



## The Hidden Costs of Raising a Child

By James A. Dorn

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Opportunity costs have to be included in the calculation.

“[Children Are Priceless](#)” (Review & Outlook, Aug. 20), but they are not costless. The Brookings Institution’s calculation that the cost of raising a child through high school is now more than \$300,000 for a middle-income family is a poor estimate of the true opportunity cost of childbearing. Including only the direct costs—e.g., housing, food, clothing, healthcare, and child care—omits the opportunity cost that a woman faces if she drops out of the workforce to have a child. That cost will depend on a woman’s level of education and skill set, as well as the length of time she is out of work.

Looking only at the direct costs also ignores the investment returns that the woman could earn if she chose to stay in the workforce and postponed having a child. The true cost of having a child, especially for those with a college degree, is far more than \$300,000. That fact is discouraging childbearing and is a major factor in reducing the U.S. birthrate.

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