



**Guest: Peter Schiff**

**WOODS:** Every time I have you on I go to my Supporting Listeners group on Facebook, and I say I'm having Peter Schiff on, does anybody happen to have a question? And you'll never guess, Peter: they do. They have a whole bunch of them.

**SCHIFF:** Oh.

**WOODS:** So I want to make sure and ask you not the same darn ones over and over again, but there's at least one that is kind of perennial that I've got to keep asking, that we'll do later, about people who don't have that much money, what they can do. But I want to ask you about, as somebody who's observed a number of economic downturns — and this is something that I've been curious about myself — if we look at a whole bunch of them, can we find a pattern in terms of particular sectors that tend to be least or most affected by recessions? Or is it absolutely unique to each one?

**SCHIFF:** Well, I mean, they're all not going to be exactly the same. But in general, the sectors that benefit most from the boom, you would expect them to suffer most during the bust. So you look at a lot of the sectors that are particularly interest rate sensitive, because they were propped up by having interest rates artificially low, and so when interest rates can no longer sustain those artificially low levels, when they ultimately move up to where the market really needs them to be, then those sectors are going to really experience some big declines. So that could be housing, it could be autos, or financials, or anywhere where interest is a big part of the equation.

But also during a recession, people have a lot less discretionary income, so generally, businesses that benefit from discretionary spending would be more heavily impacted by a recession than businesses that you're selling things that people are going to buy whether times are good or bad, things that they need, not just things that they want. Or there are certain types of industries that historically do well. Maybe people drink more alcohol when they're depressed. I don't know. So maybe if you're selling certain things, your sales can hold up.

But I think that people have to understand the nature of these artificial booms and busts, because it's all being driven by the central banks, by the Fed. And so if you understand that aspect of it, you have a better understanding of how things are going to play out.

**WOODS:** In your opinion, whenever the next downturn is, what do you happen to think would be hit hardest? Are there sectors where you'd much rather be than other sectors?

**SCHIFF:** You're talking about it from an investor's perspective?

**WOODS:** Yes, yeah.

**SCHIFF:** Yeah, well, look, I think that everything keyed into the US economy is going to suffer. I mean, if you understand the nature of the US economy right now, it's just a function of people spending borrowed money to buy imported products, and all of this is a function of the overvalued dollar and the undervalued interest rates. We're able to borrow that money very cheaply, and then we're able to buy products that were manufactured in other countries.

And so ultimately, though, what the Fed is doing to artificially suppress interest rates will ultimately cause the dollar to collapse. And when that happens, the prices of all those goods

that people have been buying with borrowed money are going to go way up. And I think our whole economy is going to grind to a halt at some point, because it is on an unsustainable trajectory.

And the problem is that when this does happen, when we do have this vicious economic downturn, we've already laid the foundation to blame it on capitalism, on free enterprise, on not enough government, not enough regulation. And so I already know that the solution that we're going to choose following this next crisis is going to be all government. It's going to be pretty much going all in on socialism and pretty much burying capitalism and admitting, okay, we knew it didn't work, and now we've learned the lesson the hard way, and so it's really time for the government to completely take over the economy.

Even though it was government interference in the economy that screwed it up in the first place, the voters won't be able to make that distinction, especially since you've had so many from the Republican side that have claimed massive success over the last few years, that Trump has completely restored America's greatness, that all of the years of economic decay are behind us, and we now have the greatest economic boom in the history of the world, and it's all because of Trump's policies. And that means that when it turns out that that isn't the case, that we actually have the biggest bust that anybody can remember, well, that too will be Trump's fault. And it will be the fault of Trump's policies, which everybody on erroneously believes represents a return to capitalism. And so this could be the final nail in the coffin of American capitalism.

**WOODS:** I want to go back some years in Peter Schiff history to when the Occupy Wall Street movement was very prominent, and you went out into a massive crowd — no doubt you remember this vividly — holding a sign saying, "I am the 1%. Let's talk." I have two questions for you about that. One of them is, it seems to me that the political environment has grown so much more ferocious and toxic since then, that if you were to do that today — well, I'm wondering if you would do it today? You know, would you be assaulted?

