



Written by [Walter E. Williams](#) on November 7, 2013

Congressionally Duped Americans

Last week's column, "[Is There a Way Out?](#)", generated quite a few responses, some a bit angry. Some people were offended by my reference to Social Security and Medicare as entitlements or handouts. They said that they worked for 45 years and paid into Social Security and Medicare and how dare I refer to the money they now receive as an entitlement. These people have been duped by Congress and shouldn't be held totally accountable for such a belief. Let's examine the plethora of congressional Social Security lies. I'll leave the Medicare lies for another column.



The [Social Security pamphlet of 1936](#) read, "Beginning November 24, 1936, the United States Government will set up a Social Security account for you.... The checks will come to you as a right." Therefore, Americans have been led to believe that Social Security is like a retirement account and money placed in it is their property. The fact of the matter belies that belief.

A year after the Social Security Act's passage, it was challenged in the U.S. Supreme Court, in *Helvering v. Davis*. The court held that Social Security is not an insurance program, saying, "The proceeds of both employee and employer taxes are to be paid into the Treasury like any other internal revenue generally, and are not earmarked in any way." In a 1960 case, *Flemming v. Nestor*, the Supreme Court held, "To engraft upon the Social Security system a concept of 'accrued property rights' would deprive it of the flexibility and boldness in adjustment to ever-changing conditions which it demands."

Decades after Americans had been duped into thinking that the money taken from them was theirs, the Social Security Administration belatedly — and very quietly — tried to clean up its history of deception. [Its website explains](#), "Entitlement to Social Security benefits is not (a) contractual right." It adds: "There has been a temptation throughout the program's history for some people to suppose that their FICA payroll taxes entitle them to a benefit in a legal, contractual sense.... Congress clearly had no such limitation in mind when crafting the law." The Social Security Administration failed to mention that it was the SSA itself, along with Congress, that created the lie that "the checks will come to you as a right."

Here's my question to those who protest that their Social Security checks are not an entitlement or handouts: Seeing as Congress has not "set up a Social Security account for you" containing your Social Security and Medicare "contributions," where does the money you receive come from? I promise you it's neither Santa Claus nor the tooth fairy. The only way Congress can send checks to Social Security and Medicare recipients is to take the earnings of a person currently in the workforce. The way Congress conceals its Ponzi scheme is to dupe Social Security and Medicare recipients into thinking that it's their money that is put away and invested. Therefore, Social Security recipients want their monthly check and are oblivious about who has to pay and the pending economic calamity that awaits



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future generations because of the federal government's \$100 trillion-plus unfunded liability, of which Social Security and Medicare are the major parts.

Pointing to the congressional lies and future economic chaos is not the same as calling for a cessation of checks going out to recipients. Instead, it's a call for the recognition that we've made a mistake that needs to be corrected while there's time to avoid a calamity. It's also a call for us to recognize that we all share in the blame and hence the burden to make it right. Politicians have little interest in doing something about an economic calamity that will happen in 2030 or 2040; they only care about the next election. Older Americans, who own most of the political clout, must lead the fight to get Congress to do something about entitlement programs. Of course, the alternative is continued belief in the Social Security and Medicare myth and the heck with future generations.

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