

# Entitlements, Social Problems and the Family

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How entitlements increase social problems by  
undermining the family

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A thesis that explains the role of the family in providing social services and how government social programs in the 20th century have increased social problems, undermined the family unit, and increased government spending. An alternative model of social service delivery is offered with a politically acceptable route to accomplish this goal.

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Hello, I am Steven Thayn. I am serving my second term in the Idaho House of Representatives. I am not interested in partisan bickering but solving problems. My desire is to increase the number of prosperous, happy, independent individuals. I firmly believe that the only way to do this is to increase the number of stable, functional families. This necessitates less government not more.

As a member of the House Education and Health and Welfare Committees, I have come to realize that our current entitlement system does not encourage independent living or the formation of stable families. In fact, our current system increases social problems, adds to our tax burden and stress while decreasing our standard of living.

We are all looking for a way out of the political/economic mess that we are in. The good news is that there is a solution. The bad news is that many of you are not going to like it because it requires you to personally stop using entitlements. Too many Americans want to live off of the labors of others. Our problems cannot be fixed until we realize that the family delivers social services better than government. After this message, I hope you never look at government, the family, and entitlements the same way.

This message is for conservatives, liberals, independents, and the non-political.

- If you are concerned about personal finances and need a pay raise, the key to increasing your take home pay is in the pages that follow.
- If you desire to see a return to a limited constitutional form of government, this message will show you how.
- If you care about people and want to improve the quality of social services, the key is in the pages that follow.
- If you want to know who to vote for in the next election, this message will help.

## 1: What does the family do?

Families provide social services. Mothers and fathers feed, clothe, bathe, love, change diapers, provide daycare and entertainment, educate, train, and provide shelter for themselves, their children, and other family members. Of all the social services provided in America, the family provides many more times the volume of social services than all government agencies combined at no cost to the taxpayer. **Who Should Provide Social Services? Consider:**

### Family

Self-funded  
Creates Independent Citizens  
Prevents Social Problems  
Fosters Relations between People  
No Administrative Costs  
Parents Make Decisions  
Decisions Made According to Need

### Government

Funded through taxes  
Creates Dependent Citizens  
Treats Symptoms of Social Problems  
Fosters Relations with Government  
High Administrative Costs  
Bureaucrats Make Decisions  
Decisions Based upon Unfeeling Regulations

# A Balanced Society



In a balanced society families, the economy, and government work together but with separate spheres of responsibilities. The result is peace and prosperity.

- Families provide social services.
- The economy produces material goods and services.
- Government discourages fraud, theft, violence, and provides an orderly framework of rules.

The system works well when each component fulfills its responsibilities and does not encroach upon the other two. An unbalanced system creates disruption and is caused when government expands its power and exercises responsibilities beyond its proper limits. Our system is now unbalanced because the federal government is competing with families by providing social services and interfering with the economy.

## The critical role of families

It seems our culture no longer celebrates or understands the irreplaceable contribution of parents in raising children or the advantages of families providing social services. What would our society look like if every child were raised in a stable home? What would it do to tax rates, to our economy, and to our prosperity?

Families are critical and irreplaceable in several very practical ways. First stable homes prevent problems. Crime, drug usage, mental illness, abuse, divorce, and poverty are less prevalent in stable homes. Increasing the number of stable homes would result in substantial savings, up to \$700 million per year in Idaho<sup>1</sup>

<sup>1</sup> A study by David Schramm of Utah State University showed that divorce alone costs Idaho over \$200 million per year. Health and Welfare budget was \$1.9 Billion Adult and Juvenile Corrections budget was \$247 million in 2009. Plenty of opportunity for savings ( <http://legislature.idaho.gov/budget/publications>)