**SCHIFF:** Probably. I mean, I don't know. Not that we were that civil back then, but I certainly remember that the discussions that I had in Zuccotti Park were very civil. I mean, at no point, even though I was surrounded by people who disagreed with me, at no point did I ever feel threatened. And it's not like I had bodyguards around me; it was just like a couple of people, and we were greatly outnumbered. So yeah, it was a very civil discussion. There were differences of opinion. But yeah, I think today, there'd be Antifa people there, and yeah, I don't even know how many words I would have been able to get out. They probably would have destroyed my sign. They probably would have ripped it up, and who knows?

**WOODS:** Yeah. Yeah, no doubt. So now the other question is: can you recall what were some of the major points you were trying to convey to them? And how were they received and what were they saying to you, that kind of thing?

**SCHIFF:** Well, I mean, my whole point there was to have some solidarity with the Occupiers in that I shared a lot of their concerns about what was going on. And if you recall, at that time what people were upset about were the bailouts. That's why they wanted to occupy Wall Street, because Wall Street was getting bailed out. And I agreed with them. I was never in favor of any of the bailouts. I wanted all of the banks that levered up too much during the boom to go bust. I wanted investors to lose money. I wanted the free market to work. I wanted bad actors to be punished. I wanted people to lose money.

And I wanted the more prudent in the banking industry, and there were some out there, the ones that didn't party with everybody else, I wanted those companies to be able to reap the rewards of having done the right thing. I wanted them to clean up the mess. I wanted those banks to expand. I wanted the good management teams to gobble up the bad ones. Instead, the opposite happened.

And so I agreed with these guys that what was happening was bad. But what I wanted to point out was that that was not capitalism. See, they were confused. They thought the bailouts were part of capitalism. Capitalism doesn't have any bailouts. If you fail, you fail. And so I wanted to point this out. And it was that if you're angry at the bailouts, don't blame the capitalist system. Blame Washington. Blame the Congress. Blame the president. Blame the Federal Reserve. So I said, you guys are occupying the wrong town. You shouldn't be in Wall Street; you should be on Pennsylvania Avenue. You should be at Congress, the White House. You should go up to the steps of the Federal Reserve and protest that.

That's what I wanted, and that was the message that I was trying to convey. And maybe not even so much the people who were there, because they may have been too far gone, but I knew that a lot of people would watch the video, and so I thought, well, maybe I'll influence people out there who are watching on YouTube. And I think I did make a pretty big impact there, because I know millions and millions, over 10 million, who knows how many, have seen it. I mean, I finally put the YouTube video up on my own YouTube channel, and it's got almost 2 million views. And that was like five or six years after I did it. And I've seen other people put up copies and get millions of views on top of the millions and millions of views that Reason got and other websites got who put it up when it was fresh.

**WOODS:** All right, well, I'm going to put those up also at [TomWoods.com/1590](http://TomWoods.com/1590), where I'll have all the Peter Schiff links for the episode today. Let me jump over to the question that everybody asks every time. And I did get some people kind of asking similar things. They all want to know about Peter Schiff and Puerto Rico questions, stuff like that, we've had a little bit before. I do have a follow-up Puerto Rico question later, but the one I get all the time is: I'm not that wealthy, and it seems like what Peter does and Euro Pacific Capital does is really geared to people who have a lot of money to play with. I really don't, but that doesn't mean I don't still also want to protect what I do have. So what does Peter say to somebody who has \$5,000 or \$10,000 or \$15,000? What should I be doing, just holding it in cash? I mean, what should I be doing?

**SCHIFF:** No, no, absolutely not. I mean, first of all, yes, to have an account directly with me at Euro Pacific Capital, \$5,000 or \$10,000 is really too small an amount. And the reason it's too small an amount is because of the regulations. I mean, if it was a free market in investment advice and broker dealer, I wouldn't care. I mean, people could open up an account with \$1,000. The problem is I lose too much money on those accounts because of the compliance costs associated with maintaining it. So we have higher minimums because it takes a larger account in order for me to be able to charge enough money to just cover the cost of regulations that are required for the government to not put me out of business.

But what you can do if you have \$2,500 or more to invest is you can buy any one of my five mutual funds at any discount broker. And they will take small accounts. I mean, you can go to E-Trade or Schwab or Fidelity or a lot of these discount brokers, massive firms that have the economies of scale, and you can go online, and you can open up an account, and they'll take five grand or less, and you could buy any one of my funds.

