

National group mints its own dough to take control from government

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Cash. Moolah. Dough. The Mean Green.

You can have it all, says Bernard von NotHaus, who has cut his ties with the greenbacks that have built cities, broken hearts and made some lucky Americans ecstatically wealthy.

There's a new currency in town that, unlike the almighty dollar, carries with it the weight of freedom, pride and faith in a system being built by people, not a faceless bureaucracy or power-driven monopoly, says von NotHaus, as he works himself up to a crescendo.

It is the symbol of liberty, he says, American Liberty Currency.

"The currency is beautiful, it's attractive ... we're representing America," said von NotHaus, who is the founder and senior economist for NORFED (National Organization for the Repeal of the Federal Reserve Act and Internal Revenue Code).

The group established its mission and launched the new silver- and gold-backed currency in 1998; the paper currency is in \$1, \$5 and \$10 increments -- all 100 percent silver-backed -- and a 100 percent gold-backed \$500 note, as well as a \$10 silver liberty coin, the only coin currency that is offered.

As of today, there is at least half a million dollars in Liberty Currency in circulation, being used as tender for products and services at close to 800 redemption centers, remarks von NotHaus, who got the idea for creating alternative money while running the Hawaiian Royal Mint in Waikiki.

His disgust with what he calls the fraud perpetuated by the Federal Reserve and the banking industry -- an operation that he says has devalued the dollar and made money off the backs of working Americans for the benefit of a few elite -- prompted him to take action.

"When the people own the money, they control the government. When the government controls the money, they control the people," he said, noting that his idea "struck a nerve" with all types of people -- mostly those who were sick and tired of sending more tax money to the Internal Revenue Service, paying increasing interest rates to the bank and encountering inflated costs in all areas of life.

"NORFED has a simple solution to the problem, the fraud, the devaluation of the money: stop using their money, start using the Liberty Currency and take back the government, one dollar at a time," he exclaimed.

There are hundreds of Americans who have taken von NotHaus up on his offer and become redemption centers for the currency. There's the restaurant in New Hampshire and the carwash in Austin, Texas. There's the locksmith in Indiana and the chiropractor in California. Von NotHaus says the NORFED offices, based in Indiana, are already getting calls from banks that have received Liberty dollars in customer deposits.

"It's popping up all over the place," he declared.

Besides exchanging the currency, NORFED members say they use it to spread their political message: The government has built a house of cards and they don't want to live in it anymore.

"No one really knows how bad the Federal Reserve really is," von NotHaus said, insisting that profit-hungry multi-national bankers run the seven-member board, which is appointed to 14-year terms by the president and confirmed by the Senate. The board is charged with regulating the banks and adjusting interest rates to maintain the stability of the country's financial system.

The board also conducts the nation's monetary policy by setting the rates at which U.S. currency is supplied to each of the 12 Federal Reserve banks that represent different regions of the country.

Von NotHaus said the way the monetary system is now set up (the U.S. dollar has not been gold-backed domestically since 1933 and internationally since 1971) allows more money to flow into the market on credit, without actual money in the banks to back it up. That's why even the threat of Y2K could have spelled such a disaster -- if everyone ran to the bank to liquidate their accounts, there wouldn't have been enough cash to pay them all.

Von NotHaus says the Liberty Currency can be exchanged dollar for dollar with the "dreaded" Federal Reserve notes and is 100 percent backed. A warehouse mint located in Idaho stores the gold and silver and produces the notes upon receipt. A third party certified professional accountant conducts a monthly audit, the results of which can be found on the NORFED Web site.

"We're actually returning the money to the people," von NotHaus claims. "What's the government to do if everyone stopped using Federal Reserve notes?"

Producing one's own currency for exchange is perfectly legal, say U.S. government officials, and NORFED isn't the first one to do it -- though it may just be the first group to circulate such currency nationally.

The town of Ithaca, N.Y., is probably most famous for its own currency, which is traded all over the community for goods and services. Ithaca Hours, the name of the currency, has been in circulation since 1991 "because we watched federal dollars come to town, shake a few hands, then leave to buy rainforest lumber and fight wars," wrote one columnist on the subject in 1999.

There, the credit union accepts Hours for mortgage payments and loan fees -- people even pay their rent with the local currency.

Von NotHaus understands that it will take much effort to flood the market with American Liberty dollars, and that the prosperous economy today doesn't necessarily prompt folks to bellow for change. But he and the others at NORFED are committed to making that change "one dollar at a time."

"We're sowing the seeds against the wind of a very prosperous time in America," he says. "When the manure hits the fan, that'll be our time. That's when this currency will shine and that's when things heat up."