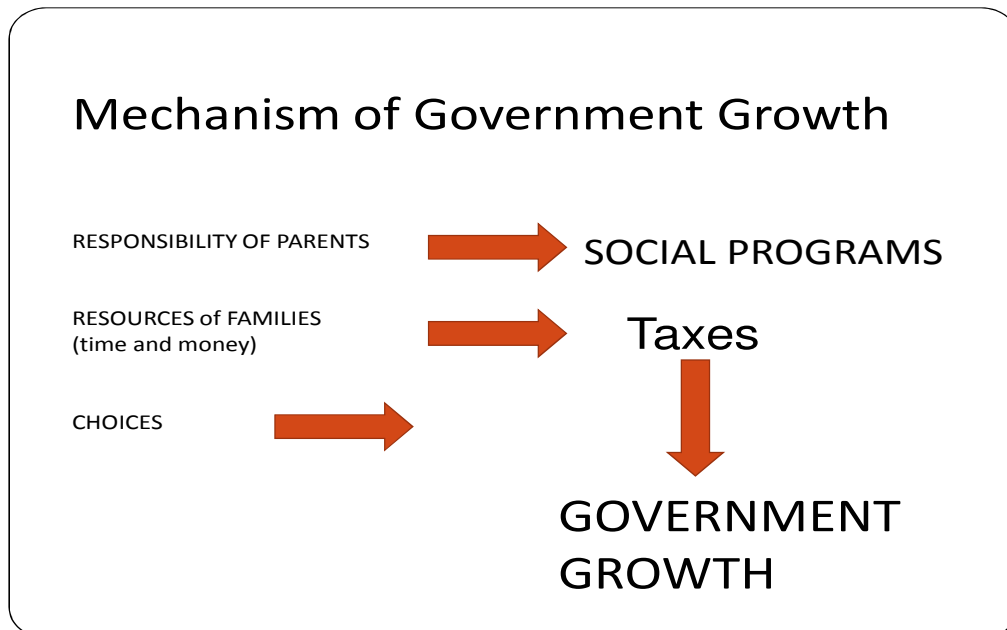
Second, stable homes provide services more efficiently than government programs. It would cost at least \$60,000 per year for government to care for an infant child. A mother and father care for the same child at no cost to the taxpayer. Family-based social services are more efficient and effective. Government probably provides less than 20 percent of all social services; yet, these government-provided social services are so expensive that this small percentage is still causing a great strain on our economy and makes up 62 percent of the federal budget.

## 2: Government Social Services Compete with the Family and Weaken it

As recently as 1900, the federal government provided no social services. The family and private charities provided all social services at no expense to the taxpayer.

Over the last 50 years, America allowed the federal government to provide social services to the needy with dreadful results. After 50 years, almost every entitlement program is either approaching bankruptcy or has caused the social problem being addressed to increase in severity while decreasing the capacity of the family unit to provide its own social services. When government creates entitlements to help those in need; politicians set policy giving control of the funds to bureaucrats. Government, thus, has power over the people resulting in loss of personal responsibility and freedom. However, when families provide their own social services; it gives power to the people and results in freedom. Why have we become enamored with government social services when they are expensive and create more problems than they solve?

Entitlements harm the family structure and society in two ways. First, government competes for the same responsibilities as parents. Parents that give up their responsibility are weakened by being less involved and less responsible. Second, entitlements remove family financial resources through taxation in order to provide funds for government social programs. As higher tax rates weaken stable families, social problems become worse and more social spending seems needed. It is an endless downward cycle that we must break in this generation by restoring the proper balance between the family and the state. If we don't restore this balance our nation will be torn apart by fiscal irresponsibility and family breakdown.



### 3: Examples of Entitlement Failures

What has been the track record of government spending on social services? If this involvement has been positive it should be continued. If, however, it has been negative, then reform is needed. Let's look at four different entitlements. It may shock you to realize how much worse each problem has gotten as government involvement has increased.

Let's begin with **unwed pregnancy rates**. Pre-government program, the unwed pregnancy rate was only 4 percent of all births. Now, with many government programs in place to help unwed mothers, the unwed pregnancy rate is nearly 40 percent or a 1000 percent increase. The program has been a colossal failure. Single parenthood is a major contributor to other social issues such as: childhood poverty, drug usage, abuse, school dropouts, and crime.

**Poverty:** The percent of those in poverty has remained about the same, around 9 percent. However, the nature of poverty has changed. It is bleaker and more institutionalized. Poor neighborhoods have more crime, more drug usage, and fewer intact families than they did before the implementation of poverty programs in the 1960s. Poverty programs have not eliminated poverty while those in poverty experience greater despair and pain.

**Medical Costs:** The purpose of government medical programs was to provide affordable medical care to all. When I was born, my father had to work less than a week to pay for the medical expenses associated with my birth. In 2009, a young father will need to work two months or more to pay for medical expenses of his child. This represents at least an 800 percent increase in the cost of medical care. Other areas of medical care have also increased in cost in a similar fashion. This effort to provide low cost medical care to all has also failed; instead government involvement has driven up medical costs for everyone.

