

Economics for Inclusion!:
An introduction to
Research on Economy And Disability
(READ)

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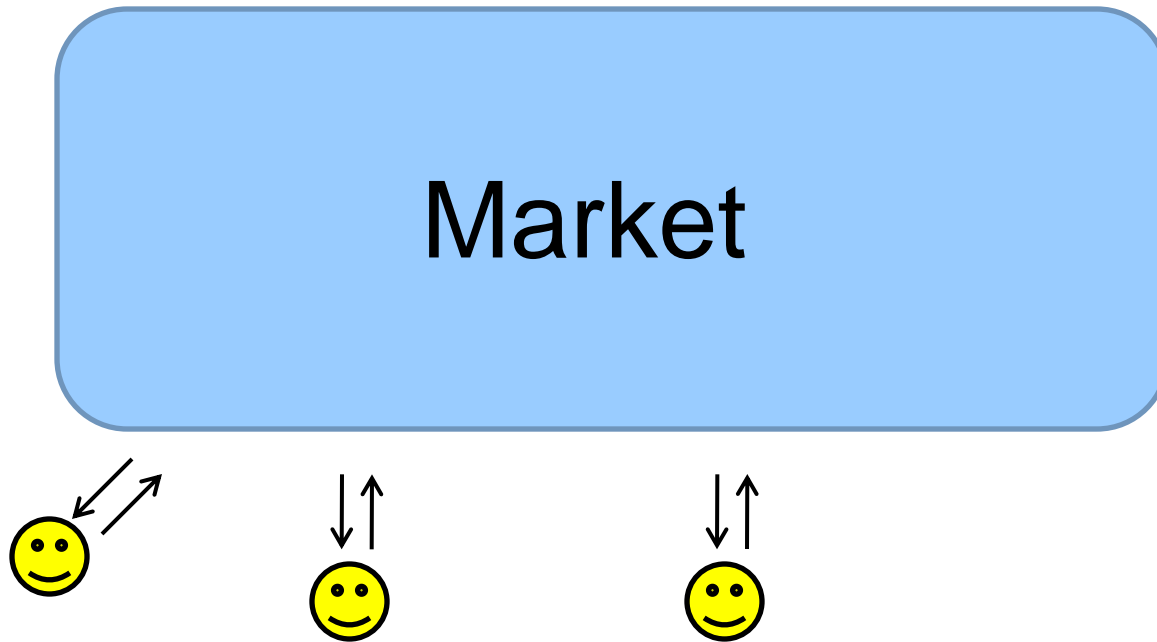
June 2011

What is economics about?

- Economics is a discipline that analyzes society, market in particular, and well-being of people therein.
- Not much talking about human rights, which are usually given in economics.
But can analyze and compare different societies with different levels of human rights.

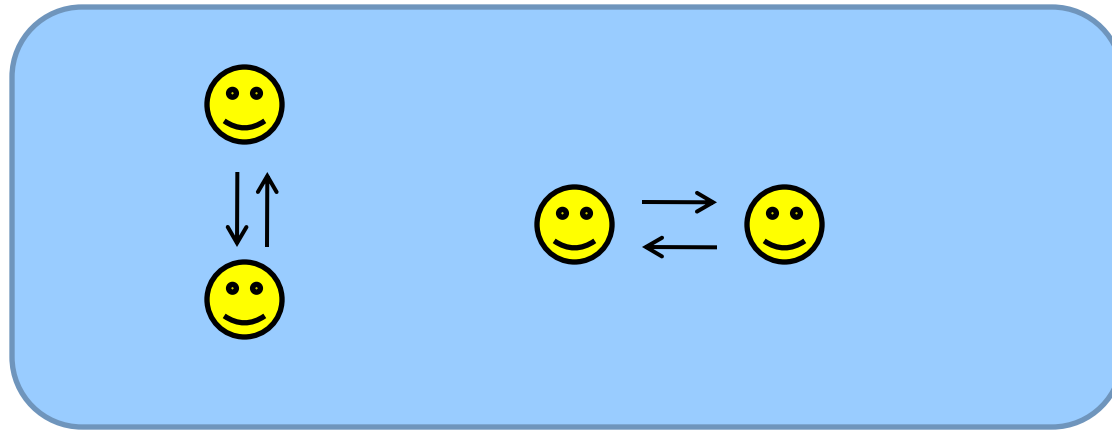
Traditional economics vs modern economics

- Traditional economics (Market theory)



Traditional economics vs modern economics

- Modern economics (Game theory)



Market/Society

Peter Sellers . George C. Scott

In Stanley Kubrick's

Dr. Strangelove.

Or:
How
I Learned
To
Stop
Worrying
And
love
the
Bomb

the hot line suspense comedy



also starring **Sterling Hayden - Keenan Wynn - Slim Pickens** and introducing **Tracy Reed**

Screenplay by **Stanley Kubrick, Peter George & Terry Southern** Based on the book "Red Alert" by Peter George