I mean, if you're really bullish on gold, I have a gold fund, which is actually one of the best gold funds out there. In fact, it was the best gold fund for the five years ended 2018. I got a plaque for that. We lost a little bit of ground in 2019, but not much. We're still five stars by Morningstar, and I'm one of the few gold stocks, maybe only two or three, that are actually positive this year. Even though the price of gold is up this year, gold stocks have had a bit of a correction, but my fund has actually continued to go up.

But you could buy my gold fund. I have other more conservative funds. I have an emerging market fund, a value fund, dividend payer fund, even a short-term foreign government bond fund to just get out of the dollar. So all those mutual funds can be bought anywhere, and so you don't need a lot of money, and you can buy them on a regular basis. Some of these firms,

you can have automatic investments, some small amounts coming out of your paycheck or your bank account on a recurring basis. So yeah, you don't need a lot of money.

Now, if you're don't even have the \$2,500 necessary to open up an account, if you're lower than that, I mean, you could always go into a local coin shop and buy yourself some silver coins. If you have an extra few hundred dollars, you could buy some silver quarters or dimes or just go bullion, get a little one-ounce silver round or a little bar. I mean, silver, it's easy to stock up on silver in small amounts at your local dealer.

And then another thing I even tell people to do, I do think there's going to be a lot of inflation in consumer goods. It really hasn't happened yet, but it seems to me that if you just have a small amount of money, if you have an extra few hundred dollars, I mean, I don't know what you do with it. I mean, obviously, it's hard to put it in the bank. But just go buy stuff. I mean, buy stuff you think you might need. I mean, buy some razor blades. Those things could get really expensive. Who knows? I mean, you always need them. Or buy some toothpaste or things that aren't going to go bad that you know you're going to buy eventually. You might as well buy it now, rather than hold on to the money that's going to depreciate. Consumer goods are going to get more and more expensive in the United States, a lot of consumer goods that people take for granted. You could buy ammunition. I mean, even if you don't have a gun, somebody is going to need that ammunition. But yeah, there are real things that you could buy if you don't have a lot of money to invest.

But of course, if you have a lot of money to invest, you definitely should be working with me, because that means you have a lot to lose. Not only can you position yourself to actually profit, tremendously I think, as other people lose money, but you don't want to be one of those other people that are losing money. You want to do what you can to preserve, because if you were smart enough and frugal enough to do the right thing, especially if now you're in your 50s, 60s or higher, and you've built up a real net worth, and the goal is for that to provide you with a quality lifestyle for the rest of your life and you want to have something left over to leave to your children, you need to take action to protect that, because a lot of people are going to lose that. I mean, they're in the wrong assets. They're in the wrong currencies.

And when you have all the debt that we do and it's impossible to repay it, the creditors are going to lose. One way or another, either there's going to be default, or there's going to be inflation or some combination of the two. But either way, it's the lenders, the creditors, who are going to get clobbered. And those are the savers, the people that own the bonds, the people who bought the treasuries and bought the muni bonds and have the annuities. These are the people that are going to lose money, because so many other people bought stuff that they couldn't afford with borrowed money.

**WOODS:** Oh, man. I have follow-up things, but I want to try and get to as many questions as possible. With Puerto Rico, most people understand at least the gist of what the benefits are to relocating there, and you did that some time ago. But I have a question about how do you weigh the pluses against the minuses? I mean, obviously, the pluses come out better, or you wouldn't have gone. But you do have hurricanes. You do have the potential of power being out. You do have a heavily indebted government. And for all I know, you have crumbling infrastructure. How does that weigh in to your consideration?

