MACA

by

*Eyes Right*

**Springfield, VA–** There have been numerous recent articles in the news discussing future implications of low birth rates in the United States. Essentially, we are not having sufficient babies to replace Americans who are dying. Our demographic problem can be summarized by “numbers do not lie.”

For the past several decades we have been able to paper over resulting manpower shortfalls by allowing large numbers of working-age immigrants to enter the U.S. - both legally and illegally. These new arrivals have taken millions of jobs, often in construction, hospitality, and manual labor allowing our economy to continue to prosper. However, other key parts of the workforce remain insufficiently manned, such as in several branches of our Armed Forces.

College enrollment has been declining in the U.S. since 2010 (by roughly 1.5 million students in the last decade). Obviously, increasing tuition, COVID-19, and other factors have come into play, but decreasing birth rates have been a significant contributor to the decline. Four-year private for-profit colleges lost over half of their enrollment (about 54%). While 4-year public colleges gained roughly 15%, the overall numbers attending college has declined.

It does not take a Nobel Laureate economist to understand that decreasing numbers of job applicants inevitably leads to wage inflation as compensation is continually bumped upward to attempt to attract fewer candidates. Employees who have been able to demand higher wages have found that much of their increased income has been eroded by higher prices resulting from increased labor costs.

The Trump administration push to expel illegal immigrants further exacerbates the ongoing labor shortage created by demographic trends. If the main result of Trump’s policies is the removal of criminals (as advertised) compensated by increased numbers of legal immigrants, the American economy may have lifelines for continued prosperity in the short term.

However, the only long-term fix is to increase the birth rate of Americans to a sustaining level of 2.2 births per woman of child-bearing age. In 2023, there were close to 3.6 million live births in the U.S., a birth rate of 1.784 births per woman. This low number was not a one-year anomaly, but part of a decades-long trend. Americans are not replacing themselves. The results of doing nothing will be economically and socially severe.

What to do? Other than dramatically increasing immigration, there is no quick fix. Opting to become pregnant ranks as one of the most private decisions women have. There is no way to force child-bearing women to conceive, but there can be government policies to *encourage* increased births. Simply appealing to patriotic messages has not proven effective in other countries (such as China and Japan).

First of all, it is imperative to understand why so many women are choosing not to have children or to limit their family. Several studies have documented reasons including life-style choices, costs to raise children, lack of affordable child care, concerns about bringing a child into a world potentially ravaged by climate change, not wanting to be a single parent, among many responses given.

While government can do little to address social issues, there are policies which can be quickly implemented to address economic concerns. What I propose is a national strategy, MACA – Make American Children Again. Obviously, the acronym is a play on President Trump’s MAGA theme, but it does capture the essence of what is needed: increased numbers of babies to raise American birth rates to self-sustaining levels.

What I propose is national legislation to provide a $10,000 payment for every new live birth with a similar $10,000 paid every year until that child reaches the age of 10 – a total payout of one hundred thousand dollars per child. These payments can remove most concerns of future mothers with respect to the costs of having and raising children, while also lessening concerns about child care if the mother elects to work.

The cost is significant. Assuming that the birth rate will rise from 3.6 million to an average of 4 million babies per year, the initial first-year payouts would be $40 billion, increasing to $400 billion per year annually after 10 years. To put these numbers into perspective, the U.S. spent $2 trillion dollars in Afghanistan. In 2023 the Federal budget was $6.1 trillion. If, indeed, the United States chooses to make this investment, it is one with considerable pay-off potential. Babies ultimately become adult workers who pay taxes, serve in the military to protect us, create new products and services, and generate revenue to provide for current Americans who will be aging. It is perhaps the best investment which the United States can make.

MACA – Make American Children Again!

I thought you might like to know.

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