Welcome to Your New Disability:

Cognitive Automation, Fiscal Disaggregation, and the Apathetic State

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Abstract

Democratic responsiveness has a price, and the price is fiscal. A state that funds itself by taxing its population and defends itself by conscripting that population acquires a structural reason to attend to what the population wants, and a growing body of causal evidence links taxation to accountability through exactly this channel. Recent work applying the mechanism to advanced automation reaches for resource-rich autocracies as its comparison case, an inference confounded by differences in regime type, institutional history, and legal order. This paper substitutes a within-system observation. Disabled people in the United States have occupied the condition that literature forecasts for more than a century: separated from the revenue base, excluded from the labor market by the operation of the labor market itself, and dependent on transfers rather than contributing through them. What follows is therefore a record rather than a projection. The Supplemental Security Income resource limit has stood at two thousand dollars since 1989, thirty-seven years without adjustment, across administrations of both parties, despite bipartisan bills introduced repeatedly and despite the fact that more than two-thirds of recipients hold no savings at all. Non-response at negligible cost is not a budget failure. It is the absence of any mechanism that compels a response. The paper argues that cognitive automation withdraws that same mechanism from the general population, that the resulting posture is structural indifference rather than hostility, and that the constitutional premise of legislative responsiveness expires by operation of the withdrawal rather than by anyone deciding to abandon it. Two clarifications are load-bearing and are stated at the outset rather than in a footnote. The claim is not that non-disabled people will become disabled; disability is not a metaphor and is not borrowed here as one. And the claim is not that disability protections are adequate, or that generalizing the mechanism licenses treating them as a solved problem. The protections analyzed here are thin, and the argument is that their thinness is diagnostic.

Keywords: political economy, disability policy, tax bargaining, rentier state, deliberate indifference, administrative burden, fiscal disaggregation, structural indifference, Cleburne, Olmstead, Supplemental Security Income, labor displacement

I. Introduction

There is a question that the literature on advanced automation keeps asking in the future tense, and it has an answer in the past tense.

The question is what a government does with a population it no longer needs. The literature that asks it well, and there is now a serious body of it, tends to answer by looking abroad. Resource-rich states that fund themselves from mineral rents rather than from taxing their citizens are systematically less accountable to those citizens, and the mechanism is well identified: a government that does not need your money does not need your consent (McGuirk, 2013; Prichard, 2015; Sjursen, 2023). If artificial intelligence produces the output, the reasoning goes, citizens become fiscally irrelevant, and the accountability that fiscal dependence purchased will go with it (Kulveit et al., 2025).

The reasoning is sound. The comparison case is weak. Norway and Venezuela both sit on oil and their trajectories diverged, which tells us that regime type, institutional inheritance, and legal order are doing work the resource variable cannot account for on its own. An inference from petrostates to a constitutional democracy has to carry all of those confounds across the border with it.

This paper proposes a different case, and it is one the literature has been standing next to without looking down.

Disabled people in the United States have already lived through the condition being forecast. Not as an analogy and not as a thought experiment. As a documented administrative and legal record, inside the same constitution, subject to the same courts, governed by the same legislature, across the same decades. The variable that distinguishes the disability class from the general population is fiscal: this is a population separated from the revenue base, excluded from the labor market by the operation of the labor market itself, and dependent on transfers rather than contributing through them. Regime type is held constant. So is legal order. So is era.

That is close to a natural experiment, and the finding is not encouraging.

The argument proceeds in the order the evidence does. Section III sets out the completed case: what the state actually did across four decades to a population it did not need, with the Supplemental Security Income resource limit as the diagnostic instance. Section IV states the mechanism that explains the record and reviews the causal evidence for it. Section V shows that cognitive automation withdraws the same input from the general population, and reviews what is already measurable. Section VI takes the doctrinal consequence, which is that a constitutional premise about legislative responsiveness has an expiration condition nobody wrote into it.

Two clarifications belong at the front, because both are load-bearing and neither is a courtesy.

The first is that the claim is not that non-disabled people will become disabled. Disability is a real condition of real bodies and minds, and it is also, as this paper will argue, an administrative category with an economic boundary. Those two facts coexist. The argument here concerns the second, and it does not reach the first. Nobody acquires an impairment by losing a job to a model.

The second is that generalizing this mechanism is not an argument that disability protections are adequate or that the problem is solved for the class that has been living in it. The protections examined here are thin, they have been thinning, and the paper's central evidentiary claim is that their thinness is precisely what makes them diagnostic. A reading of this paper that treats the disability record as a rhetorical device for a general audience's future has misread it. The record is the finding.

II. Methodology

The paper's conclusions depend on a case selection, so the selection is stated rather than assumed.

The case is the population of United States residents receiving federal disability benefits, examined across the period from the establishment of Supplemental Security Income in 1972 to the present. It was selected on a single criterion: it is the largest population inside a wealthy constitutional democracy that has been separated from the tax base for long enough to produce a multi-decade record, while remaining fully enfranchised, fully resident, and fully subject to the same legal order as everyone else. That combination is what makes it a within-system observation rather than a cross-national comparison.

