



Press Release

Baby Formula in the United States: Health and Economic Policy Issues

PAULINA ENCK | APRIL 6, 2023

Baby formula shortages have persisted in the United States since February 2022, and attempts to spur supply chain reforms remain a bipartisan priority. In a new insight, Director of Health Care Policy Laura Hobbs examines the problems causing the shortage and discusses which policy reforms could ameliorate the underlying issues.

Key points:

- The baby formula shortage has been occasioned by a series of supply shocks but exacerbated by two underlying problems within the formula market generally: inadequate competition and a poor federal surveillance strategy of the production of baby formula.
- To remedy the former, import restrictions and tariffs should be eliminated to expand the pool of available suppliers, and reforms to the Special Supplemental Nutrition Program for Women, Infants and Children (WIC) should be enacted to enhance competition among domestic suppliers.
- To remedy the latter, the Food and Drug Administration must acquire the expertise to safely oversee the production of baby formula, which has suffered from a several health-related recalls, in the United States.

[Read the analysis](#)