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The new gold rush: the new multinationals and the commodification of public sector work

ABSTRACTS

The new gold rush: the new multinationals and the commodification of public sector work

by Ursula Huws

Ursula Huws is director of Analytica Social and Economic Research and Professor of international labour studies at London Metropolitan University, London, UK.

ABSTRACT

This article describes the growth of the new 'public services industry' and outlines the way in which government-provided services can be transformed into commodities and opened up as new fields of activity for private companies. Pointing out that many of these companies have become major transnational enterprises, it then goes on to introduce the other articles in this collection, which focus on the commodification, corporatisation and privatisation of a range of public and government support services, including health, education, transport, energy and water supply, telecommunications, waste disposal, customer services, IT support and postal services. Many of these articles focus on the impact of restructuring on industrial relations, labour processes, working conditions and occupational identities and conclude that these developments are associated with the intensification and casualisation of work, derecognition of unions and continuing elaborations of the international division of labour.

Commodifying health care: the UK's National Health Service and the Independent Sector Treatment Centre Programme

by Stewart Player and Colin Leys

Stewart Player is a public policy analyst who currently works for the 'Keep Our NHS Public' campaign.

Colin Leys is Emeritus Professor at the Department of Political Studies at Queen's University in Kingston, Ontario, Canada.

ABSTRACT

Since the year 2000 successive British governments have pushed ahead with the transformation of the National Health Service into a health care market with a strong component of for-profit provision. Focusing on the crucial first step in the privatisation of clinical services, this article examines how the four key requirements for the

commodification of a public service were fulfilled – first, breaking up health care into standardised units that could be priced; second, inducing the public to use the new commodified services; third, inducing the workforce to work for shareholders; and fourth, getting the state to underwrite the risk involved. What emerges is a story of the deep penetration of the UK state by the private health care industry, including major players with a serious history of fraud.

The new public service transnationals: consequences for labour

by Judith Clifton and Daniel Díaz-Fuentes

Judith Clifton is a Senior Lecturer in Applied Economics at the University of Cantabria in Spain.

Daniel Díaz-Fuentes is Professor of Applied Economics at the University of Cantabria in Spain.

ABSTRACT

Since the late twentieth century, a significant number of public service providers operating in networks, previously defined as nationally-bound entities largely owned and controlled by the state, have embarked on aggressive expansion strategies abroad. This transnationalisation was a consequence of 1970s organisational reform, particularly privatisation, sectoral liberalisation and the liberalisation of Foreign Direct Investment. This article examines the recent organisational transformations of public service providers, particularly those based in the European Union, that have been at the forefront of this development, with a particular focus on electricity, telecommunications and postal services. Public service provider transformation, including transnationalisation, has significant consequences for work inside these organisations.

Commodification, casualisation and intensification of work in liberalised European postal markets

by Christoph Hermann, Torsten Brandt and Thorsten Schulten

Christoph Hermann is a researcher at the Working Life Research Centre (FORBA) in Vienna, Austria.

Torsten Brandt and Thorsten Schulten are researchers at the Institute for Economic and Social Research (WSI) at the Hans-Böckler Foundation in Düsseldorf, Germany.

ABSTRACT

This article argues that liberalisation and privatisation of public services have led to a commodification of public sector work and labour relations. Using the example of European postal services it describes the process of liberalisation, privatisation and the resulting changes in company strategies and organisation. It argues that commercialisation has not only changed the nature of service provision, but has also caused a far-reaching intensification and casualisation of employment in the European postal sector.

The politics of union-government relations: public transport in two Australian states

by Ruth Barton and Peter Fairbrother

Ruth Barton is a lecturer in the School of Management at RMIT University in Melbourne, Australia.

Peter Fairbrother is Professor of Sociology in the School of Social Sciences and Director of the Centre for Global Research at Cardiff University in the UK.

ABSTRACT

Successive governments, particularly in the Anglo-American world, have sought to redefine the state by redrawing the boundaries between the public and private sectors, with marked implications for trade unions. One consequence of this process is that relations between unions and governments are reforged. In Australia, governments have initiated comprehensive processes of corporatisation and privatisation. One result is that previously close and often informal partnership arrangements (in the case of Labor governments) have changed. This type of institutional reorganisation prompts a reassessment of union-government relations as well as a complex working out of new modes of governance. This article explores these themes in relation to public transport in two Australian states: New South Wales and Victoria.

Privatisation of public services in the EU: an attack on social cohesion and democracy

by Birgit Mahnkopf

Birgit Mahnkopf is Professor of European Politics at the Berlin School of Economics in Germany.

ABSTRACT

In the past, universal access to essential public services served as an important mechanism for generating a good relationship between the market, social cohesion and democracy in many European countries. But, with the growing dominance of the mode of 'negative integration' across the continent, citizens are being reconstituted as consumers and small shareholders. Meanwhile, privatisation of public services steamrolls the results of the 'decommodification of wage labour' achieved in the short 'social democratic century'. Drawing on the results of the EU-funded Co-ordination Action PRESOM (Privatisation and the European Social Model) this paper argues that in the long run these developments might affect the democratic functioning of the Union and the integration process as a whole. Further information about PRESOM can be found on <http://www.presom.eu>.

The reformatting of state control in Vietnam

by Chris Dixon

Chris Dixon is Professor of International Development and Director of the Asia Programme in the Global Policy Institute at London Metropolitan University, UK.

