

"Lawful" in What Sense?



By Anna Von Reitz

This morning I have had a rash of emails and calls from people who have gone to their banks and issued their demand for their accounts to be "denominated" in "lawful money". In return, the bankers are offering them a classic Bunko excuse. To quote directly:

"In 1933, Congress changed the law so that all U.S. coins and currency (including Federal Reserve notes), regardless of when issued, constitutes "legal tender" for all purposes. Federal and state courts since then have repeatedly held that Federal Reserve notes are also "lawful money." *Milam v. U.S.*, 524 F.2d 629 (9th Cir. 1974), is typical of the federal and state court cases holding that Federal Reserve notes are "lawful money." In *Milam*, the United States Court of Appeals for the Ninth Circuit reviewed a judgment denying relief to an individual who sought to redeem a \$50 Federal Reserve Bank Note in "lawful money." The United States tendered *Milam* \$50 in Federal Reserve notes, but *Milam* refused the notes, asserting that "lawful money" must be gold or silver. The Ninth Circuit, noting that this matter had been put to rest by the U.S. Supreme Court nearly a century before in the *Legal Tender Cases* (*Juilliard v. Greenman*), 110 U.S. 421 (1884), rejected this assertion as frivolous and affirmed the judgment."

My students have long ago learned to pay attention to exactly how words are presented --- how they are capitalized or not --- and also to look up legal meanings of words. The word "lawful" is not capitalized and when you look up the meaning of "lawful" it is simply whether or not something is subject to a system of laws.

Nobody would argue that Lincoln's Greenbacks or the present Federal Reserve Notes are not subject to a system of law --- and therefore can be described as "lawful money" even though they are "legal tender", but at the same time Legal Tender is not Lawful Money, as in actual money.

Legal tender of the Federal Reserve Note kind is called "Money of Account" --- meaning credit --- for a reason. The reason for that is that the actual asset backing it, is not present. So credit is being extended in the belief that there is an actual asset, something of value, backing the "Note" which is in fact an I.O.U.

In the case of Lincoln's Greenbacks, they were being backed by Treasury Bonds issued to investors who brought in actual gold and silver to purchase the Bonds for a period of 10 or 40 years (the origin of the "1040" Form) with the expectation that after that time period elapsed, the bonds would "mature" and the banks would pay out the principal plus interest also in gold or silver.

Instead what happened is that the banks issued "legal tender" -- that is, credit as repayment, and there was a mini-rebellion in the 1880's when investors in the original Treasury Bonds objected to receiving "credit" instead of actual gold or silver as their reward for buying Lincoln's "Ten or Forty" Bonds.

Issuing credit, as we have learned, actually costs the banks nothing actual and factual, so they take in gold and silver and extend "credit" as "legal tender" and stand there acting as if this is a legitimate and equitable transaction when it clearly is not.

The US Supreme Court stooped to the level of using "words and terms of art" to create an appearance that it was all okay -- "lawful money" as opposed to "Lawful Money" --- but it still isn't okay and credit is still not the same as actual money.

Actual money has value as a commodity in and of itself. Gold and silver are "Lawful Money" because you can sell both in the marketplace as separate, free-standing commodities. United States Notes are also "lawful money" backed by oil assets. To avoid this bit of legal charlatanism, call it "actual money" or "Lawful Money" and explain it to the banks if they question your demand for "Lawful Money".

In fact, the demand for "lawful money" in the context of 12 USC 411 already tells the banks that any "notes" that they credit to your account need to be "denominated as "United States Notes" not "Federal Reserve Notes" because in the context of 12 USC 411 that is the only interpretation possible, unless of course, the banks want to start backing their credit with totally foreign currencies.

In the United States at this time, the only "Notes" that stand as "lawful money" are "United States Notes".

This is because (1) the Federal Reserve Board bankrupted the "Federal Reserve System" in 2009 and (2) since then, the Federal Reserve Banks have not stood behind the Federal Reserve Notes with any assets of their own at risk and (3) this leaves the "Federal Reserve Notes" backed by the "good faith and credit" of the members of Congress acting as the Municipal Government of Washington, DC ---- and you can judge for yourselves what that is worth.

United States Dollars issued since 1971 have been backed by oil, instead of gold or silver and "United States Notes" therefore are being backed by oil. United States Notes are "lawful money" -- that is, credit notes backed by actual assets --- but they are not Lawful Money, that is, not Actual Money, in that they have no value as a commodity in-and-of themselves.

So don't let the banks baffle you with BS on this issue.

The only US money that can be considered "lawful" money in the sense of the Legal Tender Cases are United States Notes --- USN's. And the only US Money that can be considered true Lawful Money are United States Silver Dollars.

Now, the banks don't have any United States Silver Dollars (and aren't set up to handle them if they did) and they most likely don't have enough United States Notes to meet demand, either, so what they can do is to "denominate" the digits associated with your account "as" United States Notes.

This basically means, "We don't have enough United States Notes to pay you in USN's, but we can admit that these digits in your account are considered to be United States Notes."

Why would that matter? Because United States Notes have value based on an actual commodity and are then presumed to be actual assets belonging to the account holders. They can't be seized by the bank because of that little fact and also the fact that USN's are issued by the United States, not the bankrupted Federal Reserve System.

When the BATF used to go on "raids" and ransack people's homes under gun-point for the IRS and steal everything of any value, they would seize any jewelry or stock certificates, records, checks, ---anything of value--- except American Silver Dollars. Those they would never touch. Why? Because their system can't deal in actual true Lawful Money and because those dollars were issued by a foreign government. Those dollars belong to the actual United States, not "the" United States.

So when you are dealing with these dishonest devils, be aware and be on your guard and don't let them sidestep or deceive you. Step back on your heel and ask, "Lawful money in what sense? I am talking about United States Notes instead of Federal Reserve Notes. What are you talking about?"

And when they bridle up, knowing that they've been caught in their offered subterfuge, you might step back another step and eyeball the guilty parties and say, "The reference to 12 USC 411 makes that clear enough in context, doesn't it? The Legal Tender cases you are referencing concerned Lincoln's Greenbacks, for goodness sakes! Since when do you or I trade in Greenbacks?"

Or even more pointedly, smile ingratiatingly and say, "Oh, but then, which "United States" would you be referencing? The actual United States? Or the United States Territorial Government? Or the United States Municipal Government?"

About then, the banker is going to realize if he hasn't already, that he is not going to get away with this bunko act, and should retreat back into his office, where he should hurriedly add the USN designation to your account balances.

The bottom line is that you prefer money backed by oil to money backed by the hot air of the dishonest, spendthrift, run amok "US CONGRESS" and it is up to you to make sure that your local bankers get the message and credit your accounts accordingly. It's your credit. If you want lawful money, they have to provide it or go out of business.

Every time you do so, more of the "US National Debt" gets paid down. More jolly good. See to it. And don't let bankers or lawyers sell you (1) wooden nickels or (2) bunko excuses.

See this article and over 1700 others on Anna's website here: www.annavonreitz.com

To support this work look for the PayPal button on this website.