

## Constructing an Anti-Neoliberal Analysis to Arrive at Truly Alternative Alternatives *The instance of nursing labour market restructuring*

by Salimah Valiani

For the past few decades, the world economy has been shifting through radical restructuring and reorganisation. Within this context, the "anti-globalisation", "anti-WTO", "anti-neoliberal," and other such movements are an important field within which to identify the thinking behind the action. For Antonio Gramsci (1971), questions of theory and practice are raised particularly when the "movement of historical transformation is at its most rapid". The point of such questioning, as Gramsci says, is to make the "practical forces unleashed" more efficient and expansive and the "theoretical programmes" more realistically justified. Taking inspiration from this, the aim of this column is to provide methodological direction in analysing and responding to changes of the neoliberal era using the instance of the global restructuring of nursing labour markets.

### **Analysing Neoliberal Globalisation**

Unlike mainstream economists, Marxists and post-Marxists have long viewed capitalism as a global process. The starting point of this process has been a topic of debate, with some arguing it began as far back as the 16th century and others arguing it began in the 19th century. Within these historical approaches the changes of the past few decades can be linked to underlying contradictions and cycles in the world capitalist economy.

In *The Long Twentieth Century*, Giovanni Arrighi (1994) traces four "systemic cycles of accumulation" in the history of the capitalist world economy. These are: the Genoese cycle (ca. 1450-1640), the Dutch cycle (ca. 1640-1790), the British cycle (ca. 1790-1925) and the US cycle (ca. 1925-present).

Within each cycle of accumulation, a phase of "material expansion" is followed by a phase of "financial expansion". A phase of material expansion consists of continuous change whereby the capitalist world economy grows steadily along a well-defined path under the leadership of a hegemonic state. A phase of financial expansion consists of discontinuous change whereby the established path has reached its limits, the hegemonic state loses power over capitalists and other interest groups, and the world economy shifts onto a new path via radical restructuring and reorganisation.

The financial expansion of Arrighi's "US cycle of accumulation" begins circa 1970. In concrete terms, the clampdown on workers' rights and diminished recognition of unions around the world, moves by large pharmaceutical corporations to patent Southern seeds and medicinal plants, the formation of the World Trade Organisation – can all be seen as instances of

restructuring and reorganisation resulting from limits of the material expansion of ca. 1950-1970.

In terms of Gramsci's "practice" or "action", rather than simply denouncing the neoliberal trend of the past few decades, we should seek to uncover the limits and contradictions arising in what is commonly referred to as the "Golden Age" of capitalism (ca. 1950-1970). These limits and contradictions are at the heart of the shift to anti-labour, pro-employer policies by the early 1980s. Recognising and examining these contradictions in their specific forms, for example, industry by industry, allows us to search for alternative structures of social organisation and production which have the potential of undoing inequality within and between countries - historic features of the world economy which were far from dismantled during the so-called Golden Age.

Unions and NGOs, especially in the global North, tend to rely on ahistorical, economic analytic tools. The key shortcomings of these tools are the assumptions that national labour and other markets are separate rather than globally interconnected, and that active states can steer the behaviour of firms in favour of the good of the public regardless of the extent of corporate power. A rarely defined "globalisation" is thus identified as cause and/or effect of a wide range of phenomena: from "free trade" agreements, to the over-exploitation of natural resources, to austerity measures, to the precarisation of work. The solutions proposed amount to a return to the Keynesian model of the Golden Age – despite the fact that the current world political-economic context is vastly different and such a return is highly unlikely.

### **The Global Shift to Temporary Nurse Migration and Its Roots in Capitalist Contradictions**

Using Arrighi's framework of cycles of accumulation, along with conceptual tools of Marxian economics, the shift from permanent to temporary nurse migration may be understood as the outcome of contradictions which arose during the so-called Golden Age of capitalism.

