# The Voluntaryist

Whole Number 110

"If one takes care of the means, the end will take care of itself."

Third Quarter 2001

## "Value Me As You Please"

By Carl Watner

While reviewing the NORFED operation (see my article about NORFED in this issue), my ambition to privately mint a one ounce silver coin of my own was re-kindled. Back in 1992, when THE VOLUNTARYIST completed its tenth year, I investigated the possibility of commissioning a coin commemorating its tenth anniversary. At that time, I was deterred by the expense of engraving dies, and the seeming lack of a broad enough market to make the coin economically viable. However, after meeting with the NORFED representative, Bernard von NotHaus, who carried one of NORFED's silver Liberty coins in his pocket, I was prompted to reconsider my earlier rejection of the idea.

I started carrying a silver round (a generic, one ounce silver coin) in my pocket, along with my U.S. government coins. As I made change during the day in my retail store, customers would question me about that strange-looking coin. It became an opportunity to discuss the merits of "hard" money and offer the piece for sale. It soon became apparent that I could sell some of the bullion pieces in my store, so I shifted my thinking toward using a privately-minted one ounce silver coin to promote my two businesses, Inman Feed Mill and Inman Tire Service. I once again investigated the costs of such a project, and realized that if NORFED could market their coins for \$10, when the market price of silver was \$5 an ounce, then surely I could give my own coins a try.

Hence, my newly designed coins. The obverse and reverse of the coin appear as follows.:





One of the earliest American private coins is referred to in R. S. Yeoman's A GUIDE BOOK OF UNITED STATES COINS (50th Anniversary Edition, 1997) as the "Higley or Granby Coppers." They are described in the GUIDE BOOK as being made by Dr. Samuel Higley, and his brother, John, of Granby, Connecticut, but their coins were never officially authorized. "All the tokens were of pure copper. ... The first issue, in 1737, bore the legend THE VALUE OF

THREEPENCE. After a time the quantity exceeded the local demand, and a protest arose against the value of the piece. Higley, a resourceful individual, promptly created a new design, still with the Roman numeral III, but with the inscription VALUE ME AS YOU PLEASE. On the reverse appeared the words I AM GOOD COPPER." [p. 27] My thanks to the Higleys for providing me with the idea for my design.

If any readers of THE VOLUNTARYIST are interested in making a purchase of my silver rounds, please contact me for a current price. Write to: Box 275, Gramling, SC 29348.  $\square$ 

## Paper: No Substitute for Gold!

The only sound monetary system is a voluntary one. The free market always chooses the best possible form, or forms, of money. To date, the market's choice throughout the centuries, wherever a free market for money has existed, has been and remains gold and currency redeemable in gold (and occasionally silver). This preference will undoubtedly remain until a better form of money is discovered and chosen. Until then, prices should be denominated not in state fictions, such as dollars or yen or francs, but in grams [or ounces] of gold [and silver]. Anyone might issue promissory notes as currency, but the acceptance of such certificates would then be an individual decision, and risk of loss through imprudence or dishonesty would be borne only by a few individuals by their own conscious choice after considering the risks. Critical to the understanding of such a system is the knowledge that private issuers of paper against gold have every long run incentive to provide a sound product, just as do producers of any product. As a result, risks would be minimal, as the market would provide its own policing. Thievery and imprudence will not disappear among men, but at least such tendencies in a free market for money would not have the potential to be institutionalized, as they are when a state controls the currency. From a macroeconomic viewpoint, occasional losses resulting from dishonesty or imprudence would be extremely limited in scope, as opposed to the nationwide disasters that state controlled paper money has facilitated throughout history, which have in turn had global repercussions. As ELLIOTT WAVE PRINCIPLE put it, "That paper is no substitute for gold as a store of value is probably another of nature's laws."

- Robert R. Prechter, Jr., ATTHE CREST OF THE TIDAL WAVE, New Classics Library, Gainesville, GA 30503-1618. Published 1995, p. 359. ♥

## The Voluntaryist

## Editor: Carl Watner Subscription Information

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# Potpourri from the Editor's Desk

## No. 1 "On Paper Money"

Our dollar is neither a silver dollar nor a gold one. The government will not redeem a dollar bill for anything other than another dollar bill. The dollar is simply fiat currency. The dollar rests on the power of the government and the faith of the people who use it—faith that it will be able to buy something tomorrow, faith that the U. S. government will continue to exist and to accept dollars in payment of taxes and pay them out in expenses, and faith that other people will continue to believe in it. Aside from that faith, nothing backs up the dollar.

