



Welfare Spending Up 41 Percent Under Obama

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In 1964, when President Lyndon Johnson declared a "war on poverty" in America, the poverty rate stood at around 19 percent.

Since then, total federal, state, and local spending on anti-poverty programs has amounted to \$15 trillion, yet the poverty rate now stands at 15.1 percent, the highest level in nearly a decade.

"Clearly we are doing something wrong," according to the Cato Institute, which has released a new policy analysis on welfare spending that calls the war on poverty a "failure."

The federal government will spend more than \$668 billion on anti-poverty programs this year, an increase of 41 percent or more than \$193 billion since President Barack Obama took office. State and local government expenditures will amount to another \$284 billion, bringing the total to nearly \$1 trillion — far more than the \$685 billion spent on defense.

Federal, state and local governments now spend \$20,610 a year for every poor person in the United States, or \$61,830 for each poor family of three.

"Given that the poverty line for that family is just \$18,530, we should have theoretically wiped out poverty in America many times over," writes Michael Tanner, director of health and welfare studies at the Cato Institute and author of "The Poverty of Welfare: Helping Others in Civil Society."

Most welfare programs are means-tested programs providing cash, food, housing, medical care, or other benefits to low-income persons and families, or programs targeted at communities or disadvantaged groups, such as the homeless.

The federal government alone now funds 126 separate and often overlapping programs designed to fight poverty, Tanner points out.

There are 33 housing programs run by four different cabinet departments, 21 programs providing food or food-purchasing assistance administered by three different federal departments and one independent agency, and eight healthcare programs administered by five separate agencies within the Department of Health and Human Services.

The largest welfare program is Medicaid, which provides benefits to 49 million Americans and cost more than \$228 billion last year, followed by the food stamps program, with 41 million participants and a price tag of nearly \$72 billion. Other programs range from Federal Pell Grants (\$41 billion) down to lower-cost programs such as Weatherization Assistance for Low Income Persons (\$250 million) and the Senior Farmers Market Nutrition Program (\$20 million).

At least 106 million Americans receive benefits from one or more of these programs. Including entitlements such as Social Security and Medicare and salaries for government employees, more than half of Americans now receive a substantial portion of their income from the government.

"Clearly we are spending more than enough money to have significantly reduced poverty, yet we haven't," Tanner concludes.

"The vast majority of current programs are focused on making poverty more comfortable rather than giving people the tools that will help them escape poverty.

"And we actually have a pretty solid idea of the keys to getting out of and staying out of poverty: finish school, do not get pregnant outside marriage, and get a job, any job, and stick with it."