



A just future begins with bold ideas

Submission for the Record, Institute for Women's Policy Research
Senate Committee on the Budget
Hearing: "No Rights to Speak of: The Economic Harms of Restricting Reproductive Freedom"
February 28, 2024

The Institute for Women's Policy Research (IWPR) is grateful to Chairman Whitehouse and Ranking Member Grassley, as well as to the members of the United States Senate Committee on the Budget, for your attention to this important issue. IWPR is a nonpartisan, nonprofit research organization that builds evidence to shape policies that grow women's power and influence, close inequality gaps, and improve the economic well-being of families. To this end, IWPR has conducted extensive research on the economic impacts of restrictions on reproductive health care, and we welcome the opportunity to share this research with the committee.

All our research on this issue can be summed up quite simply: reproductive health restrictions, abortion bans, and similar policies hurt women and families, hurt communities, and hurt state economies. Years of economic research underscore the lived reality that not only are abortion and contraception foundational for equality, freedom, and dignity, but they are also inextricably linked to economic well-being. IWPR's research has demonstrated that these economic impacts are enduring and far-reaching, reverberating throughout entire state economies to the tune of billions of dollars lost.

Using data from 2020 through 2022, IWPR estimates that restrictions placed on abortion access cost the US an average of \$173 billion per year.ⁱ This is an increase from \$146 billion in 2020 and still does not take into account the full impact of the *Dobbs v. Jackson Women's Health Organization* decision overturning *Roe v. Wade*. Simply put, when women are not able to work due to restrictions on abortion access and other reproductive health care, they have lower labor force participation, lower earnings, and, for women employed in the private sector, increased turnover and time off work. This translates to a loss of nearly one percent of the national GDP.

In addition, IWPR's modeling estimates that if reproductive health restrictions were eliminated, nearly 597,000 more women would be in the nation's labor force annually, and employed women aged 15 to 44 would earn an additional \$4.3 billion per year. When women are not able to work due to restrictions on abortion access, it directly impacts not just individual women but also the broader economies in which they participate. The vast majority of states where IWPR estimates show the highest economic loss as a percentage of GDP were also among those with the most restrictive reproductive health policies, while the 10 states with the least economic loss all have protections in place for abortion access.

IWPR's research adds to a growing body of evidence that abortion bans and other restrictions on reproductive health and rights have wide-ranging and long-lasting economic impacts. While the biggest numbers are seen at the systemic, statewide level, perhaps the most profound effects are felt by the individuals and families who are impacted by these bans. Research is increasingly documenting that these impacts are economic, as well as medical, psychological, and social.

A recent IWPR review of research on the causal relationship between access to contraception and abortion and individual economic outcomes in the United States highlighted a number of ways that reproductive rights are linked to economic well-being.ⁱⁱ These include:

- Contraception and abortion positively impact women's high school graduation rates, educational attainment, occupation, earnings, and mortality.ⁱⁱⁱ
- Delaying pregnancy and childbearing, even for a short period, can have profound impacts on education outcomes and economic well-being.^{iv}
- Denying a person a wanted abortion creates lasting economic hardship and insecurity; increases single parenthood and contact with violent partners; and leads to more serious health problems due to the higher risks associated with birth than abortion.^v
- Having access to contraception and abortion is especially beneficial for economically vulnerable groups.

In particular, *The Turnaway Study* generated compelling data on the impacts of unwanted childbearing on women and children, including the economic effects. This longitudinal study, led by Dr. Diana Greene Foster, compared women who were denied a wanted abortion with those who received a wanted abortion. By combining results from survey data and linked credit report data, researchers were able to demonstrate that being denied an abortion has lasting economic consequences for women.

Specifically, *The Turnaway Study* found that women who were denied an abortion were more likely to live in poverty after five years (72 percent compared to 55 percent). Further, women who were denied abortion experienced a 78 percent increase in past-due debt, as well as an 81 percent increase in bankruptcy, tax liens, and/or evictions. Denying access to a wanted abortion increased the rate of poverty among individuals; it also can negatively affect existing children's basic needs and lead to lower bonding, poorer living environments, and worse developmental outcomes.^{vi}

While *The Turnaway Study* is the most well-known look at the economic impacts of reproductive health restrictions, it is far from the only one. A study published in 2019 used data from the Public Use Microdata Samples (PUMS) to estimate how changes in abortion laws affected women's fertility, work, and wages and found that young women who used abortion services to delay motherhood by only one year had an 11 percent increase in hourly wages later in their careers.^{vii} A 2017 study used a dynamic life-cycle model to estimate the causal relationship between contraception and abortion policies, young women's reproductive choices, and life-cycle fertility, schooling, and labor supply. The study found that increased access to abortion and contraception increases labor force participation, college graduation, contraceptive use, and high school graduation, while abortion restrictions lead to an increase in early births and a decrease in high school graduation rates.^{viii}