—Jack Weatherford, THE HISTORY OF MONEY New York: Crown Publishers, Inc., 1997, pp. 179-180.

#### No. 2 "To Measure the Cost of Taxes"

In my article, "Hard Money, Soft Money, and Government Money!" in No. 38 of THE VOLUNTARY-IST, I pointed out that although we pay our taxes in Federal Reserve notes, the real cost of taxes is measured by the goods and services that we are not able to purchase because our money has been taken from us. This logically leads to the question: If governments did not exist, how much—on average—would we have to spend on roads, postal service, police, fire protection, external defense, etc.? In other words, if government was not there to provide these and other goods and services, what percentage of our income would go towards providing them?

It is probably impossible to ascertain the answer with any degree of accuracy. First of all each person's answer will vary, for the simple reason that not everyone would patronize free market services to the same extent that they presently use (or at least, pay for) government services. For argument's sake, however, let us assume that the demand for these services remained the same. Consequently, the question then becomes: how efficiently does government use tax money to provide goods and services? Some mea-

sure of this might be arrived at by comparing the service fees of United Parcel Service with the United States Post Office, or comparing the service fees of private garbage collection or private fire protection service with that of government sponsored services. My gut instinct tells me that free market services are probably provided 50% more cost effectively than their government counterparts, but I have made no effort to statistically verify this. If 50% is a reasonable estimate, then that means that we are paying approximately twice as much as we should be for these services. If this is true, then if you pay 30% of your income in taxes, without the state you ought to be able to have the same level of services and still have about 15% of your income available for other purposes.

Does anyone have any additional thoughts on these questions? If so please write c/o THE VOLUNTARYIST.

#### No. 3 "Deadbeats"

How does the free market protect itself from those who abusively exercise the privilege of writing checks? It blacklists those who write fraudulent checks or those who owe the banks money as a result of their check writing activities. ChexSystems is a database owned and operated by the check printing company, Deluxe Corp. Over 80% of the branch banks in the United States subscribe to its database. They report fraudulent or high risk customers to ChexSystems, which holds these reports on file for five years. If that customer tries to open an account at another bank, the second bank (assuming it also subscribes to ChexSystem) will review that customer's activities and possibly deny their application for a new checking account. An article about ChexSystem appeared in THE WALL STREET JOURNAL, August 1, 2000, p. A1.

#### No. 4 "Moses and the Slaves"

Moses wanted to turn a tribe of enslaved Hebrews into free men. You would think that all he had to do was gather the slaves and tell them that they were free. But Moses knew better. He knew that the transformation of slaves into free men was more difficult and painful than the transformation of free men into slaves. The change from slavery to freedom requires many other drastic changes. ... Moses discovered that no migration, no drama, no spectacle, no myth, and no miracles could turn slaves into free men. It cannot be done. So he led the slaves back into the desert, and waited forty years until the slave generation died, and a new generation, desert born and bred, was ready to enter the promised land. [Editor's Note: This passage implicitly points out that unless the ideas, attitudes, and mentality of men and women are changed, they are likely to continue to accept their own enslavement, regardless of what circumstances or environment they find themselves in. And it is the rare individual who will break out of his or her mental strait jacket of habitual acceptance of tyranny. Hence, the importance of teaching and explaining voluntaryism to our children who have not yet been brainwashed by the State.]

 Eric Hoffer, WORKING AND THINKING ON THE WATERFRONT, (New York: Harper and Row Publishers, 1969), p. 179.

#### No. 5 "Letter to the Editor"

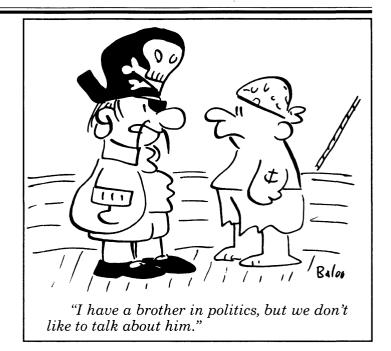
I read with great interest the August 2000 issue of THE VOLUNTARYIST (No. 105). I grew up in Santa Ana, CA and had the opportunity to meet R. C. Hoiles, founder of THE REGISTER newspaper. He would talk with us high school kids, and once we all got together to help defeat a school bond issue. We students wrote letters to the editor railing against the bond issue. I think the bond issue failed by five votes. The teachers were not very happy with us, to say the least. Fun days.

