

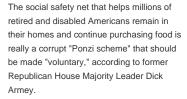
Dick Armey calls Social Security 'corrupt', a 'pay-as-you-go Ponzi scheme'

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By Stephen C. Webster Monday, September 20th, 2010 -- 7:02 pm 📧 reddit this! 💿 Stumble This!

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Armey, who chairs FreedomWorks -- one of

the political organizations responsible for bringing a greater Republican identification to the original, Ron Paul-supporting tea party groups -- made the comments during a roundtable at the Right Nation 2010 convention in Chicago.

His attack on Social Security is unsurprising, as Armey and other Republican figures have for years led a charge to privatize or otherwise eliminate the generations-old safety net. Though Armey has long insisted that government programs be made voluntary, analysis from the Center for American Progress shows that if Americans were given the choice to opt out of Social Security, it would collapse the system.

"These programs need younger, working people to contribute to them, so letting millions of people opt-out would likely yank retirement benefits from older Americans who paid into the system on the promise that they would be taken care of upon retirement," they noted.

"Moreover, wealthy people who can afford their own retirement plans would likely opt-out, slashing revenues and leaving less-affluent Americans stuck in underfunded or totally insolvent programs. And as former Vermont Governor Howard Dean [...] pointed out, some people who opt-ed out on the expectation that they would make enough money to support themselves in their old age would inevitably be unable to do so, leaving the country with a 'moral obligation' to care for them, but with no means of doing so."

Story continues below...





"The government uses the concept of a trust fund to take your money under false pretenses," Armey told a gathering of bloggers in Chicago. "For years, I wrote about and talked about and taught about what I call 'corrupt government practices,' because they're always so quick to talk about corruption. One of the corrupt government practices is stealing your money under false pretenses.

"I'll give you a to wit: Social Security. When they had the Alan Greenspan commission, they knowingly raised payroll taxes more than what was necessary to meet the flow of output. Social Security is a pay-as-you-go Ponzi scheme. They knew very well that the extra \$250 billion would be spent on their social schemes."



Privatizing or fundamentally changing Social Security has been at the core of the Republicans' agenda for years, since they tried and failed to roll the safety net into Wall Street-connected personal retirement savings accounts during the George W. Bush administration.

In the South American nation of Chile, when the USbacked miltiary dictator Augusto Pinochet removed his nation's Social Security-like system at the prompting of labor minister Jose Piñera, the economy suffered greatly. Pinochet's policies were largely influenced by famed US economist Milton Freedman, who advocated an extremist view of privatization of nearly all resources, and an

elimination of government interference in private markets.

"The [World Bank] found that exorbitant fees and other costs charged by private pension fund managers eat up as much as 15 percent of the contributions made by average Chilean workers, and even more for poorer workers," *Mother Jones* noted in 2005. "Investment returns have been far more modest than the hefty 11 percent return claimed by the private managers. The Chilean government's pension superintendent says actual returns for someone earning Chile's minimum wage were only 3.7 percent between 1994 and 2000."

Pinochet's labor minister, who left Chile to work for the conservative-leaning CATO Institute, went on to be credited as the man who influenced President Bush to side with efforts to privatize America's safety net.

Despite many Republicans claiming there are none among their ranks who wish to demolish the otherwise very popular program, Armey's latest resurgence once again highlights the underlying support for a radical right-wing agenda.

"One of the worst ideas is privatization," Sen. Bernie Sanders (I-VT) opined in a recent op-ed. "After the greed and recklessness of Wall Street caused markets to collapse in 2008, does anyone still seriously believe it would be a good idea to turn the retirement security of millions of Americans over to Wall Street CEOs whose dishonesty and irresponsibility have no end?

"Their administrative fees alone would take a 15 percent bite out of workers' retirement investments, not to mention the real threat of another stock market collapse. In sharp contrast, administrative costs for Social Security are less than 1 percent of the program's budget."

"Most importantly," he emphasized, "despite economic conditions and the ups and downs of the stock market, Social Security has never failed to pay full benefits to every eligible beneficiary."

