

# Local hopes for a new silver lining

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It's a conundrum. While the Bush administration is touting a great economy based on Wall Street figures, many conservatives and liberals are bemoaning the huge national debt and U.S. trade deficit.

In the latter camp, there are those who predict economic upheaval in the near future, including the inevitable collapse of the dollar.

Villager Peter Affolter is in the doom-and-gloom school of thought on the matter and he's doing something to protect himself.

A 30-year resident of the Roaring Fork Valley with eight years in Snowmass Village, the former restaurateur of Chefy's in Basalt looks toward silver and the American Liberty Dollar as his savior.

"The Liberty Dollar is a privately minted, alternate currency. It is not legal tender, but traded on a voluntary basis. It's inflation proof," he said.

The American Liberty Dollar was the brainchild of Bernard von NotHaus, an economics researcher, writer and founder of the Royal Hawaiian Mint, who studied failed economic systems in history. From his studies, he believed that the U.S. economy was on the verge of collapse because U.S. currency was no longer backed by silver or gold. U.S. currency was taken off the silver standard in 1964 and it was taken off the gold standard in 1971.

NotHaus worked for many years to evolve a free market currency backed by metals, which could co-exist with the current fiat system used by the Federal Reserve. His work spawned the creation of the non-profit "National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Service," or NORFED, and in 1998, American Liberty Dollars began to be minted. NORFED is now called Liberty Services.

American Liberty Dollars are not the only alternative currencies in the U.S., there are scores of others. Some see it as a return to a barter system.

"The whole goal of the Liberty Services is to flood local economies with an alternate currency to be there for us when the crashes," said Affolter.

"Banks have already admitted that America is bankrupt and foreign countries are bailing out of their reserves of U.S. currency and going into gold, although this is not generally admitted in the mainstream media."

A coin collector for many years, Affolter likes the look and feel of silver.

"Silver was used as money for thousands of years. It is a precious metal and an industrial metal that is used in computers, televisions, radios, telephones, silver batteries and air and water filtration systems," he said.

According to its protagonists, the Liberty Dollar is a community currency that can strengthen local economies and is a hedge against inflation. Your local banks will not accept the coins, because they are under the Federal Reserve system. Remember you are not buying silver, you are using a silver-based currency.

Since its inception, the Liberty Dollar has spread throughout the United States. As a result, last fall the U.S. Mint said the use of the new currency is illegal, a charge that Liberty Services denies.

Affolter is not backing off. He works with an Aspen dentist as representatives of the new currency, which comes in \$5, \$ 10 and \$20-si/e pieces. The \$20 Liberty Dollar is one ounce of virtually pure silver. Paper money backed by silver is also available. For merchants Affolter says, "Buy at a discount, use at a profit by offering in lieu of change and distributing into the community."

He added, "I was looking for a way to do something for the community and also the nation. I feel it's better than voting. Using real silver, money instead of unbacked paper currency printed by the Federal Reserve demonstrates to the current administration that we don't agree with their irresponsible monetary policies," he said.

Since the Liberty Dollar is new to Colorado, local bankers contacted knew little about the new currency and offered no comments.

For more information go to [www.libertydollar.org](http://www.libertydollar.org).

**(PHOTO CAPTION)**While it may not be considered legal tender, the Liberty silver dollar is alternative currency for people such as Peter Affolter.