**SCHIFF:** Well, first of all, that sounds a lot like plenty of states to the United States.

**WOODS:** [laughing] Well, yeah, as I was saying it, I was thinking I could hear the answer already.

**SCHIFF:** Yeah. I mean, look, it's hard to go someplace where you don't have any risk of a hurricane or an earthquake or a fire or some type of natural disaster. I mean, that's there. And there's no way to escape debt. I mean, especially if you're talking about the debt the United States government has, no matter which state in the Union you choose to reside in,

you're still on the hook for your share of the national debt. And the US national debt is much bigger than the Puerto Rican debt. And so the thing is, if you live in any of the states, not only are you responsible for the debts of your state, you're responsible for the debts of United States, the federal government. But when you live in Puerto Rico, you're only responsible for the debts of Puerto Rico. You're not also responsible for the US debt, because the US government can't tax you. I mean, we do we do pay the Social Security tax, so we are on the hook for that. But we don't pay the federal income tax. So to the extent that the enormous debt ultimately results in big increases in the federal income tax, that's not going to impact Puerto Rican residents, because we're not paying that tax, so obviously we're not going to pay the increases.

But look, you've got to live somewhere, and I like the lifestyle down here. The weather is beautiful. You can't beat the weather. I mean, I think the coldest day in the history of San Juan since they started keeping records — and this is the coldest temperature, which would include the nighttime — the coldest it's ever gotten was 60 degrees. And it's not like it's 100. I mean, it's usually right around 80, either in the mid to upper 70s or the low 80s. I mean, it's just nice weather. There's no humidity at all now. We get some humidity in the summer, but I've lived in southern Florida, and it's less humid here than it is in South Florida. So I like the weather.

I like the outdoors. I like water stuff. And I've always liked the tropical not just the climate, but just the way it looks, the palm trees and the ocean and the grass. It looks a lot like Maui here where I am, if you like Hawaii. So look, it's a great place to live. It's not that far away if a lot of your family, your other friends are on the East Coast, either in the South or the Northeast. They're short flights, if you try and make that trip a lot. So it's not bad.

And of course, I've met a lot of great people since I've moved here. I mean, one of the things people are like, *Well, I don't know anybody there, I'm going to be moving someplace I don't know anybody*. Yeah, but a lot of other people are doing the exact same thing, and so they want to meet people. So people are going out of their way to make new friends and meet people. And a lot of people here are sharing a similar experience, and there's a lot of likeminded people, a lot of free market guys, a lot of libertarians. Not all of them. I mean, you'd be surprised at how many liberals from California who voted for Obama, voted for Hillary, but who still moved here to avoid taxes. They're here.

But yeah, I mean, it's great. The kids have a great lifestyle here. The private schools are good. In fact, one of the best things you can do for your kids is move them to Puerto Rico, because not only do they grow up in a great environment here, but they have a much better chance of getting into a good college. You don't have to write a check for a half a million dollars to get into a school like people were doing. You get a huge advantage applying out of Puerto Rico. That's your zip code, you're Puerto Rican. So there's a lot to it more than not paying taxes.

But yeah, I mean, not paying taxes is a huge, huge plus, because my income is effectively twice what it would be if I still lived in Connecticut. And I don't have to do anything differently other than just live here. And so there's no easier way to basically double your income. And of course, if the Democrats win in 2020, taxes are going to go up, and moving to Puerto Rico will basically triple your income. So the higher the taxes go, the bigger the impact by moving here.

**WOODS:** Well, by the way, on those private schools you mentioned, are they teaching in English, though?

**SCHIFF:** Yeah, no, they're English. They teach Spanish as a second language, but all the classes are in English. And of course, even if you're a native Puerto Rican who speaks Spanish at home, I mean, you would want your kids to be proficient in English. I mean, they're American citizens. They can work anywhere in the United States, so it's important that you really speak English well. So even if I was a native Puerto Rican and I spoke Spanish, I would

want to send my kid to a school that was taught in English so that they would get really, really good at English, because that's the language that you need to know to succeed in America, is English. It's not Spanish. It's nice to know Spanish, but you have to know English. You could get by — I barely speak Spanish, and I get along fine in Puerto Rico. But believe me, if I didn't speak English, that'd be a problem. So you've got to do that.

But no, and the schools cost about a third to a fourth of what they would cost in New York, Connecticut, where I was living before. Now, of course, I could have sent my kids to public school for nothing. The public schools are good where I lived in Connecticut, but a lot of people don't have that option. You live in New York City, you live in like Los Angeles, the public schools stink. So you've got to send your kids to private schools. So if you come here, not only do you double your income, but you can send your kid to private schools for 25% of what it would cost you to send them to private schools there, and it's a better school, and they're going to get into a much better college.

