

# Liberty Dollar Seller Looking Forward To Big Ebay Payday

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John Dean of Austin, TX is a Liberty Dollar owner who is preparing to reap the rewards of having invested in hard money. As of Nov. 15th, no more Silver Liberties will be produced by Liberty Services, formerly known as NORFED, Inc., who were raided by the US Government. All their dies, metals, money, computers and records were confiscated by the FBI with a total combined value in the tens of millions of dollars. Dean realized that his latest, paid order for some copper Ron Paul coins was also confiscated and would likely have to be written off as a total loss. Said Dean:

"I had a very large order for the Ron Paul copper dollars, and I already have a large quantity of silver and gold coins, and even one platinum, so I wanted the whole set. Besides thinking that I'm not going to ever see those copper Liberties again, I wanted to take advantage of the obvious hyper-inflated value of [my coins]. So I was willing to try my luck on the market by auctioning those."

Dean is off to a good start. He placed some of his coins up for auction on Ebay. So far, he has two gold Liberty coins listed that have been bid up to \$1,800 each with two-and-a-half days remaining in the auctions. He says he's already seen someone else who put up a Liberty Dollar gold coin in a one-day auction. He says, "I didn't check it this morning, but as of last night it was selling for \$3,000."

When he originally bought the gold coins, the price was "spot plus 14%, and at that time I believe gold was selling under \$700, so I was paying about \$750 a coin. Considering how bad the stock market has been lately, it's nice to see some black ink."

I asked Dean why he mentioned the Ron Paul campaign in his auction as one of his motivations for selling the coin. He replied:

"Well, I was already a devout Ron Paul supporter. Besides bumper stickers and lawn signs and shirts and a website that I own and talking to everyone I know about Ron Paul, I bought all of [the Ron Paul] currency, to hand out and to spend, as I already spend Liberty Dollars, and to bring into focus the issue of hard currency and the problems of the fiat dollar."

Dean hadn't been using Liberty Dollar currency for very long. Previously, he had actually seen Liberty Dollars being used for currency in his home town of Austin, TX, which apparently is a popular place for using Liberty Dollars. He says:

"It wasn't until [Ron Paul dollars] were offered...this year that [my wife and I] became a Liberty Dollar associate so we could buy the Ron Paul Dollars a little bit cheaper than [retail], especially the gold which you purchased as the margin

over spot. In that time, we also purchased quite a bit of regular silver Liberty coins, \$5, \$10, and \$20. And also through our local RCO (Regional Currency Office—RCOs were able to get the best prices from NORFED over spot before NORFED was shut down, and they handled the local currency exchange of Liberty Dollars and Federal Reserve Notes) we got a list of all the local businesses in town that accept silver Liberty Dollars, and we were quite shocked to see how many businesses we were already supporting and purchasing from, as we were able to keep doing our normal thing.

"We have not had to be real pushy to get people to accept Liberty Dollars. I have asked a few business owners I frequent a lot, and maybe 50% of them would end up taking them for some amount of time. They usually didn't want to have a whole lot of them. They usually take them as something to put in their pocket and hold onto."

Dean had successfully transacted business using Liberty Dollars with a convenience store, a hardware store, restaurants, and even his local tax return preparer! He said:

"I don't really like asking people to give me change on silver Liberties. I wouldn't want to buy a \$3 item with a \$20 silver Liberty. I would find that dishonest.... I like to pay with exact change, and I usually get pretty close to that, so I don't ask for change.

"When I talk to people about NORFED and silver Liberties, I am completely up front and honest with them that this is a one ounce silver piece. I'll mention the spot price of silver (say it's \$14 or \$15). [The coin] says \$20 on it, that's for convenience's sake, and I've never had anyone want to just transact at the price of silver. They always just go for the face value. At times, even after this whole spiel, I've had two or three people behind me in line, wanting to buy more of the coins from me at the face value. I have never had anyone pay anything less than face value for it."

Dean was a Liberty associate, which gave him a discount compared to face value, roughly one half the difference between the face value and the price NORFED charged the RCOs. The price they charged to RCOs was the spot price plus their costs of minting the coins. I asked Dean to predict where his auction prices were going to end up, but he said, "I don't like to make predictions. I just like to let the market make that decision for me." Dean said he read the entire warrant for the raid on NORFED, and he says it was worded very vaguely. It starts off very nasty, saying that these are horrible criminals engaging in fraud and money laundering, and then it just started explaining the whole business as we've sketched in this article. He says:

"It seemed to say that because [NORFED was] making money, selling money, that it's a crime, and the fact that they own cars means they have to be confiscated, and [the FBI] need to take their entire business. Lots of businesses engage in the business of making money, buying low and selling high. I'm just completely flabbergasted that what [Norfed] is doing is considered such a high crime that the Secret Service and the FBI have to get involved.

"I do hope [NORFED] are vindicated in the end, but I think it will be a hard battle. Certainly all my thoughts and prayers go out to them."

I came away from this interview with a strong impression of just how viable hard currency is, even in a marketplace governed by fear manufactured by the Federal government. Regardless of what happens with the NORFED case, I don't think we have seen the last of hard currency being used in transactions in this country, particularly with the hidden inflation that the government continues to pretend doesn't exist. Even if the government were to decide to make ownership of hard metals illegal again (as they have done in the past), it's likely that the net result would only be to drive the price of hard currency so high that Federal Reserve Notes would suffer as an unintended consequence.

One thing is certain. Those who invested in Liberty Dollars from NORFED are poised to reap huge rewards, particularly since it seems likely at this point that they are no longer going to be minted. That makes them collector's items, and collectible gold, silver, and platinum tend to sell at many times the intrinsic value of a precious metal coin, with the final value tending to be based on how many or few of those coins are in circulation. By raiding NORFED, the Feds are trying to punish that company for conducting transactions which clearly have enriched their customers many times over as a result of that raid.