

## **LIBERTY DOLLAR NEWS: July 2007 Vol. 9 No. 7**

Welcome new Readers, Associates, Merchants and RCOs!

### **CALL TO ACTION:**

WOW... What a month! The Ron Paul locomotive arrived. Thanks for all the orders and support. In fact, silver orders are already shipping! Please don't forget to make a donation, as Ron still needs those dreaded Federal Reserve Notes to pay for his advertising and campaign expenses as some people still don't take Liberty Dollars. Thanks for all your efforts to change that. Please keep up the good work. And by all means please read this whole newsletter. It is full of news plus a Platinum Ron Paul Dollar may be available soon and a freebie if you can find it. And finally, please post this Newsletter or share it with someone new to the Liberty Dollar. Our mailing list keeps growing through your good efforts. Thanks again for all your support of the Liberty Dollar.

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### **1. US Government Responds**

US Government responded to Liberty Dollar Complaint. Shortly after noon on Thursday, July 19, 2007, the last day to respond, the US Attorney representing the Attorney General Gonzales, Secretary of the Treasury Paulson and Director of the US Mint Moy responded to our lawsuit by filing a Motion and a supporting Brief to Dismiss our lawsuit with the US District Court in Evansville, Indiana. It represents a sizable amount of work and a serious attitude towards our lawsuit. I am confident that our attorneys will give our response their very best effort and justice will prevail.

Please click [HERE](#) to view the government's Motion and Brief.

### **2. Ron Paul Dollar Rockets!**

I am pleased to report that the Ron Paul Dollar in gold, silver and copper has been very well received. Approximately 2,500 silvers, over 10,000 coppers and upwards to 100 gold Ron Paul Dollars have been ordered. But the big pay off is the press it has

generated for Ron Paul's presidential campaign... which is the real intent of the issue itself.

On July 23, Coin World ran two stories on Ron Paul. One was a large in depth article about Ron Paul's life, work, ideas, and voting record. The second article featured the Ron Paul Dollar with excellent photos. The two articles totaled two pages of coverage and was extremely well done and well focused.

As soon as the first Gold Ron Paul Dollar is available I plan to donate \$2,300 (the maximum amount allowable by the Federal Election Commission) to the Ron Paul campaign. I encourage everyone to take a stand as this election is happening on our watch. Please don't let this opportunity to pass without giving Ron Paul your support. And while the Ron Paul Dollar is an "independent contribution" that Ron Paul cannot endorse, we will continue to use the profits from this issue to support Ron's campaign and hope you do too. Please don't let the truth die.

### **3. Platinum Ron Paul Dollar?**

Just when I thought we had done everything possible to commemorate Ron Paul's Presidential campaign.... and bring more attention to it... I just got a request for a Platinum Ron Paul Dollar. A lady supporter wants to order ten Platinum RP Dollars, but we need to mint at least 25 to make it economically possible. Interested in Platinum? Very unique and a little pricy... in fact the whole fabrication process and minting is pricy too... plus the special dies, etc... But oh what a great collectable of real value.

Currently platinum is about \$1300+ an ounce so the reverse will carry a \$2000 Face Value! That's the most valuable Liberty Dollar to date! So the Liberty Associate exchange rate for the \$2000 Platinum Ron Paul Dollar will be spot plus 15% for singles and spot plus 12% for 10 or more. We need to order at least 25 Platinum RPD. And as this is a very special item, we will limit the issue to only 100 maximum. So if you get one, it will be one of only 25 minimum to 100 maximum. If you are interested, please call the office and lock in your order. If for some reason we don't reach the 25 minimum, your money will be returned.

### **4. Liberty Dollar Assertion**

When I made my presentation to the American Institute for Economic Research (AIER) on June 21, I stated an "Assertion" at that the Liberty Dollar Model could solve our country's monetary problems. I said in particular that the Liberty Dollar provided a proven, peaceful, proactive, and profitable solution to the national debt, trade imbalance, Social Security, declining value of the US dollar and every other money related problem.

How? Simply by returning the US dollar to a value based monetary unit that is market driven, the US government could grow its way out of debt.

Money is so central to all human events that the only action necessary is to change the money. Of course this is already happening on an individual basis. But how could America right its monetary course given the existing monetary structure?