**WOODS:** Yeah, well, I still don't want to do it. You haven't convinced me, but I understand the attraction and obviously if I —

**SCHIFF:** Why not, Tom? Why don't you want to come down here?

**WOODS:** Oh, nobody would ever visit me. No body's coming to Puerto Rico to visit me.

**SCHIFF:** I've got friends coming down for President's Day. People come visit all the time.

**WOODS:** Yeah, you've got friends with like private jets and helicopters and heaven knows what.

**SCHIFF:** No, Jet Blue flies in here. Where do you live, Tom?

**WOODS:** I live near Orlando.

**SCHIFF:** Oh, I was just in Orlando. I just got back from Disney World. There's plenty of flights going back and forth between Orlando. I mean, why live in Orlando when you can live here? Why don't you at least come visit me? I've got plenty of guest rooms. I'll put you up. Check out the place. You know, I'm going to be building a brand-new podcast studio, production studio on my property where I live here, and it's going to serve a dual purpose, because my wife's in a band down here, and she sings and they record. So it's going to be like production for sound recording. I'm going to have audio-video to do my podcasts there, so you can use it. I mean, you can do your podcast right here, use my —

**WOODS:** It'd be like old times.

**SCHIFF:** Yeah, but you could just come walk right in there. You can live in the neighborhood here in the hood with everybody else. And then, you know, stop paying taxes. I mean, unless you like paying taxes.

**WOODS:** No, it's obscene what I'm paying. It's not as obscene as what you pay, but it's pretty obscene. All right, but we're —

**SCHIFF:** You could come back and forth to Orlando all the time. It's like a two-hour-and-15-minute flight on Jet Blue and at dirt cheap.

**WOODS:** Look, I'm not ruling it out. We'll say that. I won't rule it out.

**SCHIFF:** It's an open invitation. When you get tired of being a serf over there in Orlando, you want to come down to the land of freedom —

**WOODS:** [laughing] Thank you, Peter. All right, well, before I let you go, given that we're pretty much at the end of the Trump term, pretty darn close, what's your overall evaluation? And what would you do in 2020 in terms of voting?

**SCHIFF:** Well, look, I can't vote. That's one of the things that happens when you move to Puerto Rico.

**WOODS:** Oh, right.

**SCHIFF:** You can't vote. If I ever move back to the US, I can start voting again, but you know, I'm not going to miss voting for losers. I voted Libertarian many times, which is like not voting at all. But yeah, I can't vote, but as far as my impressions, look, I'm very disappointed in Trump. I mean, not that I 100% was confident in him when I voted for him — I did vote for him — but when I voted for him, I really didn't know what he was going to do with his presidency, if he really was going to try to make America great again, drain the swamp, and actually do a lot of unpopular things that career politicians never did. Really cut government spending. Really tackle the entitlement problem and reform Social Security and Medicare. I mean, do things that politicians wouldn't do, but that statesman, but that people that actually cared about the country and maybe cared about their place in history.

So I thought maybe Trump would actually shake things up there and actually be a game changer. And he didn't do any of that. He just played ball. He continued to make the swamp deeper. He has a different style. The way he talks and tweets and the way he conducts himself, the style was different, but the substance is the same. It's just more big government. More lies. But what's so frustrating is how all the Republicans have just basically fallen into line and are accepting all these lies as truths and repeating them, because Trump is popular, because he's saying a lot of good things. If you ever listen to a Trump speech, he says a lot of good things that a conservative or libertarian-type person, yeah, that's right. You know, I like that stuff.

But if you actually look at what Trump is doing, he's simply continuing the policies of Obama, which is a continuation of really the policies of Bush. Government keeps getting bigger and bigger and bigger. Nothing gets cut. The deficits get bigger and bigger. The trade deficits are bigger and bigger. And we continue to rely on the Fed.

In fact, one of the things that a lot of people liked about Trump is that he really called out Yellen and Bernanke for artificially stimulating the economy and inflating a stock market bubble. *And hey, it's going to be different when I'm president*, and that's the reason he didn't want to reappoint Yellen. But of course, the minute he appoints Powell, what does he want Powell to do? Exactly what everybody else did: cut rates, create more inflation. Now he says we want he wants negative interest rates. He loves quantitative easing. He's the biggest fan. He was a critic of quantitative easing when he was a candidate. Now he's advocating it. He wants more of it.

