

## Notes

### Overview of Public Social Welfare Expenditures, Fiscal Year 1988

by Ann Kallman Bixby\*

During fiscal year 1988, Federal, State, and local governments spent \$885.8 billion on public social welfare expenditures.<sup>1</sup> This amount was \$52.5 billion, or 6.3 percent, higher than the amount spent in 1987. In constant (1988) dollars, the increase was \$19.8 billion, or 2.3 percent of the 1987 figure. Table 1 shows current dollar expenditures for fiscal years from 1965 to 1988. Data for all years previous to 1988 have been revised.

Social welfare spending accounted for 18.5 percent of the gross national product (GNP) in 1988, slightly less than the proportion in the previous year. This percentage has been typical of the 1980's with the exception of 1983, when the larger percentage of social welfare outlays represented a reaction to the recession of 1981-82.

The percent of all government spending devoted to social welfare declined from 1987 to 1988, reaching 52.8 percent. State and local governments continued to spend proportionally more of their funds on social welfare than the Federal Government, 60.0 compared with 49.1 percent. The gap between Federal and State-local spending has widened from that found in the early 1980's—averaging nearly 11 percentage points from 1984 to 1988.

The distribution of spending among the various program categories has been stable throughout the 1980's. In 1988, social insurance accounted for nearly one-half of all expenditures, education for one-fourth, and public aid for approximately one-eighth.

\*Division of Statistics Analysis, Office of Research and Statistics, Social Security Administration. A more detailed description of public social welfare expenditures will be published in a forthcoming issue of the **Bulletin**.

<sup>1</sup>Social welfare expenditures are defined as the cost of cash benefits, services, and administration of programs operating under public law that are of direct benefit to individuals and families.

**Table 1.—Social welfare expenditures under public programs, fiscal years, 1965–88<sup>1</sup>**

[Amounts in millions]