The evidentiary material is of three kinds. Statutory and regulatory text, which fixes what the rules are and when they last changed. Legislative history, which fixes what was proposed and what passed. And the empirical literature on disability, labor markets, and welfare administration, drawn from peer-reviewed sources located through Consensus, Scite, and Scholar Gateway and read for mechanism rather than for effect size.

Three things this selection is not. It is not a random sample; there is one case and it was chosen because it is the clearest available. It is not exhaustive of disability policy; the paper looks at income support and its administration, and leaves education, housing, and health coverage largely aside. And it does not establish that the mechanism is the only one operating. Ableism, austerity politics, administrative capacity, and federalism all bear on the record, and the paper's claim is that the fiscal mechanism explains a pattern those other factors do not: the specific pattern of non-response at negligible cost, sustained across changes in party control, over periods when the other factors varied and the outcome did not.

The counterfactual test the paper applies throughout is whether an observed non-response can be attributed to cost, to ideology, or to inattention. Where a reform is cheap, bipartisan, repeatedly introduced, and still does not happen, those three explanations are exhausted and a fourth is required.

III. The Completed Case

A. Fiscal Disaggregation as the Operative Condition

The starting move in the political economy of disability, and it is Marta Russell's, is that disability is produced by the labor market rather than merely encountered by it. Russell's formulation is that the prevailing rate of exploitation of labor determines who is disabled and who is not, and that industrial capitalism imposed disablement on bodies deemed insufficiently exploitable rather than discovering a pre-existing category (Russell, 2001). Whatever one makes of the surrounding theory, the descriptive claim holds up: the administrative boundary of disability in the United States is drawn at capacity for substantial gainful activity, which is to say at the labor market, not at the body.

Russell's predictive extension of the argument failed, and the failure is instructive rather than fatal. She expected disabled employment to rise through the 1990s and 2000s as the macro economy demanded a larger active reserve of labor. It fell. Ruppel uses that mismatch to test and extend the theory, and the extension is the version this paper adopts: sustained exclusion from the labor market, rather than contingent inclusion in it, is what the record shows, and the exclusion is itself the stable state (Ruppel, 2024). Grover and Piggott reached a compatible conclusion from United Kingdom welfare reform two decades earlier, rejecting the broad claim that all disabled people constitute a reserve army while identifying the policy machinery that reconstructs some of them as one (Grover and Piggott, 2005).

Ruppel's ethnographic work supplies the administrative half of the mechanism. Benefits are set at low levels while means-testing caps earnings, and the combination channels recipients into low-wage work rather than out of the program, producing a labor force constituted as precarious by the design of the support (Ruppel, 2023).

The point for present purposes is narrower than the Marxian frame that produced it. Whatever accumulation function the exclusion serves, its fiscal consequence is unambiguous. A population defined by exclusion from wage labor is a population that does not pay wage taxes. It receives transfers. In the ledger that connects a government to its citizens, it appears on one side only.

That is the condition the automation literature is forecasting. It has been the settled condition of roughly seven million Supplemental Security Income recipients for half a century.

B. The Record

What a state does with such a population is, in the United States, extensively documented.

It institutionalized them, and then it moved them without funding the destination. The Community Mental Health Act of 1963 discharged people from state institutions on the promise of community services. Lamb's assessment two decades in was that the resulting homelessness was not a consequence of deinstitutionalization as such but of the way it was carried out, the absence of planning for structured living and adequate community treatment (Lamb, 1984). Lamb and Bachrach reached the same conclusion at the forty-year mark: where community services were available and comprehensive, most people with severe mental illness benefited, and the persistent failure was in creating those resources (Lamb and Bachrach, 2001). Scull documents the distance between the rhetoric of community care and the reality of abandonment, and the emergence of jails as the primary inpatient response (Scull, 2021).

The aggregate outcome inverts the policy's stated purpose. Segal reports that United States institutional populations have increased by 205 percent since deinstitutionalization began, and characterizes what the policy actually accomplished as the divestiture of state responsibility rather than the replacement of institutional care (Segal, 2021). A scoping review of fifty-seven empirical studies identifies among the hindering factors that most funds remained allocated to institutionalization and that economic incentives favored it (Sa-Fernandes et al., 2025).

Where the population went is documented. Roughly 150,000 individuals with serious mental illness now reside in nursing homes, a number equal to the entire national supply of inpatient psychiatric beds, and the share of nursing home residents with serious mental illness nearly doubled over a decade to 19 percent by

2017 (Gerlach et al., 2023). Parra traces the same absorption through the economics of the nursing home industry (Parra, 2024).

One finding from that literature is worth isolating, because it holds the setting constant and varies only the condition. Examining specialty care use before and after nursing home entry, psychiatric visits fell by roughly 68 percent, and among residents with serious mental illness the decline was 67 percent. Among residents with multiple sclerosis, neurology visits fell by under one percent (Gerlach et al., 2023). Same facilities, same admission event, same insurance. One group keeps its specialist and the other does not.

Olmstead recognized an integration mandate in 1999, and the most recent development in that line is the clearest illustration in this paper of a right losing force without losing standing.