**School Preparedness:** It was noticed that not all children came to school ready to learn. The solution was to create all sorts of government funded early childhood education programs such as: Head Start, universal kindergarten, all day kindergarten, pre-k, and now early pre-k. While these programs help some children, the total number of children arriving at school unprepared to learn is increasing and what students know by the end of high school is arguably less than it was prior to implementation of these costly programs<sup>2</sup>. Obviously, this approach that increases the role of the state while reducing the role of parents does not work.

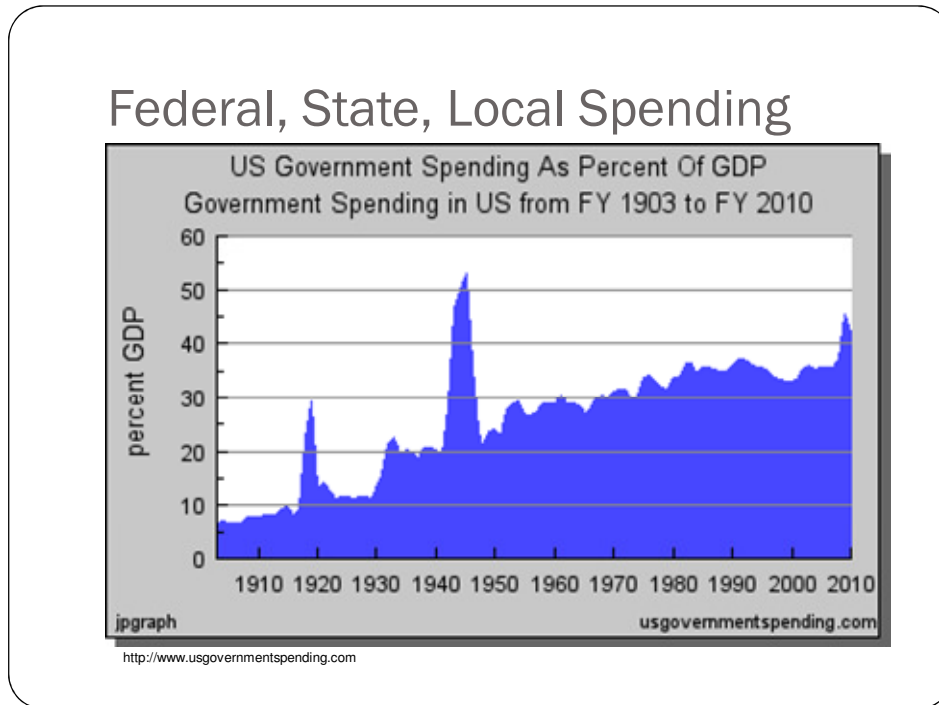
Some will maintain that government provided social services have done some good. While this may be true, it is based on single entry accounting. The good being done is the only factor currently considered. The harm being done is not considered or measured. A double entry accounting system that accurately measures both the benefit to the needy and the harm done to intact stable families would stimulate more thoughtful discussions and allow us to make better social service decisions.

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<sup>2</sup> <http://www.nber.org/reporter/2008number1/heckman.html> Graduation rates peaked in 1960 and have declined since that time especially among males despite the increase in kindergarten etc. This indicates that the overall achievement of all students has declined.

<http://www.heritage.org/research/education/upload/EducationReform-web.pdf> The Heritage foundation on page 6 also indicates that graduation rates are between 71 and 74 percent. Same report on page 8 says American students test below average in math and science compared to students in other developed nations.