Fiscal year	Program								Total health care spending <sup>4</sup>	Total social welfare as a percent of—	
	Total <sup>2</sup>	Social insurance	Public aid	Health and medical care	Veterans' programs	Education	Housing	Other social welfare <sup>3</sup>		Gross national product	Government expenditures for all purposes <sup>5</sup>
Total expenditures											
1965 .....	\$77,084	\$28,123	\$6,283	\$6,155	\$6,031	\$28,108	\$318	\$2,066	\$9,424	11.5	42.4
1966 .....	87,803	31,935	7,301	6,740	6,358	32,825	335	2,309	10,605	11.9	43.4
1967 .....	99,465	37,339	8,811	7,383	6,898	35,808	378	2,848	15,552	12.5	42.4
1968 .....	113,553	42,740	11,092	8,172	7,247	40,590	428	3,285	19,731	13.4	43.2
1969 .....	126,971	48,772	13,439	8,828	7,934	43,673	532	3,792	22,730	13.7	44.7
1970 .....	145,555	54,691	16,488	9,606	9,078	50,846	701	4,145	25,061	14.7	46.5
1971 .....	171,258	66,369	21,262	10,437	10,456	56,705	1,047	4,983	28,125	16.2	50.2
1972 .....	190,315	74,809	26,078	11,824	11,522	59,385	1,332	5,364	32,415	16.5	52.0
1973 .....	213,294	86,166	28,691	12,799	13,026	64,734	2,180	5,698	36,005	16.7	53.6
1974 .....	238,642	99,001	31,520	14,198	14,112	70,534	2,554	6,722	40,768	16.9	54.4
1975 .....	289,084	123,013	41,357	16,742	17,019	80,834	3,172	6,946	51,401	19.0	56.6
1976 .....	331,377	145,703	48,786	18,356	18,958	87,730	3,371	8,472	58,494	19.5	59.1
1977 .....	360,058	160,883	53,412	19,441	19,014	93,878	4,358	9,071	67,006	18.6	58.5
1978 .....	393,450	175,090	59,470	22,201	19,384	101,518	5,225	10,563	76,340	18.1	57.8
1979 .....	429,482	194,288	64,722	24,040	20,602	109,262	5,493	11,076	86,019	17.6	57.2
1980 .....	491,986	229,754	71,975	27,263	21,466	121,050	6,879	13,599	100,259	18.4	57.1
1981 .....	552,965	267,395	82,763	29,236	23,441	130,108	8,039	11,983	115,687	18.5	56.7
1982 .....	600,154	302,615	81,257	32,628	24,708	138,089	9,202	11,654	130,683	19.1	55.5
1983 .....	648,240	331,161	87,498	33,934	25,802	146,415	10,964	12,466	142,234	19.5	55.5
1984 .....	676,753	341,120	91,660	35,682	26,275	157,189	11,532	13,295	153,771	18.4	53.5
1985 .....	732,042	369,595	98,154	39,053	27,042	172,048	12,598	13,552	173,332	18.5	52.2
1986 .....	782,305	390,770	104,747	43,495	27,445	189,276	11,962	14,161	187,884	18.7	52.3
1987 .....	833,265	412,862	110,981	48,371	28,051	204,549	13,174	15,278	204,197	18.8	53.4
1988 .....	885,767	432,195	120,375	52,540	29,254	219,368	16,556	15,480	219,613	18.5	52.8
Federal expenditures											
1965 .....	\$37,591	\$21,807	\$3,594	\$2,660	\$6,011	\$2,470	\$238	\$812	\$4,482	5.6	32.6
1966 .....	45,243	25,664	4,366	3,010	6,337	4,580	251	1,035	5,218	6.1	34.9
1967 .....	51,174	30,545	5,244	3,588	6,875	5,278	283	1,360	9,715	6.7	35.0
1968 .....	60,168	35,390	6,455	4,087	7,214	5,000	325	1,697	12,901	7.1	35.1
1969 .....	68,146	40,847	7,829	4,334	7,883	4,923	426	1,904	14,993	7.3	37.5
1970 .....	77,130	45,246	9,649	4,568	8,952	5,876	582	2,259	16,363	7.8	40.0
1971 .....	92,348	53,903	12,990	4,909	10,331	6,597	872	2,746	18,527	8.8	44.8
1972 .....	105,870	61,248	16,291	5,865	11,405	6,721	1,183	3,155	21,608	9.2	47.2
1973 .....	122,154	72,249	18,061	6,286	12,903	7,360	1,750	3,546	23,853	9.5	50.3
1974 .....	136,724	82,832	20,388	6,677	13,874	7,042	2,009	3,902	27,032	9.7	52.1
1975 .....	166,795	99,715	27,186	7,890	16,570	8,629	2,541	4,264	33,469	11.0	53.6
1976 .....	196,530	119,600	32,527	9,079	18,796	9,023	2,906	4,598	39,464	11.6	56.8
1977 .....	217,640	134,745	35,399	9,419	18,861	9,741	4,006	5,470	45,618	11.3	56.1
1978 .....	239,049	147,365	40,013	10,724	19,210	10,901	4,887	5,949	52,023	11.0	55.1
1979 .....	262,921	163,879	43,722	11,282	20,412	12,108	5,069	6,449	58,580	10.7	54.7

See footnotes at end of table.

**Table 1.—Social welfare expenditures under public programs, fiscal years, 1965–88<sup>1</sup>—Continued**  
 [Amounts in millions]

