

# LIBERTY DOLLAR NEWS: MAY 2003 Vol. 5 No. 5

ACTION ITEMS: Get some One Dollar Silver Libertys ... Add the new Shopping Cart Interface to your site ... Contact NORFED about Bernard's schedule for this years Annual Tour... Sponsor a RC... and be happy...

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## 1. NEW ONE DOLLAR SILVER LIBERTY

As I hope you know by now – October 1. 2003 is our Fifth Anniversary! Even though we have had to postpone the Liberty Festival, this amazing five-year feat will be celebrated in many ways. The first is the issue of a new ONE DOLLAR Silver Liberty. That's right! This is an item that I had quested after for almost 30 years and finally decided to do it now because it will not be possible at any other time. Let me explain. The \$1 Silver Liberty is 11/16 inches in diameter (about the size of a dime). The obverse has the same beautiful "Liberty Head" design as on the current \$10 Silver Liberty . The legend on the reverse is: LIBERTY DOLLAR, with ONE below a truncated Liberty Torch. ONE TWENTIETH 999 SILVER and mintmark appears below the ONE and the 2003 date is at the bottom. So does the \$1 Silver Liberty contain a dollar's worth of silver? Of course not, for what is a dollar's worth of silver? After all, how much silver is in the \$10 Silver Liberty? So does the \$1 Silver Liberty contain one-tenth ounce of silver. No, that is not possible either because it is not possible for it to contain one-tenth of silver at \$5.00 silver let along at \$10.00 and pay for the manufacturing. In fact, manufacturing costs is more than twice the bulk cost of silver! And that does not include dies, or overhead. Why? Because, little coins are harder to mint, take a LOT more time, and must be hand fed, one at a time. So, I finally decided that the only way to make this work, even marginally, was to use one-twentieth of an ounce, which at first means it could be used with the \$20 SILVER BASE. But it won't work with the \$20 base either because then the silver would be too expensive. So it will only work right NOW. And even at that it won't work for long because when the silver goes over \$5.00 the \$1 Silver Liberty becomes marginally unprofitable, and you know how dedicated we are about being profitable. So, the new ONE DOLLAR Silver Liberty is a commemorative. It is really a neat little piece and I encourage everyone to get some now, instead of waiting. Why? Well it is not only because the price of silver may curtail the issue, but also because it is only 0.028 inches thick, i.e. VERY thin. And the engraving, which is exquisite, is only 0.007 of an inch, only twice the depth of a human hair! Don't get me wrong, it looks GREAT! But the dies are going to wear out much sooner because of polishing,

because they are very shallow, and because they are striking such thin planchets (metal blanks). And because the issue is limited to only minting 50,000 \$1 Silver Libertys, if we get to mint that many. So, the race is on. If you want to get some of these treasures then I encourage you to get as many as possible as quickly as possible because the earliest will most certainly be the BEST and because this little goodie may be discontinued at any time due to the fore mentioned reasons.

Now as the margin is so tight on the cost to produce the \$1 Silver Liberty, it is all but impossible to give a discount. They are a “buck” each. Dollar for dollar. Minimum order of 20 and we will do a special price for shipping and handling of only \$4 on the minimum order, \$6 S&H up to 100, and \$6 plus on orders over 100 \$1 Silver Libertys. And if you place an order for 1,000 or more while silver is under \$5.00, the price will be discounted 10% to \$0.90 each. Sorry that is the best we can do. Oh one last thing, no, you cannot trade-in Silver Certificates for the new \$1 Silver Libertys. But as long as the smucks in New York will accept those dreaded non-Federal Reserve Notes for silver, we are happy exchange value for fiat and return America to value – one Liberty Dollar at a time. As always, if you have any questions, please email NORFED at Truth@LibertyDollar.org or call 888.421.6181.

