

## Public Social Welfare Expenditures, Fiscal Year 1990

by Ann Kallman Bixby\*

Expenditures for social welfare under public law amounted to \$1,045.4 billion in fiscal year 1990, an increase of 9.2 percent over the previous year. That 1990 amount represented 19.1 percent of the national output of goods and services, as measured by the gross domestic product (GDP). Social insurance programs accounted for about one-half of all expenditures, followed in magnitude by the education and public aid categories.

Social welfare expenditures, which are defined in this series as the cash benefits, services, and administrative costs of public programs that directly benefit individuals and families, have been fairly stable since 1980. The average annual growth in such spending between 1980 and 1990 was 11 percent, and half of that is accounted for by increases in the cost of living. During that time, these expenditures have represented 18.3-19.1 percent of the GDP, a variance of less than 1 percentage point.

Table 1 shows the individual program components of the series. Data for the years 1975-89 have been revised for this note; the main categories affected are "Health and medical programs" and "Public aid." Overall spending for social welfare rose \$87.9 billion from 1989 to 1990. Nearly half of that increase—48.4 percent—was accounted for by social insurance programs. By far the largest of these are the Social Security (Old-Age, Survivors, and Disability Insurance) and Medicare (Hospital Insurance and Supplementary Medical Insurance) programs. Together, these two programs were responsible for 32.1 percent of the total increase in social welfare spending. In addition, public aid accounted for 19.3 percent of the increase and education for 22.3 percent.

Table 2 shows the relationship of social welfare outlays to the GDP. Previous editions of this note used the gross national product (GNP) as a base, but in December 1991 the Bureau of Economic Analysis of the Department of Commerce announced that the National Income and Product Accounts would henceforth use the GDP as the primary measure of production. Most U.S. Government statistical systems have since followed suit. The essential difference between the two is that GDP measures goods and services produced by labor and property located in the United States, regardless of the residency status of the workers or owners, while GNP measures those produced by labor and property supplied by U.S. residents, regardless of their geographic location. GDP is, therefore, more consistent with other indicators such as employment, industry output, and capital investment, which are concerned solely with the United States. For purposes of this series there is very little difference in the results; in 1990, social

welfare expenditures made up 19.1 percent of both GNP and GDP.

Social welfare spending per capita was \$4,109.69 in 1990, 8 percent higher than the year before (table 3). Using constant (1990) dollars, that increase was reduced to 3 percent. With the effects of inflation removed, all of the categories except "Veterans' programs" increased from 1989 to 1990. "Social insurance" grew 3 percent in real terms; the comprehensive "Total health care costs" category, which includes Medicaid and Medicare, grew 6 percent.

In 1990, the Federal Government share of all social welfare expenditures was 58.7 percent, down slightly from 1989 (table 4). Federal responsibility for spending varied considerably by category, however. Social insurance has been 80-84 percent federally funded since 1966, and the Federal percentage of Veterans' program funding has traditionally been even higher. Education, in contrast, has been chiefly a State and local responsibility; in 1990, only 7 percent of education expenditures were federally funded. The Federal share of housing expenditures and of "Other social welfare expenditures" has fallen over the past decade. However, the Federal share of "Total health care spending" has been steadily increasing; in 1990, it was nearly 70 percent.

Table 5 shows that more than one-half of all government spending went for social welfare purposes in 1990. The Federal Government spent 51 percent of its outlays on social welfare, and the State and local governments spent 68 percent. Social welfare expenditures from trust funds comprised about 33 percent of the Federal total, while for States and localities that figure was about 11 percent. About 25 percent of Federal non-trust fund spending was for social welfare, compared with 60 percent of State and local funds. This imbalance reflects the large Social Security trust funds and the fact that Federal non-trust fund spending includes defense expenditures.

Governments at all levels spent \$271.5 billion on health and medical care in 1990, 12.5 percent more than in the previous year (table 6). The increasing cost of medical care is reflected in the Consumer Price Index (CPI). The CPI as a whole rose 5.4 percent from 1989 to 1990, while its medical care component rose 9.0 percent. Spending for health and medical care rose to 5 percent of the GDP in 1990, slightly higher than in the previous year.

Social welfare expenditures grew 112.2 percent over the 1980-90 period, slightly more than the growth of the GDP. The components that showed the most growth were, as expected, those concerned with medical care. Expenditures for Medicare rose 205.2 percent over the period and those for Public assistance medical payments rose 173.4 percent. With the effects of inflation removed, the rise in total social welfare was 31.7 percent, and the

\*Division of Statistics Analysis, Office of Research and Statistics, Social Security Administration.

increases for Medicare and Public assistance medical payments were 89.5 percent and 69.7 percent, respectively. Total health care spending rose 171.3 percent, or 68.4 percent in real terms.

Although social welfare spending grew more than the GDP over the decade, the difference did not greatly affect their percent-

age relationship. The 1990 figure of 19.1 percent is comfortably within the range that has prevailed since the mid-seventies. Federal spending as a percent of the total dropped slightly in all categories over the period, as did social welfare as a percent of all government spending.