I also read your exchange of letters with J. Budziszewski titled "Is Taxation Theft?". Though I agree with you that taxation is theft, I would point out to you that one can prove stealing is wrong by other than referring to the Ten Commandments. Stealing is wrong simply because a society based on theft cannot exist - if everyone is busy stealing from everyone else, nobody has time to produce any goods and services, and thus pretty soon there is nothing to steal. It seems to me that this is the best argument against stealing. Rules of conduct and behavior can be gleaned from human nature. Claiming that stealing is wrong from a religious viewpoint is fine, but of course it excludes all of us who don't believe in religion and what it teaches and preaches. ... I think the premise here is certainly as important as the argument. Again it seems to me that one should use reason in the premise as well as in the argument: otherwise, what's the point? I would say that stealing is wrong, not because some guy supposedly came down off the mountain and proclaimed it so according to what his god told him, but rather because it is counterproductive to human existence and progress. What would you say to this argument?

signed/ David Pearse

[Editor's Reply: In "The Fundamentals of Voluntaryism" I noted that "Epictetus, the Stoic, urged men to defy tyrants in such a way as to cast doubt on the necessity of government itself. 'If the government directed them to do something their reason opposed, they were to defy the government. If it told them to do what their reason would have told them to do anyway, they did not need a government'."

Substitute 'religion' for 'government' and you have the point you are trying to make. The Hebrews might not have listened to Moses coming down off the mountain, if what he had said to them hadn't already made good common sense.]



No. 6 "State Schools and Communism"

A radical principle underlying the state school system is its unadulterated communism. The assertion that the state has the right to educate at the common expense one class of children to the practical exclusion of another class, is communism in its worst form. Every argument adduced to justify it in relieving parents, in one line of duty, of burdens they are able to carry, may be brought forward to relieve them in other lines of duty. It is the duty of the father ... to feed, to clothe, to shelter, and to educate his children. ... [F]rom the principle of state schoolism [one is able to justify] state tailorism. Children in Chicago who plead that they cannot go to school for want of suitable clothing, are supplied by that city of socialistic tendencies with state trousers, frocks, and shoes. Herbert Spencer in SOCIAL STATICS argues:

If the benefit, importance, or necessity of education be assigned as a sufficient reason why government should educate, then may the benefit, importance, or necessity of food, clothing, shelter, and warmth be assigned as a sufficient reason why government should administer these also?

When parental responsibility abdicates in favor of governmental responsibility, encouragement is lent to mendicancy, and the breeding of pauperism begins. Shutting our eyes to this unwelcome truth does not make it less a truth. Having drifted away from the sound practices of our American forefathers who believed in paying for the education, secular and religious, of their children we find ourselves swept along in a flood of pernicious political principles.

- B. J. McQuaid in his article "Religion in Schools," NORTH AMERICAN REVIEW, April 1881, and reprinted in his book CHRISTIAN FREE SCHOOLS

(Rochester, 1892), pp. 148-149.

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## Fed Up with the Federal Reserve

By Carl Watner

This short article is prompted by my desire to be sure that readers of THE VOLUNTARYIST have heard about the efforts of NORFED, The National Organization for the Repeal of the Federal Reserve Act and Internal Revenue Code. Their address and telephone are: 4900 Tippecanoe Drive, Suite 6, Evansville, IN 44715; Tel. 1-888-421-6181. Their currency is the first in the world to carry a web address, which is: http://www.norfed.org.

I was visited by their publicist and Senior Economist, Bernard von NotHaus in mid-April 2000. He was promoting the American Liberty Currency developed by NORFED as an alternative to the government's Federal Reserve 'funny' money. NORFED's purpose is to gain widespread acceptance of its privately-minted, one troy ounce, .999 silver coins and its negotiable warehouse receipts which are backed by silver held in a third-party depository. So long as the free market price of silver is below \$10 an ounce, the one ounce silver Liberty coins and the warehouse receipt (for one ounce of silver) are offered for sale by NORFED for \$10 in Federal Reserve notes. If the price of silver goes over \$10 (but remains less than \$20 per oz.) then the coins and warehouse receipt(s) will be sold by NORFED for \$20 each.

