



Benefit spending soars to new high

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Enlarge By Jay LaPrete for USA TODAY

A customer paying with a "food stamp" card at a Kroger store in Columbus, Ohio. Enrollment for food stamps hit a record 33.2 million people in March, up 5.2 million from last year.

By Dennis Cauchon, USA TODAY

The recession is driving the safety net of government benefits to a historic high, as one of every six dollars of Americans' income is now coming in the form of a federal or state check or voucher.

Benefits, such as Social Security, food stamps, unemployment insurance and health care, accounted for 16.2% of personal income in the first quarter of 2009, the Bureau of Economic Analysis reports. That's the highest percentage since the government began compiling records in 1929.

In all, government spending on benefits will top \$2 trillion in 2009 — an average of \$17,000 provided to each U.S. household, federal data show. Benefits rose at a 19% annual rate in the first quarter compared to the last three months of 2008.

The recession caused about half of the increase, according to the report. Unemployment insurance nearly tripled in the past year. The other half is the result of policies enacted during President George W. Bush's first term.

Following the 2001 recession — when costs normally decline — social spending soared to pay for the Medicare drug benefit, expanded health care for children and greater use of food stamps.

The safety net is working, advocates say.

"We're not seeing the hunger we saw in the 1930s because the food stamp program is doing what it's supposed to do," says Florida food stamp director Jennifer Lange.

What's driving the \$209 billion increase in benefit costs from a year ago:

- **Unemployment insurance.** One-fourth of the extra spending covers jobless benefits, a program started in the Depression. The stimulus law, passed in February, increased benefits.
- **Social Security.** The bad economy has prompted a 10%-15% jump in early retirements, the program's actuary says. A 5.8% increase took effect January 1. Bottom line: \$55 billion in new costs.
- **Food stamps.** Enrollment hit a record 33.2 million people in March, up 5.2 million from last year. The stimulus law boosted the size of the benefit. Average March benefit: \$114 per person.

"The increase in social spending is still relatively modest given the severity of the downturn," says economist Dean Baker of the liberal Center for Economic and Policy Research. "We're not France."

Adam Lerrick, economist at the conservative American Enterprise Institute, says the benefits' explosion will eventually lead to an economic crisis.

"We've seen this movie before in many countries. It always has the same ending," he says.

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Tahoe Time (69 friends, [send message](#)) wrote: 1m ago
Mikon (11 friends, [send message](#)) wrote: 15m ago
Ken Taylor, WAY TO GO!!! The letter is right on target.

He pastes an E mail chin letter and you're giddy? You can see the same rant in most political comment sections every day and at least those are posted by the original author.

True, but it's the content that is so on target and needs to be praised for its validity.

It's nothing more than a generalized one sided rant.
You make more valid points than the supposed author of the letter (too many hoaxes to take it at face value).
Unfortunately, you are too one sided for my tastes also. You fairly criticize the Dems for contributing to the mortgage meltdown and yet you ignore Senator Shelby and Phil Gramm and other in the Republican party that also made our economy vulnerable to abuse.

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MJPROCKO (0 friends, [send message](#)) wrote: 8m ago

Why does 1 in 6 dollars come from the government? Because Obama has only been in office for 100 days. give him time, it'll become 5 in 6 real soon. The liberal utopia prescribed in academia is coming to fruition. Soon we will all be rounded up out of suburbia and moved to the nearest big city because "Urban Sprawl" is bad, the act of one owning their own property will go by the wayside. you will awake in the morning and walk out of your building with your children, put them on the mass transit vehicle to the indoctrination center while you get on the mass transit vehicle to your government run job. over the speaker will be the "One's" message of the day and followed by the State run media's affirmation on how great the great One's message for the day was. On your way home your mass transit will stop at the government nutrition center were you will be given your familie's allotment of soy products for the day and this will repeat until the government run health care deems you no longer viable for life and you are terminated. That is your future, a life on their time table, under their rules with no choices or freedom.

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stevoreno (12 friends, [send message](#)) wrote: 14m ago
John Doe 2 (28 friends, [send message](#)) wrote: 1m ago

How much of this goes to the MILLIONS of illegal aliens and their anchor babies ?

=====
Perhaps less than goes to the MILLIONS of retirees who, if the social security system was means-tested, would not be getting anything.

HOW CAN YOU LUMP IN PEOPLE WHO WORKED AND PAYED INTO THE SYSTEM WITH ILLEGALS ? YOUR PART OF THE PROBLEM.

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Tahoe Time (69 friends, [send message](#)) wrote: 9m ago

Amerman (19 friends, [send message](#)) wrote: 14m ago
I was watching Squack Australia yesterday and they are not even in a recession

Australia hasn't suffered under 2.5 years of Pelosi/Reid/Obama.
100% of the DOW drop, 100% of the unemployment rise, and over 3 trillion of debt, all in those 2.5 years of liberal Democrat Congress and now POTUS.

The government has pumped in about \$41bn into the Australian economy since late 2008 in a bid to stave off recession, while the central bank aggressively slashed interest rates to a record low of 3.0 per cent to spur demand.

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windows (0 friends, [send message](#)) wrote: 11m ago

comicpro (34 friends, [send message](#)) wrote: 9m ago

I don't understand why anyone would want to be President reading some of these comments. I feel ashamed of the utter uselessness of the American people now who cry and moan when things get tough. Yes I am fortunate to have a job and a great way of life but to continually blame the President is not only silly it shows what America is today. Everyone needs to realize that we all are responsible for this mess we now call the USA. Not me I hear but yes ALL of us fed into the need for more of everything that was offered. Now we want to look to be bailed out yes don't want the bad that sometimes comes with the good. Strap up your boots, get off your fat a\$\$e\$ and stop blaming the President! Grow a pair, help your neighbor and stop pointing fingers at everyone but the person in the mirror. My God we as soft as pillows now in this country with our "comfortable lives"!!!!

YOUR CORRECT AND A BIG THANK YOU TO THE LIBS AND THE ACLU FOR PUTTING US IN THIS POSITION.

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Htos1 (0 friends, [send message](#)) wrote: 12m ago

Well, 1 in 6 is approximately %15, just about right for the demographics of da' hood! Tell us something we don't know for a change. If you want to sell more papers, report on the fact that two diametrically opposed cultures (black and white) can't occupy the same place at the same time, ONE WILL have to relinquish their existence, THAT IS HUMAN NATURE! No sugar talk from English bolsheviks (who consider blacks, white females useful idiots) will change that.

"We're not seeing the hunger we saw in the 1930s because the food stamp program is doing what it's supposed to do," says Florida food stamp director Jennifer Lange.

YEAH! It takes cranes and demolition crews to move these />500lb. behemoths. Welfare food is great!

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Mikon (11 friends, send message) wrote: 22m ago

"Food stamps. Enrollment hit a record 33.2 million people in March, up 5.2 million from last year. The stimulus law boosted the size of the benefit. Average March benefit: \$114 per person. "

This is EXACTLY why we have mothers with 5 b@stard children. It's a WAY OF LIFE for a substantial portion of Americans.

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