When Michael Badnarik asked me to be his Secretary of the Treasury, I explained that the new Secretary could take two simple actions given his current powers and duties:

1. Whereas the US Mint is currently producing a one ounce Silver Eagle with a face value of \$1, the Secretary could change the face value to \$20 so it could be used in commerce.
2. Whereas the Bureau of Engraving and Printing prints a \$20 Federal Reserve Note, the Secretary could change it to a Silver Certificate that could be redeemed for the new \$20 Silver Eagle.

These two actions by the Secretary of the Treasury would gradually convert the money to a value based monetary system and finance the government's way out of its current monetary quagmire and resolve the national debt.

The new Secretary of the Treasury could announce this change on his first day in office. Will it throw the world markets into disorder? No. Quite the opposite, it will bring order to the market. Will metal prices increase? Yes. But they are already increasing as people and foreign governments flee the depreciating US dollar. The metal prices will continue to increase regardless of any government action, be it negative or positive.

Will everybody rush out to get the new silver based currency? No. Did everybody save the old pre-1964 silver quarters when the new clad quarters were issued in 1965? No. People's attitudes about money change slowly. Plus the government can specify market exchange mechanisms while maintaining a disciplined monetary system ala the Liberty Dollar Model that puts the government in a positive cash flow position.

So the simple solution to our country's monetary problems is to view the government as a wholly owned corporation by the people. As such the government corporation provides a market driven currency with a face value that has a significant premium over its bullion value. The government corporation profits from issuing specie and audited warehouse receipts in gold and silver. No need for the IRS either.

Is this Assertion a viable solution? Is there any historic evidence that such a value based model will work or has worked in the past? The answers are a resounding, yes! Over the past 5,000 years of monetary history, gold and silver has always held its value. While on the other hand, fiat systems like the current Federal Reserve scheme have always failed.

Early American history provides a clear example of how our Founding Fathers corrected the country's monetary course after the Revolutionary War. When General George Washington won the Battle of Yorktown in 1781 and secured independence for the United States, the country had anything but peace. Inflation was over 5000%, unemployment was everywhere, buildings were deserted, open lawlessness, kidnappings and ride by shootings were common. Riots and lack of goods and food was noted by historians of the time.

Our Founding Fathers mentioned that they had to fight their way through angry crowds to get into what is now Independence Hall. The country was at war with itself because of

the fiat money issued during the Revolutionary War. But within two years after signing the US Constitution that removed the bank's ability to "issue bills of credit" the young country was at peace, everybody was back at work and the stores had stocked shelves.

This can and will happen again. But not until we change the monetary system. We either change the money or lose our country to tyranny. That is the choice we face today.

To understand that value is the correct course of action, one must understand that we have been on the wrong course since 1913 when the Federal Reserve was granted control over the US dollar by Congress. Since that time the United States, and gradually the whole world, has been living a monetary lie. We have witnessed the largest relocation (theft) of the people's money into the private hands (Federal Reserve owners), who control the government.

The Liberty Dollar model offers a rational, reasoned, and disciplined method to provide an orderly revaluation of the US and global monetary system into real terms. Anything short of such a solution will wreck havoc and disorder on the global monetary system.

Admittedly, the Liberty Dollar model will not be accepted, or even appreciated, for quite some time. It is during that time, you can do what is right by protecting your own purchasing power, personal wealth and profit. We are witnessing a global revaluation from fiat to substance. Substance has always won. It will win this time. Please do what is in your best interest... and hope that includes some Liberty Dollars.

## **5. Special: Redeem \$1 Certs for \$1 Coppers**

In an effort to support Ron Paul for President and get more \$1 Ron Paul Dollars circulating to create more buzz.... As a Special Offer you can redeem \$1 Certificates for \$1 Copper Ron Paul Dollars for the next 20 days... Your return of \$1 Certs must be postmarked before midnight Wednesday, August 22. Normally, a redemption such as this is not possible but we know that the more Ron Paul Dollars that are out there, the more people will hear about the Truth Candidate. Please consider this Special Offer and send in your One Dollar Certificates. No other Certificates will be accepted for this offer... only \$1 Certs, please. Fulfillment will take place as soon as we receive the Copper Ron Paul Dollars, still projected for November. If we can ship sooner we certainly will. Be sure to include your name, address and a nominal flat shipping fee of only \$4 per redemption, regardless of the number of \$1 Certs. Plus the shipping fee can also be paid in \$1 Certificates or US dollars.