Although I signed up as a NORFED Redemption Center in late September 1998, when NORFED began, I found this "dollar" feature of the Norfed program very confusing and very statist. The "dollar" is really a meaningless concept because it has no real backing. It is, of course, a government unit of accounting, and people will exchange Federal Reserve notes denominated in dollars so long as they have confidence that other people will accept them and surrender real things (products or services) for them. To the government, the dollar is a government-issued piece of paper with the word 'dollar' printed on it. Five one "dollar" bills are exchangeable by the U.S. Treasury for one five "dollar" bill, and vice versa. The 'dollar' is a fake, just like the non-existent clothes of the emperor in Hans Christian Anderson's fairy tale. Take note that NORFED is not holding itself out to redeem its one ounce silver coin or warehouse receipt for ten Federal Reserve dollars, but simply says that after you have given it ten 'dollars,' it will furnish you with one ounce of silver (assuming the price of silver is less than \$10 per oz.). In other words, NORFED is not obligating itself to give you \$10 back in the event you want to divest yourself of its coin or warehouse receipt. By purchasing from NORFED you are overpaying for silver, but you are also making a statement that you support an organization that wants to remove the Federal Reserve and IRS cancers from our country.

Besides my distaste for the 'dollar' feature of the NORFED program, I have other reservations about it. They were all initially fed by my bad experiences with Conrad Braun and his Gold Standard Corporation, which went bust in 1993. As I said in my article "Caveat Emptor! (Even in the Free Market)" in Whole No. 65 about the failure of Braun's firm: "A free market money or free market money firm may fail just as miserably as any government currency or government. ... Caveat emptor. Buyer beware! Investigate. Be skeptical. ... Remember free market rogues can defraud you just as badly as government ones. Theft at the hands of private thieves hurts just as much [if not more than] theft by government agents."

The really true principle of coinage should be the creation of pieces of metal of a definite weight and fineness, with all the denominations having decimal relations with each other. Then buy and sell merchandise for so much weight of gold or so much weight of silver, and when payment is made, count the weight.

Respectfully yours,

I. W. Sylvester

[Conclusion of a letter published in THE NEW YORK TIMES, Dec. 10, 1883, and reprinted in Murray Rothbard and I[siah] W. Sylvester, WHAT IS MONEY? 1884-1963, New York: Arno Press & The New York Times, 1972, p. 31.]

When I investigated the NORFED program, I came away with a number of disconcerting reasons not to support it. First, I was told by Tom Powers, the Operations Manager of the warehouse, Sunshine Minting Inc. (7405 North Government Way, Coeur d'Alene, ID 83815), that his company would not redeem the warehouse receipts directly from the public. Ordinarily, a warehouseman is obligated to redeem his warehouse receipts which read "Redeemable by Bearer on Demand." This should be the responsibility of Sunshine Minting, not Norfed, inasmuch as Tom Powers signed the certificates as "Warehouse Official." Furthermore, NORFED refused to let me see a copy of their contract with Sunshine Minting, which might clarify their contractual obligations in this respect. Secondly, some of the later generation warehouse certificates indicated the metal was stored at Shelter System Warehouse rather than Sunshine Minting. Even if this later designation was simply an "also known as" appellation for Sunshine, there appears to be no contractual link between Shelter System and Sunshine on the face of these certificates. Thirdly, an article in the Honolulu ADVERTISER of September 16, 1998, page 10 (Business Section) indicated that Bernard von NotHaus and his wife, Talena Presley, and their business, the Royal Hawaiian Mint, had gone into Chapter 7 bankruptcy some time during the latter half of the 1980s. While this has no bearing on the success of NORFED, it made me feel uncomfortable since von NotHaus repeatedly referred to his successful numismatic career in Hawaii, without ever mentioning his business failure to me.

