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Jan Slezak
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Conflicting Loyalties: Changing Roles and Relations of Labor Unions in Vietnam

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Changing Roles and Relations of Labor Unions in Vietnam

Jan Slezak

School for International Training

University of New England

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Abstract

As labor unions in Vietnam become further divided from the political ideologies they arose from, it is important to examine how workers can become accurately represented in a system of changing markets, government and an economic movement towards the free-market system. As the role of the labor union changes and attempts to adapt into contemporary times, this study discusses and analyzes the opinions and actions of Vietnam's citizens; from the worker's most affected by the oncoming changes to those who take part in crafting and enforcing legislation on the issue. This study arrives at its answer by combining interviews, social and political theory, an analysis of previous studies and a look into current programs focusing on improving living conditions for the working class. Ultimately, labor unions have many obstacles to overcome in order to empower the working class in the face of globalization and the changing socio-political structure emerging within Vietnam today.

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Introduction

As Vietnam becomes increasingly important in the global market and amplifies its industrial potential, labor unions must adapt to the inevitably globalizing system while retaining influence and bettering the standard of living for those involved and their families. It is important to predict how labor unions will be affected and understand the issues they are facing as a generalized model for all industrially developing countries. Ultimately, labor relations must be improved and unions must be educated of the problems they are facing in order to prevent exploitation at the hands of the newly emerging market system.

The objective of this study was to identify these issues and examine attitudes throughout the various tiers of labor, from the working class to the officials in charge. Throughout history, labor unions have adapted to rapidly changing infrastructure within Vietnam, however, the largest shift in market structure is currently taking place, further removing the labor unions from the socialist ideals they have been taught to efficiently integrate themselves in. Labor problems are often unresolved and unpublicized, reform is difficult and the working class is being increasingly suppressed by legislation and inaccurate representation.

Background

Throughout the sociopolitical changes in Vietnam's history during the past century, the Vietnam General Confederation of Labor (VGCL) has existed as the sole national center of labor unions, possessed the ability to recount the history of the institution of the labor union and adapt labor laws to the current times and protect the rights of workers into oncoming years. As no historical account of the changing roles of labor unions throughout Vietnam's history is available in English (or at all), the following historical interpretation heavily relies on information gained from an interview with Chau Nhat Binh, the deputy director of the international department of the VGCL. He has lived throughout much of the history he describes; however, it is unclear when he became affiliated with VGCL and how this has affected his views. In addition, he has lived in Northern Vietnam throughout his life and throughout the American-Vietnam War; the events witnessed have inevitably influenced his views on the roles of labor unions before and during those years.

Compared to the United States, the labor union is a relatively new institution, with the conception of the first Vietnamese headquarters of said institution dating back to 1929. The first recorded unions took place under the French occupation of Vietnam and theoretically coincided with the philosophy of the growing Communist Party; providing solidarity and collectivist thought during a time of exploitation of Vietnamese workers at the hands of the French colonists. Like many inventions and aspects of social change, these concepts blossom out of necessity, as the extreme conditions imposed on the workers demanded some kind of unionization before the problem became too devastating and irreparable. Following the French occupation, Vietnam was left in a worse state than

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other countries facing similar post-colonist situations, as the French only left Vietnam with physical structures, unlike other countries who were left with a growing industry and economic potential.

Following the Indochina War and the dismemberment of the French occupation, the Geneva Peace agreement divided the country into different political views about the future of the country. To strengthen this gap of political ideologies further, the American-Vietnam war began to take form, further complicating the issue and making the prospect of unification throughout the country in the near future less realized. United States involvement influenced southern Vietnam into free-market thought and western political philosophy; while the north strongly believed in and retained the Socialist views they had fought for against the French.

Prior to the war, the North had implemented their socialist system, accordingly, to great success, where workers enjoyed full employment and freedom to pursue what they wanted. Unionization within industry was extremely high in urban areas and the families of these unionized laborers were given free education (with a very high number of scholarships granted from the State) and free healthcare under the socialist system. A welfare organization was in place that guaranteed equal distribution on some level, in order to provide everyone with the basic services and food they needed to survive. In addition to the socialist distribution, a smaller market system existed within it as to provide people free choice to goods they desired. Northern Vietnam was thought prosperous and teeming with economic and industrial potential until the earlier years of the conflict with the United States.

