

WELFARE SPENDING SET TO SOAR ALMOST 70% ABOVE PRE-PANDEMIC LEVELS

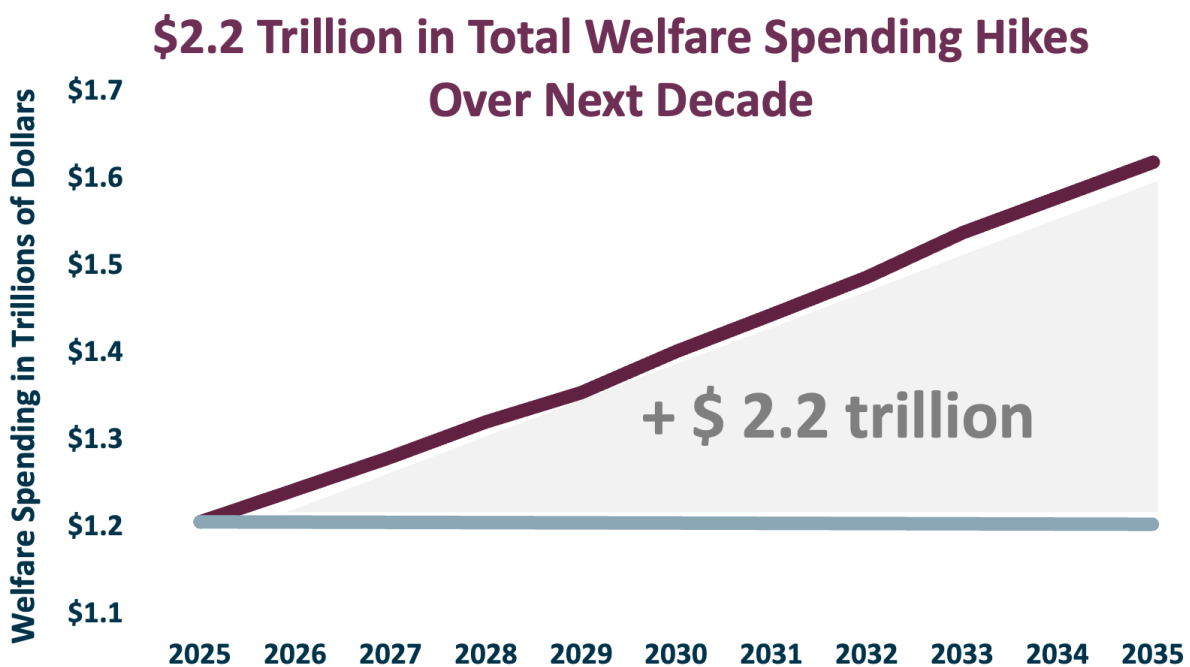
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American taxpayers ought to be asking why the federal government needs over \$2.2 trillion more of their hard-earned dollars to grow our nation's welfare system.

The Congressional Budget Office's (CBO's) recent report, [*The Budget and Economic Outlook*](#), projects that over the next ten fiscal years (FY 2025 – FY 2035) the government will increase welfare spending by a drastic 34% if current law remains unchanged.

In FY 2025, the government will spend about \$1.2 trillion on welfare programs. By 2035, spending will hit a massive \$1.6 trillion.

The government is projected to expend a total of about \$2.2 trillion more than if it maintained the FY 2025 spending level over the next decade.



Source: Congressional Budget Office

If our nation's welfare system exists *solely* to subsidize the basic needs of low-income individuals, then this 34% expansion of welfare spending should in theory coincide with an expected increase in poverty over the next decade.

Unsurprisingly, it does not.

There is nothing in the CBO's economic projections that signals a drastic increase in poverty in the next decade.

In accordance with the CBO precedent, it does not project unexpected events, like recessions or wars. Instead, the economic projections are based on factors such as demographic changes and the potential GDP given the assumptions that underlie the CBO's official [policy baseline](#).

According to the CBO, real GDP levels will stay relatively consistent with an annual average growth rate of 1.8%. The unemployment rate is also projected to stay relatively low with the greatest year-to-year increase being just 0.2 percentage points.

Even if the argument was made that the expansion in welfare coincides with a rise in the average age of the population and number of people leaving the labor force, the labor force participation rate is projected to decline by only 1.3 percentage points.

All in all, nothing warrants a 34% projected expansion in welfare spending.

