



Written by [Raven Clabough](#) on November 1, 2011

Financial Expert Peter Schiff Takes On Wall Street Protesters

One of the many goals of the Occupy Wall Street orchestrators has clearly been to paint America's richest one percent of the population as the antagonists to the country's prosperity and to the lower and middle classes. Coming to the defense of the top one percent, however, is financial expert Peter Schiff (left), CEO and chief global strategist of Euro Pacific Capital Inc. and former economic adviser to GOP presidential contender Ron Paul.



Schiff visited the Occupy Wall Street demonstrations last Friday in lower Manhattan holding a sign that read, I am the 1%. Lets talk, and brought along a film crew to video his encounters. His purpose, he said, was to motivate these protesters and try to educate them about what caused the financial crisis. He explained that he believes that their anger is justified, but broadly misdirected. Its not capitalism that has failed them, emphasized Schiff, "its socialism, its corporatism, crony capitalism, its fascism. Thats the problem. Capitalism is the solution, if we can only fully embrace it.

The [video footage](#) effectively reveals what happens when the so-called 99% are confronted with legitimate questions regarding their philosophies.

As noted by Schiff, the protesters immediately became defensive when he asked them how much of his own hard-earned money he should be permitted to keep. They shouted that the federal government should eliminate the Bush tax cuts, prompting Schiff to respond, I am giving the government half of what I earn. You think they should take more? [If they get rid of the Bush tax cuts] Ill be paying more than 50 percent in taxes.

The protesters continued to assert that increasing taxes on the wealthy would help to raise the necessary revenue for the federal government.

In the video, Schiff tells the crowd:

Thats why I have trouble sympathizing with people calling themselves the "99%," implying they stand in opposition to wealth no matter how its earned. I own a brokerage firm, but I didnt receive any bailout money. In fact, I have to work twice as hard to compete with bigger financial firms that are propped up by the U.S. government. The least I deserve is the ability to keep what I earn.



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However, once Schiff was able to get to the issues with the demonstrators, he discovered that they fell into two categories: those who generally understood and agreed that Washington caused this mess, and those who could only recite Marxist talking points.

Those espousing solely Marxist philosophies who Schiff explain were motivated by the radical Marxist leadership of the OWS movement were easily angered when he pointed out their hypocritical or contradictory positions. .

Schiff engaged in a particularly heated debate with one Marxist protester who employed some typical leftist debate tactics: speaking louder than his opponent, calling upon talking points irrelevant to the debate at hand, and ultimately resorting to name-calling when all else fails.

The protester then demanded if Schiff believed that the Department of Education, the Federal Drug Administration, Department of Energy, and the Environmental Protection Agency should all be dismantled, to which Schiff responded in the affirmative. The protester then retorted, What Ive learned over the years is to never argue with a fool.

Schiff immediately riposted, So Im foolish, huh? I just stumbled into all of my wealth, I run all of these businesses, and I am a fool.

Schiff revealed the truth about one of the leftist protesters' heroes President Franklin D. Roosevelt advising them that it was FDRs actions in the 1930s which helped cause the Great Depression. He then declared, [FDR] was the Barack Obama of his day.

Schiff contended that a large portion of his OWS audience continue to believe in capitalism, but are just tired of being screwed over by crony capitalism. Unfortunately, he told them, they do not recognize the true culprits of crony capitalism, choosing instead to target the Wall Street banks.

He told the crowd:

Wall Street drank the alcohol that the Federal Reserve poured. If there was no Fed pouring the alcohol, if Fannie and Freddie werent guaranteeing all these mortgages, Wall Street wouldnt have originated them. So it was Wall Street working with government, but the source of the problem was the government. Government started it. Thats how come when I was warning about the crisis back in 2004-2005, begging the Fed to raise interest rates, trying to get Fannie and Freddie out of the mortgage guarantee business, nobody wanted to listen to me.

He also educated protesters on the necessity for capital to drive the economy, not greater government intervention or regulations:

If you go back to the 1950s, for example, America paid the highest wages in the world, much higher than we do today, yet we produced the cheapest stuff. Our products cost less than products produced anywhere else in the world, and so we sold them all around the world.

How could we pay the highest wages, but produce the lowest-cost stuff? It was because we had more capital because we had lower taxes and fewer regulations.

Schiff ultimately told protesters that though he understands their sentiments, they should, instead of protesting the activities of Wall Street, be marching on Washington and the Federal Reserve to demand your freedom back.

[Writing](#) of his encounters with the Wall Street protesters, Schiff issued a challenge and ended on an encouraging note:



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Im calling for these protesters to educate themselves on the causes of the current financial decline and not to waste their time attacking the wrong target. They have every right to be angry, but also an obligation to be part of the solution. Yes, I am the 1% but Ive earned every penny. Instead of trying to take my wealth away, I hope they learn from my example.



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