On July 20, 2026, the Department of Justice published a clarification stating that its 2011 guidance on enforcement of the integration mandate, last updated in February 2020, and similar guidance documents, are not enforceable, and that the Department will not rely upon that guidance in its enforcement of Title II of the Americans with Disabilities Act. The notice states that the Department plans to revisit the guidance in light of *Loper Bright Enterprises v. Raimondo* to assess whether it is consistent with the single best meaning of the relevant statutory text, and that guidance documents may be rescinded or modified in the Department's complete discretion (Department of Justice, 2026).

Nothing in the notice disputes any substantive position in the guidance. It identifies no question or answer among the eighteen in the 2011 statement that the Department considers wrong. It does not rescind the guidance. It does not announce a timeline.

Olmstead itself is untouched. The holding stands, the integration regulation stands, and the mandate stands. What was withdrawn is the enforcing agency's statement of how it intends to enforce, withdrawn without a finding that anything in it was incorrect.

The stated ground is worth examining, because it does not carry the weight placed on it. *Loper Bright* governs judicial review: it holds that the Administrative Procedure Act requires courts to exercise independent judgment in deciding whether an agency has acted within its statutory authority, and it overrules *Chevron* on that basis. It does not reach internal agency enforcement policy, and it does not reach an agency's reliance on its own non-binding guidance except as such guidance bears on persuasive weight under *Skidmore*. Whether courts must defer to an agency's reading of a statute and whether an agency will follow its own enforcement statement are unrelated questions, and the decision answers only the first.

The delegation point cuts the same direction. *Loper Bright* holds that where the best reading of a statute is that it delegates discretionary authority, the reviewing court recognizes the delegation, fixes its boundaries, and ensures reasoned decisionmaking within them. The integration regulation was issued under an express statutory direction to the Attorney General to promulgate Title II regulations, and the Supreme Court has already construed it. That places it inside the category *Loper Bright* preserves rather than the one it dismantles.

The second stated ground is that the guidance is not enforceable and has no force or effect of law. That was already true and the guidance said so. The notice quotes the guidance's own disclaimer to that effect.

A clarification announcing what the document being clarified already announced is not resolving a dispute about the document.

Both grounds therefore fail on their own terms, and the failure is demonstrable without any claim about motive. A stated rationale can be shown insufficient by comparing it to what the agency's own conduct predicts, and administrative law already treats that comparison as the test: an agency must offer a genuine justification, and a reviewing court need not accept a rationale contrived to conceal the actual reason.

The comparison class here sits inside this paper's own record. Two federal retrenchments in disability enforcement occurred within thirteen months of each other. The Department of Labor's move on Section 14(c) ran the full process: a notice of proposed rulemaking, a published finding on the statutory predicate, a comment period, and then a withdrawal that was itself published and reasoned. The Department of Justice's move on the integration mandate ran none of it. It issued as a clarification, took no comments, identified no position as incorrect, and rested on a decision that does not reach the question.

The contraction was not what distinguished the two. The absence of procedure was.

What the mechanism explains is why a justification of that quality was sufficient. A stated reason has to survive scrutiny only where scrutiny exists, and the population on the receiving end of this one has been outside the revenue base for half a century. On the account offered here, the thinness of the rationale is not evidence that a better one was concealed. It is evidence that none was required.

That is the pattern this paper describes, stated by an agency in its own words and dated within the last two months. The right remains fully available to anyone with the resources to litigate it and the years to spend doing so. What was removed is the enforcement that made it available to people who have neither.

It priced their labor below the floor, and the most recent attempt to stop doing so is the cleanest instance of the pattern this paper describes. Section 14(c) of the Fair Labor Standards Act has authorized subminimum wage certificates for workers with disabilities since 1938. The statute conditions that authority on the certificates being necessary to prevent the curtailment of employment opportunities. On December 4, 2024, the Department of Labor published a notice of proposed rulemaking finding that the condition was no longer satisfied, and proposing to stop issuing new certificates and phase out existing ones over three years (Department of Labor, 2024). The comment period closed in January 2025. On July 7, 2025, the Department withdrew the proposal, formally discontinuing the rulemaking and removing it from further consideration (Department of Labor, 2025).

Nothing in the withdrawal disturbed the finding. The agency with jurisdiction had reviewed the record, concluded that the statutory predicate for the authority had failed, and then declined to act on its own conclusion. Roughly 700 employers hold certificates covering approximately 39,000 workers, and the provision stands eighty-eight years after enactment (Department of Labor, 2026).

Where the response has come from is worth noting for what it says about level. More than twenty-five states have enacted or are pursuing prohibitions or restrictions on subminimum wage certificates. The action is at the level that does not hold the statute.

It restricted their households. Supplemental Security Income pays a couple less than two individuals, so the program contains a marriage penalty that has survived every reform cycle.

It removed their legal capacity. Guardianship remains the default response to cognitive disability in much of the country, with supported decision-making an alternative rather than a presumption.

And it capped their savings. That last one is the instance this paper treats as diagnostic, because it is the one where every alternative explanation runs out.

C. The Resource Limit

Section 1611(a)(3) of the Social Security Act sets the Supplemental Security Income resource limit, and 20 C.F.R. § 416.1205 carries it into the regulations. Countable resources must be at or below two thousand dollars for an individual and three thousand dollars for a couple on the first of the month, or the benefit is suspended for that month.