Every long-time reader of THE VOLUNTARYIST knows that I applaud NORFED's attempt to create an alternative, non-governmental currency, even though I may choose not to use it myself. Gustav Stolper captured my own view point, when he wrote in his book, THIS AGE OF FABLE (New York: Reynal & Hitchcock, 1942): "A 'free' capitalism with governmental responsibility for money and credit has lost its innocence. From that point on it is no longer a matter of principle but one of expediency how far one wishes or permits governmental interference to go. Money control is the supreme and most comprehensive of all governmental controls short of expropriation." [p. 58]

However, I must challenge the NORFED approach in desiring to repeal the Federal Reserve Act and Internal Revenue Code. The voluntaryist approach is not repeal, but simply one of ignoring, abandoning, and not honoring government edicts which demand that we behave in certain ways. Instead of obeying and then calling for the repeal of laws, voluntaryist strategy focuses upon civil disobedience. To agitate for the repeal of laws gives the government an undeserved legitimacy. It implies that the government has some business meddling in our affairs. It may for the NORFED people, but it certainly has no business meddling in my affairs. So when von NotHaus wrote in his book Y2K MONEY (Los Angeles: American Financial Press, 1999) "The author simply wants the best government and the least taxes for our Country" [p. 9] he pointed out his differences with voluntaryism. Voluntaryists want no coercive government, no taxes, no politically-defined Country. Period. So long as NORFED endorses those goals. voluntaryists must automatically look askance at the NORFED program, even if there were no other reservations surrounding its operation.

[Editor's Note: This article was written in July 2000, with the commodity price of silver around \$5.00 per ounce.]  $\square$ 

"What should make you suspicious about [public] School is its relentless *compulsion*. Why should this rich, brawling, utterly successful nation ever have needed to resort to *compulsion* to order people into school classes—unless advocates of forced-schooling were driven by peculiar philosophical beliefs not commonly shared?"

— John Taylor Gatto, THE UNDER-GROUND HISTORY OF AMERICAN EDUCATION, 2000, p. 130.

## The Voluntaryist

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## Delegitimize: Do Not Repeal

It is "not true that laws have to be repealed in order to be rendered ineffective. There are thousands of laws on the books today which are virtually dead, because the public would not tolerate their enforcement.

... Laws will become ineffective or will be repealed when it becomes impossible to enforce them - when the public sentiment overwhelmingly opposes them.

This brings me to a fundamental difference in our view of what libertarians should strive for. You wish to work directly through the political process. I maintain that this reinforces the legitimacy of that process. You tell people, in effect, that the way to assert their natural rights is to ask the government's permission. When the government gives you permission to keep your earnings, or to teach your children, ... ther it's O.K. to do so. It's all very proper; the game is played by the State's own rules.

I maintain, on the contrary, that libertarians should breed a thorough and uncompromising disrespect for the government and its laws. We should tell people, in no uncertain terms, that decrees of the government have no moral legitimacy whatever - that they are on par with the decrees of the mafia. We must work to delegitimize and demystify the State. ... We must tell people: you have certain rights, period; and what the government does cannot change that. The government is a thug and a thief; be on your guard, watch it with caution, for it is powerful. But do not be awed by it. Do not grant it respect or moral sanction. Treat it as you would any villain.

I submit that if this disrespect could be inculcated on a wide sale, we would experience a rebirth of liberty in America.

... We wish people to look elsewhere than government for their freedom. We wish them to view government with contemptuous indifference. This cannot be achieved through political action."

- from George Smith's "Party Dialogue" in NEITHER BULLETS NOR BALLOTS (Baltimore: The Voluntaryists, 1983, pp. 26-27). ☑

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## **Meet The Most Dangerous Man In The Mid-south**

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To learn about the outcome of his appeal to the United States Supreme Court, contact Box 178, Westpoint, TN 38486.]

Not all of you have been with me long enough to know the whole story, so I'll briefly explain. After years of reading and study, about 1984 I concluded that US monetary law — constitutional and statutory and precedential — gave citizens a right to sound gold and silver currency. The only thing that kept us from using it was the difficulty - nobody else used it, it was expensive to exchange, most people get checks, etc., etc. So I started a gold and silver bank, a "warehouse exchange," to interface between the two monetary systems.

It was all perfectly legal, but unknown to me, I had crossed the dread barrier of the IRS's Secret Five Year Plan. Their scheme would force every financial transaction through a computer and into a permanent dossier. I was an unacceptable leakage. About a year later they began ministering their tender mercies to me in the form of a criminal investigation. I became "The Most Dangerous Man in the Mid-South." Really. That's what an assistant US Attorney called me. (For more details on the whole story, see "The Most Dangerous Man in the Mid-South" on our website <www.the-moneychanger.com>, or send us a 55¢ SASE for a copy.]

Now what follows is my description of what happened next. I am guessing about some of the steps, but am pretty sure I'm right. Because government agents acted illegally and criminally against me in many instances, it has been hard to dig out proof. They're trained to cover their tracks. I suppose once the Berlin Wall in America comes down, once our own American Stasi's files are opened, I'll get proof.

