

September 13, 2012

Washington, DC - In response to today's announcement from the Federal Reserve, Congressman Ron Paul issues the following statement:

"No one is surprised by the Fed's action today to inject even more money into the economy through additional asset purchases. The Fed's only solution for every problem is to print more money and provide more liquidity. Mr. Bernanke and Fed governors appear not to understand that our current economic malaise resulted directly because of the excessive credit the Fed already pumped into the system.

"For all of its vaunted policy tools, the Fed now finds itself repeating the same basic action over and over in an attempt to prime the economy with more debt and credit. But this latest decision to provide more quantitative easing will only prolong our economic stagnation, corrupt market signals, and encourage even more misallocation and malinvestment of resources. Rather than stimulating a real recovery by focusing on a strong dollar and market interest rates, the Fed's announcement today shows a disastrous detachment from reality on the part of our central bank. Any further quantitative easing from the Fed, in whatever form, will only make our next economic crash that much more serious."