A recent *Wall Street Journal* poll [PDF link] found that two-thirds of US respondents were uncomfortable with candidates who supported privatization of Social Security.

Other Republicans who've spoken out for the demolition of Social Security include Sen. Jim DeMint (R-SC), Rep. Paul Ryan (R-WI) and Rep. Michele Bachmann (R-MN). GOP candidates who've supported similar plans include Senate hopefuls Joe Miller, Rand Paul, Ron Johnson, Sharron Angle and Pat Toomey.

By contrast, more than 50 Democrats in the House have added their names to a letter



demanding President Obama resist calls to privatize or otherwise cut "the best social safety net program America ever created."

After this year's elections, an Obama-appointed "federal deficit commission," led by Morgan Stanley board member Erskine Bowles, is widely expected to recommend the government cut or privatize Social Security. One of the commission's members, former Sen. Alan Simpson (R-WY), attracted controversy in late August when he called Social Security "a milk cow with 310 million tits."

This video is from Think Progress, published Sept. 20, 2010.



Updated from an original version.



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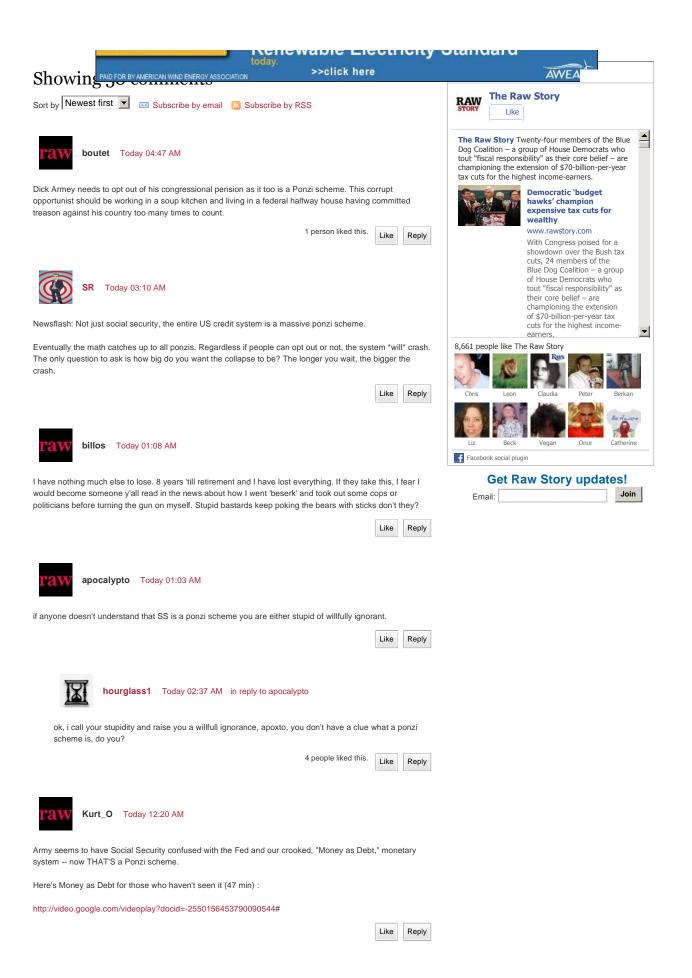


