Peter Schiff: Economic Armageddon - Bonds & Dollar in Crisis

Peter Schiff is the CEO of Euro Pacific Asset Management and the host of the Peter Schiff Show. Visit Peter Schiff's Euro Pacific Asset Management: https://europac.com/ Follow Prof. Glenn Diesen: Substack: https://glenndiesen.substack.com/ X/Twitter: https://x.com/Glenn_Diesen Patreon: https://www.patreon.com/glenndiesen YouTube: https://www.youtube.com/@GDiesen1 Support the research: PayPal: https://www.paypal.com/paypalme/glenndiesen Buy me a Coffee: buymeacoffee.com/gdieseng Go Fund Me: https://gofund.me/09ea012f Books by Prof. Glenn Diesen: https://www.amazon.com/stores/author/B09FPQ4MDL

#Glenn

Welcome back. We are joined today by Peter Schiff, the CEO of Euro Pacific Asset Management and also the host of the very popular Peter Schiff Show. Thank you for coming back on the program. It seems one of the big news stories today is oil prices. We see now Brent crude surpassing $107 per barrel, and, well, the Trump administration has worked very hard to talk down oil over the past few months. It seems every Monday morning the Iran war is announced to be over. But, yeah, this time it doesn't seem to work. I was wondering, how do you interpret this crisis? Is it only about the Iran war and the Middle East on fire? Or is there a bigger story here?

#Peter Schiff

Well, there's a bigger story, but I think Iran is certainly part of it. And as we're speaking, Brent oil, which is more significant for us here in America—Brent is at 101.60, up another almost 6% today. And maybe even more problematic for the U.S. economy are bond yields rising along with oil. So we've got the yield on the 10-year at a new high. We're almost at a new 20-year high. We're at a 19-year high, but we're at 4.93 on the 10-year, and the 30-year is at 5.34. So this is also probably at least a new 19-year high in 30-year yields. But the dangerous part is there's no end in sight to where, you know, where we're headed here. You know, rates are still low if you don't count the period since the 2008 financial crisis. So we've been living in an aberration, and now we're coming back to reality.

We have a lot of debt in this country, and we need to be paying a much higher rate of interest. We also have a lot of inflation, and the inflation is going to just continue to rise, as the rising gas prices are showing you. Oil prices, diesel prices—I haven't even checked them today. I can only imagine where they are. But they were already at an all-time record high before the big move up today. So this is a huge problem. And the war, you know, we've lost this war. There's no question that that's the case. In fact, I was predicting that we were going to lose it the day we started it. And it's probably further away from ending now, maybe, than it was when we did start it. Even Trump now concedes that the war is not going to end until after the midterms. But even that is not going to end, and I don't think it's going to end until, you know, Iran gets what it wants.

#Glenn

Yeah, well, I was hoping—well, it seemed like Trump knew that wars were not the way to go. I mean, he was quite critical of the war in Afghanistan, Iraq, Libya, Syria. None of them really worked out, and he was very vocal about this. But he appears to have gone down this path nonetheless.

#Peter Schiff

Yeah, he changed his mind, or somebody changed it for him. But I agreed with the old Trump. I don't agree with this Trump. And there's a lot of other things about the modern Trump. Trump is way worse in his second term than he was in his first. The stuff that he's doing, the stuff that he's saying. I mean, I think mentally, I think there's some problems there, just like with Biden. You know, Biden had some problems. The Democrats covered it up. Now Trump is having problems. Nobody's covering it up. Everybody's just in denial because, you know, he's out there talking all the time, and the stuff he says is completely ridiculous. I mean, nobody could lie like this. He's delusional. I think Trump believes the stuff that he's saying. I don't think he's just out there lying. I think he's living in some kind of fantasy world. Yeah. And other Republicans are refusing to, you know, point that out.

