ECONOMICS OF DISABILITY**

1. GENERAL DISCUSSIONS

Alternatives in rehabilitating the handicapped: a policy analysis. Edited by
Jeffrey Rubin and Valerie LaPorte. New York, NY 10011. Human
Sciences Press (72 Fifth Ave.). 1982. 274 pp. $29.95.

This collection of essays examines vocational rehabilitation in the early
1980s. The areas of policy concern include: an economic evaluation of the
Beneficiary Rehabilitation Program; rehabilitation employment and the dis-
abled; prospects for policy analysis and reform of vocational rehabilitation
programs; private and public rehabilitation efforts; and the Rehabilitation

Berkowitz, Monroe and Edward Berkowitz. “Benefit Cost Analysis,” Re-
habilitation Research Review No. 5. Washington, DC 20017. National
Rehabilitation Information Center (4407 Eighth St., N.E.). 1983. 50
pp. $9.00.

This volume provides an analytical survey of the literature and an annotated
list of professional readings on the topic of benefit-cost analysis relating to
state and Federal vocational rehabilitation programs. The increased use of
cost-benefit analysis in vocational rehabilitation programs can be traced from
the passage of the Vocational Rehabilitation Act in 1920. Since then, the use
of cost-benefit analysis has changed a great deal, and the authors discuss the
conceptual difficulties involved with undertaking such analyses today. The
Rehabilitation Services Administration—Social Security Administration
Data Link and a model by the Berkeley Planning Associates are among the
programs reviewed.

1983. 49 pp. $5.00. Demography and disability: a chartbook for rehabili-
1984. 37 pp. $5.00. Hot Springs, AR 71902. Arkansas Rehabilitation
Research and Training Center (P.O. Box 1358).

Bowe, an activist for the disabled, explores in these works the potential for
placing more disabled into meaningful jobs. In Demography and disability,
Bowe translates figures produced by the U.S. Bureau of the Census into
charts profiling the population of disabled adults in America. The Business-
Rehabilitation Partnership suggests ways in which rehabilitation practitioners
could create and maintain a liaison with business designed to benefit disabled
job-seekers. The occupational outlook for disabled people is examined in
Employment Trends. A related publication by Bowe is Rehabilitating America:

* Prepared by Katherine Bagge, Librarian, Industrial Relations Section; with the assistance of
the staff of the U.S. President’s Committee on Employment of the Handicapped, Washing-
ton, DC.

** Supplements Selected References No. 193, Employment of the Disabled (1978). Items from
this list should be ordered directly from the publisher. Addresses are given in connection with
each reference.

This book provides an overview of the economic issues related to current programs for the working-age disabled population. When this book was written, 16.8 percent of U.S. working-age people viewed themselves as having work-related disabilities. The authors discuss income support policies toward disabled workers, and they examine the available evidence on the extent to which labor market activities, specifically rehabilitation and training services, yield benefits in excess of their costs. Other topics include: the conflict between the insurance and redistribution goals of disability policy; the role of disability in general employment policy; and the merits and limitations of equal access efforts.


This book discusses the social and moral problems involved with caring for disabled citizens. It deals with the policy dilemma of fostering interaction between the individual case and general government policies. The authors discuss the development of public activity and social welfare policies on behalf of the disabled. The effects of these efforts in light of the present state of disabled workers are examined. Specifically, the authors discuss the inadequacies of income maintenance programs and the failure of government programs to restore the employability of disabled persons. Two action models are presented. The first model, PUSH (People United for Self Help), represents the only social service advocacy model of its kind in the nation. The second model is a long-term model which promotes the mainstreaming of disabled workers.


This compilation of papers includes such topics as: the costs of disability; social security disability policy in the 1980s and beyond; labor supply incentives and disincentives for disabled persons; some lessons of workers' compensation; an industry analysis of workers' compensation and employment; and the economics of transitional employment and supported employment. Also discussed are: the economics of job displacement; the role of reasonable accommodation in employing disabled persons in private industry; an economic analysis of the laws promoting the employment of handicapped persons; and United States disability policy—an analysis within the context of the European experience.