Produced & Directed by **Stanley Kubrick** A Columbia Pictures Release

John von Neumann



4 ACADEMY AWARDS
2001 Including
BEST PICTURE

Own It on DVD



RUSSELL
CROWE A RON HOWARD FILM
A BEAUTIFUL
MIND
ED HARRIS

BEST PICTURE
BRIAN GRAZER - RON HOWARD

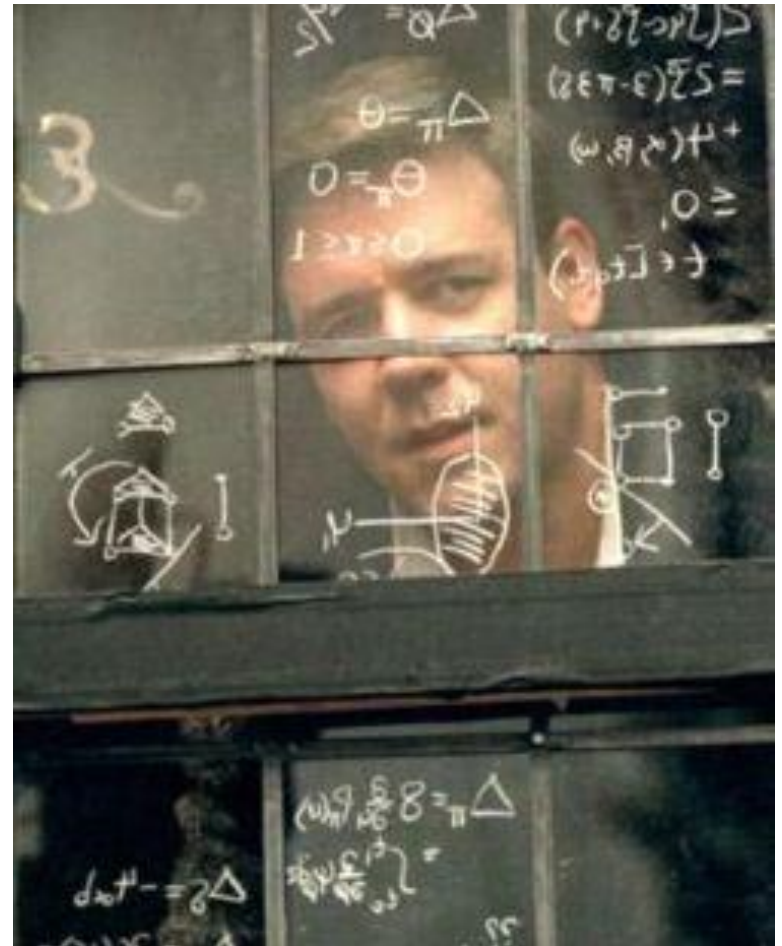
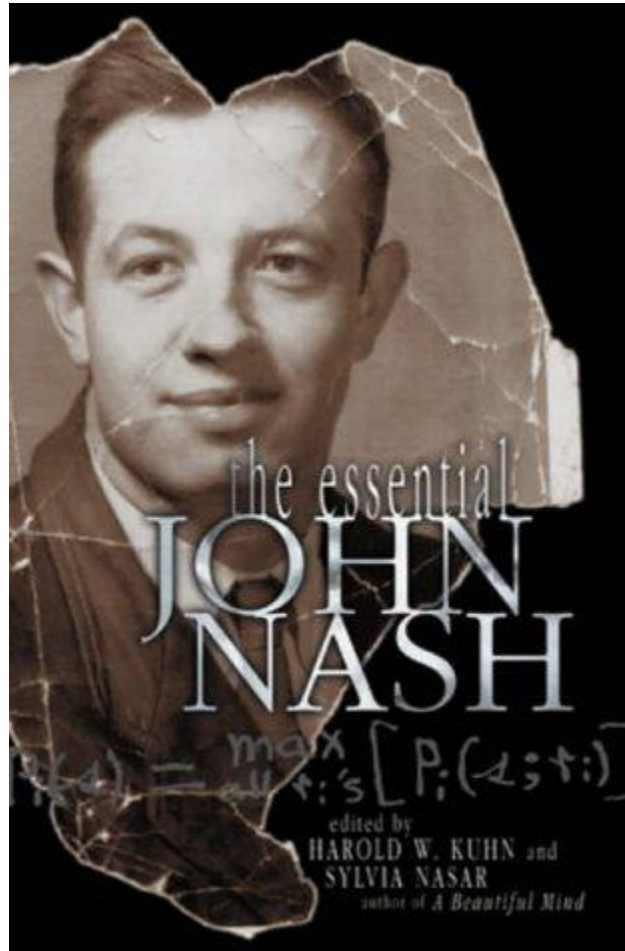
BEST DIRECTOR
RON HOWARD

BEST SUPPORTING ACTRESS
JENNIFER CONNELLY

BEST SCREENPLAY
AKIVA GOLDSMAN

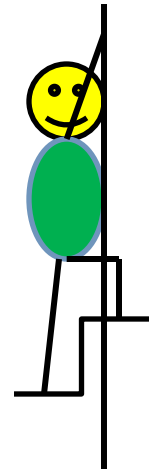
ENTER SITE
(FLASH 5 REQUIRED)