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Throughout US involvement, the country was split apart even further than prior to the conflict and ruined the system that the north had been trying to implement at a national level. The free-market system the US had implemented into Southern Vietnam had created inequality and many people ended up in worse economic situations than before the conflict. The trade unions in the south at this time were greatly ineffective and served more as unsuccessful welfare organizations, rather than uniting workers and providing equal benefits throughout the community. The funding for these trade unions also conflicted socialist thought, as they received many of their funds from the church, ultimately owing the religious institution and likely affecting political decisions made by the unions.

The war eventually ended but the outcome of the future of Vietnam's political system became unclear. After the collapse of the former Soviet Trade Union and losing control over the situation at a national level, Doi Moi policies were introduced in 1986 and resulted in a push towards a market economy. What was once a fruitful system of socialist equality had failed due to external forces and a market structure in the hands of the public, rather than educated economists. (Chau, Personal Communication, November 2009).

Currently, labor unions must adapt to the new market system and industries not controlled by the state, such as FDI and the newly emerging private sectors. Having less than 30 years of experience in dealing with these kinds of businesses forces these unions into a position prone to exploitation. Labor relations between employees and employers have changed and now conflicting interests fuel the debates between the needs and desires of the two entities. Most FDI, investors and companies pertaining to the private

sector have a more capitalist mindset, solely interested in profit and interest, with no regard for the community they belong to and no sense of collective unity. At particularly high risk for exploitation is the demographic of uneducated, rural citizens, who have recently began migrating to industrial areas in great numbers (Chau, 2009). The inability to adapt quickly and the short history of labor unions in Vietnam has made them very susceptible to heavy exploitation, while shifts in market structure and economic prosperity forces many to focus solely on providing enough to support their families, rather than on unionizing and working for the community.

In addition to the changes in operation of the labor unions, their roles have inherently changed with the times as well. Under the socialist system throughout the mid 1900's, their duties included educating their community about policies and laws so that they could benefit the community and use their rights to their full extent. In addition to this, the labor union worked closely with the governing party, making sure their rights and interests were not ignored throughout the possession of voting power within the state. Now faced with the emerging market economy, the worker's key concern is self-preservation, made increasingly difficult to maintain in the face of exploitative labor contracts that did not exist in Vietnam until recent years.

Although the future of the industry looks bleak for the workers involved, the VGCL is taking steps to empower workers in the face of the free-market economy. Since 1986, the VGCL has held meetings with the national congress every five years (although this is only a total of four meetings, ultimately inadequate considering Vietnam's massive industrial growth in the past couple decades) (VGCL, congdoan.org.vn). The last meeting took place in November 2008, where they seemingly worked out resolutions to

problems, solidified the structure of the union but are unfortunately faced with a lack of resources and investments to make many of the proposed plans a reality.

At the state level of industry, unionization is still high at around 80%, compared to the 55% of unionization for FDI's and 25% for industries at the private sector (Vo, Personal Communication, 2009). Although numbers of unionization at the state level are high, FDI's and private sector industries are increasing in exponential numbers and if the pattern is followed in future years, they will ultimately become the leading sectors of industry, becoming harder to regulate, increasing chances of exploitation and pushing Vietnam further into the market economy which has been threatening the VGCL since the application of the philosophy in Vietnam's government. The VGCL aims at recruiting 25 million more members into unions by the year 2013; a possibly unreasonable plan as it involves close to a third of the population and the lack of power from the state in Vietnam's emerging economic situation (Vo, 2009). Ultimately, both the citizens of Vietnam and the government want to achieve a peaceful and mutually beneficial labor situation but a public shift into free-market thought and private investors who exploit uneducated workers stand in the way (Chau, 2009).

Although pessimistic about the future of labor unions, workers have began fighting for their rights more often due to underpaid and overworked labor situations. The frequency of strikes in the past decade have reached between 600-700 in Vietnam and can usually be attributed to employers violating labor laws and initial labor contracts. Ultimately, industrial employers can reject signing documents regarding minimum wages and worker's rights and there isn't enough enforcement at the corporate level to make sure this doesn't happen. In addition, workers must give 15% of their paycheck as

pension to the socialist party, however, many employers keep this money as they are not officially registered in Vietnam and could account for some of the lack of funds the VGCL has in order to impose their proposed plans and enforce legislation (Chau, 2009). The VGCL has brought some of these companies to court, however, the proportion of those punished and those violating labor codes is low and many foreign companies often hide their companies information from the government, making them impossible to cite and punish.