Congress set the limit at fifteen hundred dollars in 1972 and raised it in stages between 1985 and 1989 to its present figure. That is the only resource increase in the program's history. It was never indexed. Thirty-seven years have passed. Had the limit been indexed from 1972, it would stand at roughly ten thousand dollars for an individual (Center on Budget and Policy Priorities, 2023).

Now apply the counterfactual test.

Cost cannot explain the freeze. More than two-thirds of recipients hold no savings at all, and roughly ninety-two percent hold under five hundred dollars (Center on Budget and Policy Priorities, 2023). A limit that binds on a small minority of a program's participants is a limit that is nearly free to raise. The Congressional Budget Office scoring of the relevant bills has never been the obstacle anyone identified.

Ideology cannot explain it either, or not in the usual form. The SSI Savings Penalty Elimination Act, which would raise the limits and index them going forward, has carried bipartisan sponsorship across multiple Congresses. So has the broader SSI Restoration Act. Neither has passed.

Inattention cannot explain it. The bills exist. They have been introduced repeatedly, scored, cosponsored, and covered. The advocacy infrastructure is organized, competent, and has been asking for this specific change for over a decade.

What remains is that nothing compels a response. The reform is cheap, popular where anyone is looking, and supported across the aisle, and it does not happen, because there is no mechanism by which its not happening costs anyone anything.

The earned income disregard tells the same story in a second register. Supplemental Security Income disregards the first sixty-five dollars of monthly earnings, and that figure has not moved since the program began in the 1970s. Two dials in one program, frozen decades apart, thawed by nothing.

D. The Exit Problem

The resource limit is normally described as a savings cap. In operation it is a constraint on exit, and the distinction changes what kind of problem it is.

A note on scope before the mechanics, because the contrast between the two federal disability programs is itself evidence. What follows concerns Supplemental Security Income, Title XVI of the Social Security Act, which is needs-based and is where the resource limit operates. Social Security Disability Insurance is Title II. It is an earned insurance benefit funded by payroll contributions, it carries no resource limit at all, and its work rules are correspondingly generous: a trial work period of nine months within a rolling sixty-month window during which earnings at any level do not affect the benefit, followed by a thirty-six month extended period of eligibility during which the benefit resumes in any month earnings fall below the substantial gainful activity threshold.

The programs serve overlapping populations with the same impairments under the same medical standard. What differs is that Title II beneficiaries paid in. The program that is funded by its recipients' prior contributions lets them keep their savings and gives them three years of reversible work attempts. The program that is not lets them keep two thousand dollars. That distinction is not incidental to this paper's argument. It is the argument, visible inside a single agency.

The published policy literature models the interaction of benefits and earnings as a cliff: a marginal disincentive, where additional earnings are offset by benefit reduction and the recipient responds to the effective marginal rate. That description assumes the decision is about money at the margin. The structure of the rules makes it a decision under uncertainty about a floor, and the two are not solved the same way.

Trace the sequence as the regulations run it. Earnings raise countable income and the cash payment falls. Section 1619(a) continues a reduced cash payment while earnings remain below the break-even point. At break-even the cash payment reaches zero, and Section 1619(b) takes over.

What Section 1619(b) preserves is Medicaid. It does not preserve income. The recipient holds what the agency records as stop-payment status, receives a zero-dollar check, and is treated as an SSI recipient for Medicaid purposes only. In 2026 the federal SSI payment is 994*permonthforanindividual*, *sowhathasgoneisafloorof*11,928 a year. Medicaid continuity is genuinely valuable and for many recipients exceeds the cash in replacement cost, but it is not a substitute for the thing that has been withdrawn. The income floor is gone at break-even, and Section 1619(b) does not address that.

The resource limit does not go anywhere. Continued eligibility under Section 1619(b) requires that the person satisfy every non-disability SSI requirement, and countable resources must remain under two thousand dollars for an individual and three thousand for a couple throughout. The consequence is exact and it is the center of this subsection. The only period in which a recipient has earned income from which to build a reserve is a period in which holding that reserve ends the protection. The rule forecloses the self-help remedy during the precise window when the means to attempt it exist.

Section 1619(b) carries a further condition worth naming. Continued eligibility requires that the person have used Medicaid in the preceding twelve months, expect to use it, or be unable to meet medical expenses without it. A person whose health is stable enough to go a year without covered services can lose the protection on that basis.

One part of the design does work as written. While the person remains in Section 1619(b) status, a drop in earnings restores the cash payment automatically under Section 1619(a), with no new application.

Eligibility was never terminated, so there is nothing to re-establish.

Termination follows only after the person has been ineligible for Section 1619(b) for more than twelve months. After termination, expedited reinstatement under Section 1631(p) permits a request to restart benefits without a new application, within sixty months. This is also real, and it is conditioned. Reinstatement requires that the person again be unable to perform substantial gainful activity, that the impairment be the same as or related to the original one, and it triggers a fresh medical determination following a six-month provisional benefits period. It is a re-adjudication rather than a switch, and it can be denied.