John F. Nash



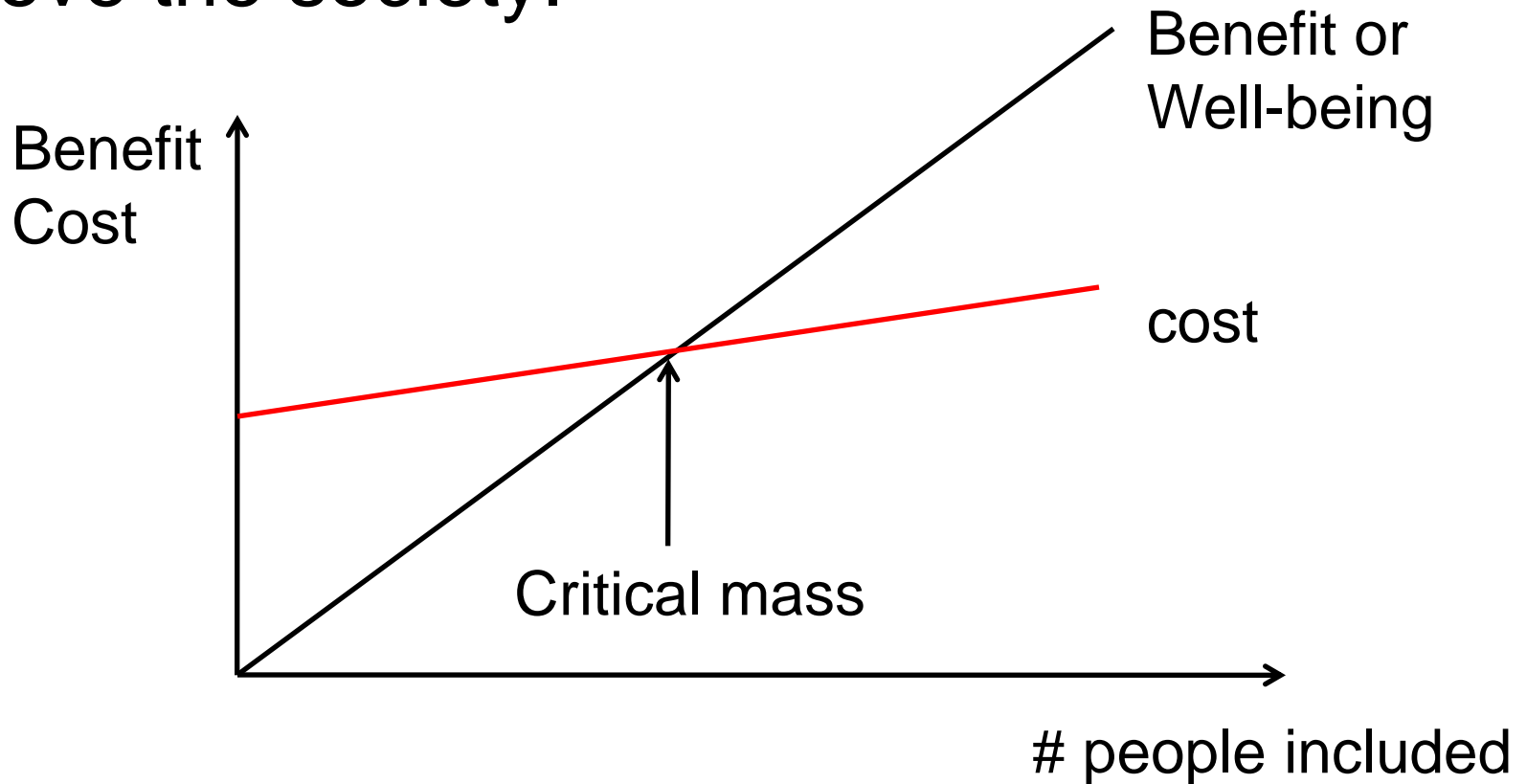
What game theory can show is that society is designed for the “normal”

- “normal” is a concept relative to the society.—self-reference
- E.g., height of steps is determined to accommodate “normal” people.
- Indeed, if many people were like athletes in gymnasium, then we wouldn’t have stairs but only a pole to go to “upstairs”.
- In such a society, people like me would be called people with disability (PwD)



Logic behind the necessity of Social Inclusion 1

- We need a critical mass in public arena to move the society.



Logic behind the necessity of social inclusion 2

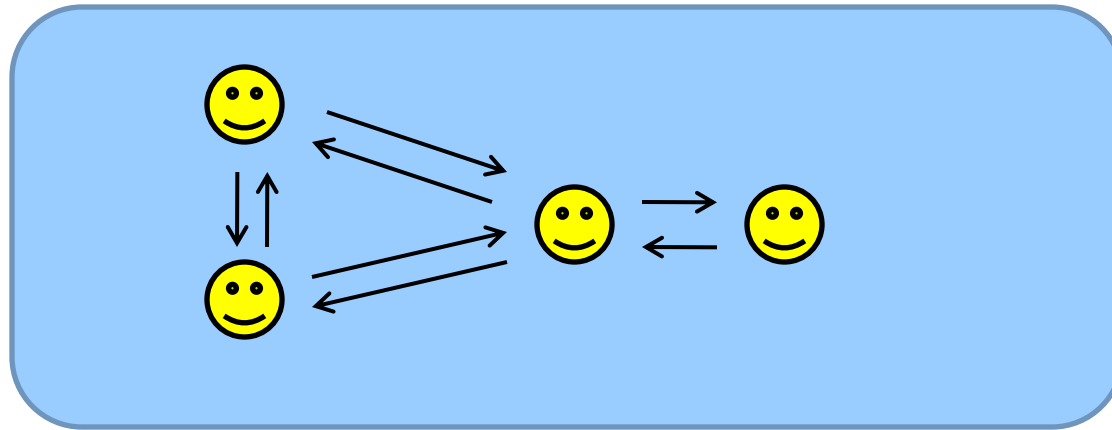
Poor economic conditions and segregation policy of PwD may induce prejudices, which in turn prevents the society from including some people.

Inductive game theory (Kaneko and Matsui, 1999) showed:

“If people who do not know the real structure of society, then segregation leads to prejudices.”

Logic behind the necessity of social inclusion 2

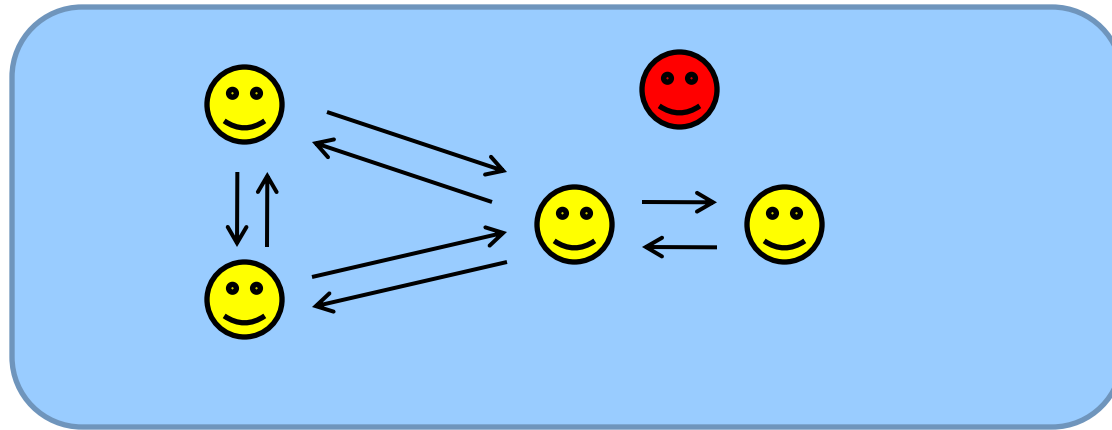
They are doing OK...



