

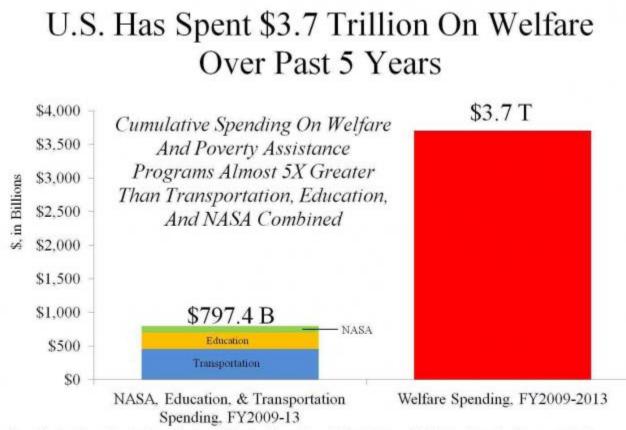
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Report: U.S. Spent \$3.7 Trillion on Welfare Over Last 5 Years

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New research from the Republicans on the Senate Budget Committee shows that over the last 5 years, the U.S. has spent about \$3.7 trillion on welfare. Here's a chart, showing that spending versus transportation, education, and NASA spending:



Senate Budget Committee Ranking Member Jeff Sessions' Republican staff calculation of OMB data. Education figure excludes the means-tested portion of such spending.

"We have just concluded the 5th fiscal year since President Obama took office. During those five years, the federal government has spent a total \$3.7 trillion on approximately 80 different means-tested poverty and welfare programs. The common feature of means-tested assistance programs is that they are graduated based on a person's income and, in contrast to programs like Social Security or Medicare, they are a free benefit and not paid into by the recipient," says the minority side of the Senate Budget Committee.

"The enormous sum spent on means-tested assistance is nearly five times greater than the combined amount spent on NASA, education, and all federal transportation projects over that time. (\$3.7 trillion is not even the entire amount spent on federal poverty support, as states contribute more than \$200 billion each year to this federal nexus—primarily in the form of free low-income health care.)

"Because the welfare budget is so fragmented—food stamps are only one of 15 federal programs that provide food assistance—it makes effective oversight nearly impossible, at the same time disguising the scope of the budget from both taxpayers and lawmakers alike. For instance, it is easier for anti-reform lawmakers to oppose food stamp savings by obscuring the fact that a household receiving food stamps is often simultaneously eligible for a myriad of federal aid programs including free cash assistance, subsidized housing, free medical care, free child care, and home energy assistance.

"In the UK, six of the nation's welfare programs have been consolidated into a single credit and total benefits have been capped at £26,000 (about \$42,100 per family) in an effort to both improve standards and decrease net expenditures. A similar reform concept in the United States—combining welfare spending into a single credit—would still result in a surprisingly large welfare benefit while reducing expenditures and allowing for reforms that encourage self-sufficiency. For instance, a CATO study found that an average household in the District of Columbia currently receiving the six largest federal welfare benefits (Medicaid, TANF, SNAP, etc.) receives assistance with a converted cash value of \$43,000. In Hawaii, it's \$49,000. Hypothetically, if net benefits from these myriad programs were combined into a single credit and capped at even 95 percent of that very large amount, it would save taxpayers billions while enabling reforms to promote self-sufficiency, reduce the penalty for working, and make the system fairer for taxpayers."

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