## **6. Update on the Copper Liberty**

I am pleased to inform you that we finally received the shipping documents for the Copper Libertys. But I regret to inform you that the shipment was delayed and our best guess is that the Copper Libertys will not be arrive in Evansville until the end of August. The Fulfillment Office has processed all the paperwork and is set to swing into overtime and get the long awaited copper orders to you ASAP. Of course, if you wish to cancel your order, please call the office.

Meanwhile, the dies for the Copper Ron Paul is advancing and we still anticipate that the Copper Ron Paul Dollars will ship in November as we initially stated.

## **7. Annual Audit & Silver Summit**

There is still room for another person on this year's Annual Audit and Inspection of the Warehouse at Sunshine Mint in Coeur d'Alene, Idaho. If you have never been to a mint, or you like the idea of piles and piles of gold and silver, or you have a keen interest in the Liberty Dollar or, even if you have gone on a mint tour... this is one of the best! The tour includes a visit into the vault so you can see the Gold and Silver Libertys that back up the paper Warehouse Receipts and digital currency. The Audit and Tour is scheduled for 10:00 AM on Tuesday, September 18. Please call the office 888.LIB.DOLLAR for a reservation, as it is limited to only six Associates per year.

The Silver Summit that is also in Coeur d'Alene starts on Thursday, September 20 – 21 with mine tours the day before and after the event. I am a perennial speaker and will be there again this year. The Silver Summit is free and open to the public and usually draws 400-500 silver enthusiasts. It is a hoot with the Mogambo Guru and the usual suspects.

More info is available at: <http://thesilversummit.com>

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

[Editor note: This online discussion was between Sameer, a guy with his head in a dark place and Jim Davidson, a fellow Liberty Associate. Sameer's comments are in quotes]

Dear Sameer,

Well, I've had about enough. Bernard von NotHaus is a friend of mine. He has been a guest in my home. I believe he is a decent and honorable man. And, quite frankly, I am tired of you accusing him and his business associates of things they are not doing.

“So the liberty dollar isn't a scam in that they aren't scamming their own direct customers.”

Correct.

“...but they are telling their customers to scam other people into thinking that a '20' liberty dollar is actually worth usd 20, when it is really only worth usd 12.”

No, they are not. You insist on applying bad motives to people you evidently have not met, and you insist on assigning a bad character to the behavior of people you have not observed in this behavior. It seems to me you should take a step back and consider what is involved in an exchange of value.

When someone accepts an ounce of silver in payment, it does not matter to you if that ounce of silver was minted by the USA Mint and carries a face value of One Dollar, does it? Yet, the Mint places that face value on the one ounce silver pieces it mints deliberately, and with malice, knowing that in so doing they are preventing most people from being able to spend those silver ounces in most places for anything more than a dollar. In other words, the Mint is deliberately deceiving people into accepting a negligent face value which is not even a tenth of the true value of the ounce of silver.

Yet, you won't accuse the Mint of trying to scam other people, would you? Perhaps you would. A tender of payment is not a coerced payment. Nobody is forcing anyone to take a Liberty silver piece in payment.

The price of silver is published. So, no one is denying anyone the knowledge of what an ounce of silver is worth.

The silver pieces are not fraudulent in saying that they are other than the exact weight they actually are - and I've measured a whole bunch of them. Liberty silver pieces are an ounce troy in weight, exactly. And they are of the correct size to be of the density of very pure silver, as they are labeled. Get one, and a micrometer, and see for yourself.

You want to insist that people cannot accept an ounce of silver for \$20 worth of goods without being defrauded. But, it is not up to you to determine what is accepted in trade by other people. You are welcome to refuse an ounce of silver with a \$20 face value, (if you are reading this and are one of the first five to call you will receive a silver ron paul dollar) and accept an ounce of silver with a \$1 face value (or a \$10 face value?) or accept a piece of paper with no silver in it which has a picture of Andrew Jackson and a \$20 face value. But it is not up to you to determine what I, or John Doe, or Jane Roe accept.

A buyer and a seller make a market. That is the rule. If the buyer offers a silver Liberty in tender and the seller accepts it, then that is an exchange. Value for value. And it is wrong of you to interfere, or call either party names. I assume you call both parties names - the buyer is a scammer and the seller is a fool, in your opinion, yes?

The rule is not 'a buyer and a seller and Sameer's good opinion make a market.' And it shall never be the rule, except where you are buyer or seller. You have no authority to impose your opinion on others, and even if you had the power to impose your opinion, it would still be an imposition.

"... worth usd 13 at current silver prices.) And since as I understand if, if you're a 'member' you can buy the '20' liberty dollar for a price close to spot."