Society

Logic behind the necessity of social inclusion 2

One day, a different type of person comes.



Without preparation and experiences, 😊 don't know what to do. 😊 may justify their not including 😞 :
“Well, 😞 must be useless (or harmful).”

Unfortunately, this happens even if 😞 is useful (or harmless). => Prejudices emerge.

Registration system for “PwD” in Japan

Limit the number of recipients of benefits.

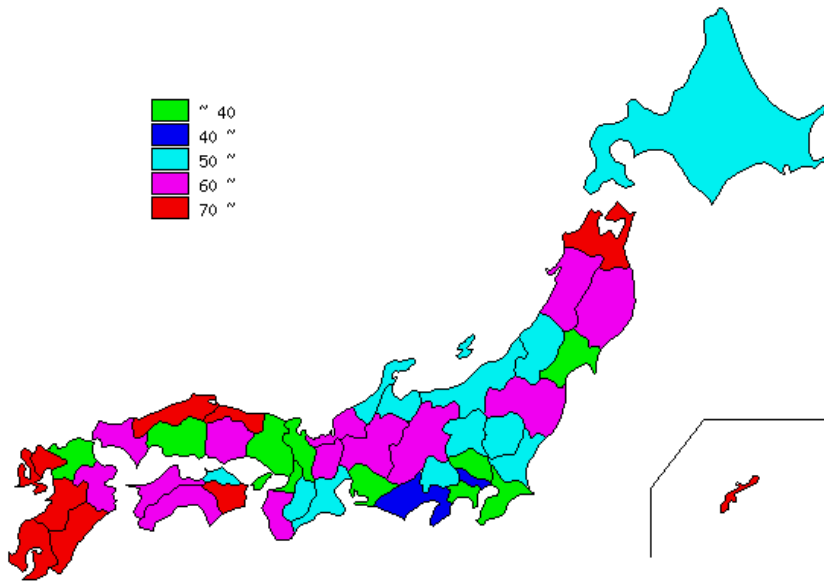
Registration system as device to divide people between “normal” and “PwD”.

“PwD” are separated as a group.

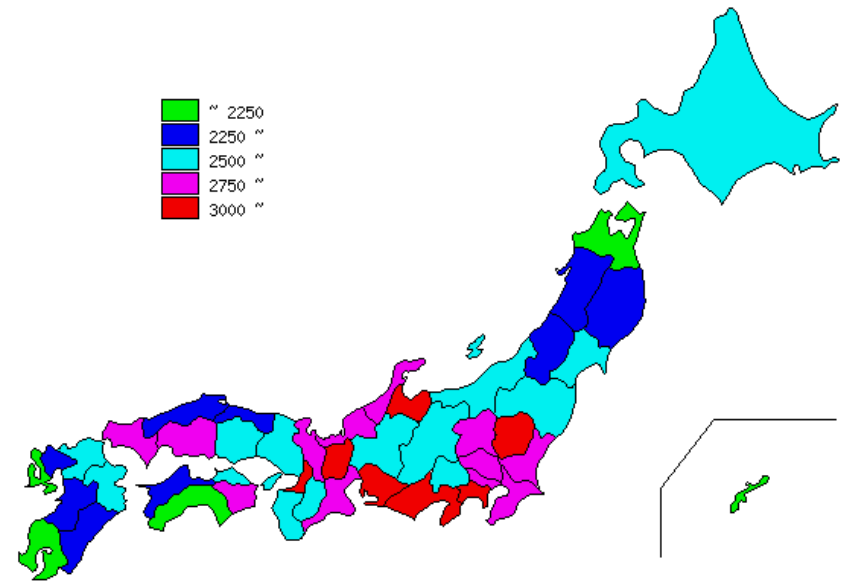
Prejudices are induced against some.

Registered number of people with intellectual disability

Prejudices are real and related to economic conditions such as income



Registered number of PwID (per 10K)



Per capita Prefectural Income (1,000yen)

Hypotheses

(1) Actual # of PwID and economic conditions

Economic conditions \uparrow \Rightarrow IQ \uparrow

\Rightarrow Actual # PwID \downarrow \Rightarrow Registered # PwID \downarrow

(2) Registered # of PwID and economic conditions

Economic conditions \uparrow

\Rightarrow Cost from prejudices $>$ Benefits from registration

\Rightarrow Registered # PwID \downarrow

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Registered number of people with intellectual disability (per ten thousand)

	Severe		Mild	
	coefficient	t-value	coefficient	t-value
Per capita prefectural income (in thousand yen)	-0.0033	-0.80	-0.013	-2.73**
Fraction 65 and over (%)	1.05	2.43*	1.36	2.65*
Avg no. people per household	0.80	0.18	15.17	2.92**
Net social increase rate (%)	-6.57	-1.06	17.20	2.34*
Rate of continuation on to colleges (%)	-0.11	-0.63	-0.42	-2.07*
Constant	13.09	0.78	18.73	0.94

