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Economic Scene

Weighing the True Costs and Benefits in a Matter of Life and Death

By ROBERT H. FRANK

"DO the poor deserve life support?" asks the economist Steven E. Landsburg in an article published under that title in Slate this month (www.slate.com/id/2133518/?nav=fo). The subtitle says: "A woman who couldn't pay her bills is unplugged from her ventilator and dies. Is this wrong?" Mr. Landsburg invokes "economic considerations" to suggest that the answer is "no."

Many commentators have attacked his argument as morally preposterous. Well, yes. But it is also economically preposterous. The two judgments are related. But before an attempt at explaining why, here are some details of the case, from the Slate article and the Dallas-Fort Worth television station WFAA:

The patient was Tirhas Habtegiris, a 27-year-old legal immigrant being kept alive by a ventilator as she lay dying of cancer last month in the Baylor Regional Medical Center in Plano, Tex. Physicians offered no prospect for her recovery. She was hoping, however, to hang on until her East African mother could reach her bedside.

Ms. Habtegiris had little money and no health insurance. On Dec. 1, hospital authorities notified her brother that unless another hospital could be found to treat his sister, Baylor would be forced to discontinue care after 10 days. But even with Baylor's assistance, the family was unable to find a willing hospital. True to its word, Baylor disconnected her ventilator on Dec. 12, invoking a law signed in 1999 by George W. Bush, then governor of Texas. The law relieved doctors of an obligation to provide life-sustaining treatment 10 days after having provided formal notice that such treatment was found to be medically "inappropriate."

Unlike the comatose Terri Schiavo, Ms. Habtegiris was fully conscious and responsive when she was disconnected, according to her brother. She wanted to continue breathing. Her brother and several other family members have described the agonizing spectacle of her death by suffocation over the next 16 minutes. Her mother never got there. (Baylor officials have said their decision had nothing to do with financial considerations.)

In Baylor's defense, Mr. Landsburg argues that Ms. Habtegiris's treatment would have failed the economist's basic cost-benefit test, which says that an action should be taken only if its benefit exceeds its cost. The cost of care is relatively easy to calculate, but measuring its benefit is more difficult, and it is here that Mr. Landsburg stumbles.

In general, economists measure the benefit of an action as what its beneficiaries would be willing to pay to see it taken. To place a rough upper bound on the benefit of supporting Ms. Habtegiris, Mr. Landsburg asks us to imagine that before her illness, she had been given a choice between free ventilator insurance and $75 in cash (his illustrative estimate of the cost of providing a healthy young person with such insurance). He assumes, plausibly, that she would have chosen the cash. The implication, he believes, is that the benefit of extending Ms. Habtegiris's care must be less than its cost.

He is mistaken for multiple reasons. For one thing, he ignores the economically compelling reasons for having social safety nets in the first place. Even those who are not poor recognize that catastrophe is only one unlucky break away. One might lose one's job and be unable to afford health insurance, for example, or be stranded by a mountain blizzard and unable to afford a helicopter rescue. With such prospects in mind, most people favor collectively financed rescue efforts. That a poor person would not, or could not, buy private insurance against such contingencies is entirely beside the point.

Even more troubling, Mr. Landsburg completely ignores moral emotions like sympathy and empathy. As economists since Adam Smith have recognized, economic judgments are often tempered by these emotions. The upshot is that large numbers of people benefit when a patient in imminent mortal danger receives treatment. Had the opportunity presented itself, many would have eagerly contributed to Ms. Habtegiris's care. But organizing an endless series of individual private fund-raisers for such cases is impractical. So, we empower government to step in when the need arises.

Mr. Landsburg's argument finesses the important distinction between a "statistical life" and an "identified life." The concepts were introduced by the economist Thomas C. Schelling, who observed the apparent paradox that communities often spend millions of dollars to save the life of a known victim - someone trapped in a mine, for example - yet are often unwilling to spend even $200,000 on a highway guardrail that would save an average of one life each year.

This disparity is not economically irrational, Mr. Schelling insisted, because the community values what it is buying so differently in the two cases. It is one thing to risk one's own life in an unlikely automobile accident, but quite another to abandon a known victim in distress.

By offering a transparently unsound economic argument in defense of the Habtegiris decision, Mr. Landsburg unwittingly empowers those who wrongly insist that costs and benefits have no legitimate role in policy decisions about health and safety. Reducing the small risks we face every day is expensive. The same money could be spent instead on other pressing needs. We cannot think intelligently about these decisions without weighing the relevant costs and benefits.

But using cost-benefit analysis does not make one a moral monster. In the wealthiest nation on earth, a genuine cost-benefit test would never dictate unplugging a fully conscious, responsive patient from life support against her objections. Mr. Landsburg's argument to the contrary is wrongheaded, not just morally, but also economically.

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