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The Disadvantages of Social Welfare to Human Development

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Some opponents of social welfare suggest the programs harm the economy.

Social welfare programs are generally understood to be programs created and supported by governments designed to provide goods or services to citizens. These goods and services were, until relatively recently in human history, largely viewed to be the responsibility of individuals, their families and their local churches and communities. Social welfare programs today provide assistance to the elderly, the unemployed, the disabled and the destitute. While these may at first glance appear to be noble undertakings, there are some who suggest there are disadvantages of the programs, both to the individual and to society as a whole.

High Cost

Among some of the majors disadvantages suggested is the high cost of these programs. Opponents of social welfare programs often argue that governments simply cannot sustain the cost of providing financial support to so many elements of society. Between 1984 and 2002, social welfare programs, including Social Security and Medicare, accounted for between 49 and 60 percent of federal government spending.

Disincentive

Pointing to Harvard University Professor of Economics Gregory Manikw's "10 Principles of Economics," opponents suggest social welfare programs, particularly for the underemployed or unemployed, create disincentives for people to find gainful employment. Manikw asserts that people respond to incentives. For example, they work because there is an incentive to earn an income and support themselves. Social welfare programs risk removing this incentive by providing income for someone who is not working or who is unwilling to work, meaning they no longer have a need to produce.

Economic Impact

According to Mankiw, a society's standard of living is dependent on its ability to produce goods efficiently. More workers producing more goods increases the economic output of a society, thereby increasing the amount of income. When people lose the incentive to produce, the nation's productivity goes down and income decreases. This can in turn increase the burden on governments to support the welfare system and result in ever higher costs. When governments print too much money, the rate of inflation increases, raising the price of goods for everyone.

Government Control

Many opponents of social welfare programs suggest these programs create circumstances in which governments gain too much control over individual citizens. Citizens who rely on government programs for income and sustenance are in a position to allow government to have more say in their individual choices. Opponents argue that social programs allow governments to impose rules on day-to-day choices of welfare recipients because the government is paying for the services. Proponents further argue that even if government does not currently impose such rules, they may assert their ability to do so in the future.