** 1% significance
*5% significance

$R^2=0.54$

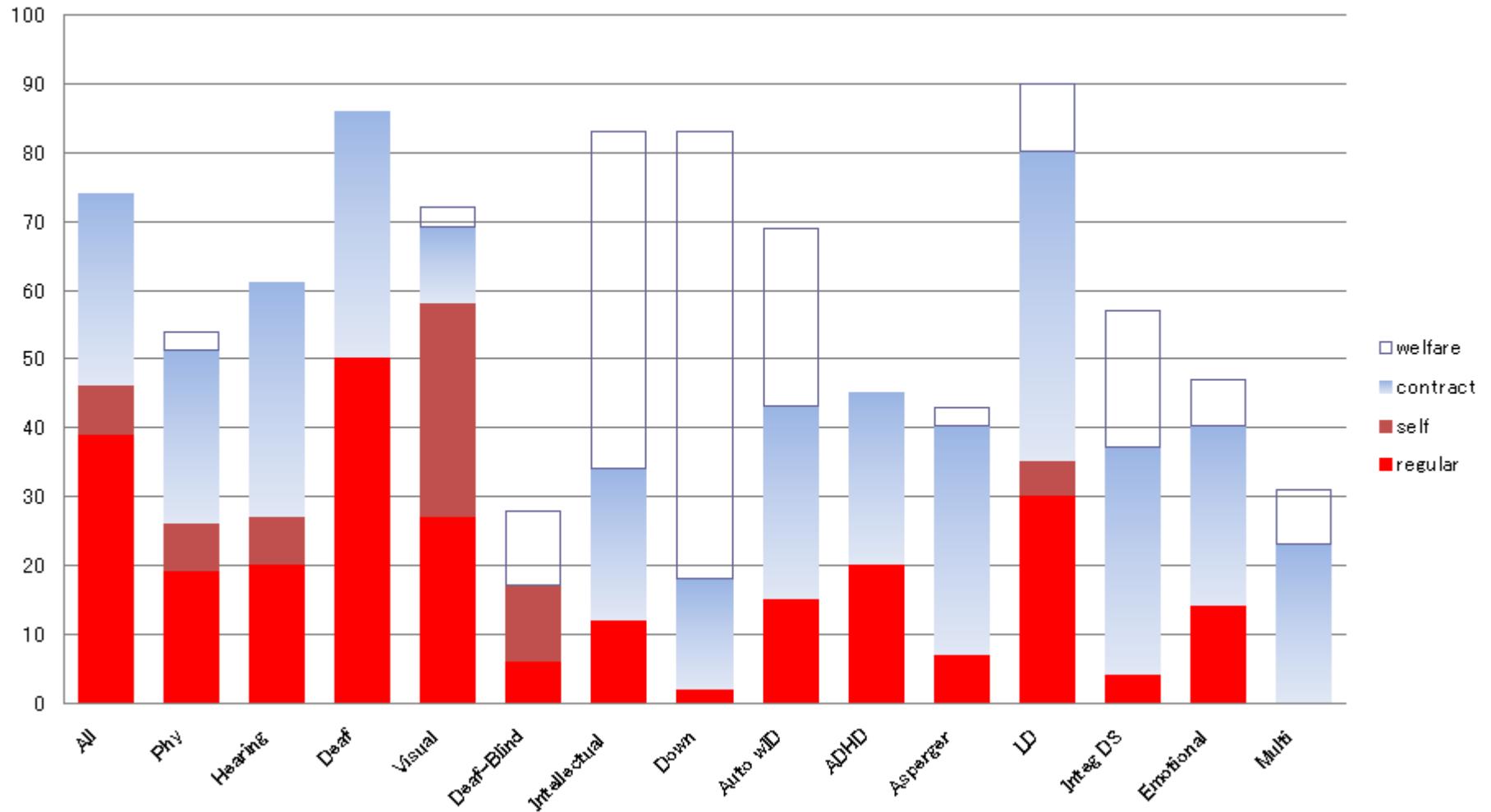
$R^2=0.57$

Survey by READ

- We need statistical analysis to relate economic variables and disability variables.
- No comprehensive data
- We conducted a survey
 - 17 associations
 - 1331/2275 (=59%)

Survey by READ

Labor force participation rate (%)



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Conclusion

- Modern economics (game theory) are concerned with people and their interaction.
- Society is designed for the “normal”.
- System designed for “non-normal” induces prejudices, which is real and can be related to economic factors such as income.
- Economics can and should contribute to the understanding of such a situation and the empowerment of PwD by theoretical and statistical analysis.



Team: *Research on Economy And Disability (READ)*

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Thank you!

Japan

a country of uniformity

- Minority

Ainu: 24,000 (0.02% of the total pop)

- Immigrants

Migrant stock (UN, 2006)

1.6% or 28th of 30 OECD countries

(cf. UK: 9.1% or 14th)