So, with the assumption that the poverty rate remains steady, the government could be spending over \$40,000 on welfare per impoverished person by FY 2035. This figure was calculated using the [U.S. Census Bureau's](#) most recent poverty rate from 2023 and the [CBO's](#) demographic projections.

If politicians feel comfortable spending trillions in the absence of a national crisis, imagine what spending levels would be if we *do* face one – such as another pandemic, recession, or financial crisis.

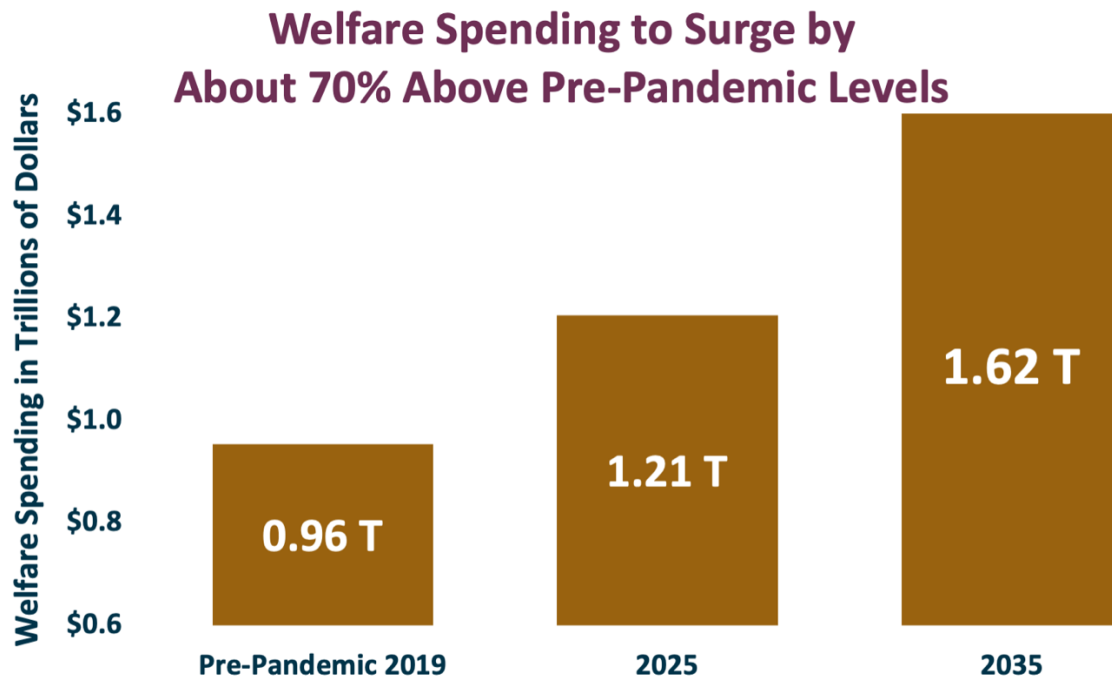
So why pour billions of more dollars into a system that has failed to achieve sustainable positive outcomes for the people it is supposed to help?

The federal government is simply maintaining its trillion-dollar [“tangled web” of welfare bureaucracy](#).

Undoubtedly, there are situations where welfare programs are crucial for the protection of Americans who genuinely cannot provide for themselves, such as the disabled. But with more than [100](#) welfare programs and an astounding [lack of program accountability](#), our government sustains a gigantic system of waste.

The flood of government assistance during the COVID-19 pandemic ripened America for an all-out expansion of welfare. We are now witnessing the consequences of a culture too dependent on government handouts.

From pre-pandemic 2019 to 2035, welfare spending will have surged by a stunning 70%.



Sources: Congressional Research Service and Congressional Budget Office

The federal government tethers millions of Americans – each with unique talents and abilities – to the chains of welfare dependency. Our welfare culture tells able-bodied Americans they will never have what it takes to build their own lives and disguises it as empathy.

As EPIC’s Director of Budget Policy Matthew Dickerson has written, it is “demeaning” to consider so many people unable to provide for themselves.

Lawmakers can change the course of our nation’s welfare culture through policies that promote accountability, such as strengthening work requirements and implementing lifetime limits for able-bodied Americans on food stamps.

With every dollar Congress uses to expand the welfare bureaucracy and prolong bad policy, our nation loses out on the contributions millions of Americans can, and *should*, be making to society.