At a discount to face, but at a considerable premium to spot.

"So you're basically telling your customers to pass off a token that they only paid 13 usd for as something worth 20 usd."

No. Nobody pays \$13 for Liberty silver pieces today. The last I checked, the prices available were much closer to \$18. Be that as it may, no one is being told to "pass off" anything as being worth \$20. People are free to accept or reject Federal Reserve notes, aren't they? And those have no intrinsic value - no silver at all.

People are free to accept or reject the Liberty silver pieces. And they have \$13 of silver value, plus the added value of being an ounce rather than the large number of ounces required to gain the spot price on the world markets. Plus they have some numismatic rarity compared to the USA silver eagle one ounce coins. Plus they have a useful face value.

"Of course they're not worth 20 usd, because no one in their right mind would trade 20 usd for a '20' liberty dollar."

How do you know? Do you know everyone? And whose sanity is in question, when people trade US\$20 of goods and services for paper tokens all the time, which have no silver value to them?

"Of course 'worth' is subjective. US dollars have no 'intrinsic' value but they are worth something because you can trade them for goods and services." And so are silver eagle coins minted by the USA Mint, though they are clearly worth more than their one dollar face value. And, apparently, in my direct experience, so are silver Liberty pieces. A thing is worth whatever it brings in exchange.

What you seem to be saying is that no one is ever allowed to make a profit. Do you think that the person who sells me five pounds of steak at \$4 per pound actually paid \$20 for what he sells to me at that price? No, certainly not. He paid perhaps \$12 for five pounds of steak, or less if he's closer to the source, or buys

in greater quantity. He might have added a \$1 of labor to the steak by trimming it into some popular shape or cut.

If the seller of beef steak can sell what he buys for \$13 at a price of \$20, then why cannot the seller of silver pieces do so? Or is profit necessarily a scam?

“I guess the liberty dollar people think, well if we can convince enough people that a '20' liberty dollar is worth usd 20, then it will be worth usd 20”.

There's another way that a silver Liberty may become worth more than US\$20. If the Fed continues to do what it has done for the last 90+ years, then the US dollar is going to continue to decline in value. Do you remember when a dollar was worth 371.25 grains of silver? I do. I still have a silver dime that my Great Aunt Dori gave me which was minted back before Lyndon Johnson declared that silver was 'too valuable' to be used for money.

How did we get from silver valued on the world market at about \$1.29 per ounce in 1963 to a world market price of \$13? We got there because of the inflationary policies of the Federal Reserve which has, on average, in that time, reduced the purchasing power of the dollar by around 90%.

“At that point you'll be sort of like the fed, in that your currency is worth more than its intrinsic value.”

If a currency has a face value less than its intrinsic value, what happens? It does not circulate. A currency, which has a face value greater than its intrinsic value remains in circulation. That's Gresham's Law.

Now, it is sort of interesting that the various mints of the various nationalist governments of the world mint gold and silver coins, still. They evidently do so because there is a demand for such things. They do so because they can buy low and sell high. They do so because they wish to fill the market with their products, against the interests of those with whom they compete unfairly - unfairly because they have taxpayers to take up the slack whenever they FUBAR things.

But it is also interesting that all those nationalist government mints put face values on their coins that are below the value of precious metal in the coins. In the case of the USA, the penny and nickel in ordinary circulation have face values less than the value of the metals - so the USA gov't has made an extraordinary rule forbidding Americans to export those coins nor melt them down for metal.

Why do those coins have absurdly low face values? To prevent them from going into circulation to compete with the national paper money.

And why does the Liberty dollar have a sensible face value? So that it can go into circulation and be used as money.

“And you'll be rich rich rich, because you'll be making these tokens that you can sell for 20 usd at a cost of just 13 usd!”

Nonsense. You have no idea. If one buys silver for \$12 and takes that silver to a mint, do you think they'll provide you with silver pieces for \$1 in minting costs? They won't, I can assure you. Once you buy the silver, now \$13, and pay a mint to mint it, you also have to pay die costs and transportation costs to distribute these.

“It doesn't matter if you have a political opinion that the usd is worthless, because all that usd you're pulling in will still buy you a javelin.”

I don't believe the political opinion being expressed is that the USD is worthless, but that it becomes worth less and less over time owing to the inflationary policies of the Federal Reserve.

“But until then, you're scamming people.”

