

Marco's Liberty Dollars are 'money' just for the fun of it

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Seeking to liberate his neighbors from a monetary system that he believes has lost some of its juice, Marco Island accountant Al Wagner plans to launch an independent Liberty Dollar franchise next month.

But he's mostly in it for the fun, Wagner said.

The silver-based money is neither endorsed by Marco Island government, nor Marco Island Chamber of Commerce leaders. Newly elected Marco Councilman Rob Popoff is an investor in Wagner's project.

And U.S. Treasury officials stress strongly that what Wagner is proposing is not legal tender or sanctioned.

Wagner won the right to distribute the currency throughout Collier County. It is a \$20 silver minted circle, which he plans to unveil on April 6 at an event at the Esplanade on Marco. Wagner said he can't use the word "coin" because that is legally defined as U.S. government money.

"Everyone uses some sort of money (or) currency for exchanging goods and services.," said Doug Ouverson, who is helping Wagner market the Liberty Dollar. "Due to the inflation-proof nature of silver against the U.S. dollar and fact that the dollar has lost so much of its spending power, the Marco Island Liberty (Dollar) is poised to be a tremendous success."

Wagner would distribute the Liberty Dollar from a Marco Island location. Presently, he's focused on the commemorative value of the silver circle.

The Liberty Dollar is a national franchise, initiated in 1999 by self-described monetary architect Bernard von NotHaus, because American money is no longer backed by the silver and gold that was once protected at Fort Knox.

According to an explanatory letter posted to the Liberty Dollar Web site, von NotHaus said he was the mint master at the Royal Hawaiian Mint and devoted his life to studying money: why it is valuable and how it is used.

U.S. currency has severely decreased in value in the past 100 years, von NotHaus maintains.

Wagner did some accounting work for von NotHaus in 1999. He agrees that U.S. currency has been devalued, and became enamored of the idea of silver-backed money.

"The Marco Island Liberty Dollar is a currency that trades dollar for dollar with Federal Reserve notes," Wagner said. "If you simply wanted to exchange some of your green paper currency for our Marco Island Liberty Dollar, then it would be dollar for dollar."

The U.S. Treasury stresses that the Liberty Dollar is not official currency.

Claudia Dickens, spokeswoman for the U.S. Treasury Bureau of Engraving and Printing, said no matter how the Liberty Dollar is presented, it is not legal currency.

"We have heard of Liberty Dollars," she said. "This agency prints U.S. currency, and it is the only legal currency."

Dickens compared Liberty Dollars with Disney Dollars, used exclusively at Walt Disney amusement

parks. Like poppet beads at Club Med, Disney Dollars are bought with real money, but are not real U.S. currency.

"If a merchant wants to accept Liberty Dollars, that is their right," Dickens said. "As long as the person doesn't claim it is the legal tender of the land."

Wagner said he regards the comparison with Disney Dollars as "derogatory."

"Disney Dollars are not real silver," Wagner said.

The Liberty Dollar is a product and currency, Wagner said.

"Because we actually use real silver, we have a base cost for those raw goods, which have their own market. ... Then, we have to have (it) minted into the Liberty Dollar from its raw state, which is a direct cost, and again has another markup in it," Wagner wrote in a March 21 e-mail.

"I, in turn, must have a markup before exchanging it," he said.

And, of course, there's a profit in turning over the Liberty Dollar, he said.

A merchant or retailer interested in becoming a Liberty Dollar associate member, meaning they would accept it for trade, pays a one-time \$250 fee to Wagner. The merchants then get a discounted price, which is tied to daily fluctuation in price of silver as a commodity.

As of March 21, merchants buying the Liberty Dollar from Wagner would pay \$16.66.

The retailer then gets a chance to profit as well, he said.

Of course, Wagner also will profit, he said.

"I never said I buy them for \$20," he said. "I obviously buy them at a lower rate (than) I would sell them to a retailer/associate. As for the exact price I pay, that's confidential."

