

Liberty Dollars

Backers push their acceptance in Sunshine State

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Would you accept a silver, private-issued coin with a face value of \$20 instead of a crumpled Federal Reserve-issued greenback?



George Aycrigg/News Chief

Frank May, the Polk County regional currency officer for the Liberty Dollar, is banking you would.

The Liberty Dollar is poised to create competition for the standard monetary system in this country, just as FedEx created competition for the U.S. Postal Service.

"You can't give everyone a crash course on American economics, but people have no clue what money is," May said. "The buzzword from the government is inflation. But it's not inflation that makes things cost more than they used to. Money has been so devalued, it takes more money to buy the same thing as before."

One thing that hasn't changed value, May said, is gold and silver. Gold and silver have been precious and used as

currency for thousands of years, but Americans no longer use this system. Federal Reserve notes used to say you could exchange the green dollar for its worth in gold, but that's no longer the case, and he said the government no longer claims to have enough gold to back up every dollar in circulation.

The Federal Reserve isn't even owned by the government. It's a private company like Wal-Mart.

"People choose to think that because it says federal, it's from the government," May said.

So the Liberty Dollar was introduced, billing itself as America's inflation-proof currency. The acceptance of it is voluntary, meaning businesses don't have to take the currency and banks likely will not cash it.

The money is owned and distributed by Silver-R-U's or the National Organization for the Repeal of the Federal Reserve Act and the Internal Revenue Code. It's been in limited circulation for eight years, but is now the second most popular currency in the United States. May said he wants to bring that popularity to Polk County.

The new currency can be traded dollar-for-dollar for silver and gold or Federal Reserve notes at any Liberty Dollar regional office.

"But why would you want to?" May asked. "Gold and silver have always been the safest investment for wealth."

Janet Folkerts, the executive director for nonprofit Spectrum Resources, an organization that counsels people in debt reduction and money management, said she thinks the Liberty Dollar is an excellent program that helps people take control of their financial situations.

"That's one of the reasons that (such countries) have such bad money management skills," she said. "Money in their countries change value so quickly that it becomes almost irrelevant. The American people are living in denial if they don't think it's happening here."

She points out that the Liberty Dollar certainly is not unique in its bid as an alternative monetary unit - gift certificates, credit cards, checks and money orders all are alternative units of value. And those units are valid because people believe there is value behind them, she said.

May said the difference is that the Liberty Dollar notes and coins all have intrinsic value of being backed by actual gold and silver.

He pulled out a dollar bill to illustrate his point.

"How can this be a tender in all debts public and private when this is a debt itself?" he asked.

The Liberty Dollar literature says the money is being offered as competition to the Federal Reserve notes to make the primary U.S. currency better.

Though the most convincing part of the system is the weight and feel of silver that the coins - available in \$1, \$5, \$10 and \$20 units - have in the palm of your hand, the Liberty Dollar also has multicolored notes in different sizes (for the blind) that are easier to handle and are fully redeemable for the gold and silver.

Making your own monetary unit is perfectly legal, but it's not guaranteed that it will be accepted by anyone - just like businesses can refuse to take credit cards, checks or gift certificates from other companies.

May said he is hoping, though, that Polk businesses will sign on to accepting the alternative currency. Already, he's used it to pay for goods and services by using the "drop" method.

"The best way to introduce the Liberty Dollar is to drop the Silver Liberty in someone's hand," the Web site www.libertydollar.com espouses. "Do not hand it to the cashier, drop it! Hold the one-ounce Silver Liberty a couple inches above the outreached palm and drop it so it lands flat in the person's palm."

May said he also has simply offered cashiers two choices - a Federal Reserve \$20 bill or the silver coin. "They always take the silver," he said.

Folkerts said she paid using the silver money at a local restaurant, Captain D's.

"They were all aflutter. They actually argued over it and were trying to figure out where to put it in the cash register when one of the young ladies when to get \$20 from her purse, put that in the register and took the coin."

A similar situation happened at Stevie B's, she said.

"Things have not gone up in value, just the money has become less valuable," she said. "That's why other countries come here to shop ... we're the ones that are way behind."

Several cities and counties around the country have almost complete acceptance of the Liberty Dollar, including Berryville, Ark., and Port Lavaca, Texas. There is \$30 million worth of Liberty Dollars in the public now, though most of it probably is being hoarded and not in circulation, May admitted.

The money is endorsed by several Libertarian groups, but May said the currency is not officially affiliated with any political group.

"It seems so out in space for people to say our money is worthless," he said. "But this is simply backed by people who believe in the Constitution. There's a large movement of people who want our monetary system to work under the Constitution."

Folkerts said she hopes the Liberty Dollars become more widely accepted in Polk County.

"This is a way I see people becoming financially self-sufficient - to use money that has true value," he said.