

By Claire Kovach with Marc Stier

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## The Cost of Banning Abortion in Pennsylvania

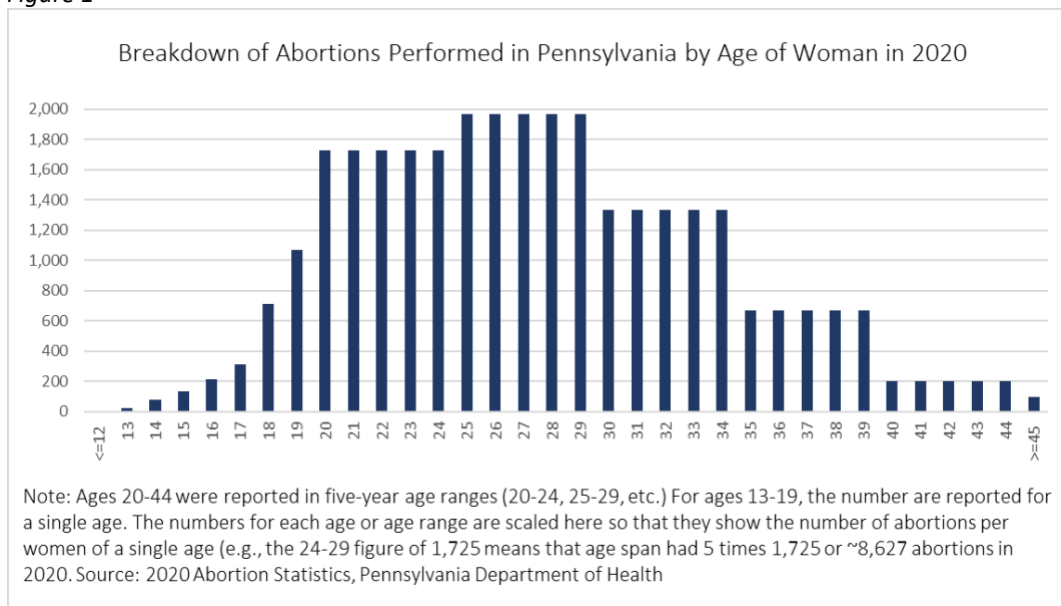
### Introduction

Drawing on a few decades of research, this paper shows that banning abortion would severely harm women in the state, especially women of color and women with low incomes. The paper summarizes research showing that the inability to secure an abortion harms women’s physical and mental health, makes it harder for them to secure an education, reduces their prospects for employment and good wages, and is likely to leave them facing hardship and poverty. The paper concludes that the combined direct and indirect effects of a total ban on abortion in Pennsylvania would likely reduce wages in the state by \$10 billion a year.

### What Is at Stake

Abortion is a critical healthcare service received by millions of women and other patients ranging in age from teenagers to -those in their early forties in Pennsylvania (figure 1).<sup>1</sup>

Figure 1



<sup>1</sup>This brief, while far from comprehensive, aims to outline the costs of an abortion ban. Where possible, Pennsylvania-specific data is highlighted. We occasionally use gendered language such as “women” or “woman,” as well as others, recognizing that the overwhelming majority of abortion services are provided to women. Many laws and research data do not include specifics on people of all gender and gender identities. We recognize that more than just women benefit from access to abortion care services.

The right to an abortion is a part of the personal autonomy that is a right of all human beings. That, by itself, is reason enough to reject any limitations dictated by the Right. The health complications for potential mothers that often arise from pregnancy is another reason to reject any ban on abortion, as is the implications of unwanted pregnancies for undermining intimate relations between people and for generating sexual violence. While they are less striking than these issues, an abortion ban also has substantial economic costs that extend very far into the economic sphere for both families and the state.

The evidence is clear: allowing people to have a say in when they get pregnant, allowing them a choice in planning their families, and allowing them to decide how many children they will have contributes to their individual health, safety, well-being, and social and financial security. Before the *Dobbs vs. Jackson Women’s Health Organization* Supreme Court ruling, more than 150 economists, organized by Dr. Caitlin Myers, signed an amicus brief that contained extensive data detailing the profound effects that access or lack of access to abortion has for women.<sup>2</sup> Dr. Meyers summarized decades of rigorous research in saying that “Childbearing is the single most economically important decision most women make.”

Abortion access shapes lives, families, and futures. It is critical to women’s equal participation in society, and it promotes upward mobility. While this is true for all women and families, it is especially critical for Black families, who disproportionately suffer from economic disadvantages.