#Glenn

Yeah, no, I also liked very much the Trump of the election campaign, the one who wanted to bring down waste, to have some fiscal discipline, restore some production—yeah, ideally reindustrialize somehow—and end all of these wars. I mean, there seemed to be a common theme there, recognizing that what had been done for the past decades wasn't working anymore, and it's time to tighten up. But yeah, I guess he fell in line. But another big news, though, besides the oil prices going through the roof, is, of course, the bond markets, which are seemingly in deep trouble. We see now even a lot of U.S. allies are shifting from being buyers to being sellers. If you take a step back, what is the wider significance of this? I mean, the wider impact on the economy. From what again? The falling bond market. The fact that even allies now are selling, or at least they're not buying. Yeah.

#Peter Schiff

Yeah, look, I mean, the Japanese, the Japanese are big sellers now to defend the yen. You know, the Norwegian Sovereign Wealth Fund has announced, I think, what, 60 billion or so of Treasury sales. Look, the Treasuries are being sold. That's why the price is going down. But it's not just foreigners who are selling. Look, the biggest buyers domestically, other than the Federal Reserve, were the U.S. government trust funds, Social Security Trust Fund, for example. Social Security Trust

Fund is a big seller of Treasuries. It has to sell Treasuries to make the Social Security payments. So everybody is selling. Who the hell would buy them? I mean, why would you buy them? The yields are not high enough. You know, 5.3% on a 30-year? No, thank you.

I'm not going to loan my money to the U.S. government for 30 years at that low rate of interest, given how much debt they already have and how much inflation they're already creating, let alone how much debt inflation is going to be created between now and the maturity of these 30-year bonds. So your rates are going to go a lot higher. People are going to be surprised at how high rates are going to go. And a lot of people in the financial world don't even really have much of a memory of dealing with rates that are higher, double-digit rates. You know, they weren't managing money or they weren't around in the 1970s or even the 1980s. A lot of people that are working on Wall Street, most of their careers have been, you know, zero percent interest rates or artificially low interest rates.

But the same thing is going to happen in the other direction with oil prices. People are going to be surprised at how expensive oil gets, especially when the dollar starts to weaken, which is a forecast I've been making for a while. It hasn't happened yet, but it has happened, obviously, in terms of purchasing power. The dollar has lost a lot of its purchasing power, especially against gold. You can see that. But it hasn't really declined on foreign exchange markets yet. But it's going to, and I think it's going to decline substantially. And that's going to put even more upward pressure on both interest rates, bond yields, and oil prices, and other prices, other commodity prices.

#Glenn

What is the administration doing about this, though? Because you commented on the lies, and they do get more absurd by the day. I heard Bessent say, responding to how to deal with the $40 trillion debt, is, "We'll grow our way out of it." So that didn't seem like he was planning to cut anything. But what else is the government actually doing? Is it intervening somehow to manage the bond markets, to bring down the oil prices? The only thing they're doing is making it worse.

#Peter Schiff

Last night, when Trump was speaking at this Republican midterm convention, he bragged about the big, beautiful bill and said it was the greatest bill in the history of America. Well, all that bill did was replace taxes with borrowing. We cut taxes, increased spending, and borrowed the difference. And so it was just a bill to blow up the deficit, which was already huge. And he thinks that was a great bill. So we're doing nothing. Now, yes, the Treasury Department is trying to cover up some of the symptoms of rising bond yields by buying bonds, by doing its own Operation Twist, where it sells some short-term bonds and then buys some of the long-term bonds back from the market to try to keep yields from rising even faster than they're already rising.

But that's not going to solve the problem. You know, they've got to stop the deficit spending, and they're not going to do that. This is a political nonstarter. In fact, what did Trump promise last night? He promised to send everybody $5,000. Well, where's that money going to come from? That's just another trillion that we're going to have to borrow. And so, you know, there is no sign of any fiscal responsibility. So if you own Treasuries, the smart thing to do, if you were dumb enough to buy them in the first place, is to sell them. So yields are going to keep rising. And that's a big problem when we have so much debt. The national debt is over $40 trillion, and it's rising every day.