Outside the sixty-month window, or on an adverse determination, the person files a new application, and the timeline for that is published by the agency. Initial disability decisions averaged approximately 184 days in May 2026. Reconsideration averaged approximately 208 days. Hearings before an administrative law judge averaged approximately 267 days, against an agency internal goal of 270. Roughly sixty-five to seventy percent of initial claims are denied, and the hearing level is where most successful claims are approved. A claim denied and appealed through both stages therefore runs on the order of 650 days to a hearing decision, before any Appeals Council review, and the agency's published estimate of the full process from application through appeals is two years or more. Pending hearings stood at approximately 361,000 in May 2026, up from 274,000 a year earlier. The agency's own minimum standard for an initial decision is fifty-eight days, and congressional testimony in 2023 recorded that it had not been met in over forty years.

Now state the decision the rules present. A recipient considering earned work is choosing between a floor of known value and an income stream of unknown durability. If the stream fails while Section 1619(b) status holds, the floor returns automatically and the design has worked. If it fails after that window closes, the person faces re-adjudication under conditions that may no longer be satisfiable, or a new application with an expected duration measured in years and a majority-denial rate at the first stage. The two-thousand-dollar limit removes the instrument that would make the second outcome survivable, and removes it during the working period as well as before it, because a reserve large enough to bridge two years is disqualifying by definition at every point in the sequence.

Wellschmied models the same structure formally and reaches the same place. An asset means-test incentivizes low-income households to hold few financial assets, which makes them vulnerable to both predictable and unpredictable income changes, and it incentivizes relatively productive households that happen to hold few assets to leave the labor force entirely (Wellschmied, 2021).

This is not a marginal disincentive and it does not respond to the marginal-rate remedies the literature proposes. It is a bet on future health and future employment, priced by the person least positioned to price it, under a rule forbidding the buffer that would let them absorb being wrong. Rational non-participation follows from the structure without reference to preferences, motivation, or attitudes toward work.

Each element of that structure is a legislative choice that could be changed cheaply. The resource limit is a number in a statute. The sixty-month reinstatement window is a number in a statute. The processing standard exists and is unmet. None of the three has moved.

E. Responsiveness That Evaporates on Inspection

The obvious objection is that the legislature has in fact responded, repeatedly, and the statute books prove it.

They do. Sections 1619(a) and 1619(b), expedited reinstatement, Ticket to Work, Plans to Achieve Self-Support, and the impairment-related work expense exclusions are a real apparatus, built deliberately, in direct response to the problem described above. Each addresses a piece of it. None addresses the resource limit, which is the piece that governs whether the rest can be used.

Inspect its operation and something else appears. The provisions are not self-executing and nothing obligates their delivery. Reports from the field consistently describe recipients who have never heard of Section 1619(b), and who, on asking a field office about returning to work, receive a general warning that they might lose their benefits rather than the rule that would tell them they would not (Social Security Administration, 2026).

There is a framework for this and a body of evidence behind it. Administrative burden describes policy implementation experienced as onerous, decomposed into learning costs, compliance costs, and psychological costs, and the literature establishes that these frictions limit access to services people want, would benefit from, and are legally entitled to receive, with the heaviest effects falling on those holding the fewest resources (Herd et al., 2025). Bendtsen's meta-analysis of fifty-one field experiments reporting 187 effect sizes supplies the measurement that matters most here: treatment effects are roughly twice as large when measured at the application stage as when measured at final benefit receipt, and interventions reducing compliance demands raise actual take-up by 8.31 percentage points against 3.39 for interventions reducing learning demands (Bendtsen, 2026). Barnes extends the framework to the costs of using benefits rather than claiming them, identifying redemption costs that arise from limited portability and reliance on third-party agents (Barnes, 2020). Baekgaard and colleagues show experimentally that bureaucratic language alone raises learning and compliance costs even when the content of the rules is identical (Baekgaard et al., 2023).

The distance between passing a provision and delivering it is therefore not a rhetorical figure. It is a measured quantity, and the measurement says the application end is roughly twice as responsive as the receipt end.

The gap between the provision and the person is where this paper's argument lives. Enacting Section 1619(b) cost a legislature one vote. Delivering it to roughly seven million people requires sustained administrative attention over decades, and sustained administrative attention is exactly the good that a population outside the revenue base cannot purchase.

A statute is cheap. Follow-through is not. The record shows a legislature that produced the first and a state that never produced the second, and no institution positioned to notice the difference had any reason to.

IV. The Mechanism

A. The Fiscal Bargain

The claim that taxation purchases accountability is old enough to be a slogan and recent enough to have been tested.

The theoretical core is that a government dependent on revenue extracted from its own population has to bargain for it, and bargaining is the origin of the concessions that became representative institutions. The negative case is the rentier state: where revenue arrives from resource rents rather than from citizens, the bargain never has to be struck. McGuirk models and tests the mechanism directly, finding that leaders facing high resource rents lower the tax burden on citizens in order to reduce demand for accountability, with the effect sharpening near elections (McGuirk, 2013).

