

NORFED Probe: Authorities investigate antigovernment group that's marketing its own currency

By Staff writer
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Far-right antigovernment groups have long claimed that American dollars are illegal , currency, part of a vast conspiracy by international bankers to defraud the rest of the world. NORFED, based in Evansville, Ind., says it is doing something about it.

Since last fall, NORFED has been marketing its own "American Liberty Currency" money certificates in \$1, \$5 and \$10 denominations that it says are backed by specially minted silver coins held in an Idaho vault.

NORFED claims that profits from selling the certificates — which go for almost twice the cost of real silver — will be used to help bring down the Federal Reserve and "restore an honest monetary system."

It's not clear if the "currency" violates federal laws against the private manufacture of currency or "fictitious instruments" of commerce. Half a dozen federal and state agencies are investigating, according to The (Spokane, Wash.) Spokesman-Review.

NORFED trades on theories about "parasitic Bankers" who supposedly steal \$300 billion from "the people" every year in a "CONSPIRACY as old as Babylon." Its "chief "economist," Honolulu-based Bernard von NotHaus, says the currency is protection against problems that will be caused by the Y2K computer bug — a common far-right theme.

Its "marketing director" is James W. Thomas, publisher of Media Bypass, a magazine ' n that caters to so-called "Patriots." NORFED's mailing address is also that of Media Bypass.

Many of NORFED's redemption centers are run by men and women connected to the radical right. In Florida, the Tampa Freedom Center is headed up by Charley Eidson, anti-Semite who last fall denounced the "damnable eternal Jews."

Although membership in NORFED costs only \$9, people are urged to send in \$89 to start their own redemption centers. Then they are offered a 10 percent cut

for every dollar they "convert" to American Liberty Currency. But NORFED says most of its "modest profits" are spent "trying to bring about a positive political and economic reform, and that costs money."

After all, it says, a real dollar is merely "a 3 -cent piece of paper."

But buyers of the new currency may find it hard to use.

According to a recent posting on NORFED's Web page (www.NORFED.org), there were just 32 merchants nationwide accepting American Liberty Currency (ALC). In Minneapolis, you can pay with ALC for a tattoo; in New Jersey, "the only Constitutional flag in the united States" is for sale; in Riegelsville, Pa., "alternative health products" are available; and in Tustin, Calif., a chiropractor will take your "silver."

Still, NORFED claims to have more than 100 redemption centers — where people supposedly can trade in their ALC for "\$10" silver coins containing about \$5 worth of silver — in 40 states.

Von NotHaus, who told The Spokesman-Review that "we're going to be to the Federal Reserve System what Federal Express was to the Postal Service," also has written a book about his currency. It was unveiled on April Fool's Day.

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