#Glenn

Yeah, the $5,000. Well, is that if the Republicans are voted for? I mean, I know it's supposed to sound enticing, but this can really destroy the economy, though. I mean, I think it's $1.3 trillion it will cost the U.S. government. You know, that money doesn't come out of nowhere, I guess.

#Peter Schiff

Well, right, they would have to print it. The Fed would have to print it. We'd have to just have a lot more inflation. And so everybody would have more money, but it wouldn't matter because everything would cost more. So the extra money wouldn't get you any extra stuff. You'd end up with the same quantity of stuff. It would just cost a lot more.

#Glenn

Yeah, you would think something that would solve would be, while all of this is happening, the U.S. and Iran are attacking each other's oil tankers and refineries. Yemen is striking Saudi Arabia. The Europeans are refusing to buy Russian energy. It seems like there are some, you know, let's call them low-hanging fruit solutions, but no one appears to be going for those. But why do you think, what are the reasons, though, for the U.S. allies to sell these bonds? Is it just bad investments, or are some of them running out of money as well, that they need to cover the bets? Because it seems like the Gulf states are in a tight spot now, though.

#Peter Schiff

Well, in some cases, like Japan, they're selling U.S. Treasuries in order to buy back yen to intervene in the foreign exchange market. Other countries may need money for other purposes, and so they're getting it by selling Treasuries. But I think a lot of countries are making a strategic decision that owning Treasuries doesn't make viable financial sense, that the yield on Treasuries is not going to be high enough to offset the declining value of the U.S. dollar, which is ultimately what you own when you own Treasuries. And I think central banks are deciding that they would rather own other assets, in particular gold. I think central banks are deciding that gold is better to hold than Treasuries. And not only is it better economically, but better politically, because when you hold Treasuries, you're still beholden to the U.S. government.

The U.S. government has the ability to sanction you and weaponize your own Treasury reserves. But if you have gold safely within your own border that you defend, the U.S. government has no ability to do anything. I mean, we would have to actually invade you and take your gold by force. We don't have to do anything. We could take your Treasuries with the stroke of a pen. And so you're very vulnerable if you hold Treasuries. You're secure if you hold gold, not only from inflation, but you're secure politically when you own gold. So that's what's happening. And then, you know, a lot of other investment managers, like, you know, the Norwegian sovereign wealth fund, they're just allocating out of Treasuries. There's better places for their money. They just don't see that the risk-reward makes sense. And so they're moving on to other assets. And that is a huge problem for us.

#Glenn

But if all of these countries are no longer buying the U.S. bonds—Japan, of course, is a big one—who's buying them then? Because the U.S. deficit only continues to grow. Someone has to buy all of this. Who are they all selling to?

#Peter Schiff

Well, obviously, the Fed is buying some because the balance sheet has been growing. And so the Federal Reserve is doing some stealth QE, or not maybe so stealth, or just not calling it QE. But obviously, there may be some speculators buying. Maybe there's some insurance companies that need to buy; they're matching some assets with liabilities. But that's a good question. You know, I mean, I think obviously we're running out of buyers. That's why the market keeps going down. And so, in order to entice buyers, we need higher yields. And I think that that's going to continue because as we deplete the people willing to buy a Treasury and accept the yield, let's say, on a 10-year Treasury of 4.94, where we are now.

There are people that are like, "Well, I might buy 5%." Okay, the yields go to 5%, and then we exhaust those guys. And now maybe we have to go to five and a quarter to get some more buyers. And then maybe we need five and a half. We start running out of buyers at any given yield. But, you know, the problem, too, is as bond yields keep rising, bond prices keep falling. That means the people who bought the bonds at lower yields are losing money. And they may want to turn around and dump those bonds out in the market before they lose even more. And that forces yields up higher.