In order to combat the injustices of many corporate industry owners, Vietnam has implemented a minimum wage plan around four years ago that will standardize wages for workers by 2010, regardless of whether they work for FDIs or in the private sector (Truong, Personal Communication, 2009). Although this plan should be unanimously agreeable, there are those within the national assembly who lobby against it, as they fear economic devastation due to the fact that employees will be paid equal wages regardless of the external market condition, in addition to the social security benefits that many receive. Wage equality continues to be an issue in Vietnam, with women making 85-90% less than men for the same work, while possessing the same qualifications for the job. In addition, age discrimination forces men to retire at the age of 60 (although they can apply to become solely a paid academic and work until they are 65) and women at 55 (Vo, 2009). The value on young men placed by the legislation currently enforced in Vietnam puts a large portion of the population at risk for poverty and must be revised to allow all citizens a fair chance at a sustainable prosperous life.

Today, cooperation with the government parties is crucially important to labor unions in order to have their demands met. Although labor unions in Vietnam have their

own lawmaking department within the government, the labor union at a national level is just one of many associations that fall under the Communist party's jurisdiction (Truong, 2009). Within this system, the labor union faces problems like the clear lack of equal representation for industries throughout Vietnam. It is difficult for problems stemming from the company or district level to receive attention as a strict hierarchy of tiers is in existence, whose main purpose is in managing labor unions at levels below their own. Without ties to those in higher government positions, it is difficult for union leaders to harness support for their cause at a national level. In addition, throughout the contemporary times of the economic crisis, some argue that Vietnam must focus on economic reform before internal political stability and problems dealing with labor unions are just one of many within a broader economic context (Vo, 2009). While everyone wants to achieve stability between employer and employee relations, many believe the power relies in the hands of the broader political system to make this a reality, even though the system may not have the resources or interest to improve the standard of living for these workers at the moment.

While problems within labor legislation exist, there are organizations and NGOs trying to help with the situation and Vietnam is trying to affectively integrate its policies with international labor laws and possess the means to enforce them across industrial sectors throughout the country. Each industry within Vietnam is becoming easier to manage and specific needs can be met through increasing organization based on geographical location and division of labor. International relations have increased greatly since Doi Moi and the separation from the Soviet Union, resulting in many officials from developed countries visiting Vietnam in order to discuss labor laws and provide support

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(Labor & Social Affairs Review, 2009). The VGCL is reaching out to workers with a newsletter encouraging people to learn their rights and unionize and working to pass legislation to improve the standard of living for workers in Vietnam, however, the organization is inherently faced with many disputes throughout the tiers of unions and lacks access to resources capable on enacting lasting social change. In time, we will see how this struggle is ultimately resolved.

Literature Review

To understand how trade unions function and integrate themselves within Vietnamese society, it is important to understand how they amalgamate within the philosophy of socialism, which provides the environment examined in this study. Throughout Marxism, essays on trade unions by socialists and urban theorists like *Gemeinschaft* and *Gesellschaft*, we can begin to understand the way a trade union operates within the socialist system.

The basic formula for creating interest, materials and boosting the economy can be simply seen a combination of labor and property, as both are the core ingredients of producing work. Work, as defined by Arendtian philosophy, describes an ability to build and maintain a world fit for human use, whereas labor sustain human life by catering to our biological needs of consumption and reproduction. Using a sociological lens to analyze labor unions, it is unnecessary to delve into philosophical notions of action and the need to reaffirm to world around us and actualize our capacity for freedom that Arendt as important as the other two categories. Using the aforementioned formula, the “labor” represents the working class and the service they provide, while “property” represents the owners of the factory or land being used, serving as the environment for the labor (Pannekoek, *The Labor Movement and Socialism*, 1908). Neither can operate in solitarily and so they must coexist, mutually dependent on each other.

The philosophy of socialism threatens members of society deemed as the “property” in the equation as the implication of socialism inherently entails that no class exists without property, making previous factory and land owners obsolete at the idea that their personal possessions are now in property of the state (or the general public).

Therefore, those who profit from rent or interest rather than by the production of labor are supporters of the capitalist system under which they benefit from a free-market system.

