

LIBERTY DOLLAR NEWS: September 2007 Vol. 9 No. 9

Welcome new Readers, Associates, Merchants and RCOs!

CALL TO ACTION:

WOW... silver up a buck in a week! Two dollars in 30 days... If you have not gotten any silver recently... please get some before it breaks out of its current trading range. This is definitely an exciting time to be in the metals-based money business. Our 9th Anniversary is here and a lot more Private Label Libertys are in the works. I definitely need to find an Executive Director for the Liberty Dollar after the lawsuit is resolved. I urge you to take action! Read this whole Newsletter and pass it on to your contacts.

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1. 9th Anniversary Issue

As amazing as it may seem, in just a few days, the Liberty Dollar will celebrate its 9th Anniversary on October 1, 2007. Once thought to be impossible, with near zero chance to survive, the Liberty Dollar is alive and well in spite of the US Mint warning. People just like real money, imagine that!

Seriously, the re-introduction of the “Real Money Solution” to solve our country’s monetary problems has not been easy. Many of our “would be” supporters have been very stubborn to even comment on a currency that they did not invent. Just ask Lew Rockwell, Mark Skousen and others of their kind.

The bottom line is that the Liberty Dollar is nine years old... and like you... I am very pleased to see a working model that is actually being used. If there is a god in the economic system... it is the Marketplace. The Liberty Dollar continues to grow under the heavy “chilling effect” of the US Mint warning, which is a testament to your resolve not to be defrauded by the government money.

Congratulations and thank you for your efforts to make the Liberty Dollar America’s second most popular currency.

Please note: A new “Federal Crime” t-shirt commemorating the 9th Anniversary of the Liberty Dollar will be available soon... Please call now to pre-order the new 2007 t-shirt in red white and blue... and save a buck!

2. LD Responds to US Government Motion

Finally after 120 days, that’s a third of a year, the US government attorney replied to our Complaint. Liberty Dollar had 15 days to reply. That was quickly expanded to 30 and then to 60 days. On September 18, a year after the original warning was posted on September 13, 2006, we replied to the US government motion to dismiss our Lawsuit. I think our attorneys made a strong and powerful rebuttal and pray the Judge will decide in our favor.

The bottom line to the lawsuit is that the US government has slandered me and endangered rights and income of the Liberty Dollar. And as the US Mint is operating outside of their authority, there is no administrative relief. The only way to resolve this situation is through the court.

Unfortunately that takes time and money. Now that we have replied, this is our most urgent call for a donation or an order, please. If you have not sent in a donation, at least \$10, please consider it. If you have already sent in your generous reply, thanks. And remember, you will receive a “Victory Dollar” of intrinsic value for every \$20 you donate – after we win. God help us if we lose the Liberty Dollar lawsuit.

3. Executive Director Wanted

Granted, no one would accept the position of Executive Director with the US Mint warning hanging over the Liberty Dollar. But that does not forestall my plans to work with applicants who are interested in the position. It takes time to find a qualified ED for the Liberty Dollar. Meanwhile, I am prepared to continue sheparding the Liberty Dollar until the US Mint warning is resolved. Our search has proven to be as difficult as the Executive Director position is unique. If you have a strong background in marketing and managing a multimillion dollar company and are interested in the post-warning potential of the Liberty Dollar, please contact me directly. I hope to have the lawsuit resolved and retire by our 10th Anniversary.

4. Evansville Dollar Beckons

Announcing the 2007 Evansville Dollar! It seems reasonable to have a Liberty Dollar for the town where the National Fulfillment office is located, so that’s what we did. But have we had any time to distribute it? Of course not. Just another example of how the Liberty Dollar is constantly reinventing itself.

Interestingly, the local newspaper featured the Evansville Dollar in a major story in the Sunday Edition. The complete story without the photos is available at:

<http://www.libertydollar.org/news-stories/pdfs/1187666754.pdf>

The one ounce \$20 Evansville Dollar is available by calling the Office:
888.LIB.DOLLAR.

5. Copper Liberty & Private Label Libertys

I am very happy to report that every \$1 Copper Liberty order has been filled. If you have not received your Copper Libertys, they should be arriving any day. I am also very happy to report that the \$1 Copper Libertys are a hit! Granted they are not the quality of the \$20 Silver Libertys... Duh, they are NOT silver, and they are only a buck! But when you compare them to the US Mint dollar coin... there are significant differences.... but the \$1 Copper Liberty still much bigger, heavier, and more intrinsic value.