I mean, we are in a major bear market in bonds. You know, when we talk about the fact that yields are the highest they were in 19 years, you have to go back to 2007 to find yields as high as the yields we got now. But there's a big difference between then and now. We were in a bull market back then. Yields were trending down. Now we're in a bear market in bonds, and yields are trending up. So we're at 5.34 on a 30-year and headed higher. We're not headed lower like we were back then. So if you look backwards, where were yields 10 years before? They were way up there. We had yields over 10%. We're headed back there.

#Glenn

Well, it seems like a crisis now is predictable. Many people have said, in 2008, when the housing crisis erupted, sparking the global financial crisis, that no one could have predicted this. But you wrote a book, though, two years before, out in 2006. I remember I read that before the housing crisis. But it did make me think now, though, how do you see the crisis we're heading into now? How is it comparable to the 2008 housing crisis?

#Peter Schiff

Well, I think the crisis that we're headed to is going to be worse. I think we have a bigger bubble that encompasses more assets. But the government was still in a position in 2008 to bail out markets, to bail out homeowners, to bail out lenders. They're no longer in that position because they took on so much debt to bail everybody else out that the next crisis is not necessarily about private credit, but about sovereign credit. And therefore, the bailout option won't exist. The "let's print more money" won't work. So, you know, QE won't work this time because it will actually make the underlying problems worse, not temporarily solve them.

It will make them worse the minute we try to implement it. So this downturn is going to be inherently much, much worse because there's no safety net. The losses are going to be far more substantial. And if the losses are not nominal, and so if you don't end up losing your money, so your bank doesn't fail, you don't lose your deposits, it's only because of massive inflation that has destroyed the value of those deposits. So as far as purchasing power, Americans are going to come out of this crisis much poorer than they came out of the '08 crisis on a relative basis.

#Glenn

Well, when we went into 2008, the U.S. national debt was at a bit over $9 trillion. Well, as you suggest, now with over $40 trillion, I guess some options are off the table. But beyond this $40 trillion, though, are there any other numbers or issues that bring you concern? What else should people keep?

#Peter Schiff

Well, remember, the 40 trillion dollars is the tip of the debt iceberg. You know, the iceberg itself is the unfunded liabilities, which are a lot higher, higher than that, over 100 trillion higher. So there is an enormous amount of commitments that the U.S. government has made that it's not funded, and it can't possibly meet these commitments. And so either it has to default on those commitments or it has to inflate in order to meet them. But it's going to meet them with money of substantially diminished value. So this is a huge problem that's been growing for not just years, for decades. You know, I didn't just start talking about this stuff. I've been talking about it for a long time because this is a real problem. We've succeeded in kicking the can down the road. And that's why people have been able to say, "Oh, Peter Schiff, he's just a perma-bear."

You know, he's a stopped clock. You know, I'm not wrong about any of this stuff. It's just taking longer for us to be held accountable because we've been able to postpone the pain. But the trade-off: we get the pain later, but it's more pain. It's worse. It's going to hurt a lot more because we didn't bite the bullet and deal with it five years ago, 10 years ago, 20 years ago. We've been allowing the problems to get worse because dealing with them is also painful. It's just even more painful to deal with it later. But nobody cares about dealing with it later because that's somebody else's problem. The politicians are like, "Well, I may not be in office later." Investors, "Well, I may be dead by then." Right? So nobody cares about what happens later. They just care about what happens right now. But the problem is, eventually later becomes now, and then you deal with it.

#Glenn

Well, another thing which is different now, though, that is in 2026 as opposed to 2008, is the tech sector and the stock market. It's quite huge. How do you assess what people refer to as the AI bubble? That is, all this additional money which is being pumped into these companies, and it's not really producing the revenue which it was supposed to. Will this be tied into the energy prices, the bond markets?