The evidence has since moved past correlation. Prichard's cross-country and case-study work finds that reliance on taxation has increased responsiveness by expanding the political power taxpayers wield, while emphasizing that the bargaining is contingent and slow rather than automatic (Prichard, 2015). Dom and colleagues analyze up to forty-seven African countries from 1980 to 2019 and find a robust positive relationship between tax revenue and accountability that survives instrumental variable estimation, with a finding this paper will return to: the effect appears in vertical accountability, meaning the quality of elections and party competition, and not in accountability running through civil society or the judiciary (Dom et al., 2023). Sjursen supplies experimental causal evidence that taxation raises demand for accountability, and isolates why, namely that tax revenue was produced by citizens' work and was in their possession before collection (Sjursen, 2023). Prichard and colleagues report the same relationship from a quasi-randomized property tax reform in Sierra Leone, finding increases in political knowledge and engagement following expanded taxation (Prichard et al., 2025).

The mechanism is therefore identified, is causal on more than one design, and runs specifically through the electoral channel. Asongu supplies a further test on 53 African countries from 1996 to 2010, finding that government dependence on local tax revenue provides the leverage for better political governance in the absence of external revenue (Asongu, 2014).

Two refinements matter for what follows. Koreh applies new fiscal sociology directly to social insurance and argues the causal arrow runs from fiscal interests to social policymaking rather than the reverse, so social programs are as much a consequence of revenue arrangements as a cause of them, operating through legitimation and institutional formation (Koreh, 2015). That is this paper's mechanism stated at the level of the programs it examines. And Roy and Khan set out the historical progression the argument depends on, from a domain state raising revenue from the ruler's own holdings, to a tax state financed by general taxation, to a fiscal state in which the level and uses of taxation are determined in representative bodies (Roy and Khan, 2021). The third stage is the one that has to be purchased, and it is the one this paper argues is contingent on the second.

B. Why the Disability Case Is Not an Analogy

The petrostate literature is the standard comparison in the AI political economy work, and it carries a confound it cannot shed. Resource-rich states differ from constitutional democracies on regime type, on the age and design of their institutions, and on the rule of law, and any of those could carry the accountability result.

The disability case does not have that problem. The class is enfranchised. It votes. It is subject to the same constitution, litigates in the same courts, and is legislated for by the same Congress as everyone else. It has an organized advocacy sector with professional staff and access. Every institutional variable the petrostate comparison cannot control is held fixed.

What differs is fiscal position. And the outcome on the specific channel the causal literature identifies, the electoral one, is the outcome the mechanism predicts: a class that can vote, and does, and whose votes do not produce the follow-through that costs money to sustain.

This is worth stating precisely, because it is the paper's methodological contribution. The literature has been reasoning by analogy from cases that differ on everything. There is a case available that differs on one thing.

C. What the Mechanism Predicts, and What It Does Not

The mechanism predicts indifference. It does not predict malice, and the distinction is not a softening.

Nothing in the argument requires any individual legislator to feel anything. A Congress can contain a large number of members who sincerely want a reform and still not produce it, and the SSI resource limit is the demonstration: sincerity has been abundant and output has been zero for thirty-seven years. That is not a counterexample to the mechanism. It is the control condition. If output remains at zero while goodwill is plentiful, goodwill is not the input that determines output.

American disability law has already made this distinction and given it a name. Recovering compensatory damages for intentional discrimination under Title II of the Americans with Disabilities Act and under Section 504 of the Rehabilitation Act requires proof of intentional discrimination, and the Ninth Circuit held in Duvall that the applicable standard is deliberate indifference rather than discriminatory animus. The elements are knowledge that harm to a federally protected right is substantially likely, together with a failure to act on that likelihood. Personal animus or ill will is not required.

The doctrine also supplies the boundary.[1] Duvall excludes what it calls bureaucratic slippage: deliberate indifference does not arise where a duty was simply overlooked or where events took their normal course through negligence, and the failure to act must carry an element of deliberateness. That boundary is why the resource limit is the paper's diagnostic instance rather than one example among many. Thirty-seven years of

[1] The proposition drawn from *Duvall* here is the liability standard rather than the remedy. *Cummings v. Premier Rehab Keller*, 596 U.S. 212 (2022), later held emotional distress damages unavailable under Spending Clause antidiscrimination statutes, which narrows what *Duvall* permitted to be recovered without disturbing what makes conduct actionable. The standard itself is subject to a circuit split: the Fifth Circuit applies no deliberate indifference standard, *Delano-Pyle v. Victoria County*, 302 F.3d 567, 575 (5th Cir. 2002), and *Koon v. North Carolina*, 50 F.4th 398 (4th Cir. 2022), surveys the division. Ninth Circuit district courts continued to apply *Duvall*'s standard through 2025.

bills introduced, scored, cosponsored, and left unpassed, at negligible cost, is not a duty overlooked. It is notice, opportunity, and sustained non-action.

V. The Generalization

A. The Withdrawal

Prior waves of automation displaced physical labor while expanding demand for cognitive labor, and the expansion is what generated the new employment categories that absorbed the displaced. Cognitive automation targets the absorbing mechanism itself.