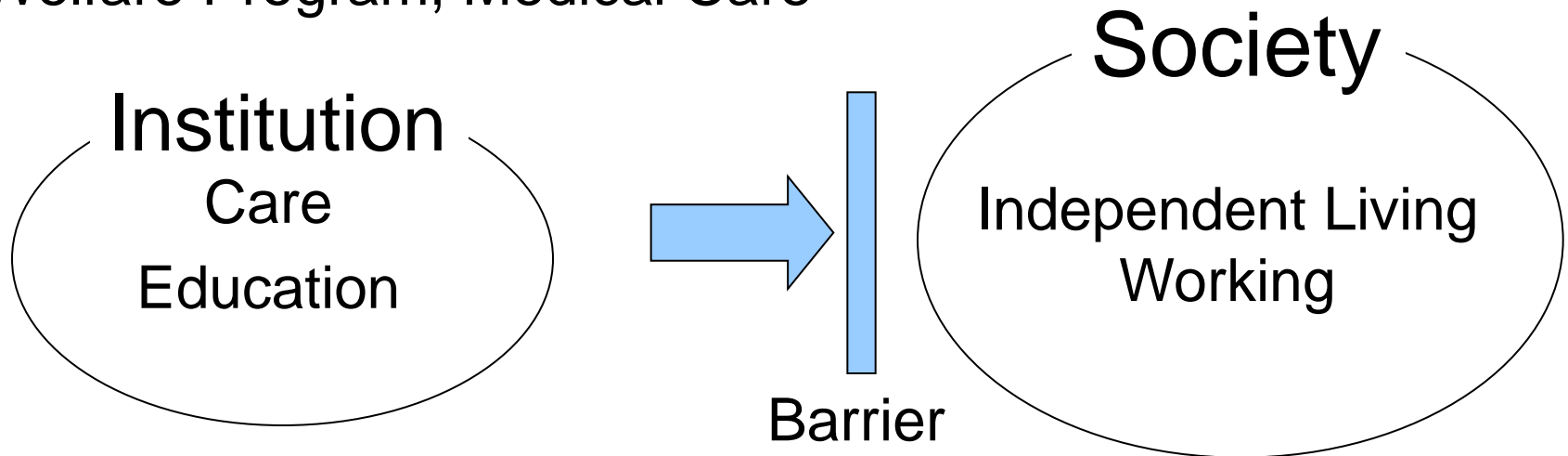
System designed for “non-normal”

There are always people who are not “normal”

People with disability

Children in Nursing Institutions

Welfare Program, Medical Care



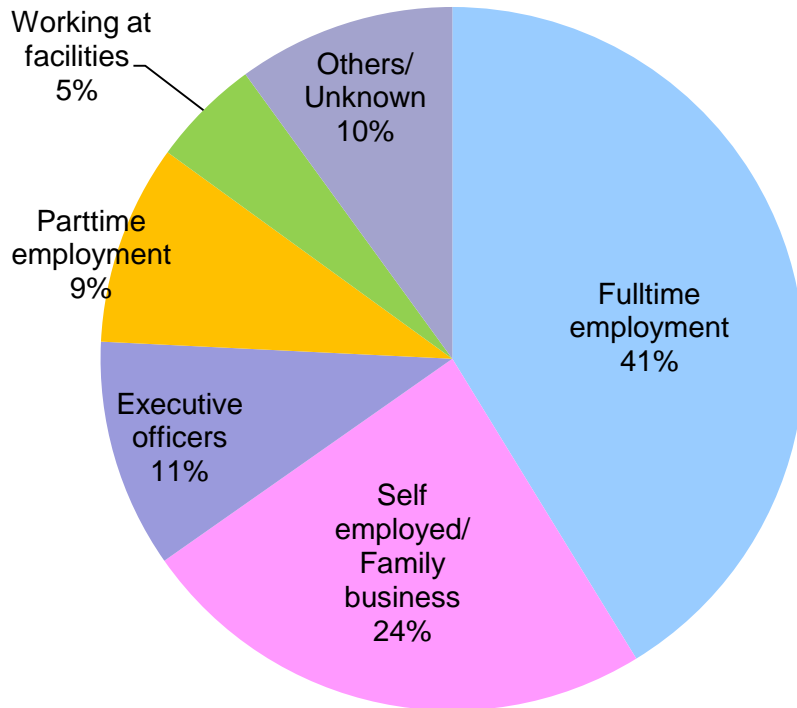
Working Rate by Age



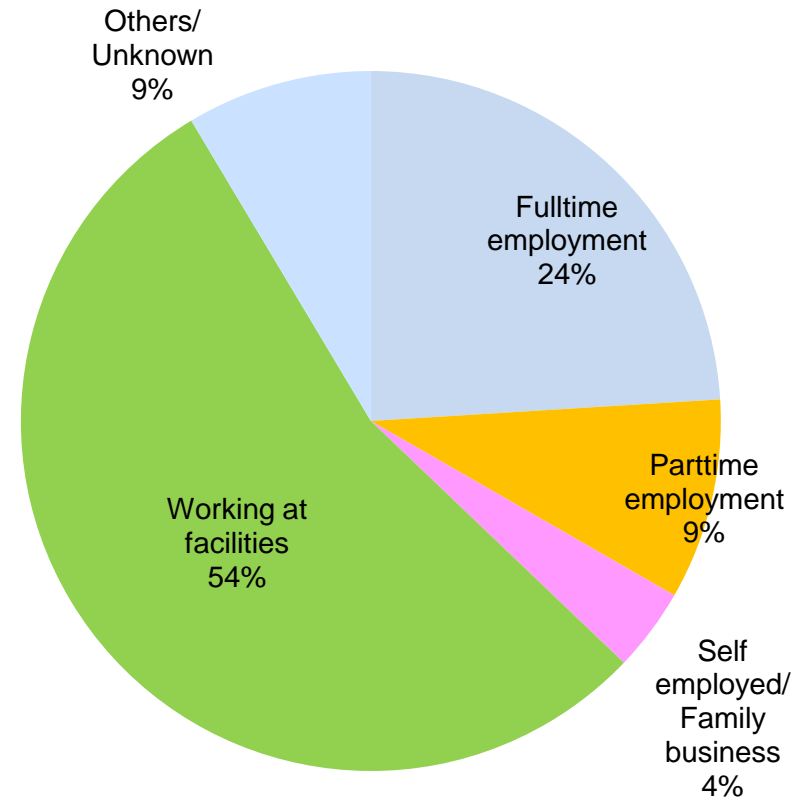
資料：厚生労働省「身体及び知的障害者就業実態調査」(平成13年)
：総務省「労働力調査年報」(平成13年)

