

Current Research

Economic Discourse and the Cost of Disability

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The American polity has adopted a bipolar approach to social issues in which symbolic largesse and fiscal conservatism go hand in hand. There is no shortage of rhetoric to be lavished on social problems; minor policy initiatives have been portrayed as revolutionary. At the same time, there is a powerful political imperative in the post-liberal policy era to limit social spending at all levels of government. Budget cuts may be rationalized with rhetoric about shifting paradigms and empowerment, but for the most part choices that achieve the immediate objective of cost savings have prevailed over those that advance the ultimate goal of promoting independence.

Disability Costs

The confluence of brave rhetoric and parsimonious policies is particularly acute in those policy domains that affect people with disabilities. The lives of many people with disabilities are shaped by how they are certified and entangled in official definitions and criteria. Their subsistence often depends on the availability of public resources. In much of current public discourse, disability is portrayed as generating economic costs and the legitimacy of these purported costs is undergoing renewed scrutiny. In this context, questions of whether disability truly represents a cost, what its costs might be, who actually pays them, and exactly how those costs are paid are not mere academic exercises.

It is perfectly straightforward to add up the dollars spent on programs such as SSDI, personal assistance services, or vocational rehabilitation. In a simplistic fiscal world, disability costs less when the government spends less on disability programs. Many policy makers live in that world and seek savings by cutting budgets. More realistic complexity can be added by measuring the budgetary consequences of reducing benefits or cutting eligibility: less spending on, for example, personal assistance services, may lead to higher spending on hospitalization. Such accounting is challenging and requires sophisticated models of public finance since public programs that affect people with disabilities are located across many departmental

jurisdictions, and are offered at the federal, state, and local levels of government.

Externalities of Exclusion

Few policy debates broadly address what economists call the externalities of policy choices, the costs that those choices impose outside of the arena of public spending. Lost opportunities for participation and social contribution impose costs on society by denying tangible economic and social benefits all might otherwise enjoy from a truly inclusive society. Inadequate human capital - training, education, good health - imposes costs of dependency and lowered productivity on families and others in networks of support, on voluntary organizations that deal with the repercussions of disability, and ultimately on taxpayers. And exclusion and stigma on the basis of disability can impose crushing costs on individuals whose impairments evoke responses that lead to discrimination and social isolation.

Some of these costs are nonmonetary and cannot be readily quantified, although psychological costs certainly may manifest themselves in ways that have economic consequences. Other costs, such as the inefficiencies imposed by inaccessible public places or by expectations of incapacity, can be counted, but are not now easily known since as a society we have not invested adequate resources in efforts to know them. We need better economic and social research that is based on a full understanding of the lives of people with disabilities, an understanding that must come from people with disability themselves. Such research can frame better questions about disability policy issues and could lead to a far more accurate accounting of disability costs.

Advocates and disability studies scholars are already engaged in the current discourse about costs and have challenged the logic of cutting back on programs that support independence. Narrow definitions of cost must continue to be challenged and policy consequences documented. We must insist on a broadened economic discourse that includes all of the costs of disability as it is currently constructed and propose alternative constructions that take into account the costs of discrimination and exclusion as well as the benefits of participation and independence. We must collect better data about the economic lives of people with disabilities and build on current efforts to measure the economic consequences of overcoming barriers.

Productivity and Equity

By providing such knowledge, disability studies can shift the focus of

policy debates from simplistic conceptions of cost to a more useful focus on productivity. Disabled people have a great stake in ensuring that public programs are effective in their broad social consequences. If we, as advocates and citizens, care too little about societal productivity, we will not get very much done and goals such as achieving equity will become even more difficult. However, we need to ensure that productivity is assessed within the appropriate context. The costs of expanding access and independence must be weighed against the opportunity costs embedded in a status quo that reinforces dependency and amortized over lifetimes of work and participation. Productivity of private firms can be enhanced by social investment in productive workers free of the encumbrances of too low expectations and poorly developed skills. A productive nation can be created by ending isolation and dependency and by eliciting contributions from everyone.

The Cost of Productivity

We can care too much about productivity especially if it is too narrowly defined or relies on faulty measures. Not only should productivity be measured in appropriate terms, but we must also realize that maximizing productivity may undermine other collective goals. Economic discourse can teach us a great deal about efficiency, but it is ill equipped to tell us much that is interesting about community, citizenship, autonomy, or creativity. If independence is expensive, is it then not worth having? Should firms pursue productivity at the cost of workers who have no time or energy for their families or communities or themselves, even if goods are produced with lower prices? Knowledge of economics and costs is important, but on its own is inadequate for understanding value.

Disability economics is too important to leave to economists and policy analysts who do not know much about disability. In these dangerous political times, disability advocates and scholars must understand and convincingly communicate how overly narrow economic discourse can mismeasure costs and productivity by treating people with disabilities as economic and social liabilities rather than as productive individuals and members of families, communities, and the larger society.