



U.S. Youth Human Capital Sector: The Foundation of a National Economic Recovery and Growth Strategy (draft) Robert Dugger, Tudor Investment Corporation

Youth Human Capital (YHC) Sector of the United States consists of all people, goods and services involved in raising a child prenatal to age 18

Preliminary Partial Estimate of the YHC Sector as a Percent of GDP

(This estimate includes only family spending on children to age 18 and state and federal spending for elementary and secondary education.)

US GDP 2008	\$14,420,500,000,000
Partial Estimate of Annual Youth Human Capital (YHC) Sector Spending	
Family private spending prenatal to age 18	\$900,317,853,979
Family private spending prenatal to 18 as a percent of GDP	6.24%
State and federal yearly public spending for elementary & secondary education (5)	\$462,700,000,000
State and federal yearly public education as a percent of GDP	3.21%
Preliminary partial estimate of YHC spending to age 18 (family+govt)	\$1,363,017,853,979
Preliminary partial estimate of YHC spending to age 18 as a percent of GDP	9.45%
Preliminary partial estimate of YCH spending prenatal to age 5 (family)	\$258,298,811,289
Preliminary partial estimate of YCH spending prenatal to 5 as a percent of GDP	1.79%

Source Data

<u>Annual cost of children birth to age 18</u>	\$	868,527,631,579
<u>Annual cost of children birth to age 5</u>	\$	226,508,588,889
<u>Estimated total cost of raising a child from birth to age 18 (1) and (2)</u>	\$	200,000
<u>Estimated average annual cost of raising a child 0 to 18</u>	\$	11,111
<u>Number of children in America (2)</u>		82,510,125
Less than 5 years old		20,385,773
5 to 9 years old		19,748,765
10 to 14 years old		20,678,265
15 to 19 years old		21,697,322
Per age year		4,342,638
Number of children birth to age 18		78,167,487
<u>Total prenatal costs per year</u>	\$	31,790,222,400
Average prenatal cost (3)	\$	7,600
Number of children born each year (4)		4,182,924

Sources and Notes

(1) Author's preliminary estimate derived from the U.S. Department of Agriculture, "Expenditures on Children by Families, 2007"

Note the USDA expenditure data include only health care costs not paid for by insurance

<http://www.cnpp.usda.gov/Publications/CRC/crc2007.pdf>

(2) U.S. Census Bureau, ACS Demographic and Housing Estimates: 2006,

<http://factfinder.census.gov>

(3) USDA, "Expenditures on Children by Families"

(4) Census Bureau, ACS Demographic and Housing Estimates: 2006

(5) Census Bureau, Public Education Finances, 2004

<http://ftp2.census.gov/govs/school/04f33pub.pdf>