Although on the surface, labor may seem as a fight for equal wages and conditions, through deeper analysis, the unionizing of laborers is ultimately a fight against the consequences of private ownership, which allow concepts such as unequal treatment, corruption and exploitation to breed unhindered if the ruling party lacks resources or interest to interfere in the situation.

Although a trade union ultimately sells the commodity of “labor power” whilst securing the best market price it can achieve, it is not enslaved by capitalist ideals such as competition. In addition to this, labor unions must also support legality and conform to agreed contracts, ultimately suppressing class struggle (North, Marxism and Trade Unions, 1988). Throughout Marxist conflict theory or *Gesellschaft*’s views on urban sociology, there is the notion that the interests between the ruling bureaucracy and the masses of the working class will always clash against each other, making alignment between the trade union and employers close to impossible. It is due to these difficulties that the trade union can only thrive under the socialist system, which theoretically promotes working class equality through legislation and a property-less system in order to eradicate the need for these conflicts. In theory, socialism is the best system for the labor union to its demands met and increases the standard of living for families within the working class demographic.

By uniting the working class under the banner of the trade union, the workers are monopolizing their labor power, directly conflicting with the basic views of capitalism, a philosophy that capitalizes on lower production costs. In the short term, the labor union’s

goals initially address the fight to protect the rights of the working class and generally improve their standard of living, however, with the ultimate success of a labor union, it will symbolize the fight for a shift towards socialism and a property-less society that inherently benefits the working class (Pannekoek, 1908).

Vietnam's movement towards a free-market economy with the growth of FDI's and the private sector has complicated unionization between industries and pushed Vietnam further from the socialist system the government supports. Urban sociologist Feagin explains that on an international level, the world is capitalist, with countries competing for resources and capital interest (Feagin, *The New Urban Paradigm: Critical Perspectives on the City*, 1998). Unforeseen to Feagin is the exponential increase in communication and globalization that has forced international competition and interdependence throughout all of the civilized world and has inevitably impacted Vietnam and forced it to adapt to the global system.

The private sector within Vietnam is an inevitable byproduct of the new system and the government must develop it in a way that will allow it to benefit the economy by providing jobs and producing exports without exploiting the working class and harming Vietnam's division and infrastructure of labor. In Parsonian terms, the Vietnamese government is no longer a principle actor in how the economy will develop, as it was during its economically fruitful, dominating socialist years but it must rather take on the role of setting an environment where free entrepreneurship and innovation can lead it to be economically successful and increase the standard of living for its citizens.

The study "Industrial Clusters in Asia: Analysis of Competition and Cooperation" by Riedel and Record documents the lives of workers in industrial clusters and analyses

the competition and cooperation of their lives in a broader sociological context.

Throughout their study, they discovered that labor costs in these areas are low, however, utility and production costs remain high while productivity is low. In analysis, they came to the conclusion that free resources, government headed welfare programs and cheap currency are short-term solutions to a large problem. Ultimately, to promote unanimously beneficial economic growth, productivity must increase in a sustainable way, as the byproducts will trickle down into the majority of the public and increase the standard of living for workers and their families. Most importantly, Riedel and Record denote the significance of controlled private sector development, institutional reforms in industrial labor and macroeconomic stability. Comparing their findings with the goals of the VN business forum shows potential, as goals include encouraging social responsibility within the private sector, enforcing business policies and regulations across all businesses and investors and increasing competition to reduce production costs, however, how effectively these legislative goals will be enforced and how they will affect the workers, rather than the economy, remains unseen.

Vietnam became affiliated with the ILO in 1980 and has been trying to upkeep the international labor standards set by this organization. The ILO sets a number of core conventions such as the norm of an eight hour work day, international standards on maternity protection, the right not to work more than six days a week, changing employers attitudes on discrimination through education and legislation and the right to equal wages and distribution of wealth within a community (ILO Office in Vietnam, microfinance.org.vn). While labor unions in Vietnam are working on limiting work days and focusing on wage equality (between industries, not individuals) there are still

inherent problems in discrimination (age, sex and the disabled), as well as an inability to control labor practices by many foreign companies and companies within the private sector. The retirement age in Vietnam for men is 60 and 55 for women, after which they will be left without any retirement benefits unless loyal to a single company for 20 years, after which they will receive minor insurance stipends monthly (Truong, 2009). As a vast majority of the elderly is living with their families, either out desire or necessity, the retirement benefits in Vietnam do not allow independence for those who are legally too old to work. In addition, child labor throughout Vietnam has doubled in the past decade, predominantly throughout rural areas where labor standards are even more difficult to enforce (Labor & Social Affairs Review, 2009). If a child enters into the labor market, there is no time for a proper education that could result in vocational training and will ultimately trap the child doing simple work for low pay for the rest of their life.

