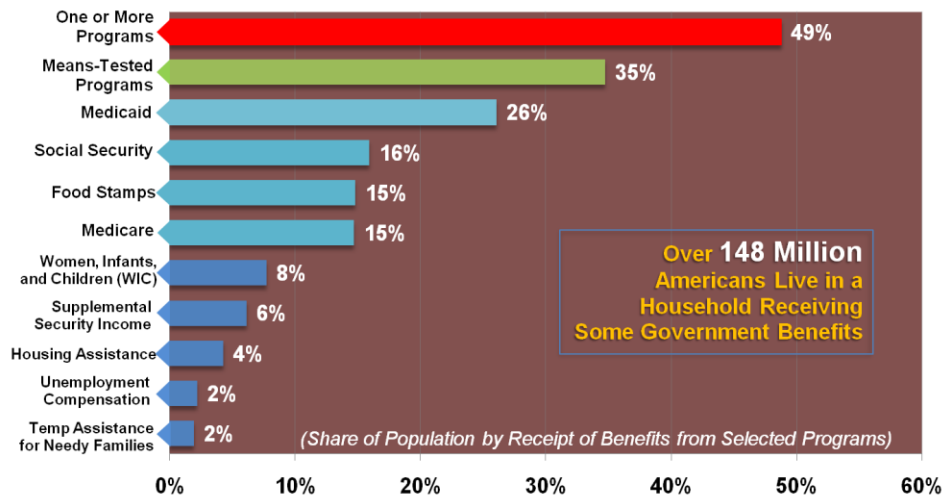


A Nation of Government Dependents?

49% of U.S. Population Lives in Households Receiving Government Benefits



Source: U.S. Census Bureau, Survey of Income and Program Participation, monthly averages from the third quarter of 2010.
Notes: Figures do not add up to 100 percent because people may receive benefits from more than one program.
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This week Mercatus Center Senior Research Fellow Veronique de Rugy examines the share of the U.S. population that live in a household with at least one member receiving government benefits using the Census Bureau's [data](#) from the third quarter of 2010.

The red bar represents the percentage of the population living in a household receiving benefits from one or more federal and state programs. The green bar represents the share of the population receiving benefits from at least one means-tested program (a program that targets low-income people with non-welfare income) for food, housing, or children's aid, etc. The blue bars give a breakdown of the population living in households receiving benefits from various federal programs. (Note that the bars do not add up to 100 percent because it is common for people to receive benefits from more than one program.)

In 2010, 49 percent - or nearly half - of the U.S. population lived in a household receiving government assistance. According to [Investors.com](#), this percentage of the population has gone "up from 44 percent the year before Obama took office, and way up from 1983, when fewer than a third were government beneficiaries." Spending on entitlement programs is one of the main drivers to U.S. debt as such programs have the most recipients. Specifically, 16 percent of the population lived in a household receiving Social Security benefits, and 15 percent in a household receiving Medicare benefits. Medicaid benefits had the largest share of dependents, with 26 percent of the population living in a household receiving such benefits.

About 35 percent of Americans in 2010 lived in households that received benefits from at least one means-tested transfer program. Out of these programs, more than 46 million—or 15 percent of all Americans—lived in households receiving food stamps, 2 percent unemployment compensation, and 6 percent supplemental security income. The percent of the population living in a household receiving benefits for low-income families with children reached 8 percent, and those receiving temporary assistance for needy families reached 2 percent.

Means-tested welfare spending at both federal and state levels has grown faster than any other category of government spending. Robert Rector of the Heritage Foundation [found](#) that annual spending for means-tested programs increased by nearly 300 percent between 1989 and 2008. According to Rector, the growth in means-tested aid "greatly exceeded the growth in government spending on education (143 percent) and defense (126 percent)" during this same time period.

The more people receive government assistance, the more difficult it will be to reform these programs. The majority of future federal spending will be to finance this growing nation of dependents.

Veronique de Rugy [discusses](#) a more permanent solution to U.S. fiscal problems at U.S. News Debate Club.

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