#Peter Schiff

Well, yeah, the AI story, you know, is obviously, you know, I mean, to me, it looks like a bubble. Is it possible that it's not? Is it possible that all of this spending and all the capex is going to be profitable one day? Yeah. If that's the case, then it's not a bubble. I mean, we won't know that until after the fact, but it certainly has all of the hallmarks and the makings of a bubble because it's very likely that the investments are not going to pay off. Not because AI isn't going to work. It works, and it's probably going to work even better, but the way it ends up working may undermine the profitability of a lot of the investments that are being made today. There may be a lot more competition than these hyperscalers realize. The margins may not be as high as they believe. The energy costs may remain high.

Therefore, the cost of the inference or the tokens or whatever may mean that we can't make as quick a transition from labor to AI and robotics. And so maybe the profits that they anticipate won't be realized in time. In the meantime, the cost of borrowing the money they need to make the investments is going up, and it's going to go a lot higher. And so that will further undermine the viability of what's happening. So there's a big risk associated with this in the short run. I mean, there's no doubt in my mind that AI is going to be a major beneficial development, unless, of course, we all end up being killed and we're wiped out and we're extinct, which apparently a lot of smart people who work in these frontier labs have a real fear is a non-zero probability.

You know, they can argue whether it's 10% or 20%, but, you know, things that are 10% probable happen all the time. That's not, you know, I mean, if you had a 10% chance of getting in a car accident every time you drove, you probably wouldn't get in a car. I mean, if I had a 10% chance of dying doing something, I would never do that thing. So 10% is not, you know, is not nothing, you know. Yeah. When it comes to stuff like, you know, getting struck by lightning, the odds are so infinitesimally small. And even with driving, the odds of dying are still low enough that I'm gonna take the chance, because I don't want to not drive. But if the odds were 10%, yeah, no, you couldn't get me behind a wheel. It's too dangerous.

I wouldn't want to take that chance. So, yeah, I mean, obviously, if that's the case, then I'm wrong, right? But if that's not the case, if it doesn't, you know, destroy us, if it actually, you know, continues to be aligned with our goals and it values human life and it wants to improve human life, not eradicate it for its own sake, then I think it's going to be a wonderful innovation that's going to improve the lives of all humans on the planet over time, you know, even more so. But, you know, between now and then, we got some serious problems, and it would be much better if we were embarking on this journey from a position of financial strength. The problem is we're trying to make all these investments when we're already broke.

#Glenn

Yeah, well, it seems like part of the problem is that the technologies are moving too fast as well. Because if you look at the German case study, they usually would be cautious and wait and see what works, and then put in the investments where they know it's going to produce something. But because the technologies are advancing so fast, there's this fear of falling behind. So they just jump in and pour in money where they don't want to fall behind, and they make all these malinvestments, you know, chase down things which aren't working out, especially in the green energies. And, of course, having the Chinese as this fast-moving rival, everyone is also even more concerned about falling behind. But I was wondering, though, given that we see all of these problems building up, do you see a time frame for when all of this might unravel? Because, again, you're one of the main ones who have been worrying about this for now the past two and a half decades.

#Peter Schiff

I've gotten a lot of stuff right, and people would be surprised by how much stuff I've gotten right. But one of the things that I've never really been able to get right is the time frame. It's like, I have no idea. It's already taken a lot longer than I suspected 20 years ago. So, I mean, obviously, you know, rates are rising now. They're going to keep rising. So far, the stock market has kind of shrugged it off. The economy has kind of shrugged it off. But, you know, how much longer can that happen? You know, I don't know. I mean, you know, we're living on the edge right now. I mean, literally, you know, there could be a major crisis any day. Any day, the bonds could crash, the stock market could crash, housing... I mean, we're really, you know, just on the precipice here. But we could stay on the precipice, you know, for months or years. We'll see, you know.