PS: HAPPY ANNIVERSARY! Thank you so much for making the Fifth Anniversary possible! Stay tuned for more info on commemorating our Fifth and please note the update about the Fifth Anniversary book, which is due out on October 1, 2003! Thanks again!

## 2. NEW – Shop with Liberty Dollars Online

Well it is FINALLY here!!! I am most pleased to announce that the Shopping Cart Interface (SCI) is now done and available on our web site at: [http://www.elibertydollar.com/remote\\_biz.php](http://www.elibertydollar.com/remote_biz.php). What does this mean? Well now you can add the digital Liberty Dollar icon to your payment page and your customers can now click on PAY WITH LIBERTY DOLLARS, just like they click on PayPal. Your customers will automatically be taken to a secure server where they can login to their account and “Pay with Liberty Dollars”. An invoice is emailed to the customer and the merchant is also notified about the order. Wanna see it work? Well, “Do the Demo”. All you need is a Liberty Dollar Online account with at least a penny balance. Go to: [http://www.elibertydollar.com/link\\_demo.html](http://www.elibertydollar.com/link_demo.html). And as it is an actual working demo, it will cost you a penny. Just click the icon and enjoy. If you are shopping online and the merchant does not offer payment in digital Liberty Dollars, please tell him about the new silver based currency. Spread the word! As the Liberty Dollar Online continues to grow this new SCI should be a real boost. Tommy Davis, one of our most dedicated and resourceful Redemption Centers, did this very slick work! Thank you, Tommy.

## 3. NEW – Expanded Hours/West Coast Office in Spanish

Ever try to reach NORFED after hours? Do you speak Spanish? Well now I am happy to inform you that Talena (Telle) Jay Presley has opened a West Coast Office in the Los Angeles area. And by being open until 6:00 PM Pacific time, you can now reach NORFED till 9:00 from the East Coast. The same toll free number (888.421.6181) works. As I have known Telle for the past thirty years, I know you will enjoy talking to her and receive the same outstanding service as the ladies in Evansville are known for. Plus, as Telle was born and raised in Madrid, Spain, she also speaks perfect Spanish. So if you have questions, want to do a conference call, or need to place an order, please call Telle. BTW, the “Jay” in Telle’s name means she is a direct descendant of the Founding Father, who is quoted at the end of this newsletter, below. Congratulations and welcome aboard Telle!

## 4. NEW – CD Without Any Four Letter Words

D#@&^%!!! As some people have been annoyed by an occasional use of expletive language (otherwise known as executive words or cussing) on the Liberty Dollar CD, I am happy to announce

the issue of a “clean” version (C-1). My apologies if the uncensored “live” version offended anyone, although I never said a word, which was not in the Bible. So if you would like to get a new “clean” CD please contact the office.

#### 5. Schedule for 2003 Annual Audit and Tour

Hold On! It is that time again! Now that I have completed the semiannual spring visit to the NORFED office, it is time to start planning the BIG Annual Audit and Inspection Tour, which usually runs about three months and covers 15,000+ miles. Please note , the list of following cities should give you a general idea of my travels. It is VERY TENTATIVE. So if you would like to organize an event and have me speak for the whooping price of a place to sleep, or just meet with me privately, please let me know ASAP and I will do my best to accommodate your request. The sooner I hear from you the better it would be for both of us, please.

BIG Annual Audit and Inspection Tour: Miami, Washington DC, Bethlehem, Evansville, Texas, Los Angeles, Oakland, Reno, Ashland, Portland, Seattle, Coeur d’Alene, Salt Lake City, Denver, Kansas City, St. Louis, Evansville, Atlanta, Fort Meyers, Miami, and a lot of places in between ...

