

When government assistance hurts more than it helps

10:51 AM, August 30, 2010 | Abby Wisse Schachter

[USA Today](#) reports that a record number of Americans are receiving some sort of government anti-poverty assistance:

"More than 50 million Americans are on Medicaid, the federal-state program aimed principally at the poor, a survey of state data by [USA TODAY](#) shows. That's up at least 17% since the recession began in December 2007...

"More than 40 million people get food stamps, an increase of nearly 50% during the economic downturn, according to government data through May. The program has grown steadily for three years...

"Close to 10 million receive [unemployment](#) insurance, nearly four times the number from 2007...

"More than 4.4 million people are on welfare, an 18% increase during the recession...

And all this "assistance" costs billions upon billions of tax-payer dollars.

While the recession can be blamed for more people asking for help, it is also true that Congress has made it easier to get on the government dole. "The steady climb in safety-net program caseloads and costs has come as a result of two factors: The recession has boosted the numbers who qualify under existing rules. And the [White House](#), Congress and states have expanded eligibility and benefits" USA Today reports.

The problem is whether all this anti-poverty assistance will actually serve to help people stay out of poverty or will it only serve to retard individual initiative and resourcefulness to do for ones' self. The [Cato Institute's](#) Michael Tanner has a warning about how hard it can be to do away with government programs once the economic crisis is over: "[Government anti-poverty programs are] much harder to unwind in the long term."

In the UK Telegraph meanwhile, [Janet Daley](#) argues that all the well-meaning government assistance provided by the British government may really only serve to keep people poor. "Even Left-of-centre parties have now accepted that the remedies that were appropriate for the alleviation of absolute poverty – which involve the actual handing out of cash – are inappropriate and even counter-productive in addressing relative poverty, because they reinforce dependence and thus make it less likely that people will ever cease to be poor in any genuine or permanent sense," Daley avers.

So anti-poverty programs may just bankrupt the country, it's nearly impossible to get rid of them after they have outlived their usefulness and throwing money at the poor or those who have hit hard times doesn't work. Still want to call it "assistance"?