#Glenn

But it seems like the economic troubles which the US is getting into now have much wider ramifications. That is, if, for example, the petrodollar system doesn't work anymore, that is, the Gulf states can't really sell their oil. They can't reinvest their oil money into US bonds. Indeed, they must eventually begin to sell these bonds. I mean, what do you see being the future, though, of the petrodollar system? Because that's very much tied up to the dominant position of the US dollar. And suddenly you're talking about the entire international economic architecture.

#Peter Schiff

Yeah, look, well, the petrodollar has been in jeopardy for some time now. And, you know, that was a major advantage for the U.S. when we went off the gold standard. We had to come up with some other thing backing the dollar. And, you know, the fact that oil was traded in dollars was very helpful because it was no longer backed by or redeemable in gold. And I think, in a way, the Iran war may have been fought in part to try to preserve the dollar's status. But it may have backfired, you know, and it's actually weakening our status, which I think it is. And I think it's accelerating the move away from the petrodollar. And, you know, just another reason not to own dollars, not to own Treasuries, at a time when America needs foreigners to buy Treasuries more than ever, because we've got more of them to sell than ever. We have more debt than ever.

#Glenn

Well, when Scott Bessent, he made some comments which support your thesis there, which is he was arguing that the military actions against Venezuela were a great success because now they will also sell their oil in U.S. dollars. He also argued that after Iran has been defeated, they would also begin to sell in dollars. And he argued even Russia, after the Ukraine war, would return to selling its oil and energy in dollars. So perhaps excessive optimism there, but nonetheless, the thinking appeared to go down this road about restoring financial stability.

#Peter Schiff

I don't believe anything that Scott Bessent says. I think he's just a yes-man. He's there to put a positive spin on Trump and try to portray Trump in the best possible light. In fact, even yesterday, when Trump promised to send everybody in America a $5,000 dividend check, he's up there applauding that. He's the Secretary of the Treasury. He knows that we don't have the money in the Treasury to send everybody $5,000. I mean, the way Trump was framing it, it's like we're running these huge surpluses now and we have all this extra money that we could just, you know, share with the taxpayer because, you know, we're swimming in surpluses. We have massive deficits. We're $3 trillion-a-year deficits. There's no surplus to share. There's no dividends.

They're just bills. We can't send everybody a check. We got to send everybody a bill. Hey, here's how much you owe. You don't get anything. But he's there applauding. So he's just a liar. In fact, everybody in the Trump administration, their job is just to talk about how great Trump is. You can't listen to any of these guys talk without them flattering Donald Trump. And of course, when Donald Trump talks, he just spends half of his speech flattering himself. And so, you know, I guess Trump probably has somebody watching all the television networks, all of his guys and gals that are in his cabinet. And if they're not flattering him enough, they're probably going to be out of a job because that's their job: talk about how great Trump is.

#Glenn

He's good at the branding, though, but at some point, reality also has to fit in there. No, well, that's a good point. The whole premise of why every American should get $5,000 was that, as he says, the country is hotter than ever. We're doing all the successes. But yeah, the whole assumption is making big money and let's share it with the people. But those numbers aren't really there, so again, then it would either have to be through taxation or printing the money. Either way, the recipients of this $5,000 probably wouldn't be better off, I assume. But Bessent, though, he also has been, you know, advocating for these tariffs to reindustrialize, and, you know, well, Bessent said the U.S. had to grow its way out of the debt.

And at first I thought, in all fairness, if the AI technologies really work, and as Elon Musk says, we will be able to produce everything in vast quantities, perhaps there will be something to it. But, you know, maybe being overly optimistic, but if the U.S. is going to grow its way out of the $40 trillion, it needs reindustrialization. And, you know, this was supposed to be achieved through the tariffs. We haven't heard much about that, you know, the tariff at all. It's still being used.

