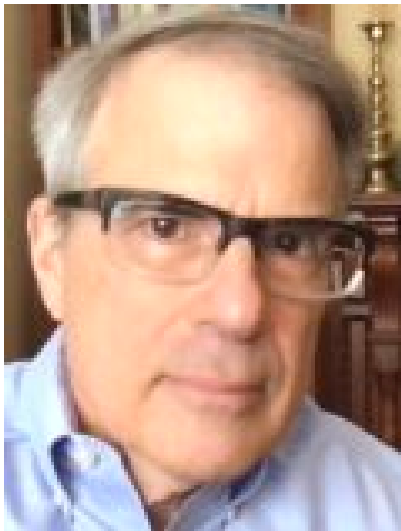


## 401(k)s don't need private assets or 'crypto'

By Kerry Pechter     Tue, Sep 2, 2025

*Alternative investments, crypto, private assets—these are bread for the money management industry. For most Americans, these exotic assets are not bread, or even cake; let alone icing.*



President Trump reportedly wants the DOL to bless the inclusion of alternative/private assets/crypto in 401(k) investment menus. The President throws out a lot of sticks for the press to chase every day. This one happened to be thrown into my field.

The President evidently ordered his DOL to be less critical and more approving about alts than the Biden DOL was. That may or may not be wise; financial deregulation has produced some regrettable consequences.

I'm just puzzled by Washington's inattention to arguably more serious obstacles to retirement security in the U.S.:

- The shortfall in access to tax-favored workplace retirement plans (only about half of workers have access to them at any given time)
- The inadequacy of savings accumulations by retirement age
- The unresolved future of the Social Security system, on which most Americans rely on for financial security in retirement (and which can give older Americans the risk-capacity to invest in stocks and, if they want, crypto or private assets).

Long-standing problems like these don't respond to Executive Orders. The previous iteration of this administration actively undermined state-sponsored workplace Roth IRA programs that try to expand coverage. It has never shown an inclination to strengthen Social Security, only to criticize or, eventually, privatize it.

Both political parties, for that matter, are guilty of urging Americans to pursue the American Dream—as if 100% of us can be in the top 20% who can pay for excellent health insurance, college for kids, a single family home in a nice suburb out of pocket. It's impossible.

The other 80% have their best shot at achieving security for themselves and their children through pooled, and not isolated, solutions. They need bread, not cake. (The assumption

that everyone who works hard will have bread and only lacks cake is one of our national myths.) Social Security is bread for U.S. retirees.

Alternative investments, crypto, private assets—these are bread for the money management industry, which explains why we're hearing so much about them. For most Americans, these exotic assets are not bread, or even cake; let alone icing.

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