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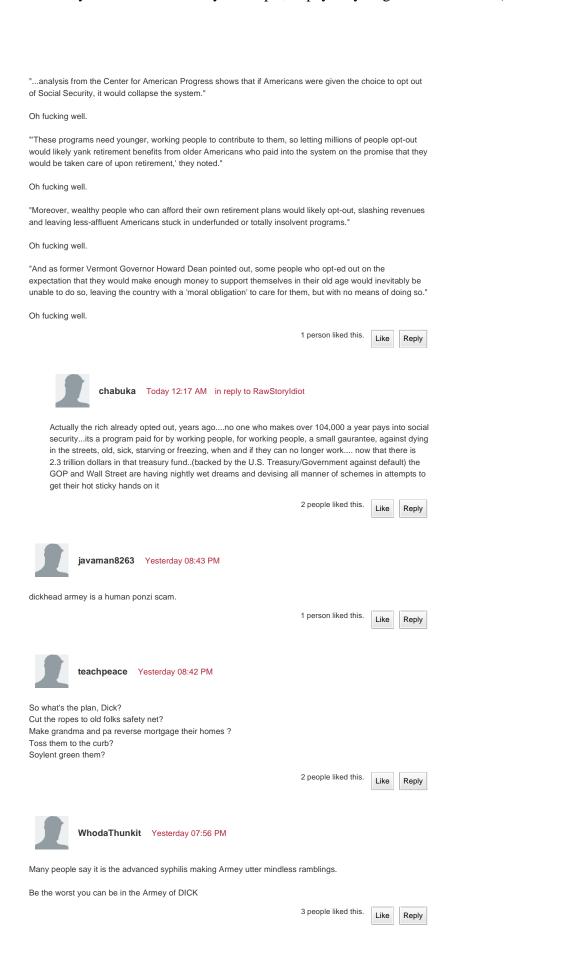
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5	RawStory	diot	Yesterday	08:52 PN	1						





Social Security is NOT in trouble, despite the lies that wingnuts like Dick Armey are peddling. In the face of Obama's deficit reduction commission that is looking for any excuse to cut Social Security, we wrote a piece that slayed three of the most prominent right-wing, zombie lies about Social Security and its solvency.

http://thedonkeyedge.com/2010/07/17/taking-care-of-the-lesser-people/

We must all amplify the fact that the powers that be in Washington want to cut Social Security to preserve tax cuts for the wealthy. Simply put, they built the almost \$2.5 trillion dollar surplus solely on the backs of the working and middle class, and now they want to take it away from us. We cannot let them use fearmongering and right-wing memes (so-called Ponzi Schemes) to fool the public into allowing yet another successful government program be destroyed.

1 person liked this.	Like	Reply
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Armey is about and sick and evil as they come. Anytime people get together and try to help each other through the instrument of government, the reich-wing scrooges and their flying monkey stooges call it babysitting, or ponzi's, or taking away their freedom, or whatever. They are simply very hateful, selfish, shallow, treacherous, dishonorable liars.

The reich-wing have always hated social security. Always. Just like they hate medicare. Reagan called it 'socialized medicine'. If this country is saved from oblivion it will be in spite of anyone who calls themselves a republican or libertarian.

Like Reply



chrisinva Yesterday 06:52 PM

This is old news - at least 70 years old. The liberals in Congress, of both parties, have taken all the money received in social security taxes and spent it. They send an IOU to a desk drawer of a bureaucrat in West Virginia. They call it "securities," but it is just an IOU, because the money's gone.

Where did the money come from? Workers. Where did it go? Pet projects of Congress and the White House -- both parties.

How do they do it? Print money. Why does college today cost \$100-200,000, when it cost \$1000 in 1950? That's inflation. And it robs us while it feathers the nest of corrupt pols of both parties and their favorite targets of munificence -- defense/security companies, banksters, union leaders who rob their rank-and-file members, foreign tyrants ("foreign aid"), ethanol manufacturers and the sugar industry, public employee pensions forever --- all their pets prosper wile we pay.

Time to shut the water off and let us keep whatever we can make in this dismal economy!!!!





lucky_2 Yesterday 07:45 PM in reply to chrisinva

1. The money is not gone. Social Security is on fairly good footing. To claim otherwise is another filthy reich-wing lie.

2. The money has largely gone not to some stupid project, but 2 places: MIC and Wall St, as you mention, but not to 'union leaders' Unions gave us the weekend. The fact that we have <10% union workers is part of the problem. To claim other wise is just like Reagan telling us government is the problem, so we would blame it, and give up our power over it. The trick is to get involved, not to give up.

