



Written by [Bob Adelman](#) on September 3, 2021

Social Security a “Shell Game, There Is No Money in the Trust Funds” Says Head of Accounting Think Tank

Sheila Weinberg, the founder of the non-partisan think tank Truth in Accounting (TIA), spoke the truth. [In an interview with the Epoch Times on Thursday](#) she said, “Our bottom line is the [Social Security] trust funds are all a shell game; there is no money in the trust funds.”

What resides in those trust funds for Social Security and Medicare are debt securities. The “premiums” workers have been paying in are immediately spent to fund the government, but to keep the scam from blowing up, the Treasury Department issues IOUs to the Social Security Administration — promises to redeem them at some undetermined time in the future.

These are not assets. They are liabilities.

Weinberg, who founded Truth in Accounting (TIA) 20 years ago, explains that “the federal debt [estimated currently at \$28 trillion] only tells us what the government owes the public. It doesn’t take into account what’s owed to seniors, veterans and retired [government] employees.”

According to TIA, the real federal deficit exceeds \$133 trillion, reflecting the unfunded and unaccounted shortfalls of \$41 trillion in Social Security promises and \$55 trillion in unfunded Medicare promises. The balance includes publicly held debt, pension and retiree healthcare liabilities, and other liabilities.

[The report from the Board of Trustees of the trust funds](#) collecting and paying out Social Security and Medicare benefits that was released on Tuesday said that, thanks to COVID and the related economic shutdown, those funds will be exhausted sooner than expected. But they were hopeful that Congress would come to the rescue by “increasing revenue from workers and employers ... and lowering benefits for some or all beneficiaries.”

U.S. Senator Mike Crapo (R-Idaho), ranking member of the Senate Finance Committee, said that report “once again identifies unsustainable benefit promises.... The Hospital Insurance trust fund is projected to be exhausted around 2026.”

But there’s little chance, says Crapo, of Congress taking up the issue:

While bipartisan efforts are necessary to make needed changes to address Medicare and Social Security’s long-term financial challenges, most Democrats want only to expand benefit promises further.

These welfare-state programs cannot be fixed. They can be kept from failing, but fundamentally they



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are flawed. In 1997, Congress, at the last minute, rescued them from extinction by making some surface changes: raising taxes and delaying the payment of benefits. "Since then," said Heritage Foundation Senior Fellow Doug Badger, "there has been very little interest among leaders of either party in entitlement reform. Until that changes, politicians will continue to promise benefits that the government can't deliver."

At bottom, the scheme is a tool of the devil, [wrote Michael Rozeff](#):

When we call upon the state and its power to do what we should be doing, we unleash destructive forces that wreck society....

Abandoning responsibility in favor of the state uncorks a bottle with an evil genie: the power and domination genie.

Call it a devil or Satan ... because that is what it is.

Indeed, the concept of government-funded social security violates both the Eighth and the 10th Commandments: 8) Thou Shalt Not Steal; and 10) Thou Shalt Not Covet. As Gary North noted in his book *Inherit the Earth*, "The [Eighth Commandment] doesn't say 'You shall not steal, except by majority rule.'"

Rozeff claims that Social Security is not only fundamentally dishonest (like a Ponzi Scheme that pays benefits to one generation with funds extracted from an earlier one), but it also forces individuals to lose some of their essential humanity:

If we ask Congress to extract 15 percent of everyone's pay and transfer it to people over a certain age, we abandon all of this which is so essentially human.

We abandon all good sense, which includes the exercise of our moral senses of worth and judgment....

This is what Social Security is: both irresponsible and inhumane. It is a program by which we abandon central human capacities and resort to brute force and arbitrary rules as substitutes.

Social Security cannot be "fixed." Its ultimate demise can be delayed, usually at the last possible moment by an act of Congress, but its fundamental flaw — taking money from some who earned it and giving it to others who didn't — remains.



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