#### 6. Visit to Evansville , St. Louis , and Gene Chapman

The semiannual visit to the NORFED office was a blast! I made some renovations to our building, had dinner with the ladies and acquainted Telle to the routine too. I also met Mel Jones in St. Louis and his band of serious monetarists and quite a few other fine people in Houston and elsewhere. I also stopped by and visited Gene Chapman in Austin , where he is in a death fast in opposition to the IRS. My heart goes out to Gene with the hope he is able to compel the IRS to answer the questions that every lawful taxpayer has a right to know. Good luck Gene! As always, if I don’t hear from you, you will not hear from me. So please let me know if you would like to see me on the upcoming Annual Tour...

#### 7. 2003 Book on The Liberty Dollar is in the works

As we all know the Y2K book is terribly out of date. And although it has some good info, with such a title, we have needed to replace it for literally years! So it is now official, a new book is in the works! The original idea was to devote the book to how The Liberty Dollar works has been massaged to include a dozen PhDs and well-known experts to branch out the overall scope into a fitting tribute to our Fifth Anniversary. By developing such a format, it is our hope that we will provide a more readable and successful tool for the general market and draw in more supporters.

The book will contain about 80 chapters. Most of them will be short 2-3 pagers addressing different features about The Liberty Dollar. A dozen or more will be provided by guest authors and the balance will be content chapters dealing with related subjects such as Paper Money, Central Banking Fraud, Money, etc. More info will be available as the publishing deadline draws nearer. Due to be issued on October 1, 2003 .

#### 8. Liberty Dollar Presented at SIFE Contest

Ever heard of the Students In Free Enterprise organization ([www.sife.org](http://www.sife.org))? Well it is an international non-profit funded by Sam Walton, who started Wal-Mart, to bring students into free enterprise while they are still in college. Randy Glass, one of our first Redemption Centers who I signed up while I was still in Hawaii , introduced his class to SIFE in Hawaii . He also introduced them to The Liberty Dollar, which they presented to the judges and won first place. Recently they flew to the international finals in Kansas City and presented the new currency there. Unfortunately, their presentation was scheduled immediately after their graduation and an overnight flight from Hawaii . So they were not up to par and did not win. We still congratulate Randy for his support of The Liberty Dollar and urge him on to next

year's competition. Good Luck and many Thanks!

#### 9. June 28, 1968 – A Date to Remember

This was the date that the US government repudiated their obligation to redeem their Silver Certificates for silver. This monetary crime was not just against the American people it was against everyone holding their money. As long as the government controls the money and places themselves above the law, the people will suffer at the hands of such tyranny. This black day should long be remembered for the lack of responsibility and total disregard for monetary integrity by our government. Once again the government has stolen value, broke with Constitutional law and heaped hardships upon the common workingman with their depreciating currency.

#### 10. Incidence of the Month

Happy to report there were no major incidences to report this month. But that is not to say there is nothing to report...

Quite frankly, I don't get to read very often. And rarely do I read the numismatic publications such as Coin World and Numismatic News, which I receive weekly. And with the trip to Evansville, I fell hopefully behind. So when I received a recent issue of Numismatic News, I was quickly looking for the round file. But as I had not seen one while I was gone, I thought I would just take a quick look-see. I had no intention of reading it until I saw the weekly column by my friend and editor, David Harper. Now, I usually don't read Dave's column because, like I said, I just don't read very often. But when I scanned Dave's column, "...a private organization that claims its "coins" and certificates are backed by gold and silver and are better than Federal Reserve Notes." caught my eye.

I immediately called Dave to inquire. Sure enough, he had been on a message board and had read a posting by a Phil Barnhart in Austin, who had tried to deposit 100 Eisenhower dollars (coins) into his local bank account and was almost arrested! Seems that somebody has put out a notice to all the banks about the Liberty Dollar and he fell victim to such stupidity. Luckily for Mr. Barnhart, one of the cops called his father who was a coin collector and he wasn't hauled off to jail. You know we are making an impact when the bank has to send out such memos and look so brain dead as in this incident. As it has happened in the past, the memo will ultimately probably be good publicity.

In any case, one has to be amazed with the odd set of circumstances, which even made this incidence possible. Now, I guess I will have to read Dave's column more often.

