

United States Money



≠



September 21, 2004

The Dollar is but one of several Constitutional Units of Measure:

Unit of Measure	Times Stated	Definition when the Constitution was Ratified
Year	33	One revolution of the earth around the sun's axis
Day	21	One revolution of the earth around its own axis
Hour	1	15-degree rotation of the earth around its own axis
Mile	1	A unit of linear measure equal to 5,280 feet
Dollar	2	A coin containing 371.25 grains of silver

Eisner v. Macomber, 252 U.S. 189, 206 (1920)

Congress cannot by legislation alter the Constitution, from which alone it derives its power to legislate, and within whose limitations alone that power can be lawfully exercised.

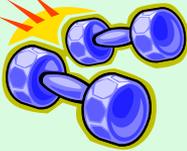
What is One Dollar?

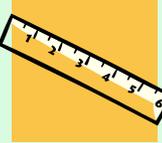
One **Dollar** is a standard unit of measurement

Money:  371 $\frac{1}{4}$ grains of Silver
minted  = \$1.00

Analogous

Time:  24 **Hours** = 1 **Day** * 7 = 1 **Week**

Weight:  16 **Ounces** = 1 **Pound** * 2000 = 1 **Ton**

Length:  1 **Inch** * 12 = 1 **Foot** * 3 = 1 **Yard**

What happens when Constitutional monetary standards are forsaken?

1. An unrealized loss of capital and property;
2. A loss of real economic value;
3. The loss of the full economic impact of automation;

What is the effect of using legal tender notes vs. lawful money?

Property = # Egg Cartons = # Lawful Money (\$) # Legal Tender \$
 (Brown Eggs)

1957



1,600 Sq. Ft. Home

=



~37,700

=



(\$13,500

=



U.S. Silver Certificate

\$13,500

1982



1,600 Sq. Ft. Home

=



~37,700

=

No Lawful Money Available



Fed. Res. Bank Note

"\$85,400"

2004



1,600 Sq. Ft. Home

=



~37.700

=



(\$13,500

≠



Fed. Res. Bank Note

"\$ 97,875"

Unrealized losses of capital and property

Property = # Egg Cartons (Brown Eggs) = # Lawful Money \$ / # Legal Tender \$

Buy
1957



1,600 Sq. Ft. Home



~37,700



(\$13,500)



U.S. Silver Certificate

\$13,500

Sell
2004



1,600 Sq. Ft. Home



~37,700



(\$13,500)



Fed. Res. Bank Note

\$97,875

No Cartons of Eggs Gain

No Lawful Money Gain

Federal Reserve Note
"Gain" of \$84,375

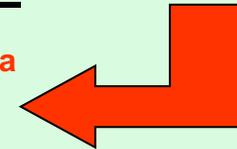
No Gain No Tax Due

No Gain No Tax Due

Alleged Tax Due
~FRN\$27,840

After FRN Tax results in a
Physical Egg Carton Loss of
10,723 Cartons of Eggs

After FRN Tax results in a
Lawful Money Property
Loss of (\$3,840



The purported Federal Reserve Note "Gain" is actually a "quiet theft" in that it results in a physical property loss with the perception of an actual gain.

A loss of real economic value

Stock = # Egg Cartons (Brown Eggs) = # Lawful Money \$ / # Legal Tender \$

Buy
1962



=



=



=



U.S. Silver Certificate

Original 4 Share
IBM Stock

~5,424

\$1,942.00

\$1,942.00

Sell
2004



=



=



≠



Fed. Res. Bank Note

Becomes 300 Shares
IBM Stock

~10,635

\$3,806.00

“\$27,600”

