

# **LIBERTY DOLLAR NEWS: September 2004 Vol. 6 No. 9**

6th Anniversary Issue:

Welcome new Readers, Associates, Merchants and RCOs! This Newsletter is your #1 source for up-to-date information on the Liberty Dollar...please read it!

There is plenty to celebrate and still much to do. But quite frankly, with the explosion of half a trillion Federal Reserve dollars in the last 90 days and more inflation on the horizon... we don't have a minute to lose. Of course, we will still be partying this weekend at the Liberty Dollar Fair as we begin our "Lucky 7th" year.

Congratulations to all of you who have discovered and use the Liberty Dollar. Now lets get serious about how we can make more money, do more good and have more fun as we return America to value - one dollar at a time.

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1. Happy 6th Anniversary!

For those of us who have been around this "Free Money Movement" for any time, such as Sarah Bledsoe and Michelle Jones who have staffed the office for six and five years respectfully, the story of the Liberty Dollar is a miracle in action.

Against all odds and certainly contrary to popular opinion when it was launched on October 1, 1998, the Liberty Dollar survived its first year and continues to grow and evolve. It's no secret that we had no clear idea as to how the Liberty Dollar was going to be successful, we just knew it had to be! There had never been such a currency (private, free-market, free-metals) in 5,000 years of monetary history. But due to your tremendous efforts, the great NORFED staff and that all-important invisible hand of Providence, we are growing and thriving still, six years on. Thank you!

The Liberty Dollar is successful, because enough people are fed up with the current depreciating currency and are willing to support a new currency and the ideals of our Founding Fathers. The Liberty Dollar is not only a form of protection from the looming monetary meltdown, it is also the best thing for our great country.

So, on this Sixth Anniversary, thank you for your support, efforts, and exchanging all those dreaded Non-Federal Non-Reserve Notes into real money! With such involvement, our children and we will come to enjoy the fruits of a sound monetary system.

2. This is the BIG Week - University, Congress & Fair!

**THIS IS THE WEEK!** We know a lot of people are coming because we had to move Liberty Dollar

University to a larger conference room, which is now sold out. The RCO Congress - the business meeting for only RCOs that follows LDU4 will soon become the legendary First that it is. And the Liberty Dollar Fair with the live coin minting demo by the Gallery Mint, G. Edward Griffin, Michael Badnarik, John Turner, myself and other national speakers, plus the Doe Brothers bluegrass concert and the jam that follows will make this one of the most memorable events of the year. Who says we have to be serious all the time!?! Remember the Liberty Dollar is all about "making money, doing good and having fun! And we intend to do just that!

So please bring your axe (musical instrument), your gun and your party attitude to the FREE Liberty Dollar Fair on October 2, in Evansville, Indiana. Join hundreds of people just like yourself who are coming together to further our common goals. Get the latest info on the Liberty Dollar, hear the success stories and join the party.

### 3. BIG article in the Daily Reckoning

Rarely does the Liberty Dollar enjoy the exposure to 340,000 people. But that is exactly what happened on Thursday, September 16 when the Daily Reckoning featured the Liberty Dollar as part of the Hard Money Week. And although I thought they were doing the article, I was informed at the last minute that I was writing the guest article! No never mind that I happen to be on National Tour and it is hard to type and drive at the same time. Actually it was a kick to jump into the doing a major article on such short notice. I am grateful to Addison Wiggin and Tom Dyson for taking the Liberty Dollar to a third of a million interested readers. It is exposure like that and your own individual efforts that continuously moves the Liberty Dollar towards our goal.

The Daily Reckoning is a free daily newsletter that focuses on investments, metals, and factors, which influence them and the marketplace. To subscribe go to: [www.dailyrecoing.com](http://www.dailyrecoing.com). We'll have the archive of the Sept 16 edition posted on [libertydollar.org](http://libertydollar.org) soon.

Thanks again to the Daily Reckoning and the good folks at Agora Financial for their support and efforts to get the truth out there and help return America to value - one dollar at a time.

