

The Cost of Living: An Architecture of Survival

When people say they are trying to afford “just the basics,” the phrase sounds modest. It sounds as though they are asking for something narrow and obvious: a place to live, food to eat, a way to get to work, maybe enough left over not to panic every time a bill arrives. But in America today, “the basics” are not small. They are an entire system of recurring costs, and that system is much more expensive than public language often admits.

You can see that in the broad national numbers. The Bureau of Labor Statistics says average household spending in the United States was \$78,535 in 2024, or about \$6,545 a month. Housing alone accounted for \$26,266 of that, and transportation added another \$13,318. Together, those two categories consumed just over half of household spending. That is not a bare-bones survival budget, and not every household looks like the national average, but it does reveal something important: in modern America, the cost of ordinary life is dominated by large, recurring necessities, not by extravagance. [1]

A better way to understand the question is to ask what a stripped-down but workable life actually requires. MIT’s Living Wage Calculator is useful here, not because it gives one universal number, but because it makes the budget visible. Its 2026 methodology treats the cost of living as a bundle of eight basic needs: childcare, civic engagement, food, healthcare, housing, internet and mobile service, transportation, and other necessities, with taxes added on top. It assumes people choose the lowest-cost options that are still minimally adequate. It does **not** budget for restaurant meals, vacations, unpaid leisure, retirement savings, or long-term wealth building. In other words, even a conservative living-wage estimate is not measuring comfort. It is measuring a disciplined version of survival. [2]

That distinction matters because many debates about wages quietly rely on a fantasy version of low-cost living. In that fantasy, survival means rent and groceries, plus maybe a little gas. In reality, survival means holding together a much larger structure.

Housing is the first pillar of that structure, and it is almost always the heaviest one. Even minimalist budgeting systems treat housing as more than the rent number someone sees on a listing. MIT, for example, bases housing costs on HUD Fair Market Rents, using 40th-percentile gross rents derived from recent mover data. Those estimates include shelter, contract rent, and utilities, though they do not include phone, cable, or broadband. That detail matters because it reminds us that “rent” is not the whole housing burden. Keeping a home habitable requires more than paying for square footage. [2]

Food is the second place where public imagination often understates the burden. People speak casually about “tightening the grocery budget,” as though food costs are mostly a matter of discipline. But even the USDA’s low-cost food plan for February 2026 put monthly at-home food costs for adults ages 20 to 50 at about \$271 for a woman and \$313 for a man. On the moderate-cost plan, those figures rose to about \$331 and \$392. That is before a restaurant meal

enters the picture, because these are at-home plans. It is before delivery fees, convenience, or indulgence. It is simply the cost of eating a nutritionally adequate diet prepared at home. [3]

The food numbers also show why “I can get by alone” and “I can support a household” are very different propositions. Food costs scale with age, sex, and family size. Once children are involved, the budget becomes more complicated very quickly. And unlike certain expenses that can be postponed, food keeps coming due. It is not a one-time hurdle. It is a weekly claim on income.

Then there is childcare, which has become one of the most revealing costs in the American economy. Child Care Aware of America found that the national average price of childcare in 2024 was \$13,128 per child. It estimated that this represented about 10 percent of income for a married-couple family with children, but 35 percent for a single parent with children. Its analysis also found that in 49 states plus the District of Columbia, the price of center-based care for two children exceeded median annual rent, and in 45 states plus D.C., it exceeded annual mortgage payments. Those are extraordinary comparisons, because they show that for many families childcare is not a secondary expense. It is one of the largest bills in the household. [4]

Healthcare is another category where appearances can be deceptive. Many working people are told to feel fortunate if they have employer-sponsored insurance, and often they should. But insurance is not the same thing as affordability. KFF’s 2025 Employer Health Benefits Survey found that average annual premiums for employer-sponsored family coverage reached \$26,993, with workers contributing \$6,850 on average toward that premium. Among covered workers in plans with a general annual deductible, the average deductible for single coverage was \$1,886. That means even “covered” families may still be paying substantial amounts just to maintain access to care and substantial amounts again before coverage meaningfully protects them. [5]

Transportation is often treated as a matter of personal choice, but for millions of workers it is really a condition of employability. The BLS says transportation was the second-largest household spending category in 2024, at \$13,318 a year on average. MIT’s living-wage methodology reflects why: transportation is not just fuel. It includes used vehicles, gasoline, motor oil, insurance, maintenance, other vehicle expenses, and public transit, depending on household circumstances and geography. In many parts of the country, the cost of getting to work is inseparable from the cost of keeping work. [1][2]

