

POLITICO

Obama encouraging Americans to get on welfare

By: [Michael Tanner](#)

July 18, 2012 09:47 PM EDT

The Obama administration clearly doesn't believe that enough Americans are receiving welfare.

Health and Human Services Secretary Kathleen Sebelius last week issued an order giving the Obama administration greater authority to waive work requirements included in the 1998 welfare reform law. This comes on top of a new ad campaign, using Spanish-language soap operas, to encourage more Latinos to sign up for food stamps.

The administration even gave a special award to an Agriculture Department worker who found ways to combat the "mountain pride" discouraging Appalachian residents from taking full advantage of food stamps and other welfare programs.

One message was loud and clear: More Americans should be getting welfare.

One wonders how that is possible. The federal government runs 126 separate anti-poverty programs. That may surprise most Americans, who think of welfare as the cash benefits provided under the Temporary Assistance for Needy Families program — formerly Aid to Families with Dependent Children. But the U.S. welfare system is far larger than that.

There are 33 housing programs, for example, run by four different Cabinet departments, including, bizarrely, the Department of Energy. There are 21 programs providing food or food-purchasing assistance. They're administered by three different federal departments and one

independent agency. There are eight different health care programs administered by five separate agencies in HHS. Six Cabinet departments and five independent agencies oversee 27 cash or general assistance programs. Altogether, seven different Cabinet departments and six independent agencies each administer at least one anti-poverty program.

All those programs cost taxpayers more than \$668 billion last year. That's an increase of more than \$193 billion since Barack Obama became president. It's roughly 2½ times greater than any previous increase over a similar time frame in U.S. history and will increase means-tested welfare spending by about 2.4 percent of gross domestic product.

Moreover, if one includes state and local welfare spending, government at all levels will spend more than \$952 billion this year to fight poverty.

The Obama administration obviously believes that one measures compassion by inputs. The more money we spend on welfare programs, it argues, the more people receive benefits from those programs, the better job we do fighting poverty. By those measures, we are indeed doing a better job.

Since President Lyndon B. Johnson first declared a “war on poverty” in 1964, federal, state and local governments have spent roughly \$15 trillion fighting poverty. In constant dollars, federal spending on welfare and anti-poverty programs has jumped from \$178 billion to \$668 billion — a 375 percent increase in constant 2011 dollars. Total welfare spending — including state and local funds — has increased from \$256 billion to \$908 billion, a 355 percent increase.

Or look at it a different way: As a percentage of GDP, federal spending on welfare programs has increased more than fourfold, from just 0.83 percent of GDP to 4.4 percent. Total welfare spending at both the federal and state levels nearly tripled, from 2.19 percent of GDP to 6 percent. On a per capita basis — or rather per poor person — federal welfare spending has risen by more than 900 percent, from \$1,625 to \$14,848, while combined federal and state welfare spending increased

by a smaller but still substantial 651 percent, from \$3,032 to \$19,743.

Indeed, federal welfare spending actually totals more than \$14,848 for every poor man, woman and child in this country. For a typical poor family of three, that amounts to more than \$44,500. Combined with state and local spending, government spends \$20,610 for every poor person in America — or \$61,830 per 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.

But we have not only failed to end poverty, it's getting worse. In fact, the poverty rate has recently increased to 15.1 percent of Americans, the highest level in nearly a decade and nearly the level it was soon after the "war on poverty" began.

Judged by outputs — how few people are poor and therefore how few people need welfare — we are not doing nearly so well.

This is all the more tragic because we actually have a pretty good idea of what the keys are to getting out of or staying out of poverty: (1) finish school; (2) do not get pregnant outside marriage; and (3) get a job, any job, and stick with it.

None of this has anything to do with getting more people to sign up for welfare benefits.

This means that instead of trying to expand welfare, we should end those government policies — high taxes and regulatory excess — that inhibit growth and job creation. We should protect capital investment and give people the opportunity to start new businesses. We should reform our failed public school system to encourage competition and choice. We should encourage the poor to save and invest.

Unfortunately, on policy after policy — from health care reform to the stimulus — Obama has been content to simply throw money at a problem with little regard for results.

In this case, sadly, it's the poor who suffer the most.

Michael Tanner, a Cato Institute senior fellow, is the author of "Leviathan on the Right: How Big Government Conservatism Brought Down the Republican Revolution."

© 2012 POLITICO LLC