### 4. Silver Summit

Editor's note: The second Silver Summit was held right where our silver was stored. Unfortunately, its date was not set until we had already scheduled the Annual Audit and Inspection of the Warehouse so I was not able to attend.

Coeur d'Alene -- You might as well spend all your money now. Better yet, borrow as much as you can and spend it fast, because it will soon be worthless. Or still better, invest in silver or gold, which will always be precious.

Richard Daughy, also known as the "Mogambo Guru," was the keynote speaker Friday at the Silver Summit at the Coeur d'Alene Inn and made that prediction. He thinks Alan Greenspan is out of his mind.

"They ought to put a retarded chicken in charge of the Fed," he told more than 200 mining company executives and investors. "Create money. Create money. A retarded chicken could do that."

Daughy, general partner and COO for Smith Consultant Group, serving the financial and medical communities, and the writer/publisher of the Mogambo Guru economic newsletter, calls himself "the angriest guy in economics." He said the country and the world should return to the gold standard or international economies will come crashing down, with the U.S. falling hardest.

"You cannot get rich by going into debt," Daughy said. "Money should be only silver and gold. The government cannot print silver and gold."

A dollar was worth \$1 in 1913, he said, and is now worth "2 freaking cents."

"People want to know why I'm so mad," he said. "That's why."

He described "fractional banking" as a system that allows a bank to loan \$100 with a \$1 deposit. In only four cycles, that dollar means \$1 million in loans.

"This is not right," he said. "All money is debt."

That growth of debt threatens the fabric of society, he warned.

"We owe \$34 trillion, and have a \$74 trillion financial liability," he said. "Where are we going to get \$74 trillion out of 120 million people? You'll never make that much money."

He said the U.S. dollar is being held up by Chinese currency, the Yuan, and when that country's economy changes from an export to a domestic focus, the dollar's value will collapse.

"People will dump dollars and hoard silver and gold," Daughy said.

And barring a corrupt market manipulation, oil will also not go down in price, but will cost "hundreds of dollars per barrel."

His solution: "Get plenty of silver and gold and a large-caliber weapon to dissuade people from trying to take it away."

Daughy's pithy and hilarious comments had the crowd howling with laughter. The presentation was videotaped for David Morgan of Silver-Investor.com and will be available at that Internet site some time after Oct. 7, Morgan said.

"Wasn't that great?" Morgan said.

The Silver Summit, in its second year, drew 460 people from all over the world, up from about 100 last year, said David Bond, organizer of the program. It concludes today with a tour of mines in the Silver Valley and other events.

By Rick Thomas

Coeur d'Alene Press, Idaho

Saturday, September 25, 2004

<http://cdapress.com/articles/2004/09/25/business/bus01.txt>

#### 5. No Inflation...Just More Poor People

As we have mentioned before, there is no inflation! Just ask the government! And to prove it here's a quick story. While on tour in the Seattle area, I met with Kevin Fisher and Tim Hodges and we went to a neighborhood tavern, much like our Founding Fathers usually did, for dinner. We had three hamburgers, two beers and an iced tea. The bill was \$39.86. No lie! And with the tip, it rounded out at \$45, or \$15 each! No inflation? Just bull! But the worse part is not the actual costs, it is the actual effect. According to the CFR-controlled USA Today, in the last year another million Americas are now "classified" as poor, while the middle class' income stagnated. And as the FRN continues to depreciate in value, this will continue to be the norm. Don't believe there is no inflation. Believe the prices you see at the store. The choice is clear. Either change your money or lose your value. Luckily, now you have a choice. That was not the case six years ago. Now you can protect the value that you expect to be stored in the FRNs, but aren't! Now you depend on the Liberty Dollar to provide that all-important "store of value" for your business and family.

#### 6. New Merchant Discount

Please note that in our continuing effort to build the Liberty Economy, that the discount for established businesses has be changed to the same discount as the Liberty Associates. This change will provide

more incentive for merchants to get involved and in due course will bring about more acceptance of the Liberty Dollar. Please offer the Liberty Dollar where you shop and explain to the merchant that it is good for his business, customers, community and our great country.