He promised to eradicate the debt. Now debt doesn't matter. And he's managed to convince the Tea Party that debt doesn't matter, that the size of government doesn't matter. He's now the defender of Obamacare. First he wanted to get rid of it. Now he doesn't want any cuts, because he wants to make sure that anybody with a preexisting condition can buy insurance at the same rate as somebody who's completely healthy, which means he wants socialized medicine. He doesn't want free market insurance. He wants somebody else to pay your medical bills. But he's defending Social Security. He's defending Medicare. He wants now to have another mandatory leave. He wants to force employees to be compensated in the form of leave, paid leave and all, another big government program.

So I'm very disappointed in Trump. And I'm even more disappointed that so many people have fallen for this. That's the frustrating part. And it's playing into the left, because if you haven't noticed, the Democratic Party is the Socialist Party, but now the Republican Party is the Democratic Party. Trump was really a moderate Democrat. That's really what he is. But now he's a conservative Republican. That's how far the pendulum has shifted.

**WOODS:** But if it's Trump vs. Bernie, you know what everybody's going to say. Well, we cannot allow Bernie. I mean, sure, Obama was pretty bad, and Hillary would have been pretty bad, but Bernie, I mean, even Hillary doesn't like Bernie. Even Obama doesn't like Bernie. I mean, Bernie, you really have to protect yourself against. And I could see somebody saying: but the thing is, the things Bernie could get away with on his own would be like foreign policy and

civil liberties, where he's not a complete train wreck, and the rest of his stuff would get blocked in Congress. What do you think of an argument like that?

**SCHIFF:** Well, first of all, a lot of this stuff, even if it gets passed through Congress, hopefully — one of the one things that Trump may have accomplished was with his judicial appointments, because pretty much everything that Sanders wants to do is unconstitutional. And so all we really need is some judges to strike this stuff down. And so even if Sanders can get some of this stuff through Congress, if it doesn't survive judicial scrutiny, we're safe. The Constitution prevents the stuff. So even if we elect a radical socialist like Sanders who has this agenda, Constitution protects us from it if the judges will only enforce it, because there's no way they're going to be able to amend the Constitution. Like when they wanted to tax income and the Constitution didn't allow for it, they were able to amend the Constitution to get the 16th Amendment. But there's no way they're going to amend it to get the wealth tax or a lot of these other things. So it may not happen.

But what I do think and the similarities that I see between Sanders and Trump is the same thing that we're saying about Sanders now, they were saying about Trump. Nobody's going to vote for him. I mean, there were a lot of Democrats that were saying, hey, let's register Republican and vote for Trump, because he's the candidate we can most easily beat. So everybody thought Trump was a joke. Nobody would vote for a reality star who grabs women by the you-know-what, right? I mean, how can we lose? This is our dream that we get to run against Donald Trump. And the dream became a nightmare because Trump won.

And what they also said was that, oh, Trump will crash the economy. The stock market's going to crash. Even the Republicans were thinking that the stock market was going to crash if we elected Trump, even though he was promising tax cuts and less regulation. And so people have heard that before, right? They were told everything would collapse if they voted for Trump, and they voted for Trump. And it didn't happen. So the same thing could happen to Bernie.

And I think when so many people are against Bernie, right, if you are a typical voter who doesn't like the status quo, doesn't like career politicians, and then you see the establishment attacking Bernie Sanders, it's like, well, my enemy's enemy must be my friend. If this guy is so disliked by the establishment, if even the Democrats don't like him, then he's got to be my guy. They must not like him for a reason, because they're afraid that he is actually going to drain the swamp — or that's Trump's words. He's actually going to take on the special interest that they're protecting. So the more the media and the establishment coalesce around, *We've got to stop Bernie*, the more people want him. Ah ha! They don't want us to have this great thing, because it's infringing on what they're doing. They're getting rich at our expense, and they don't want Sanders to end the party.

So I think that the people who thought Trump couldn't win now think he can't lose, and I think they're underestimating the appeal of the Sanders message. I mean, after all, this guy is promising complete forgiveness of all student debt. Think about how many people under the age probably of 35 that still have 20-, 30-, 50-, \$100,000 of student debt. I mean, why not vote to get rid of that? I mean, that's a pretty powerful incentive. *Hey, I voted for Sanders, and if he wins, I get 50 grand. I get 100 grand.* I mean, how do you out-promise that?