No, they aren't. Those who offer silver pieces as payment are offering a valid item in exchange. Nobody is required to accept the silver. Anyone is able to find out the world market price of a five thousand ounce contract for silver. So, there is no way to scam people in this matter. The price of silver on the world market is freely available.

Anyone who accepts silver Liberty pieces in exchange is voluntarily accepting the benefit of having a \$20 silver piece, which contains an ounce of very pure silver. If they think, as I do, that owning some silver may be a hedge against further inflation, or if they think, 'my what a pretty coin,' who are you to deny them the choice? And who are you to accuse anyone who offers that choice as a tender in payment of scamming anyone?

"And, even then, if you think the fed is a scam...which I don't..."

I'm curious why you think it must be a scam to offer an ounce of silver with a \$20 face value, but it is not a scam to offer a flimsy bit of paper with a \$20 face value, as a tender in payment.

Is it because there are many more people accepting the paper fiat money every day than there are who accept the silver money? If that is so, then the majority would be the only standard of truth, and the world 'must have been' quite flat.

Regards, Jim Davidson

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

[Editor note: Recent Success Story submitted to the Office by Matt Whitlock from Gainesville, Florida. Please send in your success story.]

### **I couldn't believe the overwhelmingly positive response I got tonight.**

I ordered some pizzas online from my local Domino's and the total was \$14.89. I had three tens and three ones in my wallet, but I felt like spreading some Liberty, so I left two of the tens on my desk and took a \$100 bill from my drawer and added it to my wallet. Thus, I set out to pick up my pizza (I never have it delivered) with \$113 USD and \$2 ALD.

When I got there and the guy at the counter told me the total, I opened my wallet and thumbed through the bills and told him, "I'm a bit short on small bills at the moment. I can give you fifteen if you take Liberty Dollars," and I put the fifteen on the counter, "or I have this," taking out and holding up the hundred, "if you can break a hundred."

The guy smiled and said, "I don't know if we take Liberty Dollars, let me ask," and he went back to the prep tables to ask the manager.

They both came back to the counter and the manager picked up the bills I had laid on the counter and held them up, and they both began to read the text printed on them. I just stood there quietly and calmly while they read the text to themselves. The guy was smiling and nodding as he read.

When they finished, the guy made a comment like, "that's awesome," and I told them briefly about how it's a private currency to the Federal Reserve like FedEx is to the postal service and how it's inflation-proof because it's backed by silver, which has real value, rather than being backed by nothing. And the manager said, "that's really cool," took a couple of dollars out of her pocket, put them in the cash drawer, and said, "there, problem solved." She went off into the back, still holding up the Liberty Dollar certificates and reading them again. The guy was smiling the entire time.

This was my first attempt at spending Liberty Dollars, and I'm amazed at the reaction I got. It seems people really are concerned about the state of the dreaded FRNs and are ready and willing to accept a better alternative.

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

**QUESTION:** Why are the \$1 Copper Ron Paul Dollars not coming out until November? What takes so long?

**ANSWER:** The simple fact is that we were not able to find a US manufacturer to mint the Copper Liberty or Ron Paul Coppers in the United States for under a dollar. So in respond to the call for a Copper Liberty we are reluctantly having them minted outside the country. Production time and transportation time adds up to a long wait but we anticipate the Ron Paul Coppers by November.

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

Every Liberty Associate is different. No surprise because everybody is different. But what is constantly amazing to me are the differences and the high quality of people who are attracted to the Liberty Dollar. It is simply amazing. And so it is the Liberty Associate for this month. He not only moves to his own drummer, he broadcast it far and wide. Fortunately he has moved to the Great State of New Hampshire and while I was attending the recent Porcfest, we met up and did another radio interview. For the thousands of times that this Associate has furthered the cause of Liberty and his outstanding support of the Liberty Dollar, I am proud to name Ian Bernard with Free Talk Live as the Liberty Associate of the Month. If you are not familiar with Free Talk Live, it is talk radio that you control. Tune into the most amazing talk radio: FreeTalkLive.com. Thank you Ian for your support and congratulations on being the Liberty Associate of the Month!

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

"Necessity is the plea for every infringement of human liberty; it is the argument of tyrants; it is the creed of slaves." - William Pitt

## **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/tax 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!

Bernard von NotHaus  
Monetary Architect/Editor  
[Editor@LibertyDollar.org](mailto:Editor@LibertyDollar.org)  
[www.LibertyDollar.org](http://www.LibertyDollar.org)  
888.LIB.DOLLAR  
888.421.6181