Table 1.—Social welfare expenditures under public programs, selected fiscal years 1950-90<sup>1</sup>

(In millions)

Program	1950	1960	1970	1975 <sup>2</sup>	1980 <sup>2</sup>	1985 <sup>2</sup>	1988 <sup>2</sup>	1989 <sup>2</sup>	1990
Total expenditures									
Total .....	\$23,508.3	\$52,293.2	\$145,555.2	\$289,173.0	\$492,713.7	\$732,244.7	\$887,483.2	\$957,424.4	\$1,045,372.5
Social insurance .....	4,946.4	19,306.5	54,691.2	123,013.1	229,754.4	369,595.2	434,047.9	468,045.7	510,615.7
Old-Age Survivors, Disability, and Health Insurance (OASDHI).....	784.1	11,032.2	36,835.4	78,429.9	152,110.4	257,535.1	300,048.2	324,109.4	352,361.8
OASDI .....	784.1	11,032.2	29,686.2	63,648.5	117,118.9	186,150.8	216,438.7	229,557.5	245,555.5
HI (Medicare) <sup>3</sup> .....	...	...	7,149.2	14,781.4	34,991.5	71,384.3	83,609.5	94,552.0	106,806.3
Railroad retirement <sup>4</sup> .....	306.4	934.7	1,609.9	3,085.1	4,768.7	6,275.6	6,675.9	6,971.2	7,229.9
Public employee retirement <sup>5</sup> .....	817.9	2,569.9	8,658.7	20,118.6	39,490.2	63,044.0	78,048.2	83,794.0	90,364.7
Unemployment insurance and employment services <sup>6</sup> .....	2,190.1	2,829.6	3,819.5	13,835.9	18,326.4	18,343.8	16,117.8	16,381.3	19,971.3
Railroad unemployment insurance .....	119.6	215.2	38.5	41.6	155.4	138.4	82.1	64.4	64.6
Railroad temporary disability insurance .....	31.1	68.5	61.1	32.9	68.7	50.6	18.3	35.0	40.3
State temporary disability insurance <sup>7</sup> .....	72.1	347.9	717.7	990.0	1,377.4	1,944.1	2,753.6	2,886.3	3,224.2
Hospital and medical benefits <sup>8</sup> .....	2.2	40.2	62.6	72.9	49.6	55.3	62.4	67.3	62.5
Workers' compensation <sup>9</sup> .....	625.1	1,308.5	2,950.4	6,479.1	13,457.2	22,263.6	30,303.8	33,804.1	37,358.9
Hospital and medical benefits <sup>8</sup> .....	193.0	420.0	985.0	2,470.0	3,725.0	7,080.0	11,110.3	12,825.0	14,329.5
Public aid .....	2,496.2	4,101.1	16,487.8	41,446.6	72,703.1	98,356.4	119,668.4	128,683.7	145,641.9
Public assistance <sup>10</sup> .....	2,490.2	4,041.7	14,433.5	27,409.4	45,064.3	66,170.2	84,152.2	91,395.6	103,923.4
Medical payments .....	51.3	492.7	5,212.7	13,550.6	27,570.1	43,859.7	58,039.4	64,583.3	75,367.1
Social services .....	...	...	712.6	2,622.4	2,342.8	2,742.8	2,700.0	2,670.5	2,753.2
Supplemental security income .....	...	...	...	6,091.6	8,226.5	11,840.0	14,687.1	15,823.3	17,230.4
Food stamps .....	...	...	577.0	4,693.9	9,083.3	12,512.7	13,071.1	13,589.3	16,254.5
Other <sup>11</sup> .....	6.0	59.4	1,477.3	3,251.7	10,329.0	7,833.5	7,758.0	7,875.5	8,233.6
Health and medical programs <sup>12</sup> .....	2,063.5	4,463.9	9,606.0	16,742.0	27,263.0	39,053.0	53,096.0	57,085.0	62,428.0
Hospital and medical care .....	1,222.3	2,853.3	4,983.0	8,836.0	12,303.0	16,565.0	23,927.0	24,824.0	27,511.0
Civilian programs .....	886.1	1,973.2	3,301.0	6,019.0	8,105.0	9,143.0	14,257.0	14,666.0	16,225.0
Defense Department <sup>13</sup> .....	336.2	880.1	1,682.0	2,817.0	4,198.0	7,422.0	9,670.0	10,158.0	11,286.0
Maternal and child health programs <sup>14</sup> .....	29.8	141.4	450.0	567.0	870.0	1,222.0	1,666.0	1,789.0	1,884.0
Medical research .....	69.2	448.9	1,684.0	2,648.0	4,924.0	6,891.0	9,132.0	9,818.0	11,003.0
School health (education agencies) .....	30.6	101.0	247.0	352.0	575.0	788.0	944.0	999.0	1,060.0
Other public health activities .....	350.8	401.2	1,312.0	2,815.0	6,931.0	11,912.0	15,983.0	18,007.0	19,044.0
Medical facilities construction .....	360.8	518.1	930.0	1,524.0	1,660.0	1,675.0	1,444.0	1,648.0	1,926.0
Veterans' programs .....	6,865.7	5,479.3	9,078.1	17,018.9	21,465.5	27,042.3	29,253.8	30,103.6	30,916.2
Pensions and compensation <sup>15</sup> .....	2,092.1	3,402.7	5,393.8	7,578.5	11,306.0	14,333.0	14,913.9	15,279.2	15,792.6
Health and medical programs .....	748.0	954.1	1,784.1	3,516.8	6,203.9	9,493.2	11,330.9	11,662.8	12,004.1
Hospital and medical care .....	582.8	879.4	1,651.4	3,287.1	5,749.9	8,808.6	10,151.5	10,782.3	11,321.4
Hospital construction .....	161.5	59.6	70.9	136.7	323.0	458.0	964.1	645.8	445.0
Medical and prosthetic research .....	3.7	15.1	61.8	93.0	131.0	226.6	215.3	234.7	237.7
Education .....	2,691.6	409.6	1,018.5	4,433.8	2,400.7	1,170.8	653.0	647.3	522.8
Life insurance <sup>16</sup> .....	475.7	494.1	502.3	556.1	664.5	795.5	963.1	1,002.2	1,037.8
Welfare and other .....	858.3	218.8	379.4	933.7	890.4	1,249.8	1,392.9	1,512.1	1,558.9
Education <sup>17</sup> .....	6,674.2	17,626.2	50,845.5	80,834.1	121,049.6	172,047.5	219,382.2	238,771.0	258,384.6
Elementary and secondary .....	5,596.2	15,109.0	38,632.3	59,745.6	87,149.9	120,696.6	167,834.9	183,170.7	199,277.3
Construction .....	1,046.4	2,661.8	4,659.1	5,746.0	6,524.0	8,358.3	11,789.0	14,584.0	10,636.0
Higher .....	914.8	2,190.8	9,907.0	16,384.1	26,175.9	41,130.4	49,898.3	54,028.5	57,424.3
Construction .....	310.3	357.9	1,566.9	1,512.7	1,528.1	2,346.6	3,199.3	3,313.0	3,953.0
Vocational and adult <sup>18</sup> .....	160.8	298.0	2,144.4	4,441.3	7,375.2	9,891.2	1,288.0	1,209.2	1,293.3
Housing .....	14.6	176.7	701.2	3,171.7	6,879.0	12,598.5	16,555.9	18,126.7	19,468.5
Public housing .....	14.5	143.5	459.9	1,456.4	4,680.5	9,340.3	12,176.5	13,210.0	14,521.8
Other social welfare .....	447.7	1,139.5	4,145.4	6,946.6	13,599.1	13,551.8	15,479.0	16,608.7	17,917.6
Vocational rehabilitation .....	30.0	96.4	703.8	1,036.4	1,251.1	1,536.7	1,905.5	1,999.0	2,126.6
Medical services .....	7.4	17.8	133.8	217.7	279.4	360.0	444.0	499.9	531.6
Medical research <sup>19</sup> .....	...	6.6	29.6	...	13.5	...	...	...	...
Institutional care <sup>20</sup> .....	145.5	420.5	201.8	296.1	482.4	379.6	530.2	587.2	629.4
Child nutrition <sup>21</sup> .....	160.2	398.7	896.0	2,517.6	4,852.3	5,308.5	6,250.0	6,644.9	7,165.4
Child welfare <sup>22</sup> .....	104.9	211.5	585.4	597.0	800.0	200.0	239.4	246.7	252.6
Special OEO and ACTION programs <sup>23</sup> .....	...	...	752.8	638.3	2,302.7	503.8	153.3	162.9	169.4
Social welfare, not elsewhere classified <sup>24</sup> .....	7.1	12.4	1,005.6	1,861.2	3,910.6	5,623.2	6,400.6	6,968.0	7,574.2

