

Bernanke Is Wrong! The Economy Is Getting Worse, Not Better, Schiff Says

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The Fed upgraded its view of the economy Wednesday, declaring: "Economic activity has picked up following its severe downturn."

But forget all the talk about recovery, V-shaped or otherwise. The economy is actually worse today vs. during the depths of the recession, according to Peter Schiff, president of [Euro Pacific Capital](#) and author of [Crash Proof 2.0](#).

"Ben Bernanke is keeping his record of perfection intact of never getting anything right. Once again he's gotten it wrong," Schiff says. "If the Fed really thought the economy was sound, why does he have it on life support? If he pulls the plug, our sick economy is going to die."

Although the Fed never said the economy is "sound", Schiff is referring to the FOMC's renewed pledge that "economic conditions are likely to warrant exceptionally low levels of the federal funds rate for an extended period."

Nothing that's occurred in the past six months has changed Schiff's view that America's economy is headed for disaster. In fact, he's even more convinced a true "currency crisis" awaits, and that China will soon stop enabling our reckless borrowing, the basis our "phony" economy. The coming collapse of the dollar and bursting of the Treasury bubble will have devastating consequences for ordinary Americans, and any investors based in dollars, he says.

The economy today is "worse [because] we are much more deeply indebted than in March," Schiff declares. "We've dug ourselves a deeper hole."

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