Matt Pitagora summarized many people's comments with:

I received my Copper Libertys on Tuesday September 4th. I was disappointed at first glance, because I was using Sunshine minted LDs as my quality benchmark. By day 4 of using them in trade, however, I have to conclude that they are a tremendous hit, and I regret not ordering 1000 more! I especially like to perform what I call "The Kindergarten Comparison": Place a U.S. Mint Presidential \$1 coin atop a \$1 Copper Liberty, and then ask the question, "Now, which one do you think has more copper?" Generally, customers can't believe that it only costs \$1. Bottom line: I REALLY like the Copper Libertys, and I am having a great time exchanging them!

Meanwhile, the Private Label Liberty Dollar continues to grow. If you have a business, organization, mission, or even a family reunion and want a very special way to grow or commemorate your business, event, or movement... consider getting a Private Label Liberty Dollar.

6. Hawaii Dala Update

Hawaii was terrific! Other than a super packed schedule and far too many things to do in the five days we were there, it was great to be back in Hawaii and see so many friends and business associates. The Press Conference for the \$1 Kamehameha Silver Certificate was very well attended. If you are not familiar with the Hawaii Dala based on the Liberty Dollar platform, then I encourage you to visit: www.HawaiiDala.com.

The Hawaii Dala explodes the Liberty Dollar model with custom Hawaiian obverse and reverse designs with \$20, \$10 and \$5 face value on silver specie. Of course the new \$1 Dala Certificate fills out the monetary system. Think of what you could do and give us a call.

7. Defense Gold Libertys on eBay

Have you won one of the new Hallmarked Defense Gold Libertys on eBay? The prices are tending to be lower as we near the halfway mark of #050. The special Defense Gold Libertys on eBay feature the special Scales of Justice hallmark and my personal Mintmark, plus every one is individually hand numbered. The purpose of the auction is to generate more income to help pay for the lawsuit. So while the price of gold is tending higher.... the Defense Gold Liberty is actually becoming better priced. So if you are in

the market for a \$1000 Gold Liberty, you would be rewarded to check out the eBay auctions.

8. Letter / Article to the Editor

Editor note: Here is a lively reply regarding the Liberty Dollar by Jim Davidson and Sameer, whose comments are indented with >>:

Dear Sameer,

Well, I've had about enough. Bernard von NotHaus is a friend of mine. He has been a guest in my home. He and I have broken bread together. I believe he is a decent and honorable man. And, quite frankly, I am tired of you accusing him and his business associates of things they are not doing.

>> So the liberty dollar isn't a scam in that they aren't scamming their own direct customers,

Correct.

>> but they are telling their customers to scam other people into thinking that a '20' liberty dollar is actually worth usd 20, when it is really only worth usd 12.

No, they are not. You insist on applying bad motives to people you evidently have not met, and you insist on assigning a bad character to the behavior of people you have not observed in this behavior. It seems to me you should take a step back and consider what is involved in an exchange of value.

When someone accepts an ounce of silver in tender of payment, it does not matter to you if that ounce of silver was minted by the USA Mint and carries a face value of One Dollar, does it? Yet, the Mint places that face value on the one ounce silver pieces it mints deliberately, and with malice, knowing that in so doing they are preventing most people from being able to spend those silver ounces in most places for anything more than a dollar. In other words, the Mint is deliberately deceiving people into accepting a negligent face value which is not even a tenth of the true value of the ounce of silver.

Yet, you won't accuse the Mint of trying to scam other people, would you? Perhaps you would. A tender of payment is not a coerced payment. Nobody is forcing anyone to take a Liberty silver piece in payment.

The price of silver is published. So, no one is denying anyone the knowledge of what an ounce of silver is worth. The silver pieces are not fraudulent in saying that they are other than the exact weight they actually are - and I've measured a whole bunch of them. Liberty silver pieces are an ounce troy in weight, exactly. And they are of the correct size to be of the density of very pure silver, as they are labeled. Get one, and a micrometer, and see for yourself.

You want to insist that people cannot accept an ounce of silver for \$20 worth of goods without being defrauded. But, it is not up to you to determine what is accepted in trade by other people.