See footnotes at end of table.

Table 1.—Social welfare expenditures under public programs, selected fiscal years 1950-90<sup>1</sup> —Continued

[In millions]									
Program	1950	1960	1970	1975 <sup>2</sup>	1980 <sup>2</sup>	1985 <sup>2</sup>	1988 <sup>2</sup>	1989 <sup>2</sup>	1990
Federal expenditures									
Total .....	\$10,541.0	\$24,956.6	\$77,130.2	\$166,884.2	\$303,165.5	\$450,785.8	\$527,002.8	\$565,080.7	\$613,821.0
Social insurance .....	2,102.8	14,307.1	45,245.6	99,715.0	191,162.0	310,174.7	360,264.7	387,280.5	419,336.8
Old-Age, Survivors, Disability, and Health Insurance (OASDI).....	784.1	11,032.2	36,835.4	78,429.9	152,110.4	257,535.1	300,048.2	324,109.4	352,361.8
OASDI.....	784.1	11,032.2	29,686.2	63,648.5	117,118.9	186,150.8	216,438.7	229,557.5	245,555.5
HI (Medicare) <sup>3</sup> .....	...	...	7,149.2	14,781.4	34,991.5	71,384.3	83,609.5	94,552.0	106,806.3
Railroad retirement <sup>4</sup> .....	306.4	934.7	1,609.9	3,085.1	4,768.7	6,275.6	6,675.9	6,971.2	7,229.9
Public employee retirement <sup>5</sup> .....	507.9	1,519.9	5,516.7	13,338.9	26,982.9	40,504.0	47,606.3	50,247.6	53,513.9
Unemployment insurance and employment services <sup>6</sup> .....	328.6	473.5	1,036.1	3,429.2	4,407.6	2,604.1	2,965.3	2,893.1	3,093.8
Railroad unemployment insurance.....	119.6	215.2	38.5	41.6	155.4	138.4	82.1	64.4	64.6
Railroad temporary disability insurance.....	31.1	68.5	61.1	32.9	68.7	50.6	18.3	35.0	40.3
Workers' compensation <sup>9</sup> .....	25.1	63.1	147.9	1,357.4	2,668.3	3,066.9	2,868.6	2,959.8	3,032.5
Hospital and medical benefits <sup>8</sup> .....	5.2	9.0	20.7	50.2	129.5	280.2	367.1	409.7	432.9
Public aid.....	1,103.2	2,116.9	9,648.6	27,275.8	49,394.2	63,474.5	75,934.6	81,762.6	92,649.7
Public assistance <sup>10</sup> .....	1,097.2	2,057.5	7,594.3	14,528.6	23,542.1	33,523.1	43,431.3	47,828.5	54,536.6
Medical payments.....	...	199.8	2,607.1	7,056.4	14,550.2	22,677.4	30,770.7	34,857.7	40,690.1
Social services.....	...	...	522.0	1,962.6	1,757.1	2,057.1	2,025.0	2,002.9	2,064.9
Supplemental security income.....	...	...	...	4,801.6	6,439.8	9,805.2	11,674.2	12,469.3	13,625.0
Food stamps.....	...	...	577.0	4,693.9	9,083.3	12,512.7	13,071.1	13,589.3	16,254.5
Other <sup>11</sup> .....	6.0	59.4	1,477.3	3,251.7	10,329.0	7,833.5	7,758.0	7,875.5	8,233.6
Health and medical programs <sup>12</sup> .....	603.5	1,737.1	4,568.0	7,890.0	12,840.0	18,029.0	22,875.0	24,064.0	27,515.0
Hospital and medical care.....	382.6	983.5	1,973.0	3,970.0	6,636.0	9,877.0	12,737.0	12,894.0	14,733.0
Civilian programs.....	46.4	103.4	291.0	1,153.0	2,438.0	2,455.0	3,067.0	2,736.0	3,447.0
Defense Department <sup>13</sup> .....	336.2	880.1	1,682.0	2,817.0	4,198.0	7,422.0	9,670.0	10,158.0	11,286.0
Maternal and child health programs <sup>14</sup> .....	20.1	35.3	190.0	271.0	351.0	422.0	468.0	494.0	492.0
Medical research.....	69.2	425.9	1,515.0	2,362.0	4,428.0	5,992.0	7,839.0	8,458.0	9,528.0
Other public health activities.....	63.8	57.3	589.0	1,017.0	1,215.0	1,399.0	1,831.0	2,032.0	2,263.0
Medical-facilities construction.....	67.8	235.1	301.0	270.0	210.0	339.0	...	186.0	499.0
Veterans' programs.....	6,386.2	5,367.4	8,951.6	16,569.8	21,253.6	26,704.4	28,844.8	29,638.1	30,427.7