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*Limitations on abortion violate the personal autonomy that is afforded all human beings. These limitations impact the health of mothers, can jeopardize relationship between partners or other family, and can increase the chance of sexual violence. In addition, an abortion ban would have substantial economic costs for both families and the state.*

In this brief, we focus on the way abortion access affects women’s physical and mental health, their ability to get an education, their experiences with hardship and poverty, and their employment and earnings prospects. We examine the current context of inequity in Pennsylvania and expand on how an abortion ban or further restrictions would exacerbate this inequality. We look at the impact of family planning on individual families and at the

positive ripple effect it has on communities and through generations. At the end, we briefly talk about the financial implications of banning abortion for Pennsylvania.

## The Economic Context: Inequity in Pennsylvania

Before turning to the impact of banning abortion on the economic well-being of women and families, we must recognize the extent to of inequality in our economy now. Apart from keeping some women from participating in the labor force entirely, banning abortion will reduce wages for women and especially for women with less

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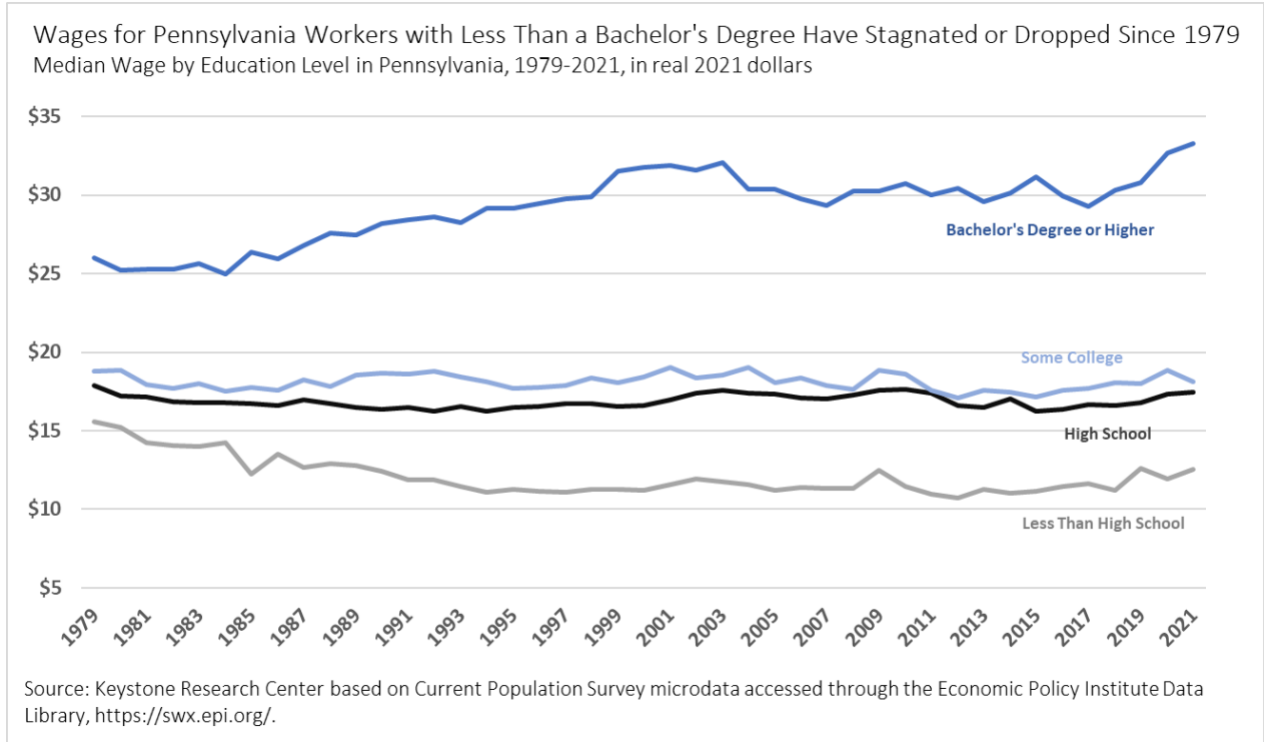
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<sup>2</sup> Brief of *Amici Curiae* Economists in Support of Respondents, *Dobbs v. Jackson Women’s Health Organization*, September 20, 2021 [https://www.supremecourt.gov/DocketPDF/19/19-1392/193084/20210920175559884\\_19-1392bsacEconomists.pdf](https://www.supremecourt.gov/DocketPDF/19/19-1392/193084/20210920175559884_19-1392bsacEconomists.pdf).

than a college degree and women who are Black. Thus, an abortion ban will reinforce the economic inequality that already characterizes the economy of our state.

