

Freakonomics in the Times Magazine: Flesh Trade



FREAKONOMICS

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- [Human Values and the Market: The Case of Life Insurance and Death in 19th Century America](#) By Viviana A. Zelizer
- [Kidney Exchange](#) By Alvin E. Roth, Tayfun Sonmez, M. Utku Unver
- [The Impact of Presumed Consent Legislation on Cadaveric Organ Donation: A Cross Country Study](#) By Alberto Abadie and Sebastien Gay
- [Introducing Incentives in the Market for Live and Cadaveric Organ Donations](#) By Gary Becker and Julio Jorge Elias
- [Jewish Medical Ethics: Monetary Compensation for Donating Kidneys](#) By Richard V. Grazi and Joel B. Wolowelsky

The July 9, 2006, Freakonomics column in the *New York Times Magazine* examines a simple supply-and-demand gap with tragic implications: the shortage of human organs for transplantation. This blog post supplies additional research material.

In the space of just a few decades, transplant surgery has become remarkably safe and reliable. But this success has bred huge demand: as more patients get new organs, more patients want them. So, while the number of kidney transplants has risen by 45% in the past 10 years, the number of people on a kidney waiting list has risen by 119%. Consequently, some 3,500 people die each year while waiting for a kidney transplant.

A big problem is that would-be suppliers of kidneys, whether living or dead, are not given very strong incentives to step forward.

So Dubner and Levitt look at the current incentives and a variety of proposals put forth by economists and others. They examine the possibility of a free market for organs, the objections to such a market, and the potential consequences.

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Not surprisingly, there is a huge literature on this subject, and vigorous debate. Here is some of the research cited in the Freakonomics column:

1. [A paper by the sociologist Viviana Zelizer](#) about the history of life insurance, which used to be considered a vulturish, repugnant practice (with some parallels, certainly, to the sale of organs).

2. The economist [Al Roth](#), who specializes in the design of markets, has helped design a novel solution for the organ shortage. Roth has written widely on this subject in collaborations with Tayfun Sonmez, M. Utku Unver, Susan Saidman, and Francis Delmonico (a transplant surgeon who happens to be the recent past president of the United Network for Organ Sharing/Organ Procurement and Transplantation Network (UNOS/OPTN)). [Here](#) is a roundup of Roth's work; if you're going to read just one paper, it should probably be [this one](#).
3. A [paper](#) by Alberto Abadie and Sebastien Gay measuring the effectiveness of "opt-out" plans for organ donation (used in much of Europe) versus "opt-in" plans (used in the U.S.).
4. A paper called "[Introducing Incentives in the Market for Live and Cadaveric Organ Donations](#)," by Gary Becker and Julio Jorge Elias. And a pair of tables showing the recent increase in people on a kidney waiting list and the number of people who die each year while awaiting a transplant.

For further reading, here are a few sources that may prove helpful:

1. The [OPTN data page](#), a good site for national transplant data.
2. The Institute of Medicine's recent report "[Organ Donation: Opportunities for Action](#)," which drew vociferous criticism from, among others, Sally Satel (of the American Enterprise Institute) and Richard Epstein (of the University of Chicago law school). Their reactions are summarized in an earlier [Freakonomics blog post](#).
3. A [recent EconTalk podcast](#) by Richard Epstein, which includes a very helpful rollup of various transplant issues.
4. A recent American Enterprise Conference called "[Buy or Die: Market Mechanisms to Reduce the National Organ Shortage](#)," replete with video and including comments by Newt Gingrich, Sally Satel, and the writer [Virginia Postrel](#) (who, it should be noted, donated one of her kidneys to Sally Satel).
5. A blog called [Organomics](#), which rails against the current system of organ procurement and allocation; and an organ-donor club called [LifeSharers](#), which has sprung up to address the U.S. cadaver shortage. Members of LifeSharers vow to donate organs upon their death, but with preference given to other members – an idea that even Milton Friedman has endorsed. "The more members it has," he said, "the more organ donors there will be, and fewer people in need of organs will be unable to get them."
6. Finally, [an interpretation](#) on the medical ethics of an organ market from a Jewish religious perspective.

TAGS: [Alberto Abadie](#), [Alvin Roth](#), [Gary Becker](#), [insurance](#), [Joel Wolowelsky](#), [Julio Jorge Elias](#), [M. Utku Unver](#), [Organ Donation](#), [Richard Grazi](#), [Sebastian Gay](#), [supply and demand](#), [Tayfun Sonmez](#), [Viviana Zelizer](#)