

# Michael Snyder: Is the US Economy on the Brink of Yet Another Recession?

Memories of the very painful [recession of 2020](#) are still quite fresh, and now we are being warned to brace ourselves for the possibility of yet another recession in 2022. Unfortunately, a lot of things are going wrong, all at the same time. The Federal Reserve and other global central banks are likely to continue to raise interest rates in an attempt to bring inflation down, a major war has erupted on the other side of the globe, and we are simultaneously facing an epic global energy crisis and [an epic global food crisis](#). The Biden administration had been promising us that better days were ahead, but instead it appears that a tremendous amount of economic trouble is on the horizon.

If you don't want to take my word for it, perhaps you will believe [Moody's Analytics chief economist, Mark Zandi](#): "The risks of recession have risen quite considerably. ... With Russia invading Ukraine, the spike in oil and other commodity prices, inflation expectations have taken off here and the Federal Reserve, as we could see from [Jerome] Powell's speech yesterday is now on high alert."

That certainly doesn't sound good.

And legendary investor Carl Icahn just told CNBC that he believes that what we are heading into could be ["a recession or even worse"](#):

*Famed investor Carl Icahn said Tuesday an economic downturn could be on the horizon and he is loaded on protection against a steep sell-off in the market.*

*"I think there could very well could be a recession or even*

worse," Icahn said on CNBC's Closing Bell Overtime to Scott Wapner. "I have kept everything hedged for the last few years. We have a strong hedge on against the long positions and we try to be activist to get that edge ... I am negative as you can hear. Short term I don't even predict."

The Federal Reserve flooded the system with trillions of fresh dollars to help pull us out of the last recession, and that is one of the factors that has created a tsunami of inflation.

Now the Fed is under pressure to get inflation under control, but at the same time the U.S. economy is slowing down once again. CNBC's Jim Cramer is convinced that Fed chief Jerome Powell has been ["dealt an insanely bad hand"](#):

*"Powell's been dealt an insanely bad hand. So of course he's fallen behind. Hence why he's said that the Fed will move with alacrity from here on out," the Mad Money host said. "So feel free to blame him for not seeing what was coming. If he has to do a [50 basis-point interest rate hike], he will."*

*"Never forget that Powell's been asked to do the impossible here: Figure out how fast to raise interest rates when so many things should be slowing the economy and cooling inflation naturally, yet nothing has worked out the way we expected," he added.*

Perhaps Powell is holding a bad hand. But to a very large degree, it is a hand of his own making.

The Fed has gone absolutely nuts over the past two years, and now we are feeling the consequences on a daily basis. For example, on Tuesday the average price of a gallon of gasoline in Los Angeles [crossed the \\$6 threshold](#): "Los Angeles on Tuesday became the first major city in the U.S. to reach an average gas price of \$6 or more."

As the price of gasoline shoots higher, criminals are

increasingly drilling into gas tanks in order to steal fuel. Here is an example from Ohio that I came across [earlier today](#):

*The site user wrote: "My friend went to get into his work truck this morning and found that someone drilled a hole in the gas tank and stole all of his gas."*

*Commenters suggested that the thieves drilled the plastic tank because he had a tamper-proof fuel cap.*

*The man could be left with a bill of \$2000 to \$4000 to replace the tank.*

The price of food continues to surge higher as well. Fertilizer prices [have doubled, tripled or even quadrupled in price](#), and this is pushing food prices up to stunning levels all over the planet.

But the good news is that the elite are alarmed by what is happening, and they want us to know that they are here to help. In fact, an economics professor affiliated with the World Economic Forum [has some practical advice for you](#):

*To deal with gas prices, it's worth reconsidering public transportation if it's an option where you live. Fares are up about 8% compared with 38% for gasoline. Now may even be the time to sell your car. It certainly isn't the time to buy a new or used one. Prices have stabilized a bit, but used-car prices are still up more than 40% from a year ago, and new ones are up 12%.*

*When it comes to food, don't be afraid to explore. Prices for animal-based food products will certainly increase. Ukraine and Russia supply a significant amount of corn and barley to the world market, mainly to feed livestock for human food. Meat prices have increased about 14% from February 2021 and will go up even more. Though your palate may not be used to it, tasty meat substitutes include vegetables (where prices*

*are up a little over 4%, or lentils and beans, which are up about 9%). Plan to cut out the middle creature and consume plants directly. It's a more efficient, healthier and cheaper way to get calories.*

You don't really need a car, do you?

And you don't really need to eat meat, do you?

Of course the elite have no plans to alter their lifestyles. They just want people like you and me to adjust how we live.

Unfortunately, many Americans will soon be forced to make major changes because [we are moving into very rough times](#).

We will be quite fortunate if a "recession" is all that we have to deal with for the rest of 2022, because it certainly wouldn't take too much to push us into a full-blown depression.

Things are going haywire all around us, and each new day seems to bring even more bad news. We truly are in a "perfect storm", but most Americans still do not fully understand what is happening. {eoa}

**Michael Snyder's** new book [7 Year Apocalypse](#) is now available. During this season, Snyder would like to encourage you to send [digital copies of his book](#) to your family and friends as gifts. That will help to support the work that he is doing and it will help to multiply the impact of the book. In addition to his new book, he has written five other books that are available. He has published thousands of articles on [The Economic Collapse Blog](#), [End of the American Dream](#) and [The Most Important News](#), and the articles that he publishes on those sites are republished on dozens of other prominent websites all over the globe.

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