#### 4: Entitlements and the Budget in the 20<sup>th</sup> Century



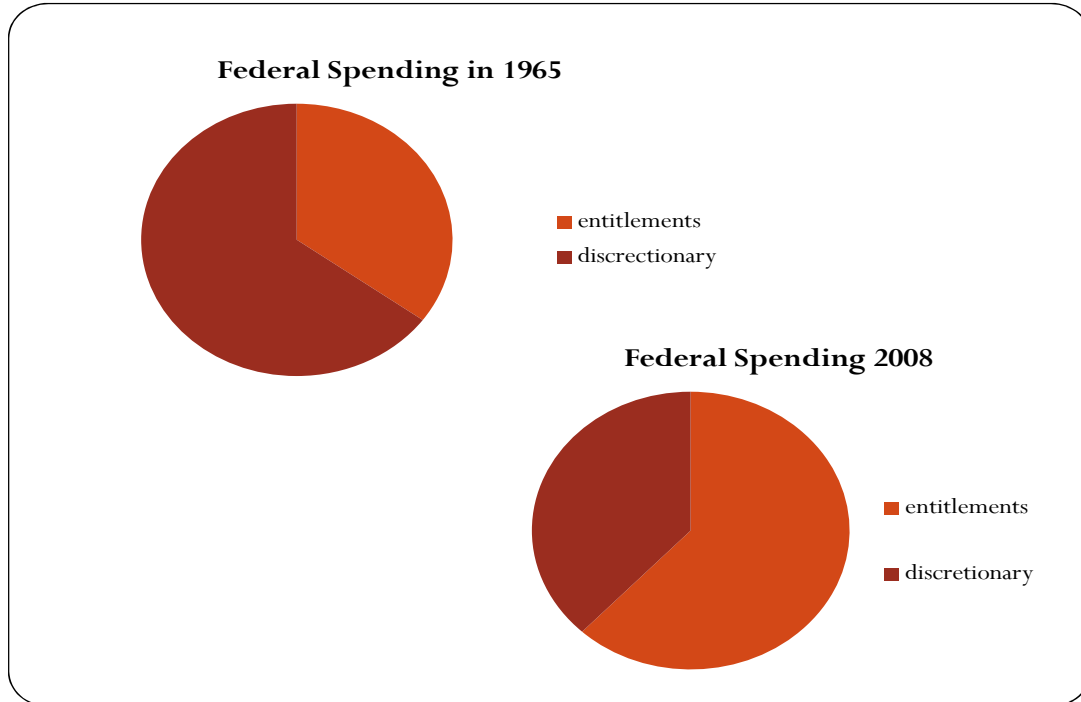
This chart shows the increase in total government spending as a percent of the Gross Domestic Product (GDP) from 1900 to 2010. This includes federal, state, and local budgets.

- In 1900 only 8 percent of the GDP went to government (3% to federal and 5 % to state and local).
- By the year 1990, the total GDP going to fund government had grown to 37 percent (19% federal and 18% state and local).
- It is not simply that government is growing; but, where it is growing. In the 20<sup>th</sup> century, government growth was almost exclusively in the area of entitlements.
- 2/3 of the federal budget goes to entitlements while 85% of the Idaho state budget goes to entitlements (Health and Welfare and Education).
- If government were out of the charity business, taxes would only be 14 percent of the GDP rather than the estimated 42 percent in 2010.

The growth of entitlements harms society for this simple reason. Government grows at the expense of the family unit. The growth of entitlements means a corresponding decrease in the discretionary spending, power, and importance of the family unit. Government entitlements also decrease the ability of the family to provide its own social services. Consider this quote:

In 1900, the only entitlement budget item was payment to war veterans. The chart shows only the largest and most conspicuous of the federal entitlements. It does not include dozens of others, including the military and civil service retirement systems, unemployment insurance, income programs for the blind and disabled, school breakfasts and lunches, housing subsidies, child care support, nutrition for the elderly, vocational training, disaster relief, flood insurance, farm subsidies, and various special benefits for handicapped persons, American Indians, pregnant women, displaced defense workers, tobacco farmers, and graduate students.  
([www.pbs.org/fmc/book/pdf/ch11.pdf](http://www.pbs.org/fmc/book/pdf/ch11.pdf), pg. 196) *Chart not shown*

This chart shows the rapid growth in federal spending for entitlements from 1965 to 2008.



These charts clearly show that government has grown over 4 1/2 times faster than the economy in the 20<sup>th</sup> century and the majority of growth has taken place in the area of entitlements.

By 2008, only 38 percent of the budget (including defense) was considered “discretionary” and funded through annual appropriation decisions, while 62 percent consisted of entitlement programs and other mandatory spending (including net interest). Of the major functions that the nation’s Founding Fathers envisioned for the federal government (for example, national defense, foreign policy, and the federal judiciary), a vast majority are in the shrinking discretionary portion of the budget. (State of the Union’s Finances: A Citizen’s guide; Peter G. Peterson Foundation Our America Our Future: [www.pgpg.org](http://www.pgpg.org))

Government does not solve social problems; it funds programs that treat symptoms. As families have declined, social problems have gotten worse. No amount of government spending can compensate for parental apathy.