Pensions and compensation <sup>15</sup> .....	2,092.1	3,402.7	5,393.8	7,578.5	11,306.0	14,333.0	14,913.9	15,279.2	15,792.6
Health and medical programs.....	748.0	954.1	1,784.1	3,516.8	6,203.9	9,493.2	11,330.9	11,662.8	12,004.1
Hospital and medical care.....	582.8	879.4	1,651.4	3,287.1	5,749.9	8,808.6	10,151.5	10,782.3	11,321.4
Hospital construction.....	161.5	59.6	70.9	136.7	323.0	458.0	964.1	645.8	445.0
Medical and prosthetic research.....	3.7	15.1	61.8	93.0	131.0	226.6	215.3	234.7	237.7
Education.....	2,691.6	409.6	1,018.5	4,433.8	2,400.7	1,170.8	653.0	647.3	522.8
Life insurance <sup>16</sup> .....	475.7	494.1	502.3	556.1	664.5	795.5	963.1	1,022.2	1,037.8
Welfare and other.....	378.8	106.9	252.9	484.6	678.5	911.9	983.9	1,046.6	1,070.4
Education <sup>17</sup> .....	156.7	867.9	5,875.8	8,629.3	13,452.2	13,796.2	16,966.4	18,659.9	18,374.0
Elementary and secondary.....	47.1	441.9	2,956.8	4,562.5	7,429.6	7,277.6	8,825.6	9,683.7	9,944.3
Construction.....	5.2	70.6	35.9	20.9	40.9	23.0	45.7	18.4	22.9
Higher.....	48.5	293.1	2,154.6	2,863.5	4,467.5	5,102.1	6,491.8	7,404.4	6,746.7
Construction.....	5.7	1.2	466.3	273.9	42.1	32.1	8.8	22.5	...
Vocational and adult.....	58.7	104.5	602.6	940.2	1,205.5	1,087.2	1,288.0	1,209.2	1,293.3
Housing.....	14.6	143.5	581.6	2,540.7	6,277.6	11,058.8	14,005.9	15,183.9	16,612.4
Public housing.....	14.5	143.5	459.9	1,456.4	4,680.5	9,340.3	12,176.5	13,210.0	14,521.8
Other social welfare.....	174.0	416.7	2,259.0	4,263.6	8,785.9	7,548.2	8,111.4	8,491.7	8,905.4
Vocational rehabilitation.....	21.0	64.3	567.5	814.0	1,006.1	1,186.7	1,489.1	1,560.0	1,660.8
Medical services.....	5.1	11.2	107.0	174.2	223.5	275.0	343.1	390.1	415.2
Medical research <sup>19</sup> .....	...	6.6	29.6	...	13.5	...	...	...	...
Institutional care <sup>20</sup> .....	20.5	20.5	22.5	20.3	74.2	120.8	137.6	140.9	143.4
Child nutrition programs <sup>21</sup> .....	121.2	306.1	710.9	2,064.0	4,209.3	4,348.7	4,955.9	5,197.0	5,469.8
Child welfare <sup>22</sup> .....	4.2	13.4	44.7	49.8	57.0	200.0	239.4	246.7	252.6
Special OEO and ACTION programs <sup>23</sup> .....	...	...	752.8	638.3	2,302.7	503.8	153.3	162.9	169.4
Social welfare, not elsewhere classified <sup>24</sup> .....	7.1	12.4	160.6	677.2	1,136.6	1,188.2	1,136.1	1,184.2	1,209.4
State and local expenditures									
Total .....	\$12,967.3	\$27,336.6	\$68,425.0	\$122,288.8	\$189,548.2	\$281,458.9	\$360,480.4	\$392,343.7	\$431,551.5
Social insurance .....	2,843.6	4,999.4	9,445.6	23,298.1	38,592.4	59,420.5	73,783.2	80,765.2	91,278.9
Public employee retirement <sup>5</sup> .....	310.0	1,050.0	3,142.0	6,779.7	12,507.3	22,540.0	30,441.9	33,546.4	36,850.8
Unemployment insurance and employment services <sup>6</sup> .....	1,861.5	2,356.1	2,783.4	10,406.7	13,918.8	15,739.7	13,152.5	13,488.2	16,877.5
State temporary disability insurance <sup>7</sup> .....	72.1	347.9	717.7	990.0	1,377.4	1,944.1	2,753.6	2,886.3	3,224.2
Hospital and medical benefits <sup>8</sup> .....	2.2	40.2	62.6	72.9	49.6	55.3	62.4	67.3	62.5
Workers' compensation <sup>9</sup> .....	600.0	1,245.4	2,802.5	5,121.7	10,788.9	19,196.7	27,435.2	30,844.3	34,326.4
Hospital and medical benefits <sup>8</sup> .....	187.8	411.0	964.3	2,419.8	3,595.5	6,799.8	10,743.2	12,415.3	13,896.6