#Peter Schiff

Well, the tariffs... Again, another thing I got right: the tariffs have achieved nothing other than making goods more expensive. America's trade deficits have really not improved. In fact, last year our merchandise trade deficit was at an all-time record high. In 2025, we had the biggest deficit in goods in our history. This year is not that much better. It's, you know, it's not the worst anymore. It's like the fourth worst year in history. And the country that's winning the most from our tariffs is China. China had a record surplus last year, and they're going to beat it with an even bigger surplus this year. Yes, their trade surplus with America did go down, but their surplus with everybody else went up. Our deficit with China went down, but our deficits with everybody else went up.

So we didn't achieve anything. But Americans got the bill. That's all from the failure of the tariffs to work, which I knew they weren't going to work. As I said the minute that they were announced, even before they were announced, I said they wouldn't work. And I was also honest about who was going to pay them. Trump was lying and saying that the foreigners would pay them. That's why whenever he talks about tariffs, the people applaud. Like last night, "I'm going to put tariffs on wine," and everybody is applauding. Don't they drink wine? He's basically saying, "I'm going to make all your wine more expensive." Yeah, that's great. You know, I mean, he's promising to raise taxes on everybody that's at the convention, and all the people at the convention are clapping. They have no idea. They're so clueless.

#Glenn

But does the U.S. have any trick up its sleeve, though? I mean, does the Trump administration—can it revalue its gold? Or is there any great trick it can pull to pay off its debt in an easier way?

#Peter Schiff

That's not going to help. I mean, the gold is worth what it's worth. It doesn't matter how we officially count it on the books. We have a certain amount of gold, and it's worth what it's worth. Officially recognizing that it's worth a lot more—you know, we carry it on the books as if it were, you know, $42.22, whatever. We all know that that's not true. We know what it's worth. So, look, you know, now if they want to use that to repudiate debt, yeah, well, you know, they could do that. I think they just default on the debt, and they can inflate it away, which is more likely what they're going to do. They're just going to print a bunch of money. How much do we owe you? Here you go. How much are you owed? Okay, let's just crank up the presses. The problem is the money isn't worth very much, if anything at all, which is why the smart money is getting out now. They're not waiting for that.

#Glenn

Well, you've always been very pessimistic on crypto, especially bearish on Bitcoin, I would say. Yeah, for good reasons. But it also has become an important tool, though, for many countries to circumvent all the sanctions of the U.S. So, for example, Russia uses this ruble-backed stablecoin and dollar-based Tether to trade freely without this Western obstruction.

#Peter Schiff

Yeah, but that's not Bitcoin. That's not Bitcoin. That's just a stablecoin. That's got nothing to do with Bitcoin. But yeah, look, I've conceded at times that the Bitcoin price could go up because people were dumb enough to buy it or speculate on it. But I've never seen any real value there. And I think the ultimate price is going to be near zero. And I still believe that, even though the current price is, you know, seventy-seven thousand. But, you know, most people who own Bitcoin are losing money. Most people who own Bitcoin would have been better off had they invested in almost anything else instead. The only people who are still ahead in Bitcoin are the ones that bought it a long time ago. But they're in the minority. The majority of people have come in in the last four or five years, and they're down.

But not only are they down on their Bitcoin, they missed out on all the gains they could have made had they invested in something else. So it's been a big disaster for most people. But I think it's going to be a disaster for a lot more people because even the people that still have paper gains in their Bitcoin, they're going to lose those because the whole thing is going to implode. I mean, this is a bubble for sure. Maybe AI is a bubble, and maybe it's not. But Bitcoin is a pure bubble. There's no chance that it's not a bubble because there's absolutely no value there. So that's why I've had the position that I've had. And a lot of people are in denial because they think I was wrong just because the price has gone up for so long, as I've been pointing out, that the whole thing is worthless.