The evidence indicates that it is time to reinvent our social safety net. What we have done in the past is built state capacity. What we need to do in the future is build parental capacity. We can’t simultaneously increase state capacity and increase the family’s capacity to provide social services. While we have a moral obligation to care for the weak and defenseless, is that what the current system is doing? State-based charity systems have two huge dilemmas:

- How to distribute charity without a large and costly bureaucracy where the funds dissipate without helping those in need.
- How to help the needy without harming healthy families.


## 5: Why our political system is broken

### How many cookies?


Democrats promise two cookies



Republicans say that's too expensive and promise one cookie



The American way is to have as many cookies as you want as long as you make them yourself



Our political system is broken because government is trying to do things that it was never meant to do especially in the area of charity. James Madison said; “Charity is no part of the legislative duty of the government.” The price of freedom requires you to make two payments.

- Help your family provide its own social services<sup>3</sup>
- Produce more than you consume<sup>4</sup>

Both liberals and conservatives contribute to our dysfunctional political system. Liberals see the government as benevolent and government’s ability to tax as a tool to take care of people through the redistribution of wealth. Consequently, liberals favor increasing the budgets of state-run social programs. Liberals invest in the state’s capacity to deliver social services that undermine the ability of the family to provide social services causing more harm than good.

I would invite my liberal friends to join with me in changing the way social services are provided. It is time to redesign the system and transfer more resources directly to the family unit by letting them keep the fruits of their labors and letting them use it the way they want without bureaucratic oversight.

Conservatives see government as dangerous and focus on what government should not do. Neither liberals nor conservatives value the family as a legitimate tool to deliver social services. Liberals try to take care of people through entitlements while conservatives don’t have a strategy to care for the needs of people. What is needed is a system that takes care of people through increasing the capacity of the family to provide social services. This system would reduce taxes, strengthen families, reduce social problems, and increase personal freedom.

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<sup>3</sup> Family, in this usage, includes private charities and churches.

<sup>4</sup> There are always a few exceptions like the mentally or physically handicapped.

Conservatives and liberals may find this talk of the importance of the family uncomfortable and even suggest that this is a moral issue and not an issue of policy. I would strongly disagree. Having every child raised in a stable home is a tax issue. The Heritage Foundation reports that: “A household headed by someone without a high school diploma receives over \$32,000 in government benefits while only paying \$9,600 in taxes. That’s three dollars in benefits for every dollar taxes paid. But households headed by someone with more than a high school diploma pay on average \$13,000 more in taxes than they receive in benefits.” (<http://www.heritage.org/research/education/upload/EducationReform-web.pdf>) I would add that there is a link between functional families and educational attainment. Stable families produce productive, tax-paying citizens at a higher rate than dysfunctional families. Consider, the key to improving the economy is tax relief. The key to tax relief is getting the cost of government under control. The key to getting government spending under control is to get entitlements under control. The key to getting the cost of entitlements under control is to decrease the number of social problems. The only way to decrease the number of social problems is build family capacity and increase the number of stable homes.

This process can begin with the reform of public education. Once education improves using family-friendly principles, these same principles can be applied to other social areas. Public education is a logical place to start because it is largely funded by the state while other social issues and other entitlement programs are federal and federal policy is much harder to change.

## **6: Reform Public Education: The beginning**

Reforming public education is the key to reclaiming our limited form of government and empowering the family unit. It is in public education that children, government, and families intersect.

In the past, public education has resisted reform because of two faulty assumptions as these assumptions are replaced, I am confident that the system will change.

The first false assumption is that parents are not necessary in the educational process. Horace Mann the father of public education in America said that 9/10ths of the penal code could be eliminated if children were trained in public schools. He believed that parents were the source of corruption and that it was important to limit a child’s time with parents. The solution was to send children to school where they could be properly trained.

Was Horace Mann correct? No. We have learned that the students that do best in school are those students that have good relationships with their parents. Conversely, the students that struggle the most generally have the least support from home. A child’s success, in school and in life, can be predicted by the quality of the parent-child relationship. This is exactly opposite of what Horace Mann predicted. Mann predicted that public schools could perfect the children without the help of parents. This philosophy still dominates public schools.

I agree with Horace Mann that some parents are inept. I disagree that parents are not essential. I also disagree that any state program can replace parents. The downside to Mann’s system is that it creates more inept parents. It does nothing to build the capacity of parents.