See footnotes at end of table.

Table 1.—Social welfare expenditures under public programs, selected fiscal years 1950-90<sup>1</sup> —Continued

(In millions)

Program	1950	1960	1970	1975 <sup>2</sup>	1980 <sup>2</sup>	1985 <sup>2</sup>	1988 <sup>2</sup>	1989 <sup>2</sup>	1990
	State and local expenditures								
Public aid.....	\$1,393.0	\$1,984.2	\$6,839.2	\$14,170.8	\$23,308.9	\$34,881.9	\$43,733.8	\$46,921.1	\$52,992.2
Public assistance <sup>10</sup> .....	1,393.0	1,984.2	6,839.2	12,880.8	21,522.2	32,647.1	40,720.9	43,567.1	49,386.8
Medical payments.....	51.3	292.9	2,605.6	6,494.2	13,019.9	21,182.3	27,268.7	29,725.6	34,577.0
Social services.....	...	...	190.6	659.8	585.7	685.7	675.0	667.6	688.3
Supplemental security income.....	...	...	...	1,290.0	1,786.7	2,234.8	3,012.9	3,354.0	3,605.4
Health and medical programs <sup>12</sup> .....	1,460.0	2,726.8	5,038.0	8,852.0	14,423.0	21,024.0	30,221.0	33,021.0	34,913.0
Hospital and medical care.....	839.7	1,869.8	3,010.0	4,866.0	5,667.0	6,688.0	11,190.0	11,930.0	12,778.0
Maternal and child health programs <sup>14</sup> .....	9.7	106.1	260.0	296.0	519.0	800.0	1,198.0	1,295.0	1,392.0
Medical research.....	...	23.0	169.0	286.0	496.0	899.0	1,293.0	1,360.0	1,475.0
School health (education agencies).....	30.6	101.0	247.0	352.0	575.0	788.0	944.0	999.0	1,060.0
Other public health activities.....	287.0	343.9	723.0	1,798.0	5,716.0	10,513.0	14,152.0	15,975.0	16,781.0
Medical-facilities construction.....	293.0	283.0	629.0	1,254.0	1,450.0	1,336.0	1,444.0	1,462.0	1,427.0
Veterans' programs.....	479.5	111.9	126.5	449.1	211.9	337.9	409.0	465.5	488.5
Education.....	6,517.5	16,758.3	44,969.7	72,204.8	107,597.4	158,251.3	202,415.8	220,111.1	240,010.6
Elementary and secondary.....	5,549.1	14,667.1	35,675.5	55,183.1	79,720.3	113,419.0	159,009.3	173,487.0	189,333.0
Construction.....	1,041.2	2,591.2	4,623.2	5,725.1	6,483.1	8,335.3	11,743.3	14,565.6	10,613.1
Higher.....	866.3	1,897.7	7,752.4	13,520.6	21,708.4	36,028.3	43,406.5	46,624.1	50,677.6
Construction.....	304.6	356.7	1,100.6	1,238.8	1,486.0	2,314.5	3,198.5	3,290.5	3,953.0
Vocational and adult <sup>18</sup> .....	102.1	193.5	1,541.8	3,501.1	6,168.7	8,804.0	...	...	...
Housing.....	...	33.2	119.6	631.0	601.4	1,539.7	2,550.0	2,942.8	2,856.1
Other social welfare.....	273.7	722.8	1,886.4	2,683.0	4,813.2	6,003.6	7,367.6	8,117.0	9,012.2
Vocational rehabilitation.....	9.0	32.1	136.3	222.4	245.0	350.0	416.4	439.0	465.8
Medical services.....	2.3	6.6	26.8	43.5	55.9	85.0	100.9	109.8	116.4
Institutional care.....	125.0	400.0	179.3	275.8	408.2	258.8	392.6	446.3	486.0
Child nutrition programs.....	39.0	92.6	185.1	453.6	643.0	959.8	1,294.1	1,447.9	1,695.6
Child welfare <sup>22</sup> .....	100.7	198.1	540.7	547.2	743.0	...	...	...	...
Social welfare, not elsewhere classified <sup>24</sup> .....	...	...	845.0	1,184.0	2,774.0	4,435.0	5,264.5	5,783.8	6,364.8

<sup>1</sup> Expenditures from Federal, State, and local revenues and trust funds under public law; includes capital outlays and administrative expenditures unless otherwise noted. Includes some payments abroad. Through 1976, fiscal year ended June 30 for Federal Government, most States, and some localities. Beginning in 1977, Federal fiscal year ends September 30.