You are welcome to refuse an ounce of silver with a \$20 face value, and accept an ounce of silver with a \$1 face value (or a \$10 face value?) or accept a piece of paper with no silver in it which has a picture of Andrew Jackson and a \$20 face value. But it is not up to you to determine what I, or John Doe, or Jane Roe accept.

A buyer and a seller make a market. That is the rule. If the buyer offers a silver Liberty in tender and the seller accepts it, then that is an exchange. Value for value. And it is wrong of you to interfere, or call either party names. I assume you call both parties names - the buyer is a scammer and the seller is a fool, in your opinion, yes?

The rule is not "a buyer and a seller and Sameer's good opinion make a market." And it shall never be the rule, except where you are buyer or seller. You have no authority to impose your opinion on others, and even if you had the power to impose your opinion, it would still be an imposition.

> > worth usd 13 at current silver prices.) And since as I understand it, if you're a "member" you can buy the '20' liberty dollar for a price close to spot.

At a discount to face, but at a considerable premium to spot.

> > So you're basically telling your customers to pass off a token that they only paid 13 usd for as something worth 20 usd.

No. Nobody pays \$13 for Liberty silver pieces today. The last I checked, the prices available were much closer to \$18. Be that as it may, no one is being told to "pass off" anything as being worth \$20. People are free to accept or reject Federal Reserve notes, aren't they? And those have no intrinsic value - no silver at all.

People are free to accept or reject the Liberty silver pieces. And they have \$13 of silver value, plus the added value of being an ounce rather than the large number of ounces required to gain the spot price on the world markets. Plus they have some numismatic rarity compared to the USA silver eagle one ounce coins. Plus they have a useful face value.

> > Of course they're not worth 20 usd, because no one in their right mind would trade 20 usd for a '20' liberty dollar.

How do you know? Do you know everyone? And whose sanity is in question, when people trade US\$20 of goods and services for paper tokens all the time, which have no silver value to them?

> > Of course "worth" is subjective. US dollars have no "intrinsic" value but they are worth something because you can trade them for goods and services.

And so are silver eagle coins minted by the USA Mint, though they are clearly worth more than their one dollar face value. And, apparently, in my direct experience, so are silver Liberty pieces. A thing is worth whatever it brings in exchange.

What you seem to be saying is that no one is ever allowed to make a profit. Do you think that the person who sells me five pounds of steak at \$4 per pound actually paid \$20 for what he sells to me at that price? No, certainly not. He paid perhaps \$12 for five pounds of steak, or less if he's closer to the source, or buys in greater quantity. He might have added a \$1 of labor to the steak by trimming it into some popular shape or cut.

If the seller of beef steak can sell what he buys for \$13 at a price of \$20, then why cannot the seller of silver pieces do so? Or is profit necessarily a scam?

> > I guess the liberty dollar people think, "well if we can convince enough people that a '20' liberty dollar is worth usd 20, then it will be worth usd 20". Which is true.

There's another way that a silver Liberty may become worth more than US\$20. If the Fed continues to do what it has done for the last 90+ years, then the US dollar is going to continue to decline in value. Do you remember when a dollar was worth 371.25 grains of silver? I do. I still have a silver dime that my Great Aunt Dori gave me which was minted back before Lyndon Johnson declared that silver was "too valuable" to be used for money.

How did we get from silver valued on the world market at about \$1.29 per ounce in 1963 to a world market price of \$13? We got there because of the inflationary policies of the Federal Reserve which has, on average, in that time, reduced the purchasing power of the dollar by around 90%.

> > At that point you'll be sort of like the fed, in that your currency is worth more than its intrinsic value.

If a currency has a face value less than its intrinsic value, what happens? It does not circulate.

A currency which has a face value greater than its intrinsic value remains in circulation. That's Gresham's Law.

Now, it is sort of interesting that the various mints of the various nationalist governments of the world mint gold and silver coins, still. They evidently do so because there is a demand for such things. They do so because they can buy low and sell high. They do so because they wish to fill the market with their products, against the interests of those with whom they compete unfairly - unfairly because they have taxpayers to take up the slack whenever they FUBAR things.

But it is also interesting that all those nationalist government mints put face values on their coins that are below the value of precious metal in the coins. In the case of the USA, the penny and nickel in ordinary circulation have face values less than the value of the metals - so the USA gov't has made an extraordinary rule forbidding Americans to export those coins nor melt them down for metal.

Why do those coins have absurdly low face values? To prevent them from going into circulation to compete with the national paper money.