Fiscal year	Program								Total health care spending <sup>4</sup>	Total social welfare as a percent of—	
	Total <sup>2</sup>	Social insurance	Public aid	Health and medical care	Veterans' programs	Education	Housing	Other social welfare <sup>3</sup>		Gross national product	Government expenditures for all purposes <sup>5</sup>
<b>Federal expenditures—continued</b>											
1980 .....	\$302,438	\$191,162	\$48,666	\$12,840	\$21,254	\$13,452	\$6,278	\$8,786	\$68,939	11.3	54.2
1981 .....	345,614	224,574	55,946	13,837	23,229	13,372	7,351	7,304	80,746	11.6	54.2
1982 .....	369,223	250,551	52,485	14,883	24,463	11,917	8,424	6,500	91,060	11.8	52.8
1983 .....	401,126	274,315	56,709	15,153	25,561	12,399	9,960	7,028	99,833	12.1	52.9
1984 .....	419,806	288,743	58,480	16,029	25,970	13,010	10,226	7,349	108,199	11.4	50.6
1985 .....	449,296	310,175	61,985	18,029	26,704	13,796	11,059	7,548	122,950	11.4	48.6
1986 .....	471,177	326,016	65,722	19,433	27,072	15,022	10,090	7,822	130,664	11.3	48.4
1987 .....	496,211	342,920	69,233	20,806	27,641	16,062	11,044	8,504	141,220	11.2	50.0
1988 .....	523,145	358,412	74,137	22,681	28,845	16,952	14,006	8,112	149,102	10.9	49.1
<b>State and local expenditures</b>											
1965 .....	\$39,493	\$6,316	\$2,670	\$3,495	\$20	\$25,638	\$80	\$1,254	\$4,942	5.9	61.7
1966 .....	42,560	6,271	2,935	3,730	21	28,245	84	1,274	5,387	5.8	60.0
1967 .....	46,291	6,794	3,567	3,795	23	30,529	95	1,489	5,837	5.8	57.8
1968 .....	53,385	7,350	4,636	4,085	32	35,589	102	1,589	6,830	6.3	60.0
1969 .....	58,824	7,925	5,610	4,494	51	38,750	107	1,888	7,737	6.3	58.8
1970 .....	68,425	9,446	6,839	5,038	126	44,970	120	1,886	8,698	6.9	57.9
1971 .....	78,910	12,466	8,272	5,528	125	50,107	175	2,237	9,598	7.5	59.3
1972 .....	84,446	13,561	9,787	5,959	117	52,664	149	2,209	10,807	7.4	60.4
1973 .....	91,140	13,917	10,630	6,513	123	57,374	430	2,152	12,152	7.1	59.3
1974 .....	101,918	16,169	11,133	7,521	239	63,492	545	2,819	13,736	7.2	58.1
1975 .....	122,289	23,298	14,171	8,852	449	72,205	631	2,683	17,932	8.0	61.6
1976 .....	134,847	26,103	16,259	9,277	162	78,706	465	3,874	19,030	7.9	63.2
1977 .....	142,418	26,139	18,012	10,022	154	84,137	353	3,602	21,388	7.4	63.2
1978 .....	154,401	27,725	19,457	11,477	174	90,617	337	4,614	24,317	7.1	63.2
1979 .....	166,561	30,408	21,000	12,758	190	97,154	424	4,628	27,439	6.8	62.1
1980 .....	189,548	38,592	23,309	14,423	212	107,597	601	4,813	31,320	7.1	62.9
1981 .....	207,352	42,821	26,816	15,399	212	116,736	688	4,679	34,941	6.9	62.3
1982 .....	230,931	52,063	28,772	17,745	245	126,172	778	5,154	39,623	7.4	61.1
1983 .....	247,114	56,846	30,789	18,781	241	134,016	1,003	5,438	42,401	7.4	61.0
1984 .....	256,947	52,378	33,180	19,653	305	144,179	1,304	5,946	45,572	7.0	59.9
1985 .....	282,746	59,420	36,169	21,024	338	158,251	1,540	6,004	50,382	7.2	60.2
1986 .....	311,128	64,754	39,026	24,512	373	174,253	1,872	6,338	57,220	7.4	60.7
1987 .....	337,054	69,941	41,748	27,565	410	188,487	2,129	6,773	62,977	7.6	60.0
1988 .....	362,622	73,783	46,237	29,859	409	202,416	2,550	7,368	70,511	7.6	60.1

<sup>1</sup> Revised data for years 1965–87.

<sup>2</sup> Includes expenditures under public laws and from trust fund accounts, including administration, capital outlay, and some payments outside the United States. The sum of individual categories may not equal the totals due to independent rounding.

<sup>3</sup> Includes outlays for vocational rehabilitation, institutional care, child nutrition and welfare, and social welfare expenditures not elsewhere classified.

<sup>4</sup> Combines health and medical programs with medical services provided in connection with social insurance, public aid, veterans' programs, and other social welfare programs.

<sup>5</sup> Expenditures for that part of workers' compensation and temporary disability insurance payments made through private carriers and self-insurers are omitted in computing percentages.