

7.

Conclusion

Conclusion

There is a basic philosophical issue in the debate on passive restraints—one which has risen to prominence in an antigovernment, antiregulation era. Nevertheless, it is important to recognize that the principal deterrent to implementation of a passive restraint rule has been opposition on the part of automobile manufacturers—grounded, it appears, in concern about the economic implications of passive restraints for the industry, and not the issue of individual freedom. * Nordhaus (33) has concluded that the ramifications probably would not be as dire as industry statements and documents seem to suggest, at least with regard to the demand for automobiles and manufacturer and dealer revenues. However, there is a long history of manufacturer opposition, with repeated proposals for the voluntary phasing in of passive restraints generally going unrealized (13,17).

The impact of higher car prices on the demand for automobiles—the issue addressed by Nordhaus—is only one of the manufacturers' concerns. Manufacturers have also expressed concern over

*This point is made quite clearly in General Motors' (GM's) submission to the Department of Transportation for the 1981 hearings on passive restraint options (23):

We believe that [this issue of mandatory passive restraints] hinges squarely on what the American public is willing to accept in terms of economic or behavioral burden. Inflatable restraints are too costly to be acceptable to most . . . automatic belts that are coercive will be rejected by the public. Noncoercive (separate) automatic belts will not significantly increase belt use over that achievable with manual belts, and thus will not be cost effective.

Because we believe that the rule will not work, we recommend that it be rescinded .

Should the Government determine that additional regulation is necessary, a mandatory belt use law **will be more effective**, sooner, and at a fraction of the cost of a passive restraint rule.

The mandatory belt use law clearly violates the individual freedom perspective at least as much as would passive restraints. Thus, GM's concerns seem firmly grounded in pragmatic economic considerations.

On that pragmatic level, GM's points are worthy of serious attention. GM is arguing, in essence, that the CBAs overestimate the amount of incremental belt usage that would be achieved under a passive restraint rule, and that the low levels GM anticipates would flip the cost-effectiveness balance over. In this regard, note that Arnould and Grabowski (3) found that an incremental belt usage rate of only about 20 percentage points is all that would be needed to make passive belts cost effective. Of course, while they might be cost effective at that level, their effectiveness would be small compared with the injury problem and the potential of belts to reduce it.

the effect of passive restraints on product liability claims, worrying "that 'endless lawsuits' would allege the failure of automatic restraints to provide adequate protection" (28). Furthermore, given a climate of "exaggerated public expectations" about the effectiveness of passive restraints, they have anticipated lawsuits as a result of an occupant injury even when restraints worked as they were supposed to. Thus, the availability and cost of liability insurance, manufacturers have feared, could loom as serious problems.

But some evidence suggests just the opposite. For a variety of reasons, insurance might be abundantly available. And there is reason to believe that passive restraints might decrease, rather than increase, the number and size of liability claims. For one thing, automatic restraints should decrease the number of deaths and serious injuries resulting from crashes attributable to manufacturing defects and design problems such as stalling engines, malfunctioning brakes, and tire blowouts (28).

In considering the support for and opposition to mandatory passive restraints, one should recognize that most of the organized interests fall into the support camp. Insurers have expressed their support frequently and strongly. The American Mutual Insurance Alliance, a group representing over 95 percent of all of the automobile insurance written in the United States, has gone on record as unequivocally favoring mandatory passive restraints (13). And, as discussed above, a few major insurance companies have already put their corporate mouths where their money is, offering premium reductions to owners of passive-restraint-equipped vehicles.

There is an irony, however, in the likely outcome of implementation of a passive restraint rule: a major but unorganized interest group, automobile consumers, has expressed an apparent preference for air bags over passive belts; yet the National Highway Traffic Safety Administration (NHTSA) has estimated that if passive restraints were required, 99 percent of the new-car fleet

would have passive belts, with only 1 percent of cars coming equipped with air bags. The manufacturers must have concluded that whatever consumers' abstract preferences might be, in buying practice most consumers would not choose to pay the extra cost required for air bags (23).

