

New private local money launches as Hawaii Dala

By Staff writer
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A new private local currency was launched yesterday by the creator of a similar but controversial mainland program.

The new local currency, known as the Hawaii Dala, described as a voluntary bartering tool for goods and services at participating merchants, was launched yesterday by Bernard von NotHaus — creator of the Liberty Dollar, which the U.S. Mint warns is illegal to use as circulating money.

The Hawaii Dala has attracted the support of state Sen. Sam Slom, head of Small Business Hawaii.

Senator backs Hawaii Dala

Sen. Sam Slom says he endorses the concept of a private isle currency
By Kristen Consillio

A prominent state lawmaker and head of Small Business Hawaii is backing a new private local currency launched yesterday by the creator of another private mainland currency program that's run afoul of the United States Mint.

Sen. Sam Slom (R, Diamond Head-Hawaii Kai) yesterday endorsed the concept of the private local currency — known as the Hawaii Dala.

The currency is being marketed as an inflation-proof alternative to the U.S. dollar by creator Bernard von NotHaus, a self-described "monetary architect" who also developed the Controversial Liberty Dollar, which the U.S. Mint warns is illegal to use as circulating money.

The gold and silver-based product will hold its value and protect consumers' purchasing power better than the U.S. dollar, said von NotHaus, who also was mint master at the Royal Hawaiian Mint for 25 years.

He has yet to line up any Hawaii merchants to accept the Hawaii Dala.

"You can't pay your taxes, no banks are accepting it yet, but banks will grow to realize the profit protection for them too," he said.

A press release issued this week said U.S. dollars could be exchanged for the Hawaii Dala through Slom's Small Business Hawaii as well as participating merchants.

However, Slom said that release was premature, and that Small Business Hawaii's board hasn't agreed to distribute the Hawaii Dala.

"We still have to do our due diligence to find more information about it and make sure it is something that's viable," Slom said. "But we're looking at it from the standpoint as an option or alternative basically because of the high costs for people doing business here."

Michael White, spokesman for the U.S. Mint, wouldn't comment yesterday on the Hawaii Dala because of pending litigation involving the Liberty Dollar, von NotHaus filed a lawsuit March 20 against the federal government to remove a consumer warning about the Liberty Dollar from the U.S. Mint's Web site.

News reports late last year also indicated that use of the Liberty Dollar, which bear inscriptions similar to U.S. money such as "Liberty," "Dollars," "Trust in God" and "USA," has led to some arrests in Buffalo.

Nonetheless, von NotHaus says that 150,000 people on the mainland are using more than \$20 million in Liberty Dollars as barter for services and goods at thousands of participating businesses.

von NotHaus, who has been marketing the Liberty Dollar on the mainland for the past nine years, carefully describes his latest local venture as a voluntary barter currency — not legal tender — that is 100 percent backed and redeemable in gold and silver and a solution to government spending.

"It's a lot different from somebody counterfeiting currency or making currency to supplant the existing currency," Slom said, describing the Hawaii Dala as a warehouse receipt bartering tool that would stand or fall on its own depending on whether people choose to accept it in exchange for goods or services. "We don't look at it as a final answer or panacea, but to the extent people have choices, I think it's a good thing."