Types of Work

People with Physical Disability



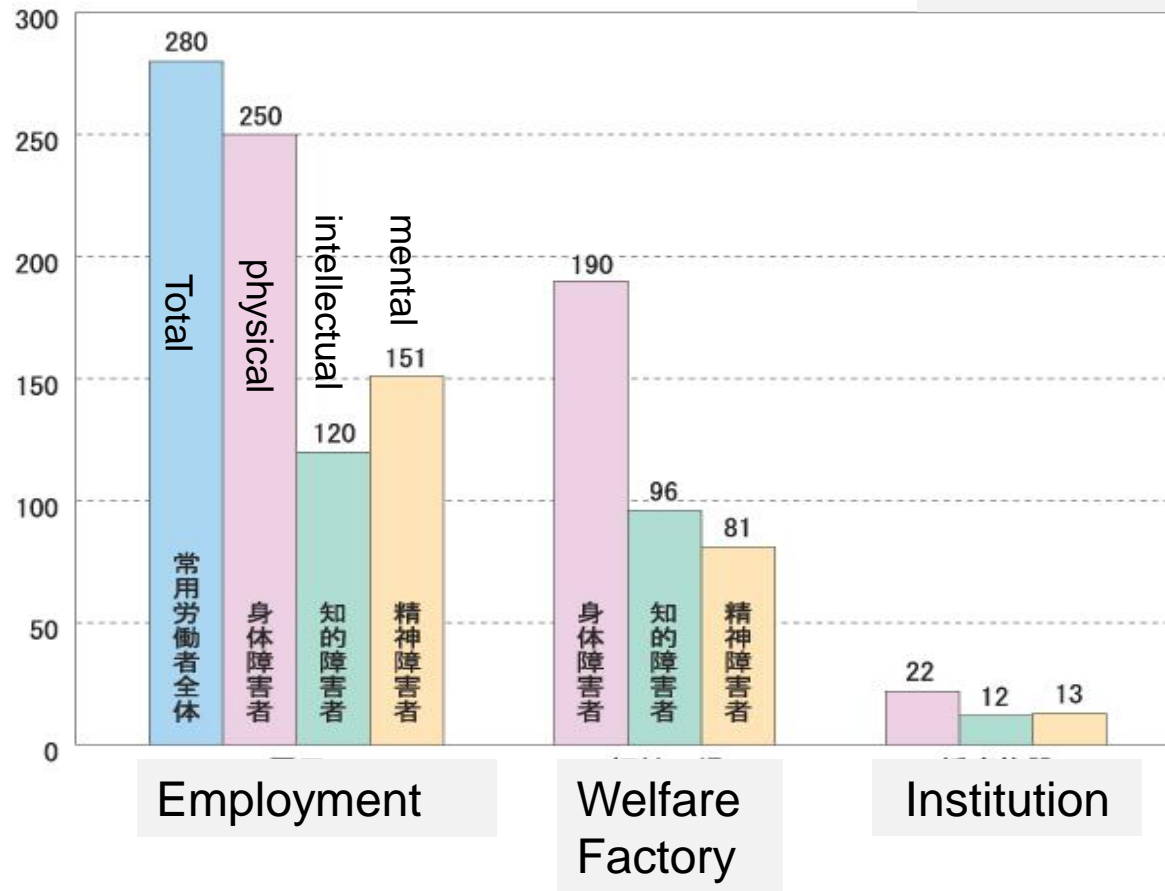
People with Intellectual Disability



資料:厚生労働省「身体及び知的障害者就業実態調査」(平成13年)