Anyway, what I think happened is this. The IRS retired an agent, and sent him to work for the state of Tennessee Revenue Department with the special assignment to "get the most dangerous man in the mid-South." Why? Because the IRS had no legal basis for a search warrant against me. (That becomes clear later.)

Just coincidentally the double agent is assigned to investigate me. He/they send in a state secret agent to buy silver from me. Of course, I sell it to him because I am not hiding anything. Besides, it is a money-for-money exchange, and there is no sales tax on money. He/they use this to get a search warrant for my office. They return to the office, execute the search warrant, steal eighteen boxes of my files, and immediately deliver them to the IRS. If my suspicions are correct, this constitutes "abuse of process" and several other malfeasances, misdemeanors, and felonies — but never mind. According to the Revenue Department's theory, I am guilty of breaking a law

nobody has been clever enough to break for the 19 years it has been on the books - "delaying and depriving the state of revenue to which it is lawfully entitled at the time it is lawfully entitled thereto."

Shortening a long saga, the IRS used the stolen files to generate a prosecution against 23 customers of the gold and silver bank, my former associate, my wife, and me. (The government insisted on calling it "The SECRET Bank." Some "secret" - when we opened I sent out 5,000 announcements). The defendants included my pastor, assistant pastor, and seven other members of our church. The church leadership had enraged the IRS and US Attorney-ess by refusing to open up the Bride of Christ to their fishing expedition. Meanwhile practicing the lovable double-teaming they do so well, the State and the IRS joined together to make sure I was also indicted in state court.

On January 9, 1990 at 6:30 a.m. the IRS raided my home, complete with a SWAT team — about 25 comrades in all. I do not doubt that with full malice aforethought they criminally endangered the lives of my wife and children. I believe they wanted to provoke a confrontation in which we would all be killed. Then their IRS comrades could issue press releases to cower the rest of the sheep into submission. "Here's your tax time tip from the IRS: If you give us any lip, you'll end up rat-dead like these folks!" [Camera fades from announcer to pan over bullet-riddled bodies.]

None of their plans worked, by the grace of the All-Sovereign God. We came to trial in February, 1991 (a year later). The trial lasted more than four months, during which time the IRS brought in "evidence" by the hundredweight and dozens of witnesses, all of which proved to the jury only one thing: we had not done anything wrong.

All glory be to God on high, on July 9, 1991 the federal jury returned verdicts of "not guilty" for all defendants on all counts. The ordeal was over, except for me. I still had the state criminal charges to face.

**Dancing With The Beast** 

In state court, it didn't matter that all the decided cases stretching back nearly 200 years agreed that gold and silver are money. It didn't matter that not once did the Revenue Department follow its own procedures required to collect any tax. Not once did the Revenue Department ever assess any tax. Not once

In the end there is but one device which can be relied upon to put government into its proper place. The device is within the grasp of every human being. The tool is his own mind and will, his own determination NOT to rely upon the government for anything at all.

—Robert LeFevre editorial in THE GAZETTE-TELEGRAPH, July 25, 1959.

did they establish that I lawfully owed the state even one cent. Not once did they explain how you can deprive anyone of anything before you owe it to them or they own it. Not once was the jury told that the law says gold and silver are money, and that money is not taxable

I wasn't even allowed to enter all my evidence at trial. It didn't matter, it didn't matter - over and over and over. On May 18, 1992 - the day my daughter Liberty graduated from high school — I was convicted.

I appealed. To accommodate the conviction, the Court of Criminal Appeals invented a new theory whereby I might be convicted, ignoring and rejecting the District Attorney's theory under which I had been convicted. I appealed to the Tennessee Supreme Court, who, in their written opinion, invented yet another theory of prosecution.

"The best way to penetrate the mysteries of the modern monetary and banking system is to realize that the government and its central bank act precisely as would a Grand Counterfeiter."

> — Murray Rothbard, THE FREEMAN, Sept. 1995.

#### Off To Jail!

Late in June 1996 I was arrested and sent to the Shelby County Penal Farm to pay my debt to the Fiat Money System. The inmates kept asking why I was there. I told them I was there because I couldn't read. Huh? Yep, I read the Constitution and the statutes and the cases and I concluded that gold and silver are money. The courts disagreed, so evidently I can't read. Elementary.