The second assumption of public education is that the amount of money spent determines the quality of education. I call this the input theory of value. This is why you hear people say that if we cut education spending even one penny, we are going to harm education. To them, quality is the same as the amount of money spent. We know this is not the case because

Washington D.C. schools spend twice as much as schools in Idaho and have far poorer outcomes. America spends more per student than any other nation in the world yet our students are nowhere near the top when it comes to educational results.

Input Theory of Value		
Washington D.C		\$17,449 per student
Idaho		\$ 7,305 per student
Utah		\$ 5734 per student
Average ACT scores of 2008 Tested Graduates		
	score	% taking exam
Washington D. C.	19.1	30%
Idaho	21.5	58%
Utah	21.8	68%
<small>Source The Taxpayers Network 50 state Comparison www.taxpayersnetwork.org</small>		

Let's replace these two faulty assumptions with two more realistic assumptions.

Instead of distrusting parents, we should see parents as critical partners in the education process and empower and encourage them.

Instead of focusing on money, focus on developing clearly identified goals and allow flexibility to achieve them. Here is a six point plan.

1. Define what it is we want a student to be able to do when they enter kindergarten, when they leave kindergarten, when they leave the first grade, etc. until they leave high school. This process of identifying what is wanted gives us clear goals on what outcomes are desired.
2. Develop challenge exams to allow students to challenge classes and/or years of school so that any student can move ahead at his own speed.
3. Make available to parents the material on these challenge tests so that parents can help teach their children and reinforce what is being taught at school.
4. Allow students to finish the k-12 curriculum in less than 13 years.
5. For each semester a student finishes school early, award a scholarship of \$1000 or more.
6. Allow students to take community college or trade school classes while in a high school setting by giving every high school a community college role.

The advantages of this plan are obvious. It would allow students to learn faster. It would allow students to get a better education at less cost. Many students could have two years of college completed by age 18 at no real cost to the family. It would create more students that want to be in school thus reducing teacher stress. It would save the taxpayers in Idaho \$140 million per year. Most importantly, it would empower and allow interested parents to get involved in their child's education in a very constructive way. This would build family unity and

reduce social problems. The great thing about this plan is that we are already moving this direction and it will not require a radical shift of focus or energy.

### **Conclusion and Vision for the Future**

The key to regaining a Constitutional limited form of government is to restore the proper balance in society by increasing the number of social services provided by the family while limiting state funded social services. It is just and proper that we do this. It makes no sense to continue to fund programs that make social problems worse.

You can begin this process today. It does not take an act of Congress for you, as an individual family, to strive to become entitlement free. We are losing our freedom, individually and collectively as a nation through accepting entitlements. Stop being seduced by government programs and reclaim your personal sovereignty. Our first civic responsibility begins in the home by making a stable family unit entitlement free. We are being bought into slavery with our own money. The government is taking it from us in taxes and giving it back to us if we accept their programs giving the federal government control over our lives.

Families need to strive to live without entitlements.

Cities need to learn to survive without federal government grants.

States need to learn to provide services without grants and cost sharing from the federal government. Instead of getting money from Washington, we need to petition the federal government to let us keep the money in the first place. Washington has no money except what it first takes from the citizens. We need to begin a process of transferring responsibility and resources from the federal government to the state governments, then to the local units, and eventually to the family unit.

You will increase your take home pay when social services are transferred back to the family. You will see Constitutional government return when the federal government reduces its involvement in social services. The quality of social services will improve as the family and private sector regain their role and accept their responsibilities. Finally, you will know who to vote for in the next election. Do they want to strengthen the family or the state?

Share this message. I have it in printed form, soon in DVD, and in a power point. We need to make these principles part of the political discussion then we can elect officials that share these views which will lead to changes in government policy.

There are those that want an immediate fix. Government programs will always have the allure of an immediate fix. Our experience with this approach should warn us to reject this quick fix approach because there is no such thing.

Does anyone really believe that government needs more money and if it had it that it would solve any of our social problems? If no one believes this then why are we still funding these same programs that do the same thing they have always done? As important as other political issues are, all of them are dependent upon the work done by parents within the home. No amount of money spent by government can compensate for failure in the home.

A balanced system with limited government is the kindest, most people friendly system the world has ever seen. This balanced system can only be achieved by changing our focus from the needs of government to the needs of the family

No amount of government spending that competes with the family will ever result in prosperity. There is only one reasonable choice. It is to change our focus to the needs of family and stand back and watch the miracle of what private citizens can do when they can keep the fruits of their labors. Freedom begins in the home.

