

## Government Dependency Nears The Tipping Point

August 25, 2014

The Dole: New data on federal public assistance programs show we've reached an ignominious milestone: More than 100 million Americans are getting some form of "means-tested" welfare assistance.

The Census Bureau found 51 million on food stamps at the end of 2012 and 83 million on Medicaid, with tens of millions of households getting both. Another 4 million were on unemployment insurance.

The percentage of American households on welfare has reached 35%. If we include other forms of government assistance such as Medicare and Social Security, almost half of all households are getting a check or other form of government assistance. The tipping point is getting closer and closer.

So much is shocking and dismaying about these numbers. How is it that the number of recipients and the price tag for many of these programs kept skyrocketing though the recession officially ended in 2009? Normally, you'd expect welfare caseloads to fall in a recovery as the unemployment rate dips, but this time welfare participation keeps expanding.

Perhaps this is because this administration and many Democrats in Congress, including Rep. Nancy Pelosi, have told Americans that welfare benefits are a stimulus to the economy (sic). Apparently, the left believes that if every family were on food stamps, the economy would return to its glory days.

The feds have also created outreach programs -- including radio and TV ads in multiple languages -- to encourage people to sign up for the dole because, as one ad put it, this "helps the local community."

The new statistics also highlight how limited work requirements are for welfare benefits. In 1996 when a Republican Congress and President Bill Clinton enacted landmark welfare reform laws, the old-fashioned cash welfare assistance (AFDC) was replaced with a time-limited assistance program (TANF) that required work for benefits.

This was a huge policy success as millions of former welfare recipients -- more than half that were enrolled in the program -- moved on to the economic ladder by getting jobs. But that program today is only 5% of the welfare safety net. Most of the other dozens of programs do not require work, so welfare reform has been effectively eviscerated.

Another shocking feature of these statistics is that they don't even include income-transfer programs such as unemployment insurance and disability. These two add another \$250 billion to the cost of welfare and are two of the most abused and scandal-ridden dispensers of federal cash.

On top of that, the 2012 numbers exclude most of the 3 million Obama has added to the ranks of Medicaid due to Obama Care. The dependency problem is getting worse, not better. And by the way, in most states these programs don't require work. In fact, the benefits end once an individual moves into a job.

Putting all these programs together, a family can get a package of benefits equivalent to a \$35,000 a year job in 11 states, and in Hawaii the benefits can exceed what a \$60,000 a year job would offer, according to a Cato Institute analysis.

Is it any wonder we're having trouble moving people out of welfare into work? Half of all low-income households today have no one working at all.

Staying on this course is a recipe for social chaos and economic decline. "The days of the dole are numbered," Lyndon Johnson optimistically declared when he launched the War on Poverty. That was 50 years ago, and the welfare state continues to grow in size, cost and lives lost to the trap of government dependency.

Rep. Paul Ryan had the right idea when he called for turning many of the welfare programs such as Medicaid and food stamps back to the states so they can find ways to expeditiously move people back into work.

In the 1990 s, innovative governors, including Tommy Thompson of Wisconsin, John Engler of Michigan and William Weld of Massachusetts, helped turn around lives through smart and effective welfare reforms.

With 100 million Americans on welfare, we have a genuine crisis on our hands. It's time

again to let the states find solutions where the federal government has indisputably failed or hasn't even tried.