, to California to Annual Inspection of the Liberty Dollar warehouse in Idaho, and back to Miami around November 1<sup>st</sup>.

Regional meetings will be the high point of this year's ANT 06. If you are interested in sponsoring an event, or attending the one of the two LDUs during ANT 06 or the Annual Inspection of the warehouse in September, please contact me directly.

## **7. Update on State Liberty Dollar Initiative**

To date, it appears that RCOs in 25 states will take the initial stand to launch Stage One of the State Monetary Initiative in their own states. Just imagine, concerned Americans in half of the country, have made a decision to bring about a fundamental change to the current monetary system, by returning their individual state to value – one State Liberty Dollar at a time.

The states that are leading the SMI are: Michigan, Florida, Washington, Pennsylvania, New York, Texas, Mississippi, New Mexico, North Carolina, California, Indiana, Massachusetts, North Dakota, Idaho, Colorado, Illinois, Georgia, New Hampshire, Missouri, Maine, Virginia, Montana, Oregon, plus Puerto Rico and Marco Island. At press time we are two states short and hope that changes soon.

If your state is not listed, then please consider becoming the RCO in your state and joining the State Monetary Initiative for proactive positive change. More info is available at:  
<http://www.libertydollar.org/html/rcofaq.asp>.

## **8. Letter / Article to the Editor**

Due to the size of this Newsletter, no letters or articles were included.

## **9. Success Story / Incident of the Month**

Charlie Abel, an engaging Liberty Associate filed this Success Story from the Big Island of Hawaii, my home for many years.

In the process of putting together my Liberty Dollar merchant directory, one of the obvious steps was contacting each business in town and explaining the Liberty Dollar to them to see if they wanted to become a Liberty Merchant. After explaining the program to the owner of a hair salon, my presentation was received with suspicion, even though I explained everything thoroughly. "How do I know I'm not being ripped off?" "We don't need any more business." "If I can't put them in the bank, I don't want it." Were the standard responses I got from many of the business owners.

I politely thanked them for their time, but knew when I was beat despite my best efforts, and feeling a big defeated, went home and told my wife about the hairstylist. Her response was, "I'm going to go down there and have my hair done and pay with Liberty Dollars!"

And so she did, and the response was quite different, even though it was less than a week later. Three hairstylists got rather excited about that \$20 silver Liberty. One of them bought it for \$20, and my wife paid her bill with that money. The other hairstylists wanted to know where they could get more. One

said Liberty Dollars were unnecessary because our money is already backed by silver and gold, so my wife had an opportunity to educate them on the facts. The owner still mumbled "you can't bank it," but popular opinion loved it. The Liberty Dollar is growing in our area, it's just a matter of time.

The incidents in Fall River WI and Buffalo NY continue. They seem like its "full ahead stall". More on these incidents will be reported as they develop...

## **10. Question of the Month**

QUESTION: Will the \$10 base certificates still be redeemable?

ANSWER: Regardless of the time that this questions omits, the answer is yes, so long they are redeemed or renewed within twenty (20) years from the date that is stamped on every Silver Certificate. As a legal, binding contract, all warehouse receipts must have a term with an expiration date. After that date the warehouse receipt is not valid and not redeemable by bearer and the silver reverts back to NORFED.

## **11. Liberty Associate of the Month**

Every Liberty Associate is different. And while the Liberty Dollar has attracted many activists to its goal, there are a great majority who just keep the faith and go about expanding the Liberty Dollar in their area. Most of the time, such people are usually invisible. And so it would be for this Liberty Associate of the month, except I know he is doing a lot of good in Texas. For that reason, I am pleased to acknowledge Marcus Campbell as the Liberty Associate of the Month. Congratulations Marcus, keep up the good work and keep growing! Thanks for your continued efforts with the Liberty Dollar.

## **12. Quote of the Month**

"Timid men prefer the calm of despotism to the tempestuous sea of Liberty." -Thomas Jefferson

## **Closing Remarks:**

Many thanks, to all the Liberty Associates, Merchants, and RCOs for your continued support. For it is only by banding together and adopting a free and independent currency which provides us with "just weights and measures" will we be able to throw off the yoke of a manipulated monetary system and generate a peaceful and prosperous society.

Thank you again for all your efforts to return America to value – one dollar at a time!

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