In the 1990s, employers in the global North began favouring the employment of internationally educated nurses on temporary work permits. This was a shift from internationally educated nurses entering the global North on a permanent basis, with the rights to settle and sponsor family members, choose one's place of residence and employment, and legal protection under all

laws pertaining to locally based workers. In most countries of the global North, permanent migration of internationally educated nurses – and indeed, internationally educated workers of most occupations – was the norm from 1950 to 1990. In the health care industry, both then and now, the majority of migrant workers originate in the global South, hence the importance of permanent migration whereby migrating workers can benefit from relatively better working conditions and social possibilities in the global North.

As I argue in *Rethinking Unequal Exchange: the global integration of nursing labour markets* (2012), Canada and the United States of America were the first countries of the global North to begin employing large numbers of internationally educated nurses on temporary work permits.

The reasons for this shift are rooted in different capitalist contradictions. In the US it is ultimately due to the monopoly structure of medical technology producers that hospital employers turned to cost saving strategies in the area of nursing labour by the late 1980s. Various cost cutting measures had been attempted to counter hospital cost escalation from the 1970s, but with little success. Though medical technology was identified as a cost pusher by the early 1990s, due to the political inability of a capitalist state to challenge the small group of capitalists dominating the medical technology industry from the 1950s, hospitals opted to reduce costs by replacing registered nurses (i.e. four year university trained) with lesser trained health workers, and by employing lesser paid temporary migrant registered nurses. Being largely female, the nursing labour force was politically far less powerful than medical technology producers or even physicians, though nurse unionisation had increased steadily in the US in the 1980s.

Two major contradictions of the Golden Age can be drawn from the US instance. One, the monopolistic tendency in the material expansion of the US cycle of accumulation in which small groups of companies came to dominate industries through varying combinations of horizontal and vertical integration, and 2) the dependency of states and populations on goods produced by these private interests, including in the area of health care, an area of major state investment during the Golden Age as part of Keynesian welfare state development.

In Canada, though nurses are the only health professionals serving patients 24 hours per day, seven days per week in all areas of health care, this predominantly female labour force has been historically undervalued. Canada's public health care system has contained expenditures through the undervaluing and overworking of nurses. The increased use of temporary migrant nursing labour is one of several developments arising from this contradiction. In brief, when overextended, Canada-based nurses withdrew from Canadian health systems and began migrating in unprecedented numbers from the late 1980s, Canada began employing rel-

atively large numbers of temporary migrant nurses. Since the early 2000s, the employment of lesser-paid, temporary migrant nurses has been rising again as nursing shortages and political pressures to contain public health care costs have become more pronounced.

This analysis paves the way for action and advocacy which go beyond calling for ratification/enforcement of ILO Conventions and other legal instruments protecting migrant workers' rights, or calling for regulation of nurse recruitment agencies – the major responses by health worker unions to date. In the US, this analysis points to a possible strategy of campaigning for the socialised production of medical technology to cut health care costs and redirect funds towards bedside nursing care. Socialised production of pharmaceuticals could be similarly proposed by health worker unions as a solution to cost and other excesses of the pharmaceutical industry – the other major cause of unsustainable cost escalation in health systems around the world.<sup>1</sup>

In Canada, the analysis here points to the urgent need – if we systematically believe in equality – to confront the nexus of capitalism and patriarchy which makes for the consistent undervaluing of nursing and other caring labour around the world. The fundamental contradiction of the Golden Age at play here is that public-financed health care systems internationally were dependent on undervalued caring labour while aiming to increase wellbeing for all. In essence it is this undervaluing which drives nurses to migrate in search of better wages and working conditions.

Engaging the conditions of restructuring through this type of sector-specific approach is an alternative to superimposing reformist solutions to deeply entrenched inequalities. World historical analysis, on a sector-by-sector basis could provide for creative strategies which move beyond calls for the return to legal and political structures of a past long gone.

<sup>1</sup> See Chapter 3 in Valiani (2012).

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