Korinek and Suh model the consequence formally and find an inverse U. Automation initially raises wages, because capital and labor are complements and machines make the remaining human tasks more productive, so early gains accrue largely to labor. Past a threshold, labor becomes abundant relative to the tasks left for it, wages fall, and returns accrue to capital. Their result on fixed factors matters here: irreproducible scarce factors such as land exacerbate the decline, because reproducible things get cheap and irreproducible things become the economy (Korinek and Suh, 2024).

Brynjolfsson had already named the political consequence. As machines become better substitutes for human labor, workers lose economic and political bargaining power and become increasingly dependent on those who control the technology; where the technology augments rather than imitates, workers retain the power to insist on a share of what is created (Brynjolfsson, 2022). That is the fiscal bargain restated in labor market terms, and it was published four years ago.

Kulveit and colleagues carry it to the state. If AI systems generate a large share of output and therefore of tax revenue, the state becomes less reliant on nurturing human capital and more reliant on the systems and the profits they produce, and they name rentier states as the illustration (Kulveit et al., 2025). Supic and colleagues add the wrinkle that generative systems bear hardest on the nonroutine cognitive occupations whose scarcity underwrote their bargaining power, which is to say that the classes with the most leverage lose it fastest (Supic et al., 2026).

B. What Is Already Measurable

The forecast half of this argument is not the only half. Some of it is already observable, and the direction is consistent.

Gallego and Kurer's review establishes that routine workers have been the principal losers of recent technological change and that the political consequences are legible in participation, vote choice, and policy preference, while noting that voters frequently misattribute the cause (Gallego and Kurer, 2022). Jacobs finds automation-susceptible respondents diverging politically from AI-complemented ones along both cultural and economic axes, with implications for whose interests get represented (Jacobs, 2024).

The most direct evidence is recent. Granulo and colleagues report survey data from 37,079 respondents across thirty-eight European countries showing that the public tends to view AI as labor-replacing rather than labor-creating, and that holding that view is associated with lower satisfaction with democracy and lower political engagement. Two preregistered nationally representative experiments, in the United Kingdom and the United States, supply causal evidence: exposure to a labor-replacing frame produces greater erosion of trust in democracy and lower willingness to engage politically with future AI development (Granulo et al., 2026).

That finding sits on the citizen side of the same ledger. The fiscal literature measures the state's reason to respond. Granulo measures the citizen's expectation of being responded to, and it is already falling on perception alone, ahead of the displacement itself.

C. Structural Indifference

Assemble the parts and the resulting posture has a shape.

A state whose revenue arrives from automated output rather than from wages retains full capacity. It legislates, taxes, enforces, and spends. What it loses is the structural reason to direct that capacity toward any particular population, because the channel through which the population previously registered, the electoral one identified by Dom and colleagues, was underwritten by the fiscal dependence that has gone.

The result is not a state that stops working. It is a state that stops answering, and stops for no reason anyone in it has to hold or defend. That is why the disability record is diagnostic rather than merely illustrative. It shows what the posture produces over four decades: statutes that pass and are never delivered, dials that freeze and never thaw, and reforms that everyone supports and nobody enacts.

VI. The Doctrinal Consequence

One consequence of the mechanism reaches a constitutional premise, and it is worth stating because the premise has an expiration condition that nobody wrote into it.

In City of Cleburne v. Cleburne Living Center, the Supreme Court declined to treat intellectual disability as a suspect or quasi-suspect classification for equal protection purposes. Among the reasons was that the political branches had in fact responded to disability with substantial legislative protection, so the strongest constitutional standard was unnecessary. Legislative responsiveness stood in for judicial protection.

The decision carries caution treatment in current citators across nearly fourteen thousand citing references, which is consistent with rather than adverse to the argument made here: this paper does not rely on *Cleburne* as a controlling rule but reads its stated reasoning and argues that the empirical premise underneath it has expired.

Justice Marshall's separate opinion objected at the time that the political branches' attention was contingent on political winds and that reliance on legislative responsiveness as a substitute for constitutional protection was structurally unstable. He was right, and he did not have the mechanism that explains why.

The mechanism is this paper's argument. Responsiveness is purchased, the price is fiscal, and the disability class had been separated from the revenue base before Cleburne was decided. On that reading the Court did not misjudge the legislature's sincerity. It mistook a stock for a flow. The statutes on the books in 1985 were real, and they were the residue of an era of movement pressure, not evidence of an ongoing capacity to respond. The stock has not been replenished. The dials have not moved.

The July 2026 Olmstead notice is the executive-branch version of the same event. *Cleburne* treated legislative responsiveness as a substitute for constitutional protection; the notice withdraws enforcement responsiveness without disturbing any underlying rule. Neither the statute nor the holding moved in either case. What moved was the willingness to carry them to people.

The generalization follows without further argument. If cognitive automation withdraws the same input from the general population, then the empirical premise underneath Cleburne expires for everyone, and it expires by operation rather than by decision. No court overrules it. No legislature repeals it. It simply stops describing the world, and the doctrine that rests on it keeps standing on a floor that is no longer there.

☙ ❧

VII. Limitations

The paper rests on one case, and one case cannot establish a general mechanism on its own. What it can do is remove a confound the existing comparison cannot remove, and that is the claim made here rather than a stronger one.

