

Marketer offers alternative to dollar

By Guy Leonard
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Jeffery Sedgwick of Laurel makes a living by connecting people with accountants and financial advisors to reduce their debt and pay fewer taxes.

But that isn't the only financial business in which Sedgwick participates.

He exchanges U.S. currency, or Federal Reserve Notes, for silver pieces called liberty dollars.

"It's more than a hobby for me," Sedgwick said. "But it's not a full blown business."

Sedgwick says he deals in liberty dollars—which are minted in gold and silver by a private, nonprofit group called Norfed —because he and others like him claim regular currency is worthless. President Richard M. Nixon took the United States off the gold standard in 1971.

-"[The liberty dollar] is a hedge against inflation and depression," Sedgwick said. "[Federal Reserve notes] are backed by debt and nothing else. It's accepted for value, but it contains no value."

According to the Federal Reserve Web site, U.S. currency is no longer backed by gold or any other precious metal.

. It's for that reason that Sedgwick says the liberty dollar, which is one ounce of silver worth \$10, is a better storehouse of value.

"It will always have value in and of itself," Sedgwick said.

Federal Reserve representatives, based in the District, said that liberty dollars while unusual, are perfectly legal.

"There's no prohibition on trading whatever you want for goods and services," said Andrew Williams, a spokesman for the Federal Reserve Board of Governors. "[People] can exchange for whatever they agree to as long as both parties agree to it. No one has to take it."

Sedgwick says the liberty dollar is an inflation-proof currency and gets indirect support from Federal Reserve Board Chairman Alan Greenspan. In a 1967 essay "Gold and Economic Freedom," he wrote that precious metals were a stopgap to inflation devaluing currency.

"In the absence of the gold standard there is no way to protect savings from confiscation by inflation. There is no safe store of value..." Greenspan wrote."

Bernard von NotHaus, the progenitor of the liberty dollar, said the silver piece attempts to bring U.S. currency back to value.

"It's the savior of the American monetary system," he said.

Von NotHaus said the current policy of using money backed only debt would cause a fiscal crisis not only in this country but the entire world since America held the reserve currency most desired by other nations.

"[The Federal Reserve] has got this hot potato and they keep passing it on an on. We're heading toward a cliff," he said.

Sedgwick also said has more personal reasons as well.

"I'm by no means an expert [on economics] but I just found a way I could protect my family and myself," he said.

The liberty dollar has been in circulation since 1998 with \$3 million in use by about 30,000 people, according to Norfed.

(PHOTO CAPTION) Laurel currency vendor, Jeff Sedgwick, displays two liberty dollars, the original \$10 edition (left) and the five-year commemorative \$5 edition (right).