And why does the Liberty dollar have a sensible face value? So that it can go into circulation to compete with the national paper money.

> > (And you'll be rich rich rich, because you'll be making these tokens that you can sell for 20 usd at a cost of just 13 usd!

Nonsense. You have no idea. If one buys silver for \$12 and takes that silver to a mint, such as the Sunshine Mint in Idaho, do you think they'll provide you with silver pieces for \$1 in minting costs? They won't, I can assure you. Once you buy the silver, now \$13, and pay a mint to mint it, you also have to pay transportation costs to distribute these.

> > It doesn't matter if you have a political opinion that the usd is worthless, because all that usd you're pulling in will still buy you an javelin.)

I don't believe the political opinion being expressed is that the USD is worthless, but that it becomes worth less and less over time owing to the inflationary policies of the Federal Reserve.

> > But until then, you're scamming people.

No, they aren't. Those who offer silver pieces as tender in payment are offering a valid tender in exchange. Nobody is required to accept that tender. Anyone is able to find out the world market price of a five thousand ounce contract for silver. So, there is no way to scam people in this matter. The price of silver on the world market is freely available.

Anyone who accepts silver Liberty pieces in exchange is voluntarily accepting the benefit of having a \$20 silver piece, which contains an ounce of very pure silver. If they think, as I do, that owning some silver may be a hedge against further inflation, or if they think, "my what a pretty coin," who are you to deny them the choice?

And who are you to accuse anyone who offers that choice as a tender in payment of scamming anyone?

> > And, even then, if you think the fed is a scam (which I don't),

I'm curious why you think it must be a scam to offer an ounce of silver with a \$20 face value, but it is not a scam to offer a flimsy bit of paper with a \$20 face value, as a tender in payment.

Is it because there are many more people accepting the paper fiat money every day than there are who accept the silver money? If that is so, then the majority would be the only standard of truth, and the world "must have been" quite flat.

Regards, Jim

9. Success Story / Incident of the Month

Editor note: The sorted story of Shaun Kranish being arrested for using a Liberty Dollar was featured in the May 2007 issue of the Liberty Dollar News. Recently it was the topic of a local newspaper article and burst back in the news with a new blog.

Liberty Dollar use shows up in Walworth

Mike Heine/The Week

September 13, 2007

Couple charged with retail theft for making purchases.

A Rockford couple was arrested this spring for using and trying to use "Liberty Dollars" at three Walworth businesses.

The suspects, Shaun A. Kranish, 22, and Svetlana V. Dudnik, 24, may be the first to try and use the "private barter currency" in Walworth County, District Attorney Phil Koss said.

For the complete article, please visit:

<http://www.theweekextra.com/news/0907/091307arrest.html>

Original article from LDNews at:

<http://www.libertydollar.org/information/nlfiles/2007V9N05.pdf>

Editor note: Kranish has a variety of legal issues he is sorting out. Liberty Dollar is willing to assist him to the best of our abilities. His blog is available at: walworthcorruption.blogspot.com

10. Question of the Month

QUESTION: If I buy an item on sale for \$19.99 from a retailer, and I offer to pay with a silver \$20 piece Liberty, is the 7% state/local sales tax legally due on that transaction?

ANSWER: Yes. Sales tax is a legal and lawful tax on a sale regardless of what money is used. If you used the Liberty Dollar, the sales tax would still apply. There is no sales tax on a currency exchange such as when you exchange US dollars for Liberty Dollars.

11. Liberty Associate of the Month

Some people simply never tire of using the Liberty Dollar. Often with great oppositions to overcome, many Liberty Associates and RCO rally forth to bring the Liberty Dollar to their area. Such is the case of this month's RCO in Texas who has brought a steady effort to the Liberty Dollar with steady growth. It is for those reasons, I am proud to name Marcus Campbell, the RCO for Houston, Texas, as the Liberty Associate of the Month. Congratulations Marcus and many thanks for your continued good efforts to expand the Liberty Dollar in Houston.

12. Quote of the Month

"Democracy is two wolves and a lamb voting on what to have for lunch. Liberty is a well-armed lamb contesting the vote." - Benjamin Franklin, 1759

Closing Remarks:

Congratulations to all the good Americans who have nurtured the Liberty Dollar to its 9th Anniversary. We have taken the Liberty Dollar further than any other alternate currency in monetary history. Plus we have had a lot of fun doing it!

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

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