Long Reads

The Myth of Welfare Dependency

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CAMBRIDGE – Social safety nets worldwide routinely come under attack by critics wielding an argument that is as misleading as it is familiar. Measures such as subsidized health insurance, food and nutrition programs, and targeted cash payments to the poor, it is said, incentivize idleness, encourage freeloading, and create a culture of dependency. In response, policymakers cut funding, allow inflation to erode benefits, and make social programs harder for people to access.

In the United States a generation ago, President Bill Clinton's promise to "end welfare as we know it" assumed that income support to the needy generates indigence. Accordingly, his administration drastically reduced transfers and benefit durations, and introduced stiffer eligibility requirements. At the same time, social programs began to include mechanisms to compel labor-market participation, by cutting benefits for able-bodied adults who proved unable or unwilling to find work. The very name of one key new program, *Temporary* Assistance for Needy Families (TANF), emphasized the expectation that support would not be indefinite.

Today, the fixation on dependency and its consequences is no less acute. Following a new directive by the Trump administration, Kentucky, Arkansas, and 14 other US states have <u>announced or introduced</u> work requirements as a condition of eligibility for Medicaid (public health insurance for the poor). According to the administration's <u>statement</u> on the future of the safety net in the US, the goal is to "lift our citizens from welfare to work, from dependence to independence."

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Rema Hanna is Professor of South-East Asia Studies at the Harvard Kennedy School and a co-director of the Evidence for Policy Design (EPoD) research program at Harvard University.

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