3. It's time to shut off the corporate and elites from the money spigit, and get back the all the money they stole through new taxes and government regulation. Let them move to Dubai. Bring back 91% tax rates on the wealthy (Eisenhower levels). There's your 1950s. Back then we got 40% of government tax

revenue from	corporations, now	/ we get nothing.					
4. The answe	er is to get our mon	ney back and start spe	ending it on the middle class with ring the reich-wing lies of trickle-o				
	RAL policies of FD vebs of lies from th	•	nings right, but like most America	ans you're still			
			5 people liked this	Like Reply			
1	Genessender	Yesterday 07:19 PM	in reply to chrisinva				
while the gove I know the wir	ernment is printing ngnuts aren't happ	g money, it's still colled by unless someone els	e of the safest investments on the sting taxes to pay off those secur se is unhappy, but it's going to ta doubt the wingnuts will ramp up	ities. ke a lot more			
			3 people liked this	Like Reply			
5	chrisinva	Yesterday 07:28 PM	in reply to Genessender				
	, 0		rrity Trust Fund" has led to a thirt debt plus untold trillions in futu				
			ders in Congress are dumping th ogans, pleasantries, and mindles				
Have you looked at **their** retirement plans lately? And at those of Federal employees? Did you notice that SS recipients didn't even get a COLA this year,but federal employees did?							
Get off the partisan bandwagon and look at the truth - both parties have robbed us blind.							
				Like Reply			
	franta	ylor Yesterday 09:	51 PM in reply to chrisinva				
	Did you notice that	SS recipients didn't e	ven get a COLA this year,but fed	eral employees			
Sc	o SS holds its cost	s and you are COMP	LAINING about it!				
Yo	our argument is co	mpletely incoherent.					
			1 person liked this	Like Reply			
	yvonn	eo Yesterday 08:1	2 PM in reply to chrisinva				
de ste	eficitIT'S ALREAD eal more of our mo this case a "corrup	DY PAID FOR!! Stop I oney by convincing pe	ely nothing whatsoever to do with believing the bullshit! This is just tople that it's just another entitlen onzi scheme" that must be elim D!	another attempt to nent programor			
			2 people liked this	Like Reply			
	lucky	_ 2 Yesterday 08:01	PM in reply to chrisinva				

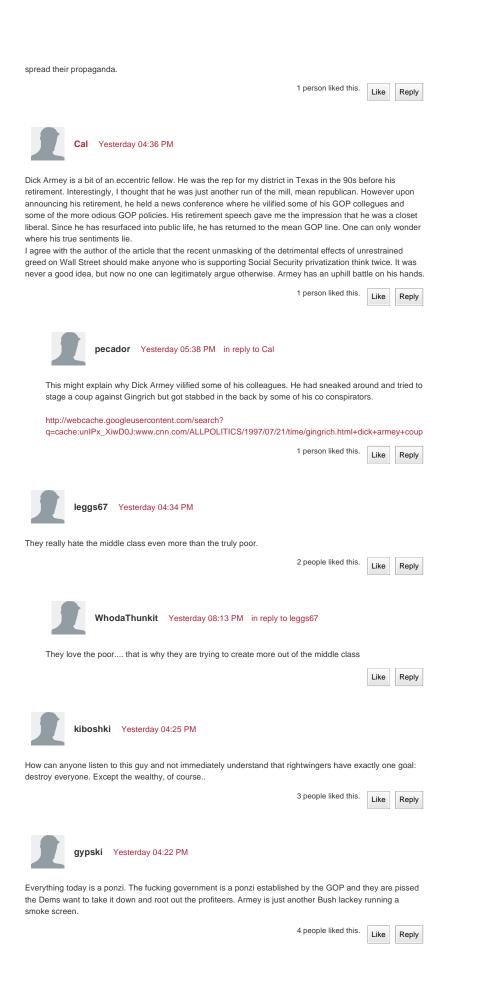
it in good shape countries: japar http://en.wikipe 2. Our debt is a http://en.wikipe Congress is to 'neo-liberals' (c	dia.org/wiki/List_of_countries_by_public_de lso not horribly worse than ever in the past dia.org/wiki/United_States_public_debt plame, but it's largely the policies of the reic inton, obama) who refuse to reign-in the tax ad rip-offs by wall st, and the mic.	as % of gdp) than bt (late 40's) h-wing leadership	o and co	other	sitemeter. .III.
JustMichael Y	esterday 06:50 PM				
Again and againthere are 2 ty	pes of Republicans:				
1. The Liars 2. The Gullible					
their base and "redistributes" (su	ecurity and medicare since their inception. I ch a horrible word) it to those that can't live it and dog food to actually being able to live	without it. The eld	derly ha	ive	
As long as there are lying Reput to gleefully gulp down the kool-a	licans (I hate capitalizing that word)there id.	will be thousands	of the g	gullible	
the liars have control of the bullh children will go to bed hungry. G them in the eye and tell them the	s (whatever handle is placed on them) need orn, the lower and middle classes will strug et a voice. Don't be afraid to take the stance y're wrong. Hold your position. Most of the a shown that they're wrong. Remember, the	le. The elderly wil e that you know is people you'll talk t	l suffer correct	and t. Look	
	2	people liked this.	Like	Reply	
	sStolen Yesterday 06:26 PM cial Security so that he and others can latch	n onto it like corpc people liked this.	Drate pa	rasites.	
coolbreeze55	Yesterday 06:23 PM				
A Ponzi scheme with a 2.5 trillion the rich.	n surpuls heading to 4 trillion that the Rethu	glicans rob to pay	for tax	cuts for	
It's Robin Hood in reverse. We to to go without. Thus, it's a Ponzi	ook your retirement money and we don't wa scheme. Get it?	nt to pay it back	so you	u have	
			Like	Reply	
musashi1 Yest	erday 06:18 PM				
	F OF DICK ARMEYS MOUTH??????? HES OF OUR SOCIAL SECURITY SYSTEMs				
	1	person liked this.	Like	Reply	