#### 7. SFBOT - San Francisco Board of Trade ...

Several months ago, a new "exchange" sprung up and started providing a "Board of Trade" for the Liberty Dollar and other currencies. Quite frankly, I didn't know what to think. And with my crazy schedule, I didn't have much to think. And to my surprise the "San Francisco Board of Trade" continued and provided liquidity for excess Liberty Dollars back into those dreaded Federal Reserve Notes.

Then when I was finally in the San Francisco Bay area, I had the good fortune to meet Mark Queen, who created the San Francisco Board of Trade. I discovered that Mark was very well organized, had established formulas for initial posting quotes and had mandatory fulfillment if the upset price or better was met. I found the SFBOT proved to be a benefit to the Liberty Dollar program and Mark to be a capable manager.

Mark pointed out to me, that the SFBOT is doing for alternative currencies what the Chicago Board of Trade did for corn, soybeans, silver, t-bills, etc. Providing an open, transparent, liquid marketplace for the exchange of alternative currencies and at the same time providing that all-important element of "price discovery" to currencies such as the Liberty Dollar and other alternate currencies.

Only Members sell contracts, where one Member posts an auction (ACX) for a specific contract and the other Members bid. When a contract is paid by the winning bidder and the seller has delivered, the contract is then and only then "settled". If an ACX contract auction finishes without receiving any bids it has closed "unsettled".

Full Members own "seats" on the SFBOT and have full privileges and own a piece of the exchange. Member seats may post ACX contracts and bid on them. Liberty Associates memberships are limited to the SFBOT Seat Market and SFBOT Bazaar with free auctions and classified advertising that support alternative currencies.

I found that the SFBOT is committed to providing a safe and secure trading arena. They operate on a three strikes and you're out premises, when a Member or Associates actions are deemed detrimental to the SFBOT. You can read the membership agreement under the registration area on homepage for the complete rules governing SFBOT and market participant's responsibilities.

Mark Queen summed up the SFBOT as simply a "P2P defined contract alternative currency exchange". What does that mean? It means that it is like the larger futures exchange such as the Chicago Board of Trade (CBOT) that trade defined contracts such as corn, wheat, silver, etc. Each contract on the SFBOT is like the contracts traded on the CBOT that is defined a certain way i.e. 5000 bushels for corn.

They also have rules about how they are priced, traded and settled. All of this takes place amongst members of the exchange. They own "seats" to signify their membership on the exchange. These members perform a vital economic function: price discovery on specific commodities.

SFBOT, the world's first defined contract alternative currency exchange (ACX) provides a cash market in the ALD as it does for 1MDC, e-gold, GoldMoney, Pecunix and VirtualGold gold grams (gg). Plus Liberty Associates can post free and unlimited auctions and classifieds on SFBOT Bazaar.

For example the last \$100eLD MiniContract settled on the SFBOT at \$73FRN, up from \$0.69 open. As circulation of the Liberty Dollar increases, the cash price will also increase. In fact, by Mark providing this service it is a huge plus to the Liberty Dollar economy and our goal to return America to value via

the Liberty Dollar.

I encourage your participation. For those interested, there are two levels of membership, a SFBOT Lifetime Member seat and a free SFBOT Associate Membership. Member seats may participate on the ACX, seat market and Bazaar, while Associates are limited to the seat market and Bazaar. Liberty Associates can join for free and then upgrade to a Member seat.

For more information go to <http://sfbot.com/> and also at the bottom of the page at <http://sfbot.com/cgi-bin/Auction> under the Administrator section, you can view \*SAMPLE\* ACX Contracts for an intro to ACX contract composition and SFBOT pricing methodology.

If you have any questions about the SFBOT, please contact Mark Queen at [info@sfbot.com](mailto:info@sfbot.com).

Additional info is also available at: <http://www.sfbot.com/cgi-bin/Auction?cmd=view&listingID=289>.