Four articles review and discuss the development of public policy concerning physical disability. In "Paternalism and Public Policy," Hahn reviews the variety of legislative measures passed in the 1970s to improve conditions in employment, welfare, transportation, housing, and education. He discusses the formation of disability policy and examines its principal strengths and weaknesses. William Johnson and James Lambinos in "Employment Discrimination" maintain that current policies would be more effective if modified to consider wage-rate discrimination as well as legally defined discrimination practices in hiring. William Roth discusses handicapped people
as political beings in "Handicap as a Social Construct," and Nancy R. Madnick contributes an article entitled "Disabled Women" which examines their special challenges.


The State-Federal Program of Vocational Rehabilitation provides a wide variety of services to disabled persons which assists them in finding or sustaining employment. The benefits of this program accrue not only to private individuals in the sense of personal worth but also to Federal, state and local governments in the form of earnings and tax contributions. This and related reports demonstrate that the calculated benefit-cost ratios for disabled persons show a considerable difference in the apparent impact of rehabilitation services. Related Rehabilitation Services Administration reports include: In-house benefit-cost ratios: state-Federal program of vocational rehabilitation fiscal years 1971 to 1980 (April, 1982. 8 pp.) and The long term impact of vocational rehabilitation services, by severity of disability (November, 1982. 38 pp.).


This series of reports presents the results of the Social Security Administration's 1978 Survey of Disability and Work. This survey examined respondents' sociodemographic characteristics, health conditions, work attitudes and activity, and their participation in government benefit programs. The three reports in this series are: Technical Introduction which contains the survey purpose and methodology; Data Book Preliminary which reports preliminary survey data; and Databook which is a compilation of useful tables arranged in four broad categories reflecting demographic characteristics, health conditions, work activities, and family income.


Wolfe provides a description and analysis of non-institutionalized disabled persons with emphasis on labor force behavior, occupational distribution, and wage rates. Data from the Current Population Survey was selected because it is representative of the nation as a whole and contains both labor force and demographic information. In comparing the socioeconomic status of the disabled to the non-disabled, Wolfe reports that the disabled suffer in terms of education, probability of working, occupation, and wage rates.

2. THE EUROPEAN EXPERIENCE

This report describes the many changes and improvements introduced by the European Community member states on behalf of the disabled. Legislative and statistical information is presented on a country-by-country basis.


Disability programs are a growing area of policy concern in industrialized nations. Several European countries have adopted differing policies toward disabled persons which also contrast with those adopted in the United States. The economists contributing to this collection of essays provide detailed studies of public policy toward disabled workers from West Germany, France, Israel, Italy, the Netherlands, Sweden, and the United Kingdom. Each study contains analyses of trends in costs and services while assessing the impact of these programs on the labor supply and on rehabilitation of beneficiaries. The structure of U.S. disability in relation to the policies of the countries previously mentioned is thoroughly examined.


This article discusses the need for a conceptual and operational framework for rehabilitation policies and practices. Waldman surveys economic, demographic and technological trends in Europe and discusses implications for the social and economic integration of disabled persons. He examines specific rehabilitation systems and suggests both conceptual and qualitative methods for improving rehabilitation effectiveness and productivity.

3. INTERNATIONAL PERSPECTIVES


This publication contains the Report of the United Nations Expert Group on the Socio-Economic Implications of Investments in Rehabilitation for the Disabled (Geneva, 1977) and also excerpts from the United Nations study entitled Rehabilitation for the Disabled: the Socio-Economic Implications of Investments for this Purpose (1977). The economic and social costs of disability, including a discussion of government expenditures, are fully explored. The labor market policies for disabled persons, including the effectiveness of sheltered and semi-sheltered employment, quota systems, wage subsidies, and placement in regular employment are also examined. Case studies from different countries which demonstrate cost-benefit methodology and its application to the rehabilitation process are included.


After discussing the principal issues associated with the economics of disability from a cross-national perspective, Hammerman and Maikowski report that few nations fully recognize the complexity surrounding options offered for social benefit transfer payments, rehabilitation assistance, and labor market placement of the disabled. The authors also discuss limitations in the use of cost-benefit analysis as an economic assessment procedure.