

## Daily Policy Digest

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### Welfare Issues

September 27, 2010

#### More Proof We Can't Stop Poverty by Making It More Comfortable

On Jan. 8, 1964, President Lyndon Johnson delivered a State of the Union address to Congress in which he declared an "unconditional war on poverty in America." Then, the poverty rate in America was around 19 percent and falling rapidly. Last week, it was reported that the poverty rate this year is expected to be roughly 15 percent, and is climbing, says Michael D. Tanner, a senior fellow with the Cato Institute.

- Between then and now, the federal government spent more than \$13 trillion fighting poverty, and state and local governments added another couple of trillion.
- Yet the poverty rate never fell below 10.5 percent.

The federal government now has 122 separate antipoverty programs ranging from Medicaid, the largest and most expensive antipoverty program, to the tiny Even Start Program for Indian Tribes and Tribal Organizations.

- Combined, these 122 programs spent more than \$591 billion in 2009, and are projected to cost even more this year.
- That amounts to \$14,849 for every man, woman and child in America.
- Given that the poverty line is \$10,830, it would have been cheaper just to mail every poor person a check for \$11,000.

During his first year in office, Obama's administration increased spending on welfare programs by more than \$120 billion, says Tanner.

Some of the increase, of course, is due to the recession. But the administration has also made conscious policy choices to ease eligibility and expand caseloads. The end result is that one out of every six Americans is now receiving some form of government assistance.

The real work of fighting poverty must come not from the government, but from the engines of civil society, says Tanner.

Source: Michael D. Tanner, "More Proof We Can't Stop Poverty by Making It More Comfortable," Investor's Business Daily, September 17, 2010.

For text:

<http://www.investors.com/NewsAndAnalysis/Article/547746/201009171932/More-Proof-We-Canand8217t-Stop-Poverty-By-Making-It-More-Comfortable-.aspx>

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