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A Conversation With Debora Spar

An Economist Examines the Business of Fertility

By CLAUDIA DREIFUS

Four years ago, when Debora Spar, a political economist, began researching "The Baby Business: How Money, Science and Politics Drive the Commerce of Conception," some of her colleagues at Harvard Business School wondered why she had picked a book topic as "soft" as the fertility industry.

Dr. Spar, a professor of business administration and an associate dean at the business school, disagreed, contending this \$3-billion-dollar-a-year sector of the medical economy was ripe for research.

"The new technologies, particularly in vitro fertilization, have permitted us to do things we couldn't before," Dr. Spar, 42, said on a recent visit to New York City. "Many of the once infertile can now make babies and people will pay almost anything to do that. But because this is so new, it's also unregulated, and a lot of the usual economic rules don't apply. To me, this is fascinating." Her book on the business has just been published.

As for her own family, Debora Spar is the mother of three school-age children, the youngest adopted, at age 6, from Russia. "I wanted a little girl," she said. "I had two children the old-fashioned way already, and the idea of trying adoption was very powerful."

Q. Why write a book about the economics of fertility treatment?

A. In September of 2001 — a bad time to publish a book — I published "Ruling the Waves" about the evolution of the Internet. In it, I argued that every once in a while a radical new technology appears — the telegraph, satellite television, the Internet — where people get all excited, where there are no rules, and which creates new markets. Over time, these technologies become regulated because people want and need rules.

As I talked about my book, people asked, "What's the next technology that will have this?" I became convinced it was reproductive medicine, which started only 30 years ago with the I.V.F.-facilitated birth of Louise Brown.

Reproductive technologies allow some people who previously couldn't have babies to do that. In almost every human society, perhaps 15 percent of the population is infertile, so there's always been a big demand for babies. Right now, the estimated average cost of producing a baby through these new treatments in the U.S. can be well over \$50,000.

As I looked into it, I became convinced that reproductive technology was a market — with supply, demand and price coming together in a transaction. As with the early Internet, where people were high on the lack of rules and eventually wanted protection against scammers and online pedophiles, I think we'll eventually want rules protecting the health of the women and babies.

Q. Isn't it a little cold to talk of infertility in economic terms?

A. But the baby business is a business. My argument is, We need to move away from the emotion that clouds this so that we can make better decisions.

I think many in this market don't want to see it as related to science or medicine, which also clouds their thinking. If you look at the promotional materials of fertility clinics, it's all about "family building" and "creating a child." It doesn't have a scientific feel to it. It's treated more as an intimate experience.

Q. At Columbia University, there are ads in the student newspaper offering to pay tall blondes with high SAT's \$8,000 to \$20,000 for eggs to be used by infertile couples. Is this a good price?

A. Hmm. I think the price for Harvard eggs is higher, around \$25,000. There have been ads offering even \$50,000 and \$100,000 for "exceptional eggs" though no one's ever come forward to say they've gotten that much.

The donor typically is young — 20 to 21 years old. She's run up the credit card bills, and she doesn't want Mom and Dad to know. She sees these very pretty ads in the school newspaper and this seems like a good way to solve a problem. The concern is that we don't know the long-term effects of doing this.

For egg extractions in general, there have been a couple of instances of horrific side effects. There are lots of cases of smaller ones. When you take large doses of hormones to produce eggs — either as a donor or an infertile woman — you're going to have bloating, mood swings, discomfort. All this is manageable. But if you do that three or four times, are there longer-term effects we don't yet know about?

Q. Do you worry about eugenic implications of Ivy League egg-shopping?

A. Yes. People sometimes do act as if they were picking from a salad bar. And yet, we know that most of the things people want in their children cannot be identified on a single gene. Intelligence? It's a combination of genes and environment.

I am about to do a statistical study of sperm banks. What we know anecdotally is that for egg donors, it's more often looks that are the desired traits. From men, people seek intelligence and height. You cannot even think about donating sperm if you're a short man. The average height of a sperm donor is 5-10. The average height of an American male is nowhere near that.

Q. Why are fertility treatments so costly? Doesn't the price of a new technology come down after a while?

A. I think it's because the supply is still smaller than the demand. Infertile people are willing to pay almost anything. I would also argue that prices haven't come down as much as they should because this isn't treated like regular medicine.

There's limited insurance coverage — only 14 states include I.V.F. under some circumstances as part of medical insurance. In the other 36, the only way to get these treatments is to pay cash.

The nationwide average for one cycle of I.V.F. is \$12,400. If you are a 24-year-old woman with blocked fallopian tubes, one cycle will probably do it. If you are 48, you might get five or six cycles. At that age, the odds of success are something like 1 percent. Those women will go for three, four, five cycles, till the treatments work or the women give up. Some of these women will eventually look to adoption.

Q. Should fertility treatments be covered by insurance?

A. They do that in Denmark. But they've also considered some of the social issues that insurance brings up. The Danes say infertility is a medical condition for any woman under 40. Over that age, no coverage.

If we insured consistently, we'd have to ask, At what point is a woman is too old to have a child? We'd have to ask if we want to cover homosexual couples who are technically infertile if they want to have babies with their partners. Now, no one wants to grapple with any of that.

Q. What was the most unexpected thing you learned working on your book?

A. Everyone I spoke to who had gone through these difficult processes — high-tech reproduction, surrogacy, international adoption, donated eggs or sperm — came out with a child that they were convinced was the only child that they were ever destined to have.

No matter how they acquired that child and regardless of whether they had a genetic relationship to it, they saw it as theirs.

To me, it shows that there's something in humans that connects us to our children and it goes even deeper than genetics alone.