

Liberty Dollars never took off as currency

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ASHEVILLE — Liberty Dollars never really worked as an alternative currency, according to Asheville area residents who collected the coins for their silver value.

But the barter currency will have its day in U.S. court, said two men arrested for promoting Liberty Dollars in Asheville and nationally.

“This is a test of individual rights, as protected by the 10th Amendment. It is the deciding moment that a private voluntary barter currency is legal in the great United States of America,” Bernard von NotHaus said in a statement.

Von NotHaus heads the National Organization for the Repeal of the Federal Reserve and Internal Revenue Codes based in Evansville, Ind.

Federal authorities arrested von NotHaus and William Kevin Innes, of Asheville, on Wednesday in connection with what they said was a scheme to undermine the U.S. currency system and defraud consumers.

Innes marketed the Liberty Dollars in Western North Carolina and recruited merchants willing to accept the coins and give them as change for products bought with real money, according to an indictment unsealed this week.

Actual experience

Daryl Rantis, an Asheville architect, liked the idea but found it difficult to actually trade the coins for any services or products.

“I don't think it took off the way Kevin thought it would,” Rantis said. “But he never represented them as a U.S.-sanctioned currency.”

Rantis has about \$150 worth of the silver coins at home. “I'll probably keep them. They'll probably become a collector's item now. In a pinch, I could sell them.”

Michael Bahnson, of Leicester, was listed as a Liberty Dollar associate on the national Web site, but Bahnson said he collected the Liberty Dollars only as rare coins and never tried to barter with them.

“But I don't see that the federal government can regulate private trading between individuals,” Bahnson said.

Innes, 53, faces up to 45 years in prison if convicted. He was indicted along with von NotHaus and two other defendants from Indiana associated with the corporation.