**WOODS:** Yeah, no kidding. No kidding. Well, as we as a wrap up, let me ask you to make your maybe two-minute pitch for Euro Pacific Capital, what you can do for some of the folks out there

**SCHIFF:** Well, obviously, I think regardless of the outcome of this election, I think the next president is going to be a democratic socialist, whether it's Bernie Sanders in 2021 or AOC in 2025, because we're going to have another economic collapse. We're going to have not just a recession; it's going to be a collapse. And it's either going to start before this election or after. But I think the odds that we get all the way through the Trump term without this recession starting are very, very slim. And so it's going to be blamed on the Republicans and Trump, and



we're going to flip over to the Democrats, and the Democrats are clearly controlled by the socialists, and it will be even more socialistic in 2024 than it is now. I mean, that is just more and more 16-year-olds will be 19, and they'll be voting, and of course, this is an army of socialists just queued up. And the older people who know how bad socialism is, well, they're dying off. So we're losing this game.

And so with that in mind, where are the socialists going to get all the money to provide all this free stuff? They're not going to get it by taxing the rich. Yeah, they'll tax the rich, all right, but they're not going to raise anywhere near what they think. And of course, a lot of the people who are rich now won't be so rich after a few years of socialist control. We'll destroy the wealth before we have a chance to tax it. But so the money is going to come from the Federal Reserve. It's going to be printed into existence. All of this free stuff, free education, free health care, government-guaranteed high-paying jobs for everybody, it's all going to come from the printing press. It's all going to be financed by inflation. So people are going to get wiped out if they don't do the right thing.

And that's what we're doing at Euro Pacific Capital. We're cognizant of the risks that mainstream investment firms are completely oblivious to. They were oblivious to these risks leading up to the financial crisis. They got saved by the Fed, but they still don't understand what happened in '08, and they don't understand what's going to happen. The difference is the next time the Fed's not going to be able to save them or their clients. So you've got to do the right thing now. You've got to have the right type of investments. You've got to own stocks in the right industries, in the right countries. You have to own the right currencies. You have to be in gold and gold stocks, but you have to be in the right gold stocks, not the wrong ones. There's a lot of stocks there that could go to zero, even if gold goes to 10,000 if you buy a mine that has no gold.

So we understand the way to create a portfolio, given what I think is going to happen. And by the way, gold stocks beat the S&P last year. They beat the S&P for the last four years. I think this is just the beginning of a huge bull market in that sector. So people need to have exposure to that.

So people should be working with my firm. I don't think there's any other firm really out there that has my perspective and that manages money based on this outlook, this scenario. I mean, everybody else is just participating in the bubble. They don't realize it's a bubble, which is the most dangerous part about it, because they'll never get out. They'll never know when it's popped, because if you don't know you're in a bubble, you don't know that there's a pin, so when it starts to come down, you just think it's an opportunity to buy more. But we are very unique, and so if you share my concerns, this is where you need to have your account.

So you go to Europe Pacific Capital, EuroPac.com is our website, and if you want to get some physical gold, you can buy gold from me at SchiffGold.com. But that's what you need. You need a good portfolio of foreign assets, foreign stocks, collect dividends in foreign currencies, and own some physical gold.

**WOODS:** And the website, by the way, is?

**SCHIFF:** EuroPac.com for the broker dealer, EuroPac.com. And also my mutual funds, you can read about them on EuroPacificFunds.com, and you can actually, if you do have just \$2,500 to invest, you can actually buy my mutual funds directly at my website. You don't even have to open up an account at Schwab or Fidelity. You can buy it directly just filling out the online application at EuroPacificFunds.com. So you could do that as well. And then Schiff Gold for gold, just SchiffGold.com.

**WOODS:** Okay, okay, good. So I'll have all those links up at TomWoods.com/1590. All right, thanks, Peter. Who knows? I may knock on your door and surprise you one of these days. I appreciate your time.

**SCHIFF:** Well, just give me a call first. Don't just show up.

**WOODS:** [laughing] Okay, thanks a lot.