49% Gain in Eggs Cartons

49% Lawful Money Gain

Federal Reserve Note
“93% Gain” of \$25,658

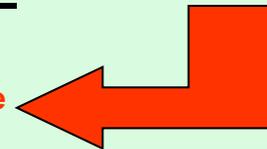
Tax Due ~782 Egg Cartons

Tax Due \$279.60

Alleged Tax Due (15%)
~FRN\$3,849

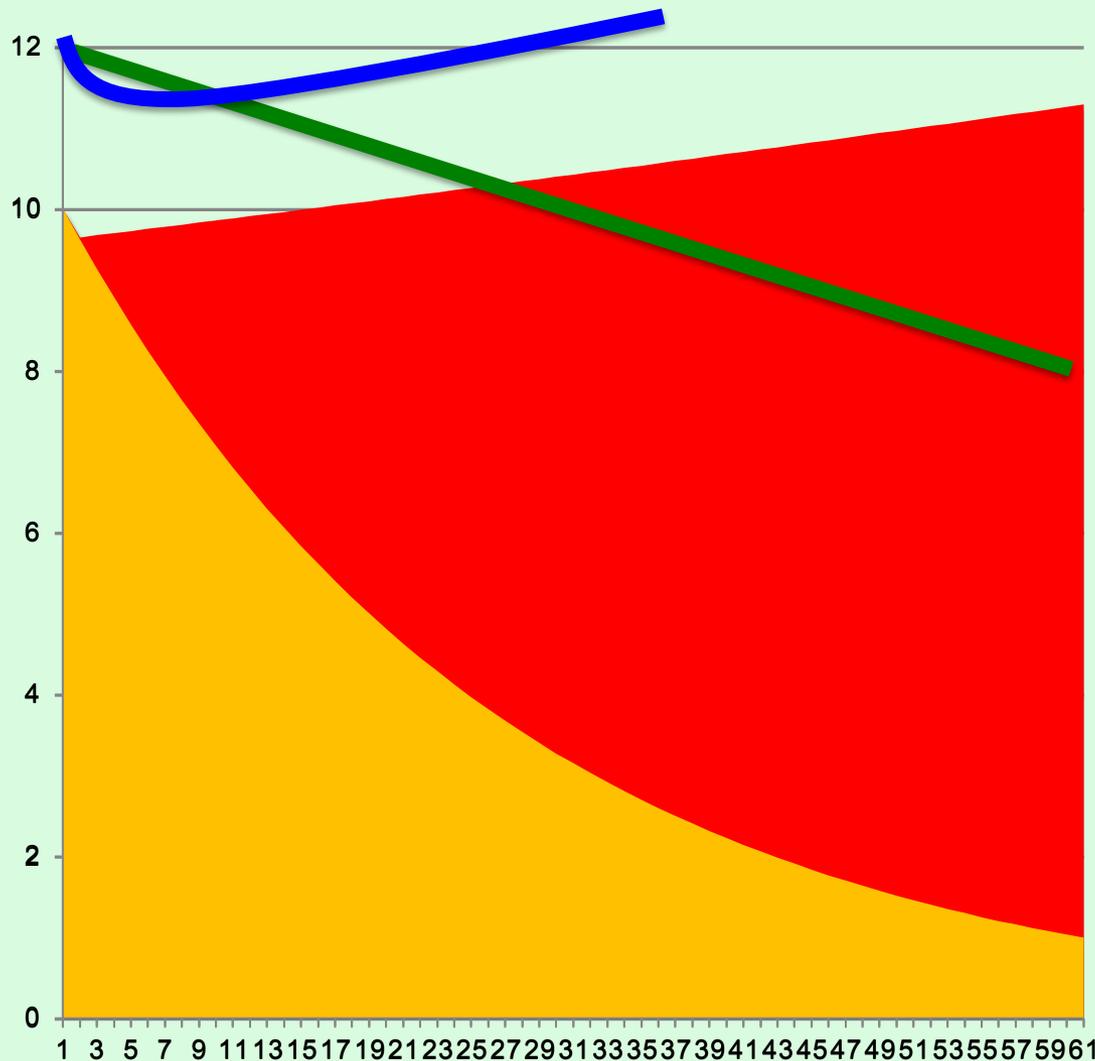
After FRN Tax results in a
Physical Egg Carton Loss of
781 Cartons of Eggs

FRN Inflation results in a
30% tax rate or \$530.89 of the
\$1,864 of the purported gain



The purported Federal Reserve Note “Gain” is actually a “quiet theft” in that it results in an 30% tax rate with the perception of 15% tax rate.

The loss of the full economic impact of automation.



Automation lowers the cost of production. Inflation however ensures the appearance of increased revenue while providing bankers unearned profits (red)

- Inflated Sale price
- Sale price
- cost/unit

However, lower cost of production often results in lower revenue. Thus, to increase revenue a manufacture either has to increase sales or add more features to maintain revenue.

Example – Ford Mustang

1965



\$2,557

Features

- Convertible
- 170 CID /101 HP
6 cylinder engine
- Drum brakes
- Bucket Seats with lap
belt restraint
- No air conditioner
- AM Radio

Example – Ford Mustang

2004



\$18,880

Features

- Convertible
- 3.9 L /193 HP
6 cylinder OHV engine
- All disc brakes
- Bucket Seats with Air
Bags
- Air conditioner
- AM/FM/CD 4 Speaker
Stereo System

The Lawful Money Cost of a Ford Mustang has Remained Constant

1965



=



=



U.S. Silver Certificate

(\$) 2,557

(\$) 2,557

2004



=



≠



Fed. Res. Bank Note

(\$)2,557

\$18,880

It's only inflation that has given the appearance that the sales price and Ford's revenues have been increasing.

What happens when Constitutional monetary standards are forsaken?

- 1. Citizens are unknowingly defrauded.**
- 2. Government becomes tyrannical.**
- 3. A massive redistribution of wealth occurs.**

What should we do?

1. Don't Panic!

- Lawful money (silver and gold) coins exist. Start using them!
- Viable economic transition models exist (i.e. the Euro).

2. Implement a dual monetary system

- Price goods and services throughout the state in both Federal Reserve note (FRN)\$ and Lawful Money \$.
- Use the European model to transition all prices, taxes, fines and other debts to Lawful Money \$ units over 24 – 36 months.

3. Implement Lawful Money State Banks

- All deposits and interest are paid in Lawful Money silver or gold coin.

Article I Section 10, Clause 1

No State shall ... make any Thing but **gold and silver coin a Tender** in Payments of Debts.