But, you know, it's not going to matter if I've been saying Bitcoin is a scam and it's gone from one hundred dollars to a thousand dollars to ten thousand dollars, and, you know, you think I'm wrong. I'm wrong. Well, one day you wake up and it's a dollar or less. Was I wrong? No, I wasn't wrong. You could say I was early, but you can't say I was wrong. Especially if you rode it up and then rode it all the way down. Because then it doesn't matter that you were correct. If you bought Bitcoin at $1,000 and you still own it and you're like, yeah, you see, I was right. I bought it at $1,000 and now it's $77,000. But if you don't sell it and you hold it and it goes all the way down to $100 or $10 so that you lost 90% of your money, it didn't matter that you were right for a while.

You were wrong because you didn't sell, and so you didn't make any money. You could have made money if you had sold, but you didn't sell because you were holding out because you thought you would make even more money. So your greed prevented you from realizing some of the profits that your speculation actually could have delivered if you were smart enough to take them. But the only reason that people had such big profits was so many people were dumb enough not to take their profits on the way up. People refused to sell, and that's why the price kept going up, because everybody was holding out and continues to hold out for the moonshot: million-dollar Bitcoin, 10-million-dollar Bitcoin, whatever the people are delusional enough to believe.

#Glenn

Well, if the U.S., though, is heading into this crisis, the endgame here with a crisis in the dollar, with the bond market and the wider economy, where does the smart money go these days? Are you optimistic about China, Russia, India, Brazil, Europe?

#Peter Schiff

I am optimistic on investments in those countries. I think there's a lot better valuations there. I think emerging markets are particularly well positioned to benefit from the demise of the dollar and a reorganization of global capital flows and global trade. I think the countries that have the production have the cards. Trump's got it backwards when he thinks we hold the cards because we have all the people who borrow money that they don't earn to buy things that they don't produce. You know, we're living off the global gravy train. We're the ones that are taking advantage of everybody else. We're ripping off the world. It's not the other way around. Trump doesn't understand how this works. But, yeah, I think the smart money is doing what I'm doing.

I mean, a lot of smart money are my clients. I think if you've got an account with me, you're the smart money. And we're investing abroad. We're buying gold and silver. I've been buying gold since it was under $300. It's $4,400. I've been buying it since it was under $300. Silver is about $65. I've been buying it since it was $4. I mean, so obviously I've been right to buy these metals. Most people have made more money in gold or silver than they did in the stock market. There's a reason for that. It's because the things that I'm saying are true. The warnings that I'm issuing need to be heeded. The people who have heeded them and bought gold and silver, you know, have the gains to show for it. And it's not too late to buy because the prices are probably going to keep going up.

So you should go to SchiffGold.com and buy some gold and silver right now. I mean, don't wait. Buy today. The longer you wait, the more expensive it's going to be. And, you know, you should go to Euro Pacific Asset Management, EuroPac.com, and consider opening up an account for us to manage global equities. If you have a large enough portfolio, we do separately managed accounts. If you have a smaller portfolio, you can consider my mutual funds. You can buy my mutual funds no-load at any discount broker. You can get information on all my funds at EuroPac.com. But these are the funds that I believe will do extremely well in an environment where U.S. stocks and bonds don't. And even if U.S. stocks and bonds go up, I think these portfolios will go up more.

So, you know, check them out. You know, you've got to—you know, obviously, everything has risks no matter what you do. But I think the risk-reward is much better internationally than it is domestically. And, you know, so all that is spelled out in these funds. So, you know, go to my website or, you know, talk to the advisors that work at Euro Pacific Asset Management. And, you know, just keep listening to my podcast. Keep following me on X. I mean, you know, I am pointing out all the lies that people are being fed by the mainstream, whether it's Wall Street, the media, the government. But they're getting the truth from me. And I'm not the only one that's telling the truth, but I'm one of the louder voices. And so you should pay attention.

#Glenn

Well, I've left a link in the description to Euro Pacific Asset Management. And again, I've been reading your books for the past 20-plus years, so I'm a huge fan, and I would advise everyone to also check these out, and also, of course, your very informative podcast. So thank you. It's always a pleasure.

#Peter Schiff

All right.

#Glenn

Take care.