#### 8. 30th Anniversary of 911

No this article is not from the future ... it is from the past. If you read The Liberty Dollar "SOLUTION" book, you might have discovered my first economic research paper - "To Know Value" which was dated Wednesday, September 11, 1974. During this past month, was the 30th anniversary of that "dated" work. In thirty short years we have gone from "All you need is love" to an justified war, strip searches at airports, the promise that it is going to get worse and will continue indefinitely. What a wonderful future. Now compound that with a monetary meltdown, dictatorial controls, howling masses asking for more "security", and you have a small idea of what our children may grow up to think is "normal", just like most people "think" inflation is "normal". Inflation, war, and hard times are NOT NORMAL! We are not here to suffer. We are here to be loving, creative being in God's image. Thank you for taking a stand for value, for becoming involved with the Liberty Dollar, and reading this Newsletter. Please share the Liberty Dollar and its potential to "return America to value" with someone new today. Let us take an active role and lead the government and its money with a positive model. Let us once again, know that all we need is love. Thank you for reading. Happy Anniversary!

#### 9. Incident of the Month

Sean DeVore, a Liberty Associate in New Castle, PA filed this incident on September 4, 2004. This incident happened at Cedar Point Amusement Park in Ohio:

My wife and I decided to celebrate our 3rd anniversary by spending the day at Cedar Point. We have acquired \$100 in \$10ALD in advance and were taking \$100 FRN also. Our intent was to spend the ALD on our trip expenses first, and use the FRN as back up.

On the journey to CP, we spent one or two ALD for various things, no problem.

Upon arrival at CP, we spent one \$10 ALD for locker rental, also no problem. We proceeded to go on several rides, and about 11:30 decided on lunch. We stopped at one of the stands, and bought our lunch. I paid with one \$10 ALD. The cashier looked at it appreciatively and said she had never seen one before. She then proceeded to show a coworker, who was suitably impressed, and then placed the ALD in the till and gave me the change (the tab was \$9 and change). We sat and at our meal, talking about what to do next. After eating, we left the table and meandered about in the general area still talking about what to do next.

Some time later, as we are about to depart the area, I see a minor park official (lower management, but above the kiosk management) in the area and a CP police officer arrives. The officer motions me over, and I go over and say something like, "Can I help you?" He asks me if I am the person that paid at the kiosk with the ALD. I say yes. He then asks me for my personal information. I ask him why he wants it. He says that he has to have it for the investigation. We move away from other people and I give him the information. The park official gives the officer the ALD and the officer directs me to give the

official \$10FRN. Having remembered a prior incident in the newsletter, I ask if I am going to get the ALD back (and prepared to refuse the FRN unless I do get it back). The officer says I can have it back after the investigation. I ask how long will that be. He says a couple of hours. So I give the official a \$10FRN. I then ask the officer where I can pick up the ALD (thinking that he's going to take it to some place outside the park and I'll need directions). He tells me where the police station in the park is located. We then leave, and begin to walk back toward the front of the park to go on some more rides. As we are walking, I comment about the fact that the officer did not say that we could not spend them anymore. The officer catches up with us and says, "You know you're not to spend them until after the investigation." (I don't think he overheard my comment). I didn't spend any until I went to pick up the ALD being held. I figured, that if they didn't say I couldn't spend them when I picked up the ALD, then I could.

A couple hours later, as we approached the police station, I gave my wife all the FRNs, and the keys to the car, in case they decided to detain me. I told her to wait outside. I went in and told the lady at the desk that I was there to pick up the ALD. She gave me a blank look, so I handed her an ALD so she could see what I was talking about. She took the ALD back and I overheard her asking a question of the officer in back. (I didn't hear what he said.) She then came back and sat down, and a couple minutes later, an officer (who was wearing military 1st Sgt stripes--not the same officer who took my info) came out with both ALDs in hand. I was waiting to see if he would tell me not to spend them-- He didn't disappoint me. As he handed them to me, he told me not to spend them in the park. (I am guessing, because they didn't want to have to keep running out and investigating). I said thank you (for returning the ALD) and left. We left the park a couple of hours later, and proceeded to spend the 3-4 ALD on the way home.

