Professional Learning Assignment 2

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Author Note

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Federal Welfare, or Federal Aid, refers to providing services or cash assistance to eligible families and individuals through tax-supported "means-tested" programs (USA Gov, 2018). Historically, federal welfare in the U.S. has seen continuous growth and change.

In the 20th century, U.S local governments would share responsibility with private charity organizations to provide welfare only for the blind, disabled, aged, or, orphans. However, as the urbanized and industrialized economy grew with time, the needs, demands, and expectation of the public to provide welfare started growing; yet, it was unable to meet the crises produced by the 1930’s great Depression (Hansan, 2011). Widespread impoverishment and unemployment led the federal government to intervene and provide income to states for public aid and welfare.

The state and federal governments would spend little on welfare, only about 0.25% of the GDP on healthcare and 0.2% on relief. However, in the 21st century, federal aid dramatically grew to 3% of the GDP or welfare, in which the Medicaid program in 2002 alone became 2% of the GDP. Spending continued to increase annually as Medicaid reached 3.28 of the GDP in 2015, due to the ACA (Chantrill, 2017). Currently, almost 60 million Americans are on social security, while the number of dependents continue to increase with nearly 10,000 people each day, due to aging demographics.

These expenses are difficult to afford for the federal government, which has run in over $5 trillion in deficits lately. Federal aid heavily burdens taxpayers and yet does not achieve meaningful outcomes for the poor, and thus is in need of reform. It requires incentivizing people to rely on themselves and jobs instead of the government (Sample, 1998). Federal aid has to be replaced with charitable organizations and private businesses, while healthcare has to be deregulated to reduce spending, thereby cutting down on heavy taxation to allow healthcare organizations to provide care at affordable prices (Caputo, 2002). People who live in a compassionate society will find the means to help those in need through individual efforts, while the federal government should not provide welfare except a minimal form of paternalism, where absolutely necessary (Sunstein & Thaler, 2003).

# References

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