Similarly, a 2021 study that used a novel model and data from the National Survey of Family Growth to estimate the positive impacts of abortion access on women's future economic outcomes found that abortion access has a significant positive impact on all outcomes of interest: educational attainment, earnings, poverty, career outcomes, and reliance on public assistance. In particular, the study found that abortion access increased the probability of completing college by 72 percent for women who had



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pregnancies before the age of 24 and that missing out on a college degree resulted in a loss of lifetime earnings of \$1.286 million. For Black women with pregnancies before age 24, access to abortion increased individual earnings by \$23,000 to \$28,000 per year (75–100 percent) and family income by \$48,000 to \$52,000 per year (>100 percent).^{ix}

Taken together, this body of evidence tells a compelling story. While the decisions and experiences related to childbearing are highly individual, one of the most common reasons people delay or prevent childbearing is economic. When a pregnant person is denied a wanted abortion, the impacts are profound, far-reaching, and long lasting. They can be felt in every aspect of her life, from her physical and mental health to her social and family life, and are a tangible threat to her economic well-being. The comprehensive body of evidence underscores the reality that for many women, abortion bans create barriers to completing their education, pursuing their careers, and providing for their families (including children they already have).

Laws that take reproductive decisions away from women are an infringement on rights and autonomy; they are also bad for individuals, families, communities, and our entire economic system. IWPR's analysis has shown that the negative systemic impact of these restrictions has gotten worse in recent years, even before the spate of extremist restrictions in the wake of the *Dobbs* decision.

While the incredible harm and destructive impacts of abortion restrictions are complex and multifaceted, the solutions are relatively straightforward. IWPR strongly supports policies, at the state and federal level, that protect the right to access abortion and that make abortion easier to access, including by removing medically unnecessary barriers to care and improving financial accessibility. Access to reproductive health care should not be dependent on where a person lives, how much money they make, or how they get their health insurance, and IWPR supports state and federal policies that remove restrictions on both publicly and privately funded health insurance. In addition, we strongly support a full spectrum of reproductive health care, including access to accurate and timely information, education, and services. The evidence is clear: strong protections around reproductive health are good for women, good for families, and good for society.

Thank you for your attention to this important topic and for the opportunity to submit this statement for the record. For more information on IWPR's research on this issue, please contact Nina Besser Doorley (doorley@iwpr.org).

ⁱ Christine Clark, Martha Susana Jaimes, and Emme Rogers, "Updated Analysis of the Cost of Abortion Restrictions to States," (Washington, DC: IWPR, January 18, 2024), <https://iwpr.org/updated-analysis-of-the-cost-of-abortion-restrictions-to-states>.

ⁱⁱ Christine Clark and Emme Rogers, "The Causal Relationship Between Contraception, Abortion, and Economic Well-Being," (Washington, DC: IWPR, December 12, 2023), <https://iwpr.org/the-causal-relationship-between-contraception-abortion-and-economic-well-being>.

ⁱⁱⁱ Amanda J. Stevenson, Katie R. Genadek, Sara Yeatman, Stefanie Mollborn, and Jane A. Menken, “The Impact of Contraceptive Access on High School Graduation,” *Science Advances* 7, no. 19 (May 7, 2021), <https://doi.org/10.1126/sciadv.abf6732>.

^{iv} Ali Abboud, “The Impact of Early Fertility Shocks on Women’s Fertility and Labor Market Outcomes,” Social Science Research Network, January 1, 2019, <https://doi.org/10.2139/ssrn.3512913>.

^v Sarah Miller, Laura R. Wherry, and Diana Greene Foster, “The Economic Consequences of Being Denied an Abortion,” (Cambridge, MA: National Bureau of Economic Research, January 2020), <https://doi.org/10.3386/w26662>.

^{vi} Sarah Miller, et al., “The Economic Consequences of Being Denied an Abortion.”

^{vii} Ali Abboud, “The Impact of Early Fertility Shocks on Women’s Fertility and Labor Market Outcomes.”

^{viii} Diego Amador, “The Consequences of Abortion and Contraception Policies on Young Women’s Reproductive Choices, Schooling and Labor Supply,” Social Science Research Network, 2017, <https://doi.org/10.2139/ssrn.2987367>.

^{ix} Kelly Jones, “At a Crossroads: The Impact of Abortion Access on Future Economic Outcomes,” (Washington, DC: American University, August 10, 2021), <https://doi.org/10.17606/OQ51-OR11>.