Late breaking news: I just received this outstanding email from Jason Pratt, who has been in contact with Mr. Barnhart, who has some "funny" ideas himself:

-----Original Message-----

From: Jason Pratt [mailto:jason@austinsilver.com]

Sent: Thursday, May 22, 2003 11:37 AM

To: pbarnhar@texas.net

Subject: Coin incident at bank in Austin

Paul:

I read your story in Coin World. I assume the bank manager was thinking about the American Liberty Dollar which is a \$10 silver piece.

I'm in Austin and would love to talk to the manager and see the flyer.

Can you give me the particulars?

Jason  
www.austinsilver.com

----- Original Message -----

From: <philbarnhart@sbcglobal.net>  
To: "'Jason Pratt'" <jason@austinsilver.com>  
Sent: Thursday, May 22, 2003 12:07 PM  
Subject: RE: Coin incident at bank in Austin

Am not interested in giving the particulars to your group. I have serious problems with your approach - you are setting up the wrong people . I know two people at Central Market were fired for taking your products; I have known several other people who have gotten in serious trouble with their employers involved with your products.

There is a right way to do things - I am a big proponent of community currency such as Ithaca hours. They involve small business and get them included in the approach. Not tricking poor clerks into taking this currency .

Finally, the economic concepts and issues behind your organization are not historically accurate. Silver was never the basis of currency value in the US after 1810 - and the silver content of coinage after the 1880s was always less than its actual value. Silver (or any asset-based currency ) is inherently subject to inflation or - more importantly at this point of our economy - deflation. It is not stable (the value of gold and silver has fluctuated considerably in terms of other assets - just track these against other commodities on the Chicago Board of Trade and you will see the fluctuations are extreme when compared to a dollar comparison against these assets.) I have copies of the original books from the era if you are interested.

Our financial system has been much more stable under a federalist debt model than when under an asset model. The philosophical underpinnings of the anti-government asset-based currency systems are detrimental to the poor and working-class members of our society (hence the original silver crises of the 1890s).

I believe that a progressive, intellectual capital-based currency based on community programs such as Ithaca hours is a much more valuable program than yours. Many proponents of your approach to currency reform and ultra-conservative and anti-government. I find the political philosophies of many proponents of your program to run against my own political outlook (you guessed it - I am a liberal in many things though not a Democrat per se). Finally, I believe our debt-based federalist currency system much more beneficial - and much easier to manage in

terms of inflation, debt management, and government intervention - than any alternative.

I urge you to review true community currency systems such as Ithaca hours - where value is determined based on hours of labor and intellectual contribution to the community - rather than asset-based currency that can be easily manipulated by corporations and special interests . Essentially, an asset-based currency is controlled by those who manage the asset - whether that asset is silver, gold, oil, or transmission capacity. Given a choice between trusting the Federal Reserve or the next Enron - I trust the Federal Reserve. I remember the Hunt brothers - do you?

<http://www.ithacahours.org/>

<http://www.ithacahours.com/starterkit.html>

<http://www.breadhours.org/>

<http://lto.lawrence.ks.us/>

Phillip Barnhart

----- Original Message -----

From: "Jason Pratt" <jason@jasonpratt.com>

To: <philbarnhart@sbcglobal.net>

Sent: Thursday, May 22, 2003 1:47 PM

Subject: Re: Coin incident at bank in Austin

Hey Phil,

Why would anyone get fired for accepting our currency? All anyone has to do is call me or any Redemption Center if they want to convert it to FRNs. Unfortunately there is a lot of ignorance out there, and we are trying our best to inform people.

I know Paul Glover, the founder and promoter of Ithaca Hours. He is a NORFED Redemption Center and supports what we are trying to do. I have talked to him at length about how to grow the usage of the Liberty Dollar. I am very familiar with the concept of community currency, and have researched many forms of it including LETS, Gisell, HOURS, and others.