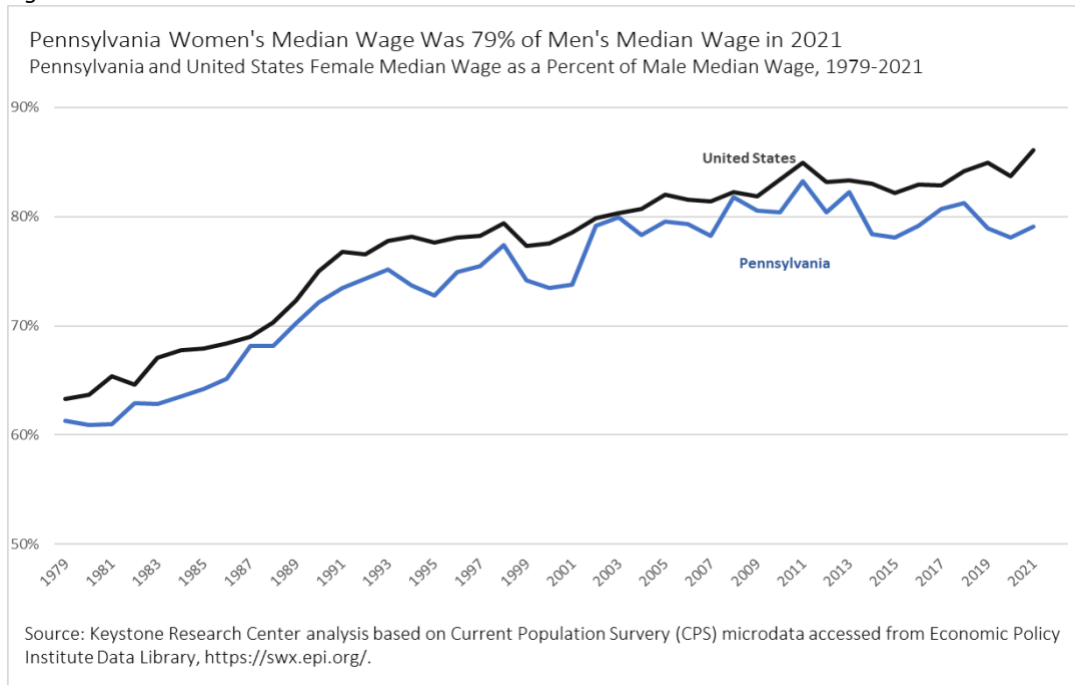
Figure 2 shows that since 1979, wages have been stagnant or have declined for workers in Pennsylvania with less than a bachelor's degree. Workers with less than a high school degree or even some college have seen the gap between their wages and those of college graduates increase.

Figure 2



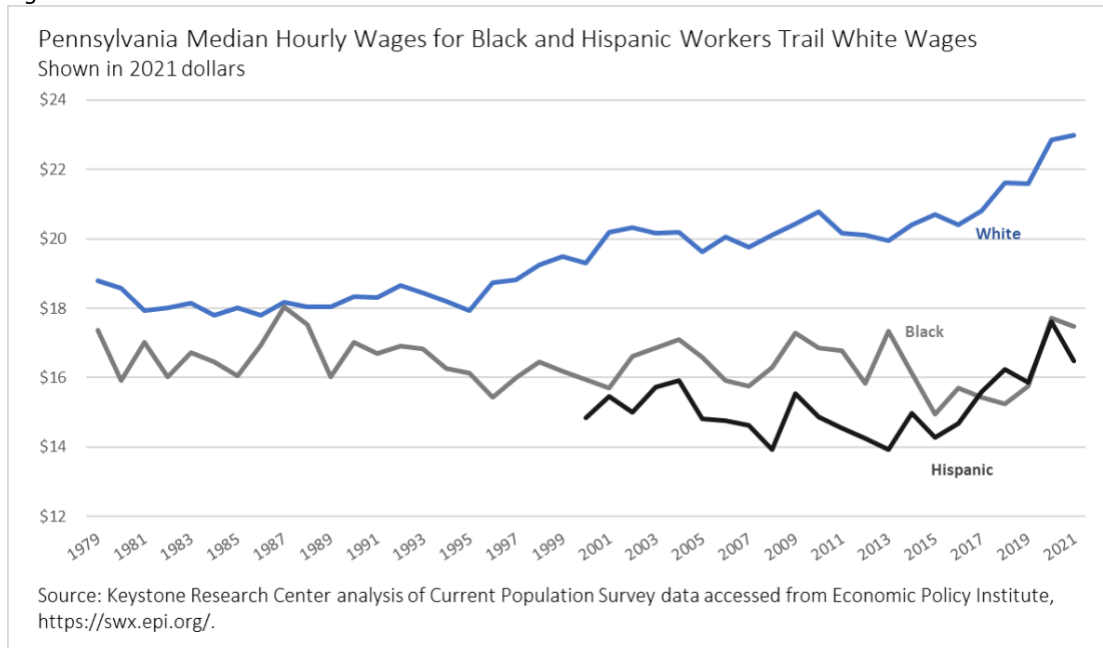
Not only have wages for workers been stagnant as whole but the median wages for women in Pennsylvania, as a share of the median wage for men has actually fallen a bit since 2011 to only 79% (figure 3).