<sup>2</sup> Revised data.

<sup>3</sup> Includes Hospital Insurance and Supplementary Medical Insurance.

<sup>4</sup> Excludes the financial interchange between OASDI and Railroad Retirement.

<sup>5</sup> Includes military retirement system; excludes refunds of employee contributions. Administrative expenses not available for some programs.

<sup>6</sup> Includes unemployment compensation under State programs, programs for Federal employees, trade adjustment and training allowances, and payments under extended, emergency, disaster, and special unemployment insurance programs.

<sup>7</sup> Cash and medical benefits in five areas. Includes private plans where applicable and State administrative costs. Data for Hawaii not available.

<sup>8</sup> Included in total directly above.

<sup>9</sup> Cash and medical benefits paid under public laws by private insurance carriers. Administrative costs of private carriers and self-insurers not available. Beginning 1960, includes data for Alaska and Hawaii; beginning in 1970, includes the Federal "black lung" program.

<sup>10</sup> Cash payments and medical assistance under the Aid to Families with Dependent Children, Medicaid, emergency assistance, WIC, and General Assistance programs. Also includes social services and work-incentive activities.

<sup>11</sup> Work relief, other emergency aid, surplus food for the needy, repatriate and refugee assistance, and work-experience training programs. Beginning in 1981, includes Low-Income Home Energy Assistance.

<sup>12</sup> Excludes State and local expenditures for domiciliary care in institutions other than tuberculosis. Also excludes medical services in connection with OASDI, State temporary disability insurance, workers' compensation, public assistance, voca-

tional rehabilitation, and veterans' programs, included in expenditures for these programs.

<sup>13</sup> Includes medical care for military dependents.

<sup>14</sup> Includes services for disabled children.

<sup>15</sup> Includes burial awards, special allowances for survivors of veterans who did not qualify under OASDI, and clothing allowances.

<sup>16</sup> Excludes the servicemen's group life insurance program.

<sup>17</sup> Federal administrative expenditures (Department of Education) and research costs included in total only.

<sup>18</sup> State and local expenditures for vocational and adult education not available after 1985.

<sup>19</sup> No longer available separately after 1980.

<sup>20</sup> Federal expenditures represent primarily surplus food for institutions.

<sup>21</sup> Surplus food for schools and programs under National School Lunch and Child Nutrition Acts.

<sup>22</sup> Represents primarily child welfare services under the Social Security Act. State and local data not available after 1980.

<sup>23</sup> Includes domestic programs consolidated in 1972 under ACTION and special Office of Economic Opportunity programs. After 1987, represents ACTION funds only.

<sup>24</sup> Federal expenditures include administrative and related expenses of the Secretary of Health and Human Services, Indian welfare and guidance, aging and juvenile delinquency, and certain manpower and human development programs. State and local expenditures include amounts for anti-poverty and manpower programs, day care, child placement and adoption services, foster care, legal assistance, care of transients, and other unspecified welfare services.

Source: Data taken or estimated from *Federal Budgets, Census of Governments*, and reports of administrative agencies.

Table 2.—Social welfare expenditures under public programs as percent of gross domestic product, selected fiscal years, 1950-90

Fiscal year	Gross domestic product (in billions) <sup>1</sup>	All programs <sup>2</sup>			Program category						
		Total	Federal	State and local	Social Insurance	Public aid	Health and medical programs	Veterans' programs	Education	Other social welfare	Total health care costs <sup>3</sup>
1950 .....	\$266.8	8.8	3.9	4.7	1.8	0.9	0.8	2.6	2.5	0.2	1.1
1955 .....	386.4	8.5	3.8	4.7	2.4	.8	.8	1.2	2.8	.2	1.2
1960 .....	506.7	10.3	4.9	5.4	3.8	.8	.9	1.1	3.5	.2	1.3
1965 .....	671.4	11.5	5.6	5.9	4.2	.9	.9	.9	4.2	.3	1.4
1970 .....	985.8	14.8	7.8	6.9	5.5	1.7	1.0	.9	5.2	.4	2.5
1975 .....	1,511.3	19.1	11.0	8.1	8.1	2.7	1.1	1.1	5.3	.5	3.4
1980 .....	2,644.5	18.6	11.5	7.2	8.7	2.7	1.0	.8	4.6	.5	3.8
1981 .....	2,964.8	18.7	11.7	7.0	9.0	2.8	1.0	.8	4.4	.4	3.9
1982 .....	3,124.9	19.2	11.8	7.4	9.7	2.6	1.0	.8	4.4	.4	4.2
1983 .....	3,317.0	19.6	12.1	7.4	10.0	2.7	1.0	.8	4.4	.4	4.3
1984 .....	3,696.8	18.3	11.4	7.0	9.2	2.5	1.0	.7	4.3	.4	4.2
1985 <sup>3</sup> .....	3,970.9	18.4	11.4	7.1	9.3	2.5	1.0	.7	4.3	.3	4.3
1986 <sup>3</sup> .....	4,219.6	18.5	11.2	7.3	9.3	2.5	1.0	.7	4.5	.3	4.4
1987 <sup>3</sup> .....	4,453.3	18.7	11.2	7.5	9.3	2.5	1.1	.6	4.6	.3	4.6
1988 <sup>3</sup> .....	4,810.0	18.5	11.0	7.5	9.0	2.5	1.1	.6	4.6	.3	4.5
1989 .....	5,170.1	18.5	10.9	7.6	9.1	2.5	1.1	.6	4.6	.3	4.7
1990 .....	5,459.5	19.1	11.2	7.9	9.4	2.7	1.1	.6	4.7	.3	5.0

<sup>1</sup> Revised in 1992 to conform with the change made from gross national product to gross domestic product as the indicator preferred by the Bureau of Economic Analysis, U.S. Department of Commerce.