A few local businesses already accept the Liberty Dollar, although not the Marco version, which hasn't been released yet, Wagner said. Those businesses include Five Brothers Pizza and Marco Island Fine Jewelry, both on Marco.

Should merchants agree to accept the Liberty Dollar, Wagner has the right to distribute it around Collier County.

Marco City Manager Bill Moss said he hadn't heard of Wagner or his Liberty Dollar until contacted by the Daily News.

"I didn't know about it, but we're more than happy to stick with U.S. government currency," Moss said

Wagner joined the Marco Chamber on March 9, and attended the Marco Island Business EXPO at the Marriott Hotel earlier this month, said Chamber of Commerce President Lee Willer-Spector.

"I saw his booth there. He gave away several of the Liberty Dollars from a drawing at his booth. I believe he said the value of the coins he gave away was \$20 each. I have no other information," Willer-Spector said.

Popoff, who was elected to the City Council in March, said his partnership with Wagner is merely financial.

Part-owner of First Integrity Mortgage, Popoff said he is one of Wagner's accounting clients.

"I'm a silent partner . . . a very, very silent partner," Popoff said, noting his interest is more in the keepsake value. "An ounce of silver is an ounce of silver."

According to the Liberty Dollar Web site, Americans are "being ripped off by the rigged money system."

The statement is not attributed to anyone in particular, but von NotHaus, who identifies himself as a monetary architect, signs the letters greeting visitors to the Web site.

"Time is critical," von NotHaus states in his postscript. "Your money is at risk."

Von NotHaus goes on to write that the U.S. dollar already has lost 96 percent of its purchasing power since the Federal Reserve was created in 1913.

There's also a link to alleged statements by U.S. Comptroller David M. Walker alerting folks to "looming" financial collapse of the national economy.

Wagner said he does not share all of the views advanced by the national Liberty Dollar Web site.

"I don't want to engage in the monetary discussion that the national organization takes to task. They don't speak for our region, nor do we share in all their beliefs. We enjoy providing our area with a new, fun and community-oriented currency," Wagner wrote.

However, he said it is noteworthy to review the U.S. Federal Constitution, specifically, Article I, Section 10, as follows. "Section 10. No state shall enter into any treaty, alliance, or confederation; grant letters of marque and reprisal; coin money; emit bills of credit; make anything but gold and silver coin a tender in payment of debts; pass any bill of attainder, ex post facto law, or law impairing the obligation of contracts, or grant any title of nobility." Wagner identified the clause about gold and silver as pertinent.

"The National Currency Act of 1863 started this country down a path we continue today, which I believe is in direct contradiction to this part of the Constitution. The federal government transferred its power, which isn't authorized to do, to a private corporation known as the Federal Reserve Bank. You do know that the Federal Reserve Bank isn't actually a federal agency or department of the U.S. government, right? So, we believe as a currency, we're constitutionally sound, and we have a much better form than the system employed by the Fed," Wagner wrote in an e-mail. "That's about the most I'll comment on that. Again, I'm here for the fun of it not the politics of it."

Wagner earlier had noted that it costs the government about 2 cents to print a bill of any denomination.

While the cost of reproduction might be inexpensive, it is not tied in any way to the value of U.S. money, said Bureau of Printing spokeswoman Darlene Anderson.

However, she noted that money is no longer backed by gold and silver in reserve. U.S. money is backed by the "good faith of the federal government and (its) investments," Anderson said.

According to von NotHaus, there are already thousands of Liberty Dollar franchises around the nation, and more than 100,000 people around the U.S. have been using Liberty Dollars as currency.

Wagner said he, Popoff and John Nacheff, owner of Five Brothers Pizza, incorporated the venture as Liberty Dollar of SW Florida Inc. about 1½ years ago. State corporate records only list Nacheff's name.

Nacheff and Popoff are also partners in First Integrity and Key Marco Investor Group.