Figure 3



And wages for Black and Hispanic workers continue to trail that of white workers. (figure 4). In 2021, Hispanic and Black Pennsylvania workers earned a median wage that was only 72-76% of the median white workers' wage, respectively.

Figure 4



We have a long way to go to restore wage growth for working people in our state and create greater economic equality between men and women, and white and Black people in our state. Below, we expand on how further restricting or banning abortion will make those problems more severe.

## The Impact of Legal Abortion on Birth Rates

We start with a fact that is obvious but whose significance may not be fully recognized: legal abortion reduces the birth rate because it gives women with unwanted pregnancies the ability to terminate them. This is obvious. But the extent to which women—and particularly young and Black women—have taken advantage of this option is less well known. Expanded access to abortion after the 1979 *Roe v. Wade* decision reduced teen motherhood by 34% and teen marriage by 20%.<sup>3</sup> The reduction in the birth rate for Black women was two to three times the rate for white women.

Even though contraceptive technology has improved, it is far from perfect. And people will always make mistakes in dealing with intimate matters. Banning abortion would thus result in a dramatic increase in birth rates. Changes in birth rates of this magnitude are bound to have drastic impacts on the well-being of women and families.

## Education

Strong evidence shows that restricting abortion access reduces a woman's educational achievement. Pregnancy, its complications, and childrearing interrupt schooling—often permanently. Research in family planning shows that overwhelmingly, “young mothers are never able to catch up educationally with their former classmates who postponed childbearing.”<sup>4</sup> Pregnancy and birth significantly contribute to girls' high school dropout rates. Pregnancy is the number one reason girls drop out of school—the ACLU estimates that approximately 70% of teenage girls who give birth leave school.<sup>5</sup> CDC data show that by 22 years old, only 50% of former teen moms have earned a high school diploma or GED, while 90% of women who were not teen moms graduate from high school.<sup>6</sup> Studies have found that women's college enrollment and completion rates drop in states that have targeted restrictions to abortion.<sup>7</sup> This effect was especially severe for Black women's educational attainment.

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<sup>3</sup> Caitlin Knowles Myers, “The Power of Abortion Policy: Reexamining the Effects of Young Women's Access to Reproductive Control,” *Journal of Political Economy*, 125 (2017); 2178-2224.

<sup>4</sup> Kirstin A. Moore and Linda J. Waite, “Early childbearing and educational attainment.” *Family Planning Perspectives* 9 No. 5 (September-October, 1977): 220-225.)

<sup>5</sup> Linda Mangel, “Teen Pregnancy, Discrimination, and the Dropout Rate,” ACLU, October 25, 2010, <https://www.aclu-wa.org/blog/teen-pregnancy-discrimination-and-dropout-rate>.

<sup>6</sup> Center For Disease Control, “About Teen Pregnancy,” <https://www.cdc.gov/teenpregnancy/about/index.htm>. It is possible that some women drop out of high school to have a child, rather than dropping out of high school because they have a child. Yet the latter effect is likely to be far larger. We know that the percentage of people 16-24 who have not graduated from high school or received a GED has been declining since the 1970s because of both economic changes that make a high school degree more important in securing a job and because schools have made greater efforts to reduce drop out. While some of this decline may be due to abortion being legal, there have not been significant differences between high school dropout and completion rates for men and women. National Center for Education Statistics, *Trends in High School Dropout and Completion Rates in the United States*, 2019, p. 22, The evidence we cite in the next footnote shows that where abortion restrictions have been put in place, graduations rates for women tend to decline.

