

# Funny Money

## CURRENCY How to lose half your dough?

### Trade it for silver.

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WHEN PEOPLE TALK ABOUT loonies and currency they're usually referring to the Canadian dollar. That's probably because they haven't met Bernard von NotHaus.

Von NotHaus, 57, is peddling his own silver-backed American Liberty Currency (ALC) in what he says is an attempt to establish a nationally accepted alternative to the U.S. dollar. "The Fed is the tail that wags the dog," he says. "They control the people."

Alternative currencies are nothing new, of course. There are dozens of private currencies used in the U.S. and around the world—some of them issued by people who don't live in bunkers. Example: One Ithaca Hour, a scrip traded in upstate New York, translates into one hour of labor—valued at \$10—and is happily accepted by some local merchants.

ALCs have a higher calling. Issued (quite legally) by the National Organization for the Repeal of the Federal Reserve Act, a nonprofit group headed by Von NotHaus, they're meant to replace U.S. dollars and undermine the Federal Reserve Act of 1913, which empowered the Fed to set interest rates and regulate the money supply. Von NotHaus wants less government control by "God-awful politicians" and Federal Reserve Board Chairman Alan Greenspan, whom he calls "DarthVader."

That message resonates with the coin show crowd and various businesses across the country, which Von NotHaus visits in his 23-foot-long RV. To date, there's \$230,000 worth of his currency in circulation, which comes in \$1, \$5 and \$10 denominations. They can be traded for a limited number of goods—such as Alternative Media's Media Bypass magazine, which once featured allegations that children are kidnapped by the government and used as sex slaves. They can also be redeemed for the silver Von NotHaus is stockpiling in an Idaho warehouse.

Here's the rub. Ten ALCs, purchased for \$10, are backed by one ounce of silver, whose recent spot price was \$5.50. That means any exchange from ALCs back to dollars involves a 45% cash loss.

Good thing his office is on wheels.