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Neva R. Goodwin: IS NURSING SHORTAGE A DEMOCRACY CRISIS?

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NEW REPORTS from the American Hospital Association, the U.S. Department of Health and Human Services, and others reveal that there's a severe shortage of nurses again. But it's not really "again." It's just more of the same decades-old crisis.

To address the shortage, thousands of nurses have been recruited from abroad, and America's health-care leaders have instituted managed-care systems that are supposed to solve the problem by needing fewer nurses. It appears that neither approach is working. So hospitals are trying sign-on bonuses, radio advertisements, job fairs and highway billboards.

But one thing isn't mentioned -- the one thing that any economist knows should quickly resolve this inequality between supply and demand: Why isn't anyone talking about raising nurses' salaries?

Of course -- we can't afford it.

We also can't afford the necessary training and salaries to raise the quality and the quantity of teachers, day-care workers, or social workers. The situation, from an economic perspective, is this: There's a huge demand out there for the kind of caring labor just described, but it's not effective demand. That means the people who have those "demands" (needs and wants) aren't either able or willing to pay enough to persuade other people to supply what they want.

Effective demand is easy to understand at the basic, individual level. I may want a reclining chair; either I can afford to pay for one, or I can't. But the question of nursing shortages is not limited to what you can pay for your child's hospital stay, or what your elderly uncle can pay for home care.

The state gets into it -- not as much in the United States as it does in other countries, but, like it or not, the state is involved. And we the people have, or should have, a choice about where the state places the resources we entrust to it.

At the federal level, our government has recently acted as if it could afford a lot of things: Star Wars (the "faith-based missile system"); greatly increased farm subsidies; and massive give-backs on corporate taxes, just to mention a few. We were told that our society could afford last year's \$1.35-trillion tax cut, and that we can afford to lose \$850 billion over the next 10 years by permanent repeal of an inheritance tax that's paid by the estates of just 1.4 percent of our citizens.

We decide we can afford huge military expenses because we believe they are essential. But our society can't afford to provide care for its helpless members -- young or old or sick.

Deterring enemies may be necessary to protect lives, but caring work -- in homes, hospitals, schools, and day-care centers -- not only protects lives; it is also the major underpinning of the quality of our lives. While the military machine tries to find and fight enemies from the outside, caring work is the first line of defense against the enemies within: the disease germs that get into our bodies; crime, which curtails our liberty to walk the streets; and the fear of helpless, miserable sickness or old age.

The big social decisions are often about money and wages. But they are not the kind of economic decisions in which value is defined as a price that has been set by the interaction of supply and (effective) demand. Social values are not set by prices. Instead, many of the critical prices -- especially wages -- are set by the particular social values that get translated into government action.

There's an obvious solution to this chronic crisis of not enough nurses, not enough teachers, and indifferent, overworked, or under-trained social workers and day-care providers. Raise the wages of workers in the caring professions!

To do so is not beyond the capacity of this nation. Imagine a U.S. government that, instead of reflecting the values of big business, would repeal the tax relief so recently granted to corporations and to billionaire individuals and families.

Imagine a government with the same basic values as the citizens, which would use that recaptured surplus to aid the upbringing of well-educated, responsible children, and to ensure that when we or our loved ones suffer from disability, ill health or old age, there will be someone there to help.

How can we transfer our concerns into what our government does? The nursing shortage is not just an economic question. It is the essential question of democracy.

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