There is further irony here, one that has a distinct Catch-22 flavor: air bags are clearly effective in significantly reducing motor vehicle injuries and fatalities—yet because the automakers are convinced that consumers would not be willing to pay the high cost for the air bags, they planned to produce primarily passive belts had Federal Motor Vehicle Safety Standard (FMVSS) 208 remained in effect; yet because they believed that most passive belts would be disconnected, they argued forcefully, and successfully, that passive belts were not cost effective, and hence that FMVSS 208 should be rescinded.

Mandatory passive restraints would have represented only one addition to a lengthy list of technological safety features required on automobiles by the Federal Government. But passive restraints are of special interest and importance for two reasons: 1) because of the long delays and often acrimonious debate over implementation of FMVSS 208, and now over its rescission; and 2) due to the realistic potential of these technologies to make an extraordinary dent in the death toll of automobile accidents. Estimates vary, but the consensus suggests that passive restraints could prevent a minimum of 6,000 and perhaps as many as 12,000 highway deaths a year. Given the current total of roughly 27,000 frontseat occupant deaths a year, a savings of this magnitude would constitute a truly major public health victory.

Less dramatic than lives saved, but more numerous, would be injuries avoided. Here the estimates also vary widely, depending in large part on the severity of the injuries considered. Arnould and Grabowski (3) estimate that from 20,000 to 40,000 severe injuries (Abbreviated Injury Scale 3 to 5) would be prevented by passive restraints each year; Nordhaus (33) estimates that 120,000 moderate to critical injuries would be avoided. However they are grouped and counted, injury reductions would be impressive.

With the demise of the passive restraint rule, and over a decade of working toward its realization, NHTSA has a special obligation to seek alternative strategies to reduce the motor vehicle accident toll. The chore remains the same as before—to find a cost-effective, politically acceptable means of providing effective vehicle occupant restraint. The air bag represents a technology that is effective and that would apparently be acceptable to the public, were it not for its great cost. At the other extreme lies the mandatory belt-use law—an approach that might be quite effective and inexpensive, yet appears to be politically unacceptable. In between lies a myriad of alternatives that are probably more acceptable and less effective (e.g., a renewed public information campaign). Recent analyses suggest that a mix of approaches should be explored.

From the point of view of OTA's study *Technology and Handicapped People*, it is unfortunate that automobile accident data do not permit a careful assessment of the number and severity of handicaps resulting from automobile accidents. Data on disabilities resulting from accidents are not particularly good, and disabilities do not invariably become permanent (or longstanding) handicaps. Nevertheless, despite these data deficiencies, simply considering the number and nature of serious motor vehicle accident injuries suggests the truly extraordinary potential of occupant restraints to reduce disabilities and handicaps.

In the context of a case study of the technological prevention of handicaps, the importance of this reduction is twofold. From a social/fiscal point of view, the resource savings attributable to this prevention technology appear to be substantial. The costs of technologies for handicapped people, both individual and collective, are considerable, as a glimpse at the main OTA report immediately suggests. The prevention of handicaps requiring use of these technologies implies a savings of economic resources by reducing the need for the technologies. * Thus, any policy

● This is a benefit of the prevention of technology that should be included in a cost-benefit analysis (CBA). The CBAs on passive restraints consider many such resource savings—e.g., medical expenses avoided—but undoubtedly miss the reduction in the need for many of the collective technologies for the handicapped. To this extent, the passive restraint CBAs understate the net benefits of mandating passive restraints.

deliberations on resource allocation to address the problems of the handicapped should give serious consideration to prevention efforts as viable means of reducing the total societal costs of handicaps.

More to the point, the *true* costs of handicaps vastly exceed those that can be readily measured in dollars and cents. The physical and psychological suffering that accompany handicaps are costs

for which no technology can ever fully compensate. But some technologies, like motor vehicle passenger restraints, can prevent this suffering. The full value of this benefit, included in none of the passive restraint CBAs, must be enormous (1). Thus, regardless of its purely fiscal implications, the prevention approach warrants especially careful attention.