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Peter Schiff Dismisses Bitcoin Supply as Irrelevant

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Economist and gold advocate Peter Schiff argues that Bitcoin's limited supply is not what gives it value. Instead, he says real-world use and demand are the true indicators of worth.

Peter Schiff, a well-known economist and vocal cryptocurrency skeptic, is once again challenging one of Bitcoin's most widely promoted features: its limited supply. While many Bitcoin supporters argue that its capped supply of 21 million coins makes it valuable, Schiff

believes this viewpoint misses a key point: real-world demand and utility matter more than scarcity alone.

In a recent statement, Schiff said that Bitcoin's supply is "meaningless" without actual value being created through use or need. He explained that scarcity alone doesn't create value—it must meet real-world demand. It has to be something people want and use in the real economy."

Schiff, who is the chief economist and global strategist at Euro Pacific Asset Management, compared Bitcoin to gold, which has both industrial uses and a long history as a store of value. In contrast, he argued that Bitcoin lacks tangible applications and relies too heavily on speculative demand and investor belief.

His comments come at a time when Bitcoin continues to hold strong market presence, especially after recent gains and mainstream attention. However, Schiff warns that price alone does not confirm value. "People are not buying Bitcoin to use it. They're buying it because they think someone else will buy it at a higher price," he said. According to him, this makes Bitcoin more of a speculative asset than a true currency or store of value.

Supporters of Bitcoin often cite its fixed supply as a key advantage over fiat currencies, which can be printed in unlimited quantities. However, Schiff counters that even rare or limited-supply items need actual utility or demand to justify long-term value. "If nobody wants what's rare, then it doesn't matter how rare it is," he noted.

This argument challenges the core of Bitcoin's value proposition and sparks an important discussion about what truly drives long-term worth in financial assets. Schiff has long warned that Bitcoin's rise is a bubble fueled by hype and momentum rather than solid fundamentals.

Despite his criticisms, Schiff's views remain controversial within the crypto community, which largely continues to support Bitcoin's scarcity model. Yet, his remarks serve as a reminder that value is not created by supply limits alone; it also depends on widespread adoption and real economic function. As cryptocurrency markets mature, questions like these are becoming increasingly important. Whether one agrees with Schiff or not, the conversation about what really gives an asset value is far from over.