You refer to history, citing the crises of the late 1800s. History is written by the victors. The victors in our country include central bankers , who today control our money and our economy. They were not around for the first 123 years of America (not to mention the colonial years), and yet our country survived, grew, and prospered. Working people (because back then, almost everyone was a 'working person' doing work that you or I would

not survive today) prospered, raised families, and created America . If the absence of a central bank implies that the economy will fail, how do you explain 123 years of economic growth that got us to the point where we could even think about a central bank? Especially versus the last 90 years of central banking, which gave us inflation, the 'business cycle', the Great Depression, constant war, and crushing debt?

Gold and silver are intrinsically stable commodities - their supply is constrained and stable, but currently their demand is somewhat small. I remember the Hunt brothers - they were taking advantage of what is causing volatility in the gold/silver market: namely, the artificially thin market caused by the practical banishment of gold and silver from use in money . The dollar market, by contrast, is stable because it is huge and worldwide . When gold and silver are restored as money, they will be huge and worldwide and even more stable than the dollar - without the constant erosion and piling-up of debt caused by debt money.

I don't think you understand the issue - or you would not trust the Federal Reserve, or me, or anyone else with the control of your money. I don't think you truly care about the working class - or you would not be arguing for putting our country further and further in debt for the benefit of the banking class. (Who will repay this debt? Those who work and pay taxes. Who is it owed to? Bankers. Why should we have it, and keep getting more of it ? Beats me.) I don't know why you brought up Enron - they are a perfect counterexample to what you're arguing. Corporations are a creature of the state - created, endowed, and protected by the government. When they abuse power, it's not a cause to strengthen the government, it's a cause to weaken the corporation.

Maybe it would be fun for us to get together in person and discuss/debate this . In the future, if anyone has any trouble with Liberty Dollars or needs FRNs for them, please point them to my Web site: [www.austinsilver.com](http://www.austinsilver.com) - and I will gladly convert them. We are not trying to trick anyone.

Let me know if you'd like to meet sometime, or let me invite you to our monthly gathering at Opal Divine's on 6th Street - the second Friday of every month, around 6:30PM , on the second floor. But I'd prefer we get together over a sandwich or a beer.

Best and thanks for your reply,

Jason

#### 11. Question of the Month

QUESTION: Why can't Liberty Dollars be used to become a Redemption Center ?

ANSWER: First, because as you have heard, we are returning America to value – one Liberty Dollar at a time. In other words, NORFED is in the currency exchange business and our business model is based on exchanging FRN for ALD. That means, no exchange – no business. Second, the Sponsor receives his/her Sponsorship Fee in FRN, so again we need FRN to fulfill that part of becoming a RC. And

finally, the remaining \$50 which NORFED retains is our primary means to pay our overhead, phone bill, etc. and because not everybody takes the Liberty Dollar yet, NORFED needs some FRN in this transitional economy, just like everyone else.

#### 12. Redemption Center of the Month

If you are not getting the Idaho Observer, you are missing out on one of the best sources for news about what is happening in our great Country. Plus, the Idaho Observer is well written and always carries info about The Liberty Dollar. My hat off to Don Harkins & Ingri Cassel for their outstanding efforts to awaken America and popularize The Liberty Dollar. Please contact The Idaho Observer at P.O.B. 457. Spirit Lake , Idaho.83869. Or call them at 208.255.2307 or email at [observer@colddreams.com](mailto:observer@colddreams.com). \$25 will get you a year's subscription of 12 issues with 24 BIG pages of info every month. My congratulations and thanks to Don and Ingri for being the Redemption Center of the Month. Thanks guys for your support!

#### 13. Quote of the Month

“The jury has the right to judge both the law as well as the fact(s) in the controversy.” John Jay, First Chief Justice , US Supreme Court.

Thank you for being part of the solution and helping to return America to value – one Liberty Dollar at a time.

Bernard von NotHaus  
Monetary Architect / Editor