damnadamzama Yesterday 06:22 PM in reply to r	musashi1	
Huh, huh. You stole the words and capitis hilarious right out of my sar	rcastic mouth.	
	Like	Reply
drunkfoulmouthfilthybeast Yesterday 06:09 PM		
Does Dork Armey really think we are that STUPID??? He, like ALL Repulsi are Ulterior Motives with (and I have to admit) Brilliant and almost convincir FALSE PROPHETS and Right Wing Snake Oil Salesmen. All this man and an (R) or (C) he and others belong to is quite simply to fuck you out of gove SURVIVAL when you grow old or become disabled from the very corporatic anything, you will have to suie them, but they have a smoking gun with ther Republican, like Prisilla Owens, that Bush tried to shamelessly place her or card: Corporations: Undefeated, Plantiffs: Pick up the Court Costs before yo remember the Thugs from GOP agenda, they heat the water just gradually boiling water. YOUR COOKED and so is your money. "They cook books to	ng platform. I say BEWAI all of the other parties the proment mandated savin, on you work for, (Note: to m, most Judges in these the Supreme Court. He ou leave MY COURT!!! J until it is too late to get o	RE OF nat bares g for your get suites are r score lust
	Like	Reply
Crispus Attucks Yesterday 06:00 PM		
Armey is an idiot Capitalism, The Fed, and the whole Western world is a	giont Bonzi Sohomo, Do	
Rothschild!	giant r unzi ocheme. Dai	inin you
	Like	Reply
Ilkernj Yesterday 05:46 PM		
Send quotes above to EVERYONE you can with the subject line: "GOP was proof!"	nt's to end Social Securi	ty! Here's
	I person liked this. Like	Reply
Chip Yesterday 05:20 PM		
Perhaps the system would be solvent if the federal government hadn't raide trust fund and now complain it's a bad system.	ed the cookie jar. They g	utted the
1	I person liked this. Like	Reply
John Yesterday 05:14 PM		
He really hates it because some people that receive it are black folks. Arme	ey is an evil, racist, thief.	
:	3 people liked this. Like	Reply
CosimodiRondo Yesterday 05:09 PM		
Dick Armey? Seriously? What's his wife's name, Vagina Coastguard?		

