



Written by [Bob Adelman](#) on August 25, 2010

Obama Needs Your 401(k) to Balance His Budget

The Obama administration is “taking the first steps to confiscate retirement dollars,” according to Dr. Jerome Corsi who predicts that the end result will be retirees with 401(k) plans holding near-worthless government debt “that will be paid off in a devalued currency worth ... pennies on the dollar.”



The move to confiscate those retirement dollars for government purposes was best illustrated by Christina Kirchner, President of Argentina, in 2008 when she announced plans to seize her citizens’ private pension funds. Writers at the Heritage Foundation said that while Kirchner claimed such seizure was necessary to protect her citizens’ investment accounts from the global meltdown, “most observers believe[d] her real motive [was] to use the \$30 billion in seized assets to ease the massive debt obligations her leftist spendthrift government [had] run up.” The *Wall Street Journal* [agreed](#), saying that “taking over the ... pension fund assets [would] ease the cash crunch faced by [her] government.”

Corsi said he has a letter from the Treasury Department, Bureau of Public Debt, informing U.S. citizens that the federal government is rolling out a new program called “Treasury Direct” that will allow citizens “to purchase, manage, and redeem...savings bonds” electronically, as well as offering an option to purchase such bonds automatically through payroll savings or a personal checking account. This happened to coincide nicely, according to Corsi, with a bill offered by Senator John Kerry (D-Mass.) to create “Automatic IRAs” that would require all employers and employees to invest in IRAs using that automatic deduction option, “whether they want to do so or not.”

And this happened to coincide also with a program being pushed by the Service Employees International Union (SEIU) called “[Retirement USA](#)” which would create a government-forced retirement program with assets being directed into special Treasury Retirement Bonds, or R-Bonds. “Retirement USA” is promoting the idea that all workers have a “right” to a government retirement account, in addition to Social Security and any private pension plans those workers already have in place. Others behind “Retirement USA” also support more government dependency for workers, including the AFL-CIO, the Economic Policy Institute, the National Committee to Preserve Social Security and Medicare and the Pension Rights Center.

All of this is being promoted by the idea that individual citizens aren’t saving enough for their



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retirement, and that consequently government has to “do something.” Rep. Jim McDermott (D-Wash., above photo), Chairman of the House Ways and Means Committee’ Subcommittee on Income Security and Family Support, is confused about whose money is in those 401(k) plans: the individual contributor, or the government. He said that “since the savings rate isn’t going up for the investment [Congress is making] of \$80 billion [in 401(k) tax savings], we have to start to think about whether or not we want to continue to invest that \$80 billion for a policy that’s not generating what we now say it should.”

The world view of Rep. McDermott is revealing, and brings clarity to the point of view of many in the Washington establishment that the \$4.5 trillion currently invested in 401(k) plans and other private pension plans that enjoy tax breaks actually belong to the government, and that when Congress loses \$80 billion that would otherwise flow to Washington due to those tax breaks, it’s an “investment” that must “generate what we say it should”, or else it must be replaced with something else that works better.

The real “story behind the story” was revealed by Joe Wolverton [here](#) when he said,

...since the day of his inauguration, Barack Obama and his congressional co-conspirators have consistently and unapologetically set out to systematically nationalize the economy of the United States: first the banks; then the insurance companies; then the auto industry; then healthcare; and now the piece de resistance, the private savings accounts of millions of middle-class Americans.

But, thanks to the SEIU and their program “Retirement USA,” it’s all dressed up to look like a good deal for unsuspecting owners of retirement plans. In “[Making the Case for a New System](#)” they take the view that “A secure retirement is part of the American dream. Yet our retirement system is failing many Americans. Social Security is the cornerstone of our system, but as currently structured, is not meant to be our only retirement program. Pensions and savings plans are supposed to fill the gap, but too many workers don’t have plans, and too many plans don’t do the job.” They complain that:

Private retirement plan coverage is not UNIVERSAL...

For millions of Americans, private retirement benefits are not SECURE...

And Private retirement benefits are not ADEQUATE...

And, continues “Retirement USA”’s website, “Social Security must be preserved and strengthened... [and] we must encourage employers to offer and maintain them.”[emphasis added]

Underlying all of this is, of course, the statist presumption that government knows best what’s good for the citizens, and when the citizens’ behavior fails to meet government expectations, then mandates and force must be used to do for those citizens what the government thinks is best.

And the fact that Washington is looking at annual trillion-dollar deficits “for as far as the eye can see,” that \$4.5 trillion of private monies is just too tempting to ignore.

Photo: House Speaker Nancy Pelosi (hand visible) with Rep. Jim McDermott during a news conference at Swedish Medical Center, Nov. 9, 2009, in Seattle: AP Images



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