Contents _____

List of Figures	ix
List of Tables	хi
Preface	xiii
Abbreviations and Symbols	xvii
One Overview	3
Two The Research Context of the Analysis	12
Three The Performance of Workers' Compensation as a Social Insurance Program	34
Four Net Workers' Compensation Costs: Implications of the Wage Offset	53
Five Workers' Implicit Value of Life	69
Six The Value of Life: Quantity Adjustments and Implicit Rates of Time Preference	82
Seven Worker Learning and the Valuation of the Compensation Package	98
Eight The Role of Unions in Altering the Structure of Risk Compensation	111
Nine The Effects of Workers' Compensation on Job Safety	121
Ten Tort Liability Remedies for Job Injuries: Product Liability and Its Interaction with Workers' Compensation	136

V111	CONTENTS
Eleven	
Conclusion	162
Appendix A. Estimation of the Value of Life Using Flexi	ble
Functional Forms	165
Appendix B. A Conceptual Model of Worker and Firm	
Responses to Insurance Benefits	168
Notes	173
Bibliography	181
Index	189

List of Figures _____

2.1.	Trends in Real and Nominal Benefits— Indemnity Payments	26
2.2.	Trends in Real and Nominal Benefits— Medical Payments	26
5.1.	BLS vs. NTOF Death Risk by Major Industry Category	76
10.1.	Disposition of Job-Related Product Liability Claims	130

List of Tables _____

	south that you beleeted wage-ratality kisk tradeoff Studies	14
2.2	2. Effects of Job Risks and Workers' Compensation on Turnover: Summary of Selected Results	21
2.3	S. Summary of Selected Wage-Workers' Compensation Tradeoff Studies	24
2.4	. Risk Effects of Workers' Compensation	30
3.1	. QES Variable Definitions	43
3.2	. Descriptive Statistics, 1977 QES Sample	45
3.3	. Wage Equation Estimates	47
3.4	. Summary of Risk and Workers' Compensation Effects	48
4.1	Descriptive Statistics, 1977 and 1982 PSID Samples: Means and Standard Deviations	57
4.2.	Wage Equation Estimates: Coefficients and Standard Deviations	59
4.3.	Wage-Benefit Elasticities: Coefficients and Standard Deviations	60
4.4.	Wage Effects and the Net Cost of Workers' Compensation	64
5.1.	PSID Variable Definitions	7 1
5.2.	Selected PSID Sample Characteristics	<i>7</i> 2
5.3.	Industry Risk Comparison: Means and Standard	
	Deviations	7 5
5.4 .	Wage Equation Estimates: Coefficients and Standard Deviations	78
5.5.	Summary of Death Risk and Replacement Rate Effects: Coefficients and Standard Deviations	79
6.1.	Selected QES Sample Characteristics	85
6.2.	Wage Equation Estimates of Unconditional Risk Model: Coefficients and Standard Deviations	91

0.0.	Discounted Expected Life Years Lost: Coefficients and Standard Errors	0.4
71		94
	Descriptive Statistics and Definitions of New Variables	104
7.2.	Quit Equation Estimates: Coefficients and Standard Deviations	106
7.3.	Wage Equation Estimates	108
8.1.	Key Variable Definitions	115
8.2.	Selected Sample Characteristics, 1983 Variables: Means and Standard Deviations	115
8.3.	Union Status, Death Risk, and Workers' Compensation Effects: Coefficients and Standard Deviations	117
9.1.	Death Risk Equation Estimates: Coefficients and Standard Deviations	127
9.2.	Wage Equation Estimates: Coefficients and Standard Errors	132
	Variable Definitions	140
10.2.	Sample Characteristics: Means and Standard Deviations	141
10.3.	Overlaps of the Workers' Compensation Doctrine Variables	
40.4	· · · · · ·	145
10.4.	Disposition of Product Liability Claims Groups	149
10.5.	Logit Estimates of Disposition Probability Equation	150
10.6.	Multinomial Logit Estimates of Disposition Probability Equation	151
10.7.	Compensation Amounts by Injury Type	157
	Regression Analysis of Determinants of Amount of	13/
	Compensation	158