

# Federal Reserve: ALC not "illegal"

By Staff writer  
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Federal Reserve Spokeswoman Carol Eckord recently affirmed her institution's position that American Liberty Dollar (ALD) is not illegal. "It is similar to a gift certificate at a department store," she said.

In January, 2000, Federal Reserve economist and historian Art Rolnick stated, "If these people want to issue their own money, so be it."

The Federal Reserve is a private bank that was commissioned by Congress to manage the nation's money supply in 1913.

The more money the Federal Reserve convinces Congress to "borrow" at interest, the more debt it burdens upon the American people. Since the original "loan" is made with interest, the American people will always "owe" the Federal Reserve more money than exists in circulation. "This represents an unpayable debt," commented ALC developer Bernard von NotHaus.

The National Organization for the Repeal of the Federal Reserve Act and Internal Revenue Code (NORFED) began issuing ALC coins and metal-backed paper notes in October, 1998. "The purpose of the Liberty Dollar is to educate people about the Federal Reserve System and to help return America to value \$1 dollar at a time," said von NotHaus.

Rolnick explained that the 1913 Federal Reserve Act passed by Congress created a "quasi-public, quasi-private" central banking system in the U.S. He also explained that both public and private economists agreed that a money system does not need to be anchored to precious metals to maintain stability. This prevailing, Federal-Reserve-supported attitude led to the U.S. being removed from the gold standard in 1933.

Since 1933, with only the "full faith and credit of the U.S. government" backing its money system, the dollar has been subject to arbitrarily manipulated rises and falls in interest rates and steady inflation.

"What is distressing about the Federal Reserve is you have a private group of bankers that control whether interest rates go up and down. They are private citizens yet they wield the power of government," commented Law Professor Emeritus Larry Elison from the University of Montana.

Von NotHaus claims ALD is both inflation proof and is spent into circulation interest-free.

Money issued by the Federal Reserve is called "fiat" money, or money issued and decreed as "legal tender." ALD has intrinsic value because the coins are made from .99999% fine silver and a paper note is only issued after a coin is minted.