After 30 days I was released. I had been sentenced to a year in jail. All but 30 days would be suspended if I would do seven (7) years' probation, 1,000 hours (half a year) of community service, and pay to the state "restitution" of \$1,000 a month for 72 months. (That sentence amounts to far more than Robert Limon was fined for wrecking the Orange County pension fund.) Rather than put my family under that burdensome handicap for seven years, I went back to jail in November, 1996. Four days before Christmas, they released me. (On a one-year sentence for the first offense you serve 30% of a year, 109 days.)

## Habeas Corpus Denied - Then Granted

While I was imprisoned in July, my attorneys, Ed Chandler and Dr. Vieira, filed a habeas corpus petition in federal court. This landed in the court of our judgeess from the federal trial, who promptly sat on it for two years. After her eventual denial, we appealed to the US Sixth Circuit Court of Appeals. To our surprise, they allowed us to appeal. That was heard in March, and on July 19, they affirmed the conviction.

It's the same old story: no court will face the money issue squarely. Besides, they usually add, this guy

Sanders is a bad person.

#### The Supreme Court

The only remaining appeal lies with the US Supreme Court. For Edwin Vieira this is no problem, since he already practices frequently in that forum. There, almost twenty years ago, he brought the last money issue case the Supreme Court even looked at. Hands down, Edwin is the foremost monetary law expert in the country.

For me, it is a problem. No, it's not that I'm ready to quit, after fighting for nineteen years. I just don't have enough money to pay for the next appeal, and I refuse to ask Edwin to work for nothing. Until 1995, I had never asked anyone for help through this whole ordeal. (Thank God, many people voluntarily helped, or we would never have lasted.) That year I appealed to my subscribers, and you overwhelmed and humbled me. Your contributions have financed the appeal to the Tennessee Supreme Court, the federal habeas corpus, and the US 6th Circuit, until now.

We have to ask permission - file a petition for a writ of certiorari - to appeal to the US Supreme Court. The court is very picky about form, and you have to file sixty (60) copies of the petition, each of which is a good-sized booklet. Only specialists set and print these, and printing alone will exhaust what's left of my Legal Defense Fund.

#### What's To Gain?

Maybe it seems stupid to keep on fighting after nearly twenty years of defeats, but look at what we might gain. When they subject gold and silver money to sales tax, a huge barrier is erected against hard money. They can't make gold and silver illegal, so they make using it clumsy and expensive. Transaction costs skyrocket, which forces gold and silver out of circulation in favour of fiat money — created by banks and government out of thin air. If we win now, it will free gold and silver money. Once again every one of you, every American, can use sound, constitutional money.

There's much more. Creating money out of thin air - our present monetary system - is the throbbing jugular vein of totalitarian power. That's why the government came down on me so hard. The fiat money system forms their indispensable foundation of social and political control. To put it brutally, it's the chief weapon they use to enslave us.

Just stop and think for a moment what the federal government has done to you today - and does every day.

If they can do this to my family and me, if they can do this to my church, what can they do to you? What happens when the government begins to believe that nobody else is willing to fight? What will restrain them then? Here's your chance to help me strike back where it counts.  $\square$ 

"There never has been a paper currency that eventually has not become worthless."

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## Meet The Most Dangerous Man In The Mid-south

By Franklin Sanders

[Editor's Note: In 1967, the year before Franklin Sanders graduated from college, he read Alan Greenspan's article on gold in Ayn Rand's CAPITAL-ISM, THE UNKNOWN IDEAL. After attending graduate school in German at Tulane University, winning a full scholarship to the Free University in West Berlin, and working in several different businesses, he finally opened his own gold and silver business in West Memphis, Arkansas in 1980. He refused to collect sales tax on his sales of precious metal, and in December 1983 he received a letter from the Arkansas Revenue Department demanding \$120,000 in back sales taxes, penalties, and interest. His position was that no state sales tax was due on an exchange of paper dollars for gold or silver. It is just like "when you go to the bank, and give the teller a twenty and she gives you back a ten and two fives" - there is no sales tax on the transaction. Franklin Sanders then moved to Tennessee, where he begins the story he relates here. This article was originally titled "Robbed Again," and published in the August 2000 issue of his monthly tabloid, THE MONEYCHANGER. It ended with an appeal to contribute to the Franklin Sanders Legal Defense Fund.

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