Monthly Income

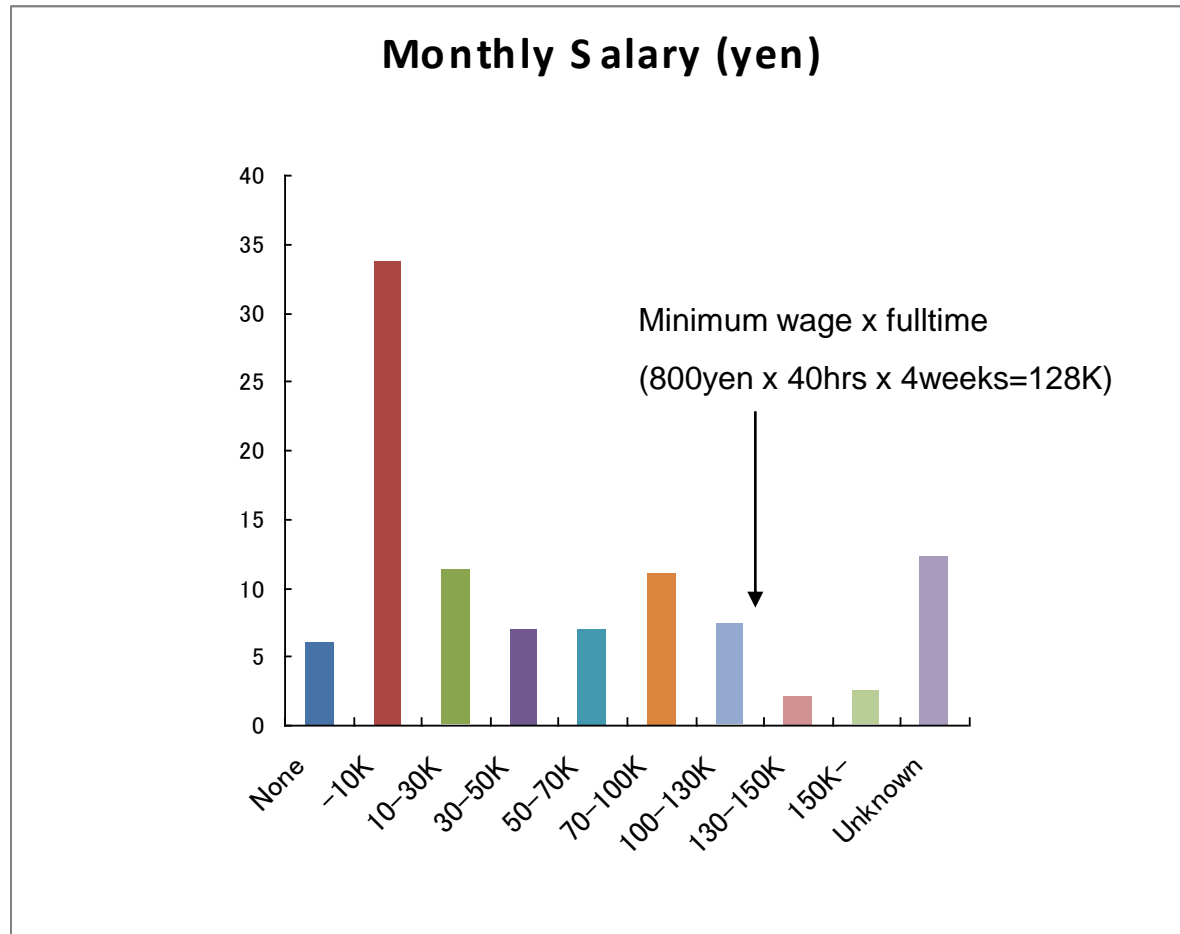
in thousand yen



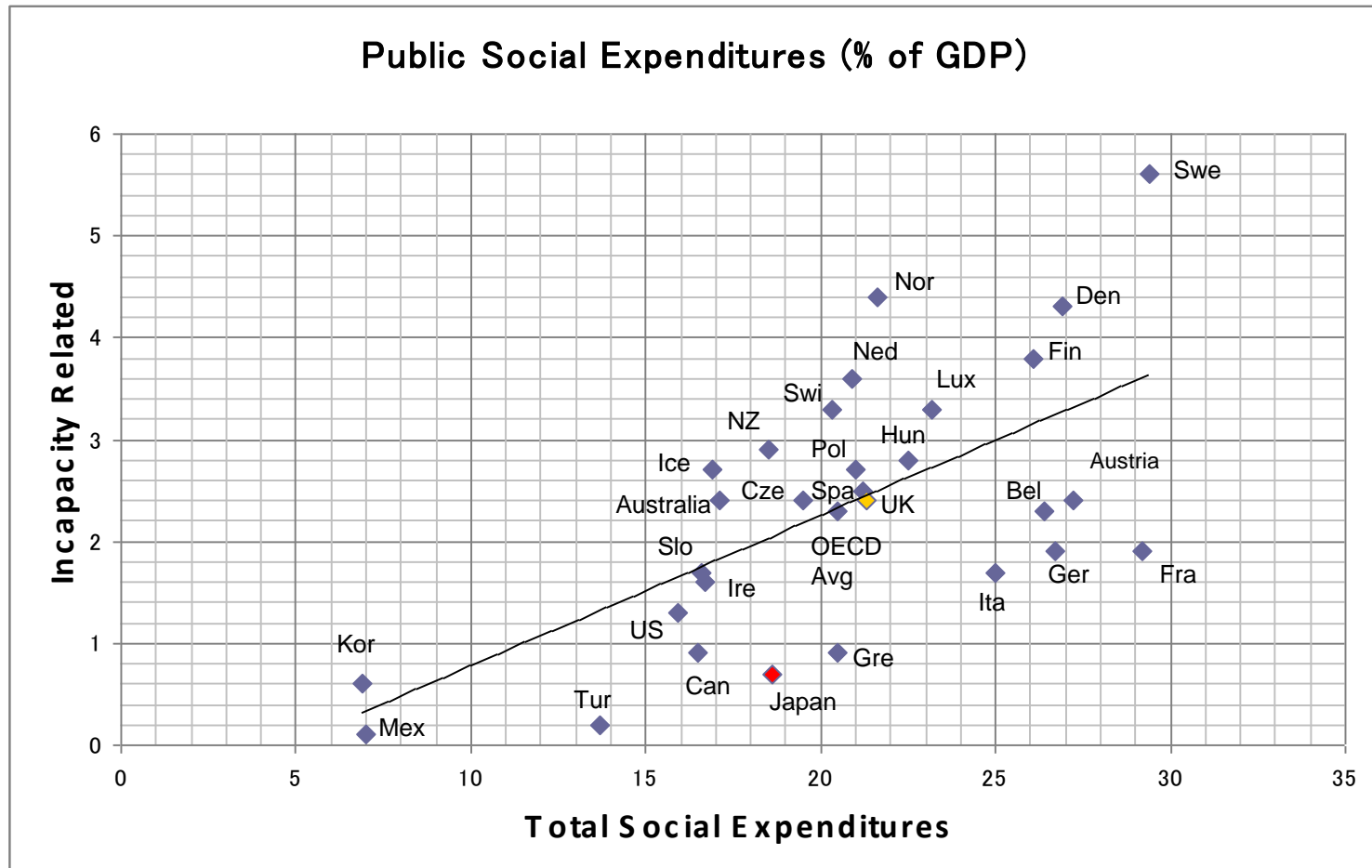
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資料:常用労働者全体:厚生労働省「毎月勤労統計調査」(平成15年11月)
「雇用」:厚生労働省「障害者雇用実態調査」(平成15年)
「福祉工場・授産施設」:全国社会就労センター協議会「社会就労センター実態調査」(平成12年)

Monthly Salary of P w Intellectual Disability



Social Security (OECD, 2007)



What can and should economics do to reduce stigma and empower PwD?

E.g., Some people say Basic Income helps to reduce stigma since it's universal.

But, so far only ideas without theory nor simulation, and therefore cannot tell whether it's feasible and effective or not.

Economics can offer a theory and do statistical analysis as well as simulations.