The mechanism is not the only explanation available for the record in Section III, and the paper does not claim it is. Ableism, austerity coalitions, federalism, and administrative underfunding all bear on disability policy and each explains part of the pattern. The argument is narrower: those explanations do not account for non-response to reforms that are cheap, bipartisan, and repeatedly introduced, sustained across changes in party control. The fiscal mechanism accounts for that residue. It is a claim about a residue, not about the whole.

The strongest evidence for the fiscal bargain comes from cross-national work in developing economies, and its transportability to a wealthy federal democracy is an assumption rather than a finding. Sjursen's experimental result is the least transport-dependent of the set and the most load-bearing here for that reason.

The historical account of the tax bargain is also contested at its root. Boucoyannis argues that representative institutions were catalyzed not by the bargaining advantage of societal groups but by the incapacity of elites to avoid taxation and royal justice, which reverses the direction of agency in the standard story while leaving the fiscal centrality intact. If that reading is correct, the mechanism this paper relies on is real but is driven by extraction rather than by negotiation, and the implication for automation is the same either way: the state that no longer needs to extract has no occasion for either.

The empirical literature on asset limits specifically does not speak with one voice, and the disagreement is directly on point. Powers, exploiting the 1981 federalization of AFDC asset-testing policy, estimates additional saving of roughly twenty-five cents for each dollar of increase in the limit (Powers, 1998). Hurst and Ziliak, following female-headed households with children through the post-1996 relaxation of state asset limits, find no effect on saving at all (Hurst and Ziliak, 2006), and Hamilton's later panel analysis reaches the same null (Hamilton, 2020). A reader who reads that literature will ask why this paper leans on a rule whose behavioral effect is unsettled.

Wellschmied's structural work reconciles the two findings and the reconciliation is age-dependent: the model produces a statistically significant savings response among young households, consistent with Powers, and an insignificant response among prime-aged households, consistent with Hurst and Ziliak (Wellschmied, 2021). The disagreement in the reduced-form literature may therefore be a disagreement about which households were sampled rather than about whether the limit binds.

The answer, in any case, is that the claim made here is not behavioral. Whether relaxing a limit induces additional saving in the cross-section is a question about average responses among households that may have no capacity to save regardless. The claim in Section III is mechanical: holding more than two thousand dollars terminates eligibility, at every point in the sequence including the working period, which forecloses the specific instrument that would let a person survive a failed work attempt. A finding that most recipients do not save more when the cap rises is not evidence that a recipient who wants to bridge a two-year gap is permitted to. Those are different questions and the second one is not contested.

The generalization to the general population remains a forecast, and it inherits every uncertainty in the automation literature it draws on. Korinek and Suh's inverse U is a model result under stated assumptions, not an observation, and their own paper identifies conditions under which wages recover. Granulo and colleagues measure perception and its effects on democratic attitudes, which is not the same as measuring the fiscal withdrawal itself.

The framework also has to be able to find nothing, and it does. Where a disability reform has been expensive and contested and has nonetheless passed, the mechanism predicts failure and the record shows success. The Americans with Disabilities Act itself is the obvious instance. The paper's response is that the ADA was purchased by sustained movement mobilization rather than by fiscal leverage, which is consistent with the mechanism but is also the kind of consistency that a determined reader can call unfalsifiable. The honest form of the limitation is that the mechanism explains steady-state non-response well and explains episodic breakthrough poorly.

VIII. Future Work

Two items, each answering a stated limitation.

The single-case limitation is addressable by comparison within the class of fiscally disaggregated populations inside wealthy democracies. Long-term unemployment recipients, incarcerated populations, and undocumented residents each occupy a different position on the two axes this paper treats as one, namely revenue contribution and franchise. A design that separates those axes would test whether the effect tracks the money or the vote, which this paper's single case cannot distinguish.

The episodic breakthrough limitation is addressable by event history analysis of disability legislation from 1972 to the present, coding each enactment for cost, mobilization intensity, and party configuration. If the mechanism is right, cost should predict non-enactment independently of mobilization, and mobilization should be the only variable that overcomes it. If mobilization turns out to predict enactment regardless of cost, the mechanism is doing less work than claimed here.

IX. Conclusion

The literature on what advanced automation will do to democratic accountability has been asking a question in the future tense and looking abroad for the answer. The answer is domestic and it is decades old.

A population inside a wealthy constitutional democracy, fully enfranchised and fully resident, has been separated from the revenue base for half a century. What happened to it was not persecution. It was a legislature that passed statutes and never funded their delivery, a resource limit that has not moved since 1989 despite costing almost nothing to raise, an earned income disregard frozen since the 1970s, and a body of work incentives that most of the people entitled to them have never heard of. Nobody in that record had to hate anyone. Nothing in it required a decision. It required only that no mechanism existed to make non-response expensive.

That is what the automation literature is describing, and it has a completed run available.

The title of this paper is not a metaphor and it is not a warning that anyone will acquire an impairment. It is a claim about a category. Disability, as an administrative matter, has always been drawn at the boundary of the labor market rather than at the boundary of the body. If cognitive automation moves that boundary across most of the population, then most of the population arrives at the position the category describes, and the state's posture toward them is already documented.

The disability class did not get there by accident and will not be relieved by company.

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