ABSTRACT

This paper examines changing forms of state control in Vietnam. It argues that while reform and rapid economic growth have been associated with promotion of market activity and decline in directly controlled activity as measured by the number of SOEs (State Owned Enterprises) and the state sector's share of gross industrial output, this conceals a major reformatting of state control. Direct control over equitised SOEs has been maintained by the state holding the majority of the shares. Meanwhile complex, often inconsistently enforced and interpreted regulation ties enterprises to the state, a situation reinforced by the state's ability to facilitate (or not) access to credit, technology, market information and know-how. Perhaps even more significant is the manner in which, in much of the new economy in Vietnam, the former distinction between the public and the private has been blurred, and in many cases new hybrid forms have emerged that defy conventional classification. This reformatting of power has been accompanied by the emergence of some serious contradictions which may come to undermine the developmental effectiveness of the Vietnamese state.

Mopping up the labour shortage: the privatisation of waste management and gendered work reorganisation in South Africa

by Melanie Samson

Melanie Samson is a doctoral candidate in the Department of Political Science at York University, Toronto, Canada, and a visiting researcher at the Centre for Urban and Built Environment Studies, University of the Witwatersrand, Johannesburg, South Africa

ABSTRACT

This article explores the gendered nature of work reorganisation in Johannesburg's privatised Pikitup waste management utility. It establishes that feminist analysis requires an exploration of the historical production of gendered and racialised divisions of labour, the continuities and disjunctures that arise with privatisation, the consequences for men and women workers in the workplace and the home and the effects of men's gendered privileges. Because Pikitup's profit-generating strategy mapped onto a pre-existing gender division of labour, the all-male collection workforce was shielded from labour shortages that resulted in dramatic forms of work reorganisation in the feminised street cleaning sector. Male street cleaning workers experienced the same objective transformations in work organisation as their female counterparts. However, they were less compromised due to the power associated with their masculinity in both the workplace and the home, belying any notion of convergence of experience between male and female workers.

The impact of hospital privatisation on industrial relations and employees: the case of the Hamburg hospitals

by Nils Böhlke

Nils Böhlke is a PhD candidate at the Institute for Social and Economic Research (WSI), in Düsseldorf, Germany.

ABSTRACT

The privatisation of Hamburg's State Enterprise Hospitals (LBK Hamburg) represents a defining moment in a general trend in the German hospital sector. Carried out in 2005, this privatisation had a far-reaching impact on industrial relations in the hospitals as well as on the working conditions of the employees. These developments cannot only be attributed to the privatisation per se, however; increases in the workloads of hospital workers can also be observed in public clinics. Nevertheless, the deterioration of established collective bargaining procedures and working condition in the privatised clinics have been dramatic, representing an important turning point for hospital employees and their trade union representatives. Drawing on case study research involving interviews with a range of stakeholders, this article describes the privatisation process and its impact on working conditions, employment and industrial relations.

Reorganising the front line: the case of public call centre services

by Annika Schönauer

Annika Schönauer is a researcher at the Working Life Research Centre (FORBA) in Vienna, Austria.

ABSTRACT

The aim of this article is to examine a specific aspect of restructuring in the public sector: the implementation of call centres in customer service and its effects on job quality. The general trend towards organising customer services through call centres gained worldwide importance in the 1990s, but in the public sector it has emerged relatively recently in connection with strategies of 'new public management'. This article presents five international case studies from the public sector that exhibit different forms of restructuring. They range from internal reorganisation and the establishment of a public-private partnership to the full outsourcing of telephone-based customer services. The article concludes that, despite national differences, the introduction of call centres into the public sector, especially when combined with outsourcing, has dramatic impact on the quality of employment, especially in relation to three aspects: forms of employment, skills and know-how and interest representation.

The end of the road, no more walking in dead men shoes: IT professionals' experience of being outsourced to the private sector

by Simone Dahlmann

Simone Dahlmann is a Research Fellow at the Working Lives Research Institute at London Metropolitan University in London, UK.

ABSTRACT

This article examines the experiences of IT professional workers in the process of being transferred from local government to private, large multinational IT service providers in the UK. Outsourcing of IT services has become a common practice and often it is the workers' experience of change that is under-captured in research. This article looks at changes in occupational identity, recognition and commitment in the workplace and shows how these factors are perceived by IT professionals in the UK interviewed as part of case study research for a larger, EC-funded research project. The findings point to a clash between the need to adapt to private sector organisational practices and the desire to find meaning in work that has substantially changed.

'Everywhere is becoming the same'? labour utilisation, regulation and the tensions inherent in transnational IT production

by Nicole Mayer-Ahuja and Patrick Feuerstein

Nicole Mayer-Ahuja is a Senior Researcher at the Sociological Research Institute (SOFI) at the University of Goettingen, Germany.

Patrick Feuerstein is a Researcher and PhD candidate at the Sociological Research Institute (SOFI) at the University of Goettingen, Germany.

ABSTRACT

Does the internationalisation of economic activities reduce the differences between locations in core and peripheral regions of capitalist production? This article contributes to this discussion by emphasising an inherent contradiction of transnational production: companies must draw upon divergent regulatory scenarios and strategies of labour utilisation and articulate them in their organisational structures in order to utilise 'locational advantages' and meet profit targets, but the integration of these divergent scenarios creates considerable organisational tensions. This scenario is illustrated through an analysis of the high attrition rates produced in the South Indian IT hub of Bangalore and how this is managed by one German software production company.