<sup>2</sup> Includes housing, not shown separately.

<sup>3</sup> Combines "health and medical programs" with medical services provided under the social insurance, public aid, veterans', "and other social welfare categories."

Table 3.—Total and per capita social welfare expenditures under public programs in current and constant (1990) dollars, selected fiscal years, 1965-90

Fiscal year	Total expenditures		Per capita expenditures for —						
	Amount (in millions) <sup>1</sup>	Per capita <sup>2</sup>	Social insurance	Public aid	Health and medical programs	Veterans' programs	Education	Other social welfare	Total health care costs <sup>3</sup>
Current dollars									
1965 .....	\$76,837.0	\$390.69	\$142.29	\$31.95	\$31.30	\$30.30	\$142.73	\$10.50	\$47.92
1970 .....	145,273.3	698.35	261.75	79.26	46.18	43.16	244.27	19.93	120.47
1975 .....	288,368.0	1,315.33	558.66	189.05	76.36	76.95	368.56	31.69	234.45
1980 .....	484,944.3	2,097.57	989.95	314.47	117.92	92.02	523.41	58.82	433.66
1985 .....	733,505.0	3,020.53	1,515.98	405.03	160.82	110.53	708.41	55.81	705.34
1988 .....	883,730.0	3,554.38	1,731.80	481.31	213.55	116.85	882.22	62.26	875.58
1989 .....	955,102.5	3,804.49	1,857.26	512.59	227.39	117.85	951.03	66.16	961.68
1990 .....	1,042,858.5	4,109.69	2,004.42	573.94	246.02	119.79	1,018.17	70.61	1,070.04
Percentage increase from selected year to 1990									
1965 .....	1,257	952	1,309	1,696	686	295	613	572	2,133
1970 .....	618	488	666	624	433	178	317	254	788
1975 .....	262	212	259	204	222	56	176	123	356
1980 .....	115	96	102	83	109	30	95	20	147
1985 .....	42	36	32	42	53	8	44	27	52
1988 .....	18	16	16	19	15	3	15	13	22
1989 .....	9	8	8	12	8	2	7	7	11
Constant (1990) dollars									
1965 .....	\$297,517.0	\$1,512.76	\$551.096	\$123.71	\$121.18	\$117.34	\$552.65	\$40.67	\$185.54
1970 .....	469,281.7	2,255.89	845.54	256.03	149.17	139.41	789.08	64.37	389.16
1975 .....	678,166.1	3,093.30	1,313.82	444.59	179.59	180.97	866.75	74.52	551.37
1980 .....	781,072.8	3,378.44	1,594.46	506.50	189.93	148.22	843.02	94.74	698.47
1985 .....	906,048.1	3,731.05	1,872.59	500.30	198.65	136.53	875.05	68.93	871.26
1988 .....	975,325.8	3,922.78	1,911.30	531.20	235.69	128.96	973.66	68.71	966.33
1989 .....	1,004,911.1	4,002.90	1,954.12	539.32	239.25	124.00	1,000.63	69.61	1,011.83
1990 .....	1,042,858.5	4,109.69	2,004.42	573.94	246.02	119.79	1,018.17	70.61	1,070.04

Table 3.—Total and per capita social welfare expenditures under public programs in current and constant (1990) dollars, selected fiscal years, 1965-90 —*Continued*

Fiscal year	Total expenditures		Per capita expenditures for —						
	Amount (in millions) <sup>1</sup>	Per capita <sup>2</sup>	Social insurance	Public aid	Health and medical programs	Veterans' programs	Education	Other social welfare	Total health care costs <sup>3</sup>
Percentage increase from selected year to 1990									
1965 .....	251	172	264	364	103	2	84	74	477
1970 .....	122	82	137	124	65	(14)	29	10	175
1975 .....	54	33	53	29	37	(34)	17	(5)	94
1980 .....	34	22	26	13	30	(19)	21	(25)	53
1985 .....	15	10	7	15	24	(12)	16	2	23
1988 .....	7	5	5	8	4	(7)	5	3	11
1989 .....	4	3	3	6	3	(3)	2	1	6

<sup>1</sup> Excludes expenditures in foreign countries for OASDHI benefits, civil service retirement benefits, veterans' programs, and education.

<sup>2</sup> Includes housing, not shown separately.

<sup>3</sup> Combines 'health and medical care' with medical services provided in connection with social insurance, public aid, veterans', and "other social welfare" programs.

<sup>4</sup> Revised data.

Source: Constant dollar figures based on implicit price deflators for personal consumption expenditures prepared by the Bureau of Economic Analysis, U.S. Department of Commerce.