What makes the cost of survival especially hard to grasp is that some of the most necessary expenses are the ones people forget to count until they arrive. Internet and mobile service are a good example. MIT explicitly treats them as basic needs and notes that broadband and cellular service are “critical utilities” not captured in HUD’s rent data. That is a telling phrase. In contemporary America, connectivity is not an extra for most workers. It is how jobs are found, schedules are received, schools communicate, appointments are confirmed, bills are paid, and emergencies are managed. A person without reliable internet or phone service is not just inconvenienced. They are increasingly shut out of normal participation in economic life. [2]

The same goes for the category MIT calls “other necessities,” which sounds vague until you see what it contains: clothing, personal care products and services, housekeeping supplies, household

furnishings and equipment, and similar basics. These are the expenses that disappear in political rhetoric because they are too ordinary to dramatize. Yet they are part of what it means to remain employable, presentable, healthy, and functional. Survival is not only the ability to stay indoors and consume calories. It is the ability to continue appearing in the world as someone who can keep going. [2]

Another reason the phrase “the cost of survival” is hard to pin down is that there is no single American number. The country is too uneven for that. The Bureau of Economic Analysis says 2024 regional price parities ranged from 86.9 in Arkansas to 110.7 in California, with Hawaii at 110.0 and New Jersey at 108.8. MIT’s calculator is county-based for the same reason: local prices for housing, transportation, taxes, and other essentials vary too much for one national figure to do the job honestly. Survival in America is not just expensive. It is unevenly expensive. [6][2]

The deeper point is that survival is not a single purchase. It is a chain of obligations that must be met together. Housing without transportation is not enough if you cannot reach work. Employment without childcare is not enough if no one can safely watch your children. Insurance without money for deductibles and out-of-pocket costs is not the same as care. Rent without internet and phone service is not full participation in modern life. Food without time, equipment, or predictable income is not as simple as a grocery total on paper.

Once you see the budget whole, a lot of familiar commentary starts to sound unserious. The issue is not that people have suddenly forgotten how to budget. The issue is that even disciplined, stripped-down living now requires paying for a long list of necessities that stack on top of one another with very little mercy. And the most revealing fact may be this: serious living-wage methods already assume the cheaper options, already strip out vacations and restaurants and retirement savings, already aim at minimum adequacy rather than comfort, and the total still lands high enough to unsettle people. [2]

So, what does survival actually cost in America today?

There is no single honest national number, because the answer changes sharply depending on where someone lives, whether they are single or supporting children, whether they need paid childcare, how much they pay for housing, and what health and transportation burdens they carry. But that is precisely the point. Survival is not cheap in any simple or casual sense. It is not just rent plus groceries. It is an entire structure of costs that must be met together, month after month, with very little room for failure.

And once those costs are placed side by side, the larger truth becomes difficult to avoid. To live in America today requires far more than many public conversations about wages seem willing to acknowledge. It requires enough income to cover housing, food, transportation, healthcare, connectivity, taxes, and the many ordinary necessities that keep a person functional and employable. For families with children, the burden rises further still. What people call “just the basics” is, in practice, an expensive and demanding threshold.

That may be the clearest way to state the problem. In America today, survival itself has become costly enough that millions of working people cannot reliably purchase it without strain. The issue is not that people are demanding too much. The issue is that the minimum conditions of an ordinary life now cost more than our public language about work and wages is prepared to admit.

When people say they cannot afford to live, they are usually not saying that life has failed to provide luxuries. They are saying something far more basic. They are saying that in America today, the floor itself has become too expensive.

References

[1] U.S. Bureau of Labor Statistics. “Housing and transportation accounted for 50 percent of household spending in 2024.” *TED: The Economics Daily*, 2026. Based on Consumer Expenditure Survey data for 2024.

[2] MIT Living Wage Calculator. “Methodology.” 2026 methodology page describing the calculator’s assumptions, budget categories, and tax treatment.

[3] U.S. Department of Agriculture, Food and Nutrition Service, Center for Nutrition Policy and Promotion. “Official USDA Food Plans: Cost of Food at Home at Four Levels, U.S. Average, February 2026.” Monthly food cost report.

[4] Child Care Aware of America. “The Price Landscape of Child Care in America.” 2024 report on average child care prices and comparisons with rent and mortgage costs.

[5] KFF. “2025 Employer Health Benefits Survey.” 2025 survey of employer-sponsored health insurance premiums, worker contributions, and deductibles.

[6] U.S. Bureau of Economic Analysis. “Regional Price Parities by State and Metro Area.” 2024 state-level price parity data showing cost-of-living differences across states.