Unfortunately, many rural families sadly and logically hold the belief that they will die without food and money, rather than without education, continuing this cycle until government intervention can solve the problems associated with child labor (Labor & Social Affairs Review, 2009). Sex discrimination is clearly seen in Vietnam, as a woman makes 85-90% less than a man for the same job with the same qualifications (Vo, 2009). While the intent from the ILO and the labor unions exist to change some of these problems, there is a recurrent lack of interest or resources at the national level.

Workers unrest can be seen throughout the recent strike within one of Ho Chi Minh City's largest taxi companies, Vinasun Taxi. Unlikely published within the Vietnamese news circuit, a few articles describing the situation have been found from Cambodian and English newspapers. The core of the problem was caused by the fact that

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Vinasun Taxi Company had broken labor contracts signed by its laborers, resulting in underpaying wages, which were especially harmful throughout the recent economic crisis (lookatvietnam.com). The articles report negotiations throughout the three days that many workers refused to work, parking their taxis outside of Vinasun's headquarters. The deputy chair of the HCMC Federation of Labor, Troung Lam Danh has promised to help the laborers sue the company following the strike if desired and has reinstated that the strikes were caused by broken contracts regarding wage, work hours and working conditions (thanhniennews.com). The articles provide a basic overview of the conflict with minor government assurance the problem is being worked on to ensure positive outlook for the future of the workers from this corporation.

Unemployment in Vietnam is a statistic difficult to accurately estimate due to the amount of people who are unregistered or self-employed, especially due to the 73% of the population living in rural areas (worldbank.org). To combat unemployment, the ILO has devised plans to educate laborers in the area of collective bargaining in regards to flexible hours, wages and negotiations involving lay-offs. In addition, the ILO has advised the government to focus on demographics of workers within agriculture and workers vulnerable to exploitation (informal labor, women and children). Finally, similar to most other NGOs, microfinance programs have been administered in rural areas, improving access to bank credit and empowering women.

In a case study by the ILO, an initiative known as the "Factory Improvement Programme" is put in place at the Minh Tam Garment Company and Garmex Saigon in Ho Chi Minh City. The program's ideology points out that employees are "the center of all improvement activities" and improving conditions and the standard of living for

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employees will improve performance within the company. Throughout the application of employee welfare in these two companies, production quality increased 30% and errors made within assembly and production were reduced from 50% to 10% (Labor & Social Affairs Review, 2009).

MoLISA (Ministry of Labor, Invalids and Social Affairs) has begun establishing another plan focused at local levels of labor to improve conditions for workers. The program focuses on providing quality vocational training for workers so they can access a wider range of employment possibilities, rather than unskilled labor they are forced into after migrating from rural areas, predominantly without any formal education. The program aims to change industry demands over time by strengthening the labor market and skills demand information. In addition, the program institutes entrepreneurship training in accordance with the large youth population in Vietnam, however, it is not supported by government organization MoET (Ministry of Education and Training). Apparently, the will to reform labor in Vietnam exists throughout the ILO and other NGOs, however, the scale of help they can provide is dwarfed by the potential the government could enact into the situation if administering the effort (Labor & Social Affairs Review, 2009).

Methods

To find all the information necessary for the background information, I combined various sources regarding the issue. Although very little literature on the evolution of the labor union in Vietnam was available in English, I had to use information gathered from Chau Nhat Binh, the representative at the VGCL to produce the majority of it. Although he was inclined to present information that was likely partial to the North of Vietnam, especially during the conflict between the North and the South, his historic recount was very interesting and informative. To compliment this, I described current legislation and labor practices in Vietnam, through the use of interviews with Mr. Truong and Mr. Vo; as well as literature and government websites regarding current labor laws.

Information regarding sources for the literary review were gathered through print and online materials, found in the bibliography.

In order to conduct the interviews with officials and academics