Table 4.— Social welfare expenditures under public programs: Federal funds as percent of total expenditures, selected fiscal years, 1950-90

Program	1950	1960	1965	1970	1975 <sup>1</sup>	1980 <sup>1</sup>	1985 <sup>1</sup>	1988 <sup>1</sup>	1989 <sup>1</sup>	1990
Total .....	44.8	47.7	48.8	53.0	57.7	61.5	61.6	59.4	59.0	58.7
Social insurance .....	42.5	74.1	77.5	82.7	81.1	83.2	83.9	83.0	82.7	82.1
Public aid .....	44.2	51.6	57.2	58.5	65.8	67.9	64.5	63.5	63.5	63.6
Health and medical .....	29.2	38.9	43.2	47.6	47.1	47.1	46.2	43.1	42.2	44.1
Veterans .....	93.0	98.0	99.7	98.6	97.4	99.0	98.8	98.6	98.5	98.4
Education .....	2.3	4.9	8.8	11.6	10.7	11.1	8.0	7.7	7.8	7.1
Housing .....	100.0	81.2	74.9	82.9	80.1	91.3	87.8	84.6	83.8	85.3
Other social welfare .....	38.9	36.6	38.9	54.5	61.4	64.6	55.7	52.4	51.1	49.7
Total health care costs <sup>2</sup> .....	44.4	45.6	47.6	65.3	65.1	68.8	71.3	68.6	68.8	69.2

<sup>1</sup> Revised data.

<sup>2</sup> Combines "health and medical programs" with medical services provided in connection with social insurance, public aid, veterans', and "other social welfare" programs.

Table 5.— Social welfare expenditures from public funds <sup>1</sup> as a percent of government expenditures for all purposes, by type of funds, selected fiscal years, 1965-90

Type of funds	1965	1970	1975 <sup>2</sup>	1980 <sup>2</sup>	1985 <sup>2</sup>	1988 <sup>2</sup>	1989 <sup>2</sup>	1990 <sup>2</sup>
All public social welfare expenditures								
Total as percent of all government expenditures.....	42.2	46.5	56.6	57.2	52.2	54.9	55.2	56.6
Federal as percent of all Federal expenditures.....	32.6	40.0	53.7	54.4	48.7	49.5	49.5	51.1
State and local as percent of all State and local expenditures <sup>3</sup> .....	60.4	57.9	61.6	62.9	59.9	67.0	68.0	68.2
Trust fund social welfare expenditures								
Total as percent of all government expenditures.....	14.3	16.4	22.2	24.7	25.0	25.4	25.5	26.1
Federal as percent of all Federal expenditures.....	17.7	22.0	29.1	31.3	31.4	31.8	32.0	33.0
State and local as percent of all State and local expenditures <sup>3</sup> .....	7.8	6.5	10.5	11.1	10.7	11.1	11.1	11.5
Non-trust-fund social welfare expenditures								
Total as percent of all expenditures from general revenues.....	27.8	36.6	45.1	44.1	37.2	40.4	40.6	41.2
Federal as percent of all Federal expenditures from general revenues:								
All programs.....	14.8	23.8	35.8	34.9	26.3	26.9	26.5	27.1
Public aid.....	3.1	6.6	12.8	13.4	10.4	10.9	10.8	11.5
State and local as percent of all State and local expenditures from general revenues <sup>3</sup> :								
All programs.....	52.6	55.0	57.1	58.3	55.1	62.9	64.0	64.1
Education.....	42.4	44.1	44.3	44.9	42.7	48.2	48.4	48.2
Public aid.....	4.5	6.7	8.7	9.7	9.4	10.4	10.3	10.6

<sup>1</sup> Excluding that part of workers' compensation and temporary disability insurance payments made through private carriers and self-insurers.

<sup>2</sup> Revised data.

<sup>3</sup> From State and local sources, excluding Federal grants.

Table 6.— All public expenditures for health and medical care, selected fiscal years, 1965-90

[In millions]

Source of expenditure	1965	1970	1975	1980	1985	1988 <sup>1</sup>	1989 <sup>1</sup>	1990
Total.....	\$9,418	\$24,934	\$51,351	\$100,083	\$171,269	\$217,693	\$241,275	\$271,489
Health and medical services.....	7,533	22,187	46,950	93,045	162,019	205,937	228,929	257,877
Medicare.....	...	7,149	14,781	34,992	71,384	83,610	94,552	106,806
Temporary disability insurance <sup>2</sup> .....	51	63	73	50	55	62	67	63
Workers' Compensation <sup>2</sup> .....	580	985	2,470	3,725	7,080	11,110	12,825	14,330
Public assistance medical payments.....	1,367	5,213	13,551	27,570	43,860	58,039	64,583	75,367
General hospital and medical care.....	2,510	3,301	6,019	8,105	9,143	14,257	14,666	16,225
Defense Department hospital and medical care.....	881	1,682	2,817	4,198	7,422	9,670	10,158	11,286
Maternal and child health programs.....	239	450	567	870	1,222	1,666	1,789	1,884
School health (education agencies).....	142	247	352	575	788	944	999	1,060
Other public health activities.....	614	1,312	2,815	6,931	11,912	15,983	18,007	19,004
Veterans' hospital and medical care.....	1,115	1,651	3,287	5,750	8,809	10,152	10,782	11,321
Medical vocational rehabilitation.....	34	134	218	279	344	444	500	532
Medical research.....	1,264	1,746	2,741	5,055	7,118	9,347	10,053	11,241
Medical facilities construction.....	621	1,001	1,661	1,983	2,133	2,408	2,294	2,371
Department of Veterans' Affairs.....	77	71	137	323	458	964	646	445
As a percent of gross domestic product.....	1.4	2.5	3.4	3.8	4.3	4.5	4.7	5.0

<sup>1</sup> Revised data.

<sup>2</sup> Includes medical benefits paid under public law by private insurance carriers and self-insurers.

Source: Health Care Financing Administration, Office of the Actuary, Division of National Cost Estimates.