<sup>7</sup> Kelly M. Jones and Mayra Pineda-Torres, “TRAP'd Teems: Impact of Abortion Provider Regulations on Fertility and Education,” *Institute of Labor Economics*, (November 2021), <https://www.iza.org/publications/dp/14837/trapd-teens-impacts-of-abortion-provider-regulations-on-fertility-education>.

A person's education level is one of the best predictors of a host of positive life outcomes. Education is the main path to financial stability and security, and steady employment.<sup>8</sup> Adults with higher education levels live longer and healthier lives.<sup>9</sup> In the United States context, where your job heavily determines your healthcare access, better chances of financial and job stability are strongly tied to health outcomes. Reducing access or even banning abortion would have a ripple effect through generations—the intergenerational link between a parent and child's education is strongly documented: a parent's education level is a powerful predictor of their children's future attainment.

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### Poverty and Hardship

Survey research shows, not surprisingly, that the most common reasons women cite for seeking an abortion are financial.<sup>10</sup> Abortion restrictions and bans disproportionately impact low-income women.<sup>11</sup> While the official poverty rate for the USA is 11.6%, 49% of women who seek abortions live below the federal poverty line, which was \$13,590 for one person last year, and \$18,310 for a family of two.<sup>12</sup> An additional 26% of abortion patients live on incomes 100%-199% of the federal poverty level.<sup>13</sup> In all, around 75% of abortion patients are poor or low income.

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Adding a child during a time of financial instability often plunges individuals and families into deeper or chronic poverty, unable to work their way out of persistent hardship as disadvantages accumulate. The experience of chronic poverty is characterized by severe, sometimes lifelong deprivation that is often passed through generations. Children who grow up in chronically poor families are much more likely to live in poverty as adults themselves.<sup>14</sup>

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<sup>8</sup>D.P. Baker, *The Schooled Society: The Educational Transformation of Global Culture* (Stanford, CA: Stanford University Press, 2014).

<sup>9</sup> Anna Zajacova and Elizabeth M. Lawrence, “The Relationship Between Education and Health: Reducing Disparities Through a Contextual Approach,” *Annual Review of Public Health* 39 (April 2018), ;273-289, <https://www.annualreviews.org/doi/10.1146/annurev-publhealth-031816-044628>.

<sup>10</sup> L.B. Finer, L.F. Frowirth, L.A. Dauphinee, S. Singh, and A.M. Moore, “Reasons US Women have abortions: quantitative and qualitative perspectives,” *Perspective of Sex and Reproductive Health*. Health 37 no. 3 (2005): 110-118.

<sup>11</sup> Guttmacher Institute, “Abortion Patients More Likely to be Poor in 2014 than in 2008,” <https://www.guttmacher.org/news-release/2016/abortion-patients-more-likely-be-poor-2014-2008>.

<sup>12</sup> Ibid

<sup>13</sup> Ibid

<sup>14</sup> “The Intergenerational Transmission of Poverty: An Overview.” Kate Bird, DOI: 10.1057/9781137316707\_4.

Nationally, the majority of women who seek abortions are already mothers and cite wanting to better provide for the children they already have as a strong reason for wanting an abortion.<sup>15</sup> They feel overextended and are overwhelmed, realizing that their other children’s quality of life would go down if an additional child was added to the family.

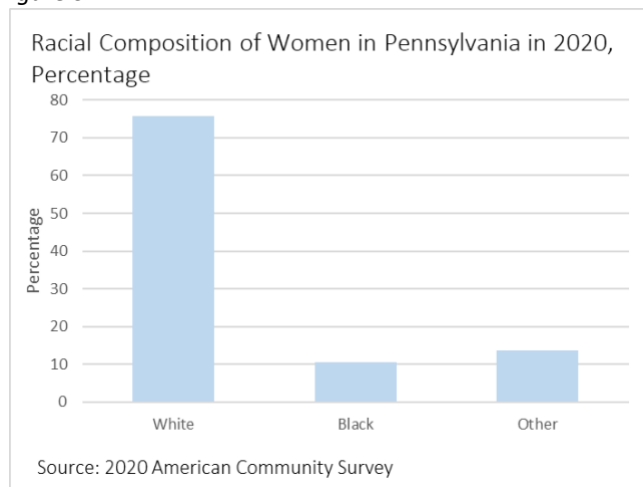
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Despite only being 10.6% of Pennsylvania’s population (Figure 2), 21.5% of Pennsylvanians who live at or below the poverty threshold are Black.<sup>16</sup>