Editor's Note: Thank you Sean for such even handed but steady use of the Liberty Dollar. It is good people like you and your wife whom are the real leaders taking an active role in leading our country back to that "old time religion" of value. May your future be as bright as silver - the most reflective element on the planet!

Please continue to send in any incident with the authorities to the NORFED office.

#### 10. Question of the Month

QUESTION: Is the Liberty Dollar an investment?

ANSWER: Once again the question as to the Liberty Dollar being an investment has been raised again. The answer is a resounding NO. The Liberty Dollar is a Warehouse Receipt for your property. In a word it is "hat check". It promises no profit, interest, or income. It promises to "Redeemable to Bearer on Demand" i.e. it returns your property as specified in the terms on the back of each Certificate. That is why the Liberty Dollar is "money that is owned by the people". The Warehouse Receipt is simply a contract between the bearer and the warehouse. It is your title of ownership. You own the Liberty Dollar. If you are interesting in investing in silver, The Liberty Dollar is not for you. It is NOT an investment...it is a metal based currency. If you want to invest in silver, then you should be buying it as cheaply as possible. Only the Liberty Dollar provides a useful way for you to be able to use it in day-to-day commerce as the Liberty Dollar is designed to do and with \$5 million in circulation with 100,000 people...I don't think there is much doubt about its usefulness.

#### 11. Liberty Associate of the Month

I don't know much about this month's Liberty Associate, except that she is super. And in saying that, that is saying a lot, as there are not too many outgoing ladies involved with the Liberty Dollar. This is not to say there are no ladies, but just as there are no Founding Mothers, there are many more men involved with the Liberty Dollar than ladies. And that makes this very special lady outstanding. It

seems whenever there is something happening, she is there. She certainly one of the best informed and dedicated grandmothers I know. Fortunately, while I was in Denver recently, I had another opportunity to cross paths with this special Liberty Associate and once again I was amazed at her clear thinking and abilities to handle difficult situations with the "authorities". For all of these reasons, I am most happy to name Janet Meisinger, as our Liberty Associate of the Month. Congratulations Janet! And thank you for all your efforts in support of the Liberty Dollar. May many more ladies learn the value of the Liberty Dollar and help guide our country back to value.

#### 12. Quote of the Month

"Of all the dispositions and habits which lead to political prosperity, Religion and Morality are indispensable supports. In vain would that man claim the tribute of Patriotism, who should labor to subvert these great Pillars." George Washington at his Farewell Address on September 19, 1796 when he retired from the Office of the President of the United States. Like the Roman leader, Cincinnatus, who twice led the Roman Republic to victory in battle and twice gave up his power to return to a life of farming, George Washington led the American Republic to victory over the British, resigned, then served two terms as President, and returned to a life of farming at Mount Vernon.

#### Closing Remarks:

Now as we begin our lucky 7th year, let us redouble our efforts and commit our efforts to spreading the "value" word about the Liberty Dollar. There are many, like World New Daily who would have us think that they support our ideals, but have never taken an active role in supporting the Liberty Dollar. Likewise the silence from the pulpit is most deafening. Let us acknowledge our successes and "Trust in God" that we can "return America to value." And for those who are still on the fence and have not become involved with the Liberty Dollar, we hope you will join the party this year. Please call NORFED or your local RCO and get your questions answered. Then join the party. It is fun to use the new gold and silver currency!

Many thanks to all the Liberty Associates, Merchants, and RCOs for your continued support. For it is only by us banding together and adopting a free and independent currency which provides us with "just weights and measures" that we will be able to throw off the yoke of a manipulated monetary system and generate a peaceful and prosperous society.

Thank you again for all your efforts to return America to value - one dollar at a time!

Bernard von NotHaus  
Monetary Architect/Editor  
[www.LibertyDollar.org](http://www.LibertyDollar.org)  
888.421.6181