(Edited by author 12 hours ago)	
4 people liked this.	Like Reply
Genessender Yesterday 07:22 PM in reply to CosimodiRondo	
Just one "dick" isn't enough to describe him. It takes an army of dicks to name Dick Arm	iey.
	Like Reply
musashi1 Yesterday 06:21 PM in reply to CosimodiRondo	
dont forget his son anus airforce!	
	Like Reply
David R Velasquez Yesterday 05:03 PM	
Dick Armey says this because he doesn't have to worry. He's a millionaire receiving his wealt corporate welfare Ponzi scheme.	h from the rich's
We're the ones working our whole lives having money taken from every hard earned paychec we'd have something to support us in our old age. Ending Social Security would be an act of t part.	
Bloated pigs like Armey need to be deep sixed from the halls of power.	
Didn't the collapse of Chile's banking system and lack of social system lead to the widespread hastened Pinochet's downfall?	d revolt that
3 people liked this.	Like Reply
Yavo Yesterday 04:57 PM	
The Tea Party is really the Red Coats in disguise. They are mad that their King lost and the R gaining ground on turning the clock back on this country.	ed Coats are
2 people liked this.	Like Reply
Phil E. Drifter Yesterday 06:08 PM in reply to Yavo	
Just shut up, you have no fucking clue what you're talking about.	
	Like Reply
ladygeek Yesterday 06:44 PM in reply to Phil E. Drifter	
I think that is a good analogy because that's exactly what they are doing and also racism in there.	mixing some
	Like Reply

grandli	nk Yesterday 04:55 PM		
I hate these political d with their lamebrain p	-	Gingrich. They retire, then hang around in	ritating people
		1 person liked this.	Like Reply
when_t	he_whip_comes_down	Yesterday 04:48 PM	
	Zionist sympathizers at the nto a willing mass of military	end of the article whose ambition is to rec personnel.	uce the
		3 people liked this.	Like Reply
ladyged	ek Yesterday 04:47 PM		
criminal. When he & h who suffered were the (under Nixon) funded	is followers assasinated the ones that are called "the di this piece of crap General P	s involved in the junta for Pinochet - a conv rightfully elected President of Chile, Allen isappeared". Multitudes of people were kill pinochet. For more information as to how th The Shock Doctrine: Disaster Capilitalism	de, the people ed and the US nat country was
(Edited by author 12 h	iours ago)		
		4 people liked this.	Like Reply
W	h odaThunkit Yesterday	08:02 PM in reply to ladygeek	
Dont forget about	It Kissinger should be frogm	narched to the Hague also!!!!	
		1 person liked this.	Like Reply
luc	cky_2 Yesterday 07:25 P	M in reply to ladygeek	
		overthrow of freely elected government al se than our 9-11, and we caused it.	so occurred on a
			Like Reply
born2b	bad6972 Yesterday 04:4	10 PM	
statements to sound li pretenses, what was to social security that who of thought banks are a a bank and when you go Ponzi schemes' too lies to further your age I am also getting tired social security when ti there parents are say is ay he is real and tell repeating the same th	ke it might make sense. He he false pretense? That if yo een you retire you would be all stealing money under fals need the money you put in o. Misinformation to the ill-in enda. of hearing that these repub hey get older and also don't ng and preaching. Just as a them that he is real. The sai ing over and over again and	o make it even worse is that he convoluted mentioned that it was stealing money und ou worked and gave a certain percentage able to collect the money that you put into se pretenses as well. You deposit some of there you can get it back. So all banks too formed is just as bad and dangerous as te licans children are all saying that they don believe in it as well. They are all really jus a child will believe in Santa Clause becauss me is also true with their political platform. I the children, believing their parents, think liticians are using their children as a politic	er false of you pay to it? By that frame your money into are 'pay-as-you- lling complete t expect to get t repeating what be their parents They keep s it is fact not

their own personal agenda. Let them have a childhood and just be kids and not a tool to get votes or to



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