Figure 5



While poverty is often experienced in spells, a shock like an unplanned pregnancy and the myriad of costs—financial and otherwise—generated can snowball, costing individuals, their families, and entire communities more than they can handle, with or without outside support. The Turnaway Study, a decade-long research project that followed women who wanted and were denied abortions, found that even years after it happened, women who were denied an abortion were more likely to report not having enough money to cover basic life necessities like housing, transportation, and food.<sup>17</sup>

## Employment, Wages, and Income

Access to abortion has been a driving force for women’s labor force participation. Bureau of Labor Statistics data show that in the 15 years after *Roe v. Wade*, women’s labor force participation rate rose rapidly, with a trend that leveled off in recent years. Abortion access increased the probability of a woman working 40 weeks or more per year by almost 2 percentage points.<sup>18</sup> The impact was even greater for Black women whose labor force participation rates increase by 6.9 percentage points.<sup>19</sup> Analyses of the Turnaway Study data shows that women who wanted an abortion and were denied were three times more likely to be unemployed six months after giving birth,

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<sup>15</sup> M. Antonia Briggs, Heather Gould, and Diana Greene Foster, “Understanding Why Women Seek Abortions in the US,” *BMC Women’s Health* 13 (2013) <https://doi.org/10.1186/1472-6874-13-29>.

<sup>16</sup> Keystone Research Center analysis of 2020 American Community Survey Data.

<sup>17</sup> Diane Green Foster et al., “The Turnaway Study,” *ANSIRH* (2022) <https://www.ansirh.org/research/ongoing/turnaway-study>.

<sup>18</sup> David E. Kalist, “Abortion and Female Labor Force Participation: Evidence Prior to *Roe v. Wade*,” *Journal of Labor Research* 25, no. 3 (2004): 503–14.

<sup>19</sup> *Ibid.*

compared to similarly situated women six months postpartum who were not seeking an abortion—the unemployment gap continued for five years.<sup>20</sup>

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*“Restrictions on abortion that prevent women from obtaining wanted abortions may result in reductions in full-time employment, increased incidence of poverty, more women raising children alone, and greater reliance on public assistance.”*

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Access to abortion also increases wages and income. One study found that young women who took advantage of legal abortion to delay starting a family by one year had an 11% increase in hourly wages later in their careers.<sup>21</sup> A recent paper that used Turnaway Study data shows that women who were denied abortions saw their household income as a percent of the federal poverty line decline.<sup>22</sup> At six months after giving birth, those who were denied abortions

had an average household income at 110% of the federal poverty line compared to 144% of those who had an abortion. Women denied an abortion were six times as likely to have incomes below the federal poverty line compared to those who had one.<sup>23</sup>

Women who are denied an abortion are also much more likely to receive government benefits. The Turnaway Study data shows that those denied an abortion were six times more likely to receive Temporary Assistance for Needy Families (TANF). Similarly, their rate of receiving food stamps was 11 percentage points higher than those who had an abortion.

The long-term consequences of being denied an abortion has been demonstrated by a recent study that connected financial data to the group of women who participated in the Turnaway Study. It found that women who were denied an abortion faced a 78% increase in past-due debt and an 81% increase in negative “public records” on their credit reports, including bankruptcy, evictions, and tax liens. These effects persist over the entire five years during which women were followed.<sup>24</sup>

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<sup>20</sup> Diane Green Foster et al., “The Turnaway Study,” *ANSIRH* (2022) <https://www.ansirh.org/research/ongoing/turnaway-study>

<sup>21</sup> Ali Abboud, “The Impact of Early Fertility Shocks on Women’s Fertility and Labor Market Outcomes,” *Social S* (Nov. 22, 2019), [https://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=3512913](https://papers.ssrn.com/sol3/papers.cfm?abstract_id=3512913).

<sup>22</sup> Sarah Miller, Laura R. Wherry, and Diane Greene Foster, “The Economic Consequences of Being Denied and Abortion,” *National Bureau of Economic Research* working paper 2662 (January 2022). <https://www.nber.org/papers/w26662>. This paper uses data from D. G. Foster, M. A. Biggs, L. Ralph, C. Gerds, S. Roberts, and M.M. Glymour, “Socio-economic Outcomes of Women Who Receive and Women Who Are Denied Wanted Abortions in the United States,” *American Journal of Public Health* 108 no. 3 (January 2018).

