

Report: Government Dependency Increases 23 Percent Under Obama

American dependence on government has soared to an all-time high under the Obama administration, growing 23 percent in just two years, according to a new study by the Heritage Foundation. The conservative research group's 2012 "Index of Dependence on Government" revealed that 67 million Americans are now banking on some federal program, including programs related to healthcare, housing, welfare, education subsidies, and other government programs that were "traditionally provided to needy people by local organizations and families."



The one in five Americans who now rely on federal assistance cost the government \$2.5 billion annually, and the average recipient collects \$32,748 in benefits, about \$300 more than the country's average disposable personal income. About 70 percent of the federal budget goes to individual assistance and nearly half of the population does not pay a dime in income taxes.

"Americans should be concerned about this seemingly relentless upward march in Index scores," the study's authors warned. "Dependence on the federal government for life's many challenges strips civil society of its historical and necessary role in providing aid and renewal through the intimate relationships of family, community, and local institutions and local governments. While the Index does not measure the decay of civil society, it reflects a declining role in this most important aspect of society."

The notable increase in government dependency under Obama's presidential tenure is the largest twoyear jump since the Jimmy Carter administration, and the rise was ignited largely by the efforts of the President and Congress to increase housing subsidies, grow the food stamp program, and expand Medicaid and other welfare systems.

Some observers counter that the rise in government dependence under Obama is merely an aftereffect of stale economic growth. While economic stagnation does play a role, William Beach, one of the study's authors, says the analysis indicates that economic impact accounts for only one-fifth of the change in the index. Moreover, the index spiked by eight percent in 2010, a year when the economy grew by three percent. Added John Merline of *Investor's Business Daily*:

Also, in the wake of the 1981-82 recession the dependence index climbed only 6%, then fell the very next year. That early-'80s slump was nearly as long as the so-called Great Recession (16 months vs. 18 months) and saw unemployment rise higher (peaking at 10.8% vs. 10%).

"You can't get around the fact that policy decisions made over the past two years, on top of those made over the past several decades, are having a large effect on the pace of growth of the index," <u>said</u> Beach, Heritage's chief "numbers cruncher." In a <u>guest post</u> for the think tank's "The Foundry" blog, Rep.

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Written by Brian Koenig on February 9, 2012



Allen West (R-Fla.) added his own insight:

As someone who grew up in inner-city Atlanta, I understand there are times when people need whatever help they can find. The social safety net — in conjunction with generosity from neighborhood groups, churches, charities, and private companies — can help lift Americans out of poverty and toward the path of self-reliance and individual prosperity. However, that "net" should never turn into a "hammock" — and that is what this President and his policies are allowing.

Government dependency has increased steadily since 1962, when the index remained below 20. By 1980, the index had climbed to 100, and by 2010, it had soared to 294. Spending on "dependence programs" has also surged: In 1962, such spending hovered just above 25 percent; by 1990, the number had climbed to 48.5 percent; and now, that figure stands at 70 percent.

"Is this a vision of President Obama's doctrine of fairness and economic equality?" Rep. West continued. "Our democratic government is at risk when there are more Americans who are wedded to the federal government — either by subsistence or employment check — than federal taxpayers to pay for the rampant spending."

But while government dependency has accelerated immensely on President Obama's watch, he is not the only culprit. Both Democrats and Republicans in Congress have endorsed a walloping expansion of welfare programs over the past several years. The Supplemental Nutrition Assistance Program, commonly known as food stamps, has an annual budget of about <u>\$89 billion</u>, making it the fourth-largest entitlement program.

Corporate welfare, such as the auto and financial bailouts, for example, make Americans more dependent on government money. Medicare Part D, a subsidized prescription-drug entitlement expansion that is a product of a Republican administration, has made the elderly even more dependent on government.

This progressive expansion of the American welfare state "can only lead to a corruption of government and of self-serving voters," the authors concluded, which poses some damning questions:

• Do Americans want a republic that encourages and validates a growing dependence on the state and a withering of civil society?

• Do Americans want to further accentuate class lines between those who pay for programs that advance dependence, and those who unquestioningly accept — and expect — the assistance from those programs?

• Are Americans ready for the new class warfare, the battle lines of which are drawn by these dividing lines?

"How Americans answer" these questions, the authors resolved, "may well determine the ultimate fate of their political system — and society."



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