



Written by [Thomas R. Eddlem](#) on July 7, 2009

VP Biden: “We misread the economy” and other lies

Stephanopoulos: While we’ve been here, some pretty grim job numbers back at home — 9.5 percent unemployment in June, the worst numbers in 26 years. How do you explain that? Because when the president and you all were selling the stimulus package, you predicted at the beginning that, to get this package in place, unemployment will peak at about 8 percent. So, either you misread the economy, or the stimulus package is too slow and too small.



Biden: The truth is, we and everyone else misread the economy.

Of course, if you eliminate the “and everyone else” from that sentence, he’s simply stating the painfully obvious. The only appropriate response to such a sentence is a sarcastic: *DUHH!!!*

The “and everyone else” part is the big, well-rehearsed lie. There were plenty of people who predicted a severe recession well in advance of Obama’s bad predictions. Representative Ron Paul [predicted](#) the housing bubble would result in a crash, [writing](#) in 2002 that “like all artificially-created bubbles, the boom in housing prices cannot last forever.... Perhaps the Federal Reserve can stave off the day of reckoning by purchasing GSE debt and pumping liquidity into the housing market, but this cannot hold off the inevitable drop in the housing market forever. In fact, postponing the necessary but painful market corrections will only deepen the inevitable fall. The more people invested in the market, the greater the effects across the economy when the bubble bursts.”

Peter Schiff, the economic adviser for Rep. Paul’s presidential campaign, predicted the crash and the severity of the crash years in advance in a series of television interviews that today are compiled into a series of [“Peter Schiff was right” videos on YouTube](#) that have garnered millions of views. (Perhaps Biden is unfamiliar with YouTube?) Legendary investor Jim Rogers [predicted in January 2008](#): “We are probably going to have one of the worst recessions we’ve had since the Second World War. It’s not a good scene.”

But under the Washington idea of “everyone,” people who follow the U.S. Constitution and understand the [Austrian school of economics](#) don’t count. The reality is that [dozens of Austrian school economists](#) (as well as [a few from other economic schools](#)) [predicted](#) the recession with astonishing precision, but according to the Washington view, only people who follow [the erroneous philosophy of John Maynard Keynes](#) count.

Obama’s economic advisers predicted back in February that Americans would experience no more than eight percent unemployment with passage of the “stimulus” and up to nine percent unemployment without it. The rate is [currently 9.5 percent](#) and climbing five months after passage of the stimulus bill. Biden [tried to justify](#) the Obama administration’s awful economic prognoses as simply working off “consensus” figures:



Written by [Thomas R. Eddlem](#) on July 7, 2009

The figures we worked off of in January were the consensus figures and most of the blue chip indexes out there.... And so the truth is, there was a misreading of just how bad an economy we inherited.

But the Obama-Biden ticket is [still following](#) the prescription filled out by the economic witch-doctors who didn't know what they were talking about five months ago, and they're still ignoring the free-market economists who were right all along:

Biden: "So the second question becomes, did the economic package we put in place, including the Recovery Act, is it the right package given the circumstances we're in? And we believe it is the right package given the circumstances we're in. We misread how bad the economy was, but we are now only about 120 days into the recovery package. The truth of the matter was, no one anticipated, no one expected that that recovery package would in fact be in a position at this point of having to distribute the bulk of money."

Stephanopoulos: "No, but a lot of people were saying that you needed to do something bigger and bolder then, including the economist Paul Krugman. He's saying — right now he's saying the same thing again — don't wait. You need a second stimulus, you need it now."

Biden: "Look, what we have to do now is we have to properly, adequately, transparently and effectively spend out the \$787 billion. "

Biden also [added in another falsehood](#) in the July 5 interview on ABC-TV's *This Week*, stressing that "We've given a tax cut to 95 percent of the people who get a pay stub. They have somewhere — \$60 bucks a month out there that's going into the economy." That's only true if the "people" are non-smokers. Smokers have seen [a huge tax increase](#). Moreover, the Obama administration has heavily pushed a huge [\\$840 billion tax increase bill under the "cap-and-trade" legislation](#) that is before the U.S. Senate right now. Additionally, the Obama administration is [said to be considering proposals for a tax increase](#) to pay for its healthcare program.

Barack Obama [promised no new taxes on 95 percent of Americans](#) when he was campaigning for office last year, and within a month of attaining office delivered [a tax increase on many Americans](#). So perhaps it is not surprising to see Vice President Biden tell George Stephanopoulos that "we and everyone else misread the economy." When truth doesn't matter on one issue, why should it matter on others?



Subscribe to the New American

Get exclusive digital access to the most informative,
non-partisan truthful news source for patriotic Americans!

Discover a refreshing blend of time-honored values, principles and insightful perspectives within the pages of "The New American" magazine. Delve into a world where tradition is the foundation, and exploration knows no bounds.

From politics and finance to foreign affairs, environment, culture, and technology, we bring you an unparalleled array of topics that matter most.



Subscribe

What's Included?

- 24 Issues Per Year
- Optional Print Edition
- Digital Edition Access
- Exclusive Subscriber Content
- Audio provided for all articles
- Unlimited access to past issues
- Coming Soon! Ad FREE
- 60-Day money back guarantee!
- Cancel anytime.