<sup>23</sup> D.G. Foster, M.A. Biggs, L. Ralph, C. Gerds, S. Roberts, and M.M. Glymour, “Socio-economic Outcomes of Women Who Receive and Women Who Are Denied Wanted Abortions in the United States,” *American Journal of Public Health* 108 no. 3 (January 2018).

<sup>24</sup> Sarah Miller, Laura R. Wherry, and Diane Greene Foster, “The Economic Consequences of Being Denied and Abortion,” *National Bureau of Economic Research* working paper 2662 (January 2022), <https://www.nber.org/papers/w26662>.



## Physical and Mental Health

There are significant physical and mental health costs associated with being forced to carry an unwanted pregnancy to term. Hospital Pricing Specialists quoted the average price of a hospital birth in Pennsylvania in 2020 as \$19,764, but the costs extend far beyond a single hospital bill. Pregnancy and pregnancy-related care cost physical effort, time, and money. Pregnancy and birth can have life-threatening and life-long consequences. In the most recent Pennsylvania data available, there were 82 pregnancy-associated deaths for every 100,000 live births.<sup>25</sup> This figure, called the Pregnancy-Associated Mortality Ratio, was almost double for non-Hispanic, Black Pennsylvanians—163 deaths per 100,000 live births. People of color have disproportionately higher maternal mortality rates in the United States, and Pennsylvania Department of Health data above show that our commonwealth is no exception. Women who later gave birth after being denied an abortion reported more life-threatening issues related to pregnancy and birth such as eclampsia and postpartum hemorrhage.<sup>26</sup>

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Women who seek an abortion but are turned away are more likely to stay tethered to abusive partners. The Turnaway Study notes that 6% to 22% of women who seek abortions experience intimate partner violence, with reports of physical violence decreasing for women who received abortions but not for those who were denied an abortion and gave birth.

Along with physical risks, abortion denials are accompanied by psychological harm. The American Psychological Association responded to the leaked draft US Supreme Court Ruling by arguing that long-term psychological research shows that “people who are denied abortions are more likely to experience higher levels of anxiety, lower life satisfaction, and lower self-esteem compared with those who are able to obtain abortions.”<sup>27</sup>

## The Impact of Banning Abortion on Pennsylvania as a Whole

We have focused to this point on the impact of an abortion ban on women seeking abortions and their family. But a ban on abortion would also be financially costly for the individual and state as well. Any public policy that increases poverty and economic hardship and reduces employment will have an impact on already strained safety net supports and public services such as Temporary Assistance for Needy Families (TANF), Supplemental Nutrition Assistance Program (SNAP), WIC, and Medicaid. In addition, because an abortion ban will reduce employment and total wages in the state, it will lower consumption. The impact of this direct reduction in employment and wage effects will be multiplied because reduced consumption will lower production and thus employment and wages in businesses throughout the state. The result will be reduced state and local tax revenues. Given that a ban on abortion will increase intergenerational poverty, the additional costs to state and local government of an abortion ban will extend over a very long term.

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<sup>25</sup> Pennsylvania Department of Health, *PA Maternal Mortality Review*, 202.

<sup>26</sup> “Side Effects, Physical Health Consequences, and Mortality Associated with Abortion and Birth after an Unwanted Pregnancy”, <https://doi.org/10.1016/j.whi.2015.10.001>

<sup>27</sup> President Frank C. Worrell, PhD, American Psychological Association.

It is difficult to develop a precise estimate the impact of the total ban on abortion supported by Republican on the economy of the state. But recent work by the Institute for Women’s Policy Research (ICWPR) can give us handle on this question.

Last year IWPR released a study of the economic impact of abortion bans and targeted restrictions on abortion providers, that built on their previous work ranking states in terms of the how much severe are their restrictions on abortion rights.<sup>28</sup> On a seven-point scale, Pennsylvania sits at a 5—restrictive. Policies currently in effect require a 24-hour waiting period after counseling to obtain an abortion, ban state Medicaid coverage of abortion care except in very limited circumstances, require parental consent for a minor’s abortion, only allow physicians to provide abortions, ban abortion after 24 weeks, and require controversial clinic regulations that are deemed by many as medically unnecessary and designed to shut down abortion clinics.<sup>29</sup>

The IWPR estimates that absent these current restrictions, there would be an increase of 22,048 Pennsylvania women ages 15-44 in the labor force. That would lead employed Pennsylvania women aged 15-44 to earn an addition \$5.3 billion. They also estimated a state earnings increase from this larger labor force—\$142 million dollars per year from women’s labor force participation. These estimates do not take into account the increased social safety net costs associated with the higher rates of poverty experienced by families who would be denied abortions under a Pennsylvania ban.

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*It is uncertain exactly how many more women would be prevented from abortion access, but we have confidence that the economic cost of a full abortion ban in Pennsylvania would be more than double the IWPR cost estimate, or over \$10 billion yearly in Pennsylvania alone.*

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If a full abortion ban is enacted in Pennsylvania, it is uncertain exactly how many more women would be prevented from abortion access. But currently over 32,000 abortions take place in the state. We would expect that if a total ban is put in place, some people seeking abortion will secure one in another state. But the impact of the kinds of aggressive laws opponents of abortion are considering around the country in Pennsylvania, the likely abortion bans in two neighboring states, Ohio and West Virginia, the fact that many abortion patients live at or below the poverty line thus making it difficult for them to travel, and the likely impact of an abortion ban on reducing the number of abortion clinics far below the current 18, we would expect that many Pennsylvanians would be forced by a state ban to give birth to unwanted children. If two-thirds of the abortions that take place in our state now are blocked by new restrictive laws, the number of prevented abortion in our state would double. And that means that the economic cost of a full abortion ban in Pennsylvania would be more than double the IWPR estimate of the cost of current restrictions, or over \$10 billion yearly in Pennsylvania alone. Given all the factors we mentioned that would make abortion very difficult for most Pennsylvanians to secure if a complete ban were adopted,

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<sup>28</sup> Jeff Hayes and Elyze Shaw, “As States Eye Texas-Style Abortion Bans, Economic Costs to Bottom Line and Women are High,” Institute for Women’s Policy Research, September 13, 2021 <https://iwpr.org/iwpr-issues/reproductive-health/costs-of-restrictions-state-fact-sheets/>.

<sup>29</sup> C. Nicole Mason, Kate Ryan, Olivia Storz, Georgia Poyatzis, and Ariane Hegewisch, IWPR Reproductive Rights Index, Institute for Women’s Policy Research, July 2022. [https://iwpr.org/wp-content/uploads/2022/07/Reproductive-Rights-Index-2022\\_FINAL\\_website.pdf](https://iwpr.org/wp-content/uploads/2022/07/Reproductive-Rights-Index-2022_FINAL_website.pdf)

we are confident that \$10 billion is likely a conservative estimate.<sup>30</sup> And while it is a very large number, we should also point out that the sum total of all wages in Pennsylvania is \$309 billion.<sup>31</sup> A strict abortion ban, in other words, would lower total wages in the state by 3%, which is a substantial reduction.

## Conclusion

In this brief, we have shown that further restrictions or an outright abortion ban in Pennsylvania would exacerbate current economic inequalities, worsening existing racial and gender disparities. We outlined how an abortion ban would be detrimental to women's physical and mental health, their ability to get an education, and their and their family's financial wellbeing. An abortion ban would be expensive in many different ways and would hurt the most vulnerable Pennsylvanians most.

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<sup>30</sup> Proponents of banning abortion sometime argue that doing so will have good economic consequences because it will lead to an increase in the labor supply which in turn will increase the GDP. As our analysis suggests it is true that expanding the work force does lead to a higher GDP. But adding more workers is not likely to offset the economic costs of banning abortion for a few reasons.

First, banning abortion next year will reduce the workforce in the short term and only lead to an increase in the workforce roughly 18 years after the ban goes into effect. That means the state would see economic losses of \$10 billion a year for 18 years before seeing any positive economic impact of reducing abortion.

Second, a ban on abortion is costly not just because it reduces the work force. Much more importantly, a ban makes it difficult for women who are forced to have children to get an education that increases their wages in the future. And it is also likely to keep them out of the work force in ways that prevent them from getting the on the job skills that bring them higher incomes in the future. In other words, what is at state is not just the number of workers but the quality of those workers in terms of the education and training they have received. Forcing more people who are born into generational poverty to have children also born into poverty might in twenty years give us a larger GDP. But the GDP per capita would be smaller which means that working people would have a lower standard of living.

Finally if proponents of an abortion ban are concerned about the lack of unskilled labor today, they should support more legal immigration. They typically do not do so.

<sup>31</sup> PA Budget and Policy calculation based on data from the US Bureau of Labor Statistics, Occupational Employment and Wage Estimates, May 2021 [https://www.bls.gov/oes/current/oes\\_pa.htm#00-0000](https://www.bls.gov/oes/current/oes_pa.htm#00-0000). Note that this data does not include income made by gig workers which is considered by the federal government to be payments to individual contractors, not wages.