

Not so funny money:

Alternative currency makes the rounds

By: Jim Hook / Senior Writer

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Nearly 30 local merchants are trading in an alternative currency to the U.S. dollar. The Liberty Dollar has been showing up in cash drawers over the past six months.

"It's inflation-proof. It's silver," said Bill Earley, owner of Twice Read Books and Comics in Chambersburg. "The idea here is to get people to spend the money in the community. If it is circulated in the community, there'd be a lot more people coming downtown and buying goods."

"It's designed to help local independent merchants," said Pete Hallock, local distributor of the Liberty Dollar. "It gives them an edge on the big corporations. Wal-Mart and Kmart can't get involved in this because they are so entrenched in the banking industry."



Liberty: Reed Runk of Kendall Funk and Bismark Jewelers displays the Liberty Dollar, a currency that is accepted at some local merchants and is on display at the jewelry shop at 31 S. Main St., Chambersburg. (Public Opinion/Ryan Blackwell)

Economics, politics, sociology and marketing all have made the Liberty the nation's second-most popular currency, according to www.libertydollar.org. It is available in \$500 gold, \$20 silver and smaller denominations of paper.

The weight of a \$20 silver piece offers a sense of financial security to consumers worried about increasing national debt and a government that stopped printing silver certificates a generation ago.

Bernard Von NotHaus, retired mint master at the Royal Hawaiian Mint, initiated the currency in 1998. He's switched from the business of minting collectible commemoratives to exchanging currency. Today more than 100,000 people are using nearly \$20 million in Liberty Dollars, according to www.libertydollar.org.

"Change the money. Change the country. Change the world," Von NotHaus said. "This is probably my last hurrah."

The Liberty Dollar is "my largest, most profitable, most dynamic and most urgent" venture, Von NotHaus said.

The purchasing power of the U.S. dollar has declined 96 percent since the Federal Reserve was created in 1913, he said. At the same time, the national debt has skyrocketed from zero to \$6.2 trillion. "The Liberty Dollar is here to save the day," Von NotHaus said. "I'm doing as much as I can to safeguard the country."

The federal government no longer considers energy and food in its calculations of inflation, he said.

"How ... dumb can people be to buy into there's no inflation," Von NotHaus said. "It's all ludicrous. You can't believe the government figures. If you believe the government, you have no business reading this article."

The Liberty Dollar, backed by silver, is "real money as the (nation's) founders intended," according to

www.libertydollar.org.

Harry McCullough, owner of Romeo's Cafe in Mercersburg, did not sign up to take Liberty Dollars to save the nation, but because the concept was "interesting."

"It's a conversation piece for my customers, the collectible nature of the coins," McCullough said. "It was an interaction with the other vendors. It's a little marketing, in my eyes."

Hallock prints a brochure with the names of local merchants accepting Liberty Dollars, and participating merchants display the brochures. Some offer promotional discounts to consumers spending Liberty Dollars.

Hallock of Marion runs one of Liberty Dollar's 78 regional currency offices across the nation. The former operator of a logging business, Hallock has published "Duped," a novel about a plot to change the U.S. currency system.

Hallock installed the nation's first Silver Liberty vending machine at S&B Surplus Food in St. Thomas, according to Von NotHaus.

"I'm kind of like a crusader," Hallock said. "I'm crusading for the acceptance of real money. I think it would be wonderful for the country if we could get back to the silver-based currency."

The Liberty Dollar Web site quotes federal officials who say the Liberty Dollar is acceptable as a means of barter.

Von NotHaus avoids the term "coin" which is reserved for government-minted metal currency. "Legal tender" is not printed on Liberty Dollars.

"If enough people would climb on board, it would affect the Federal Reserve system," said Reed Runk, a partner with Kendall Funk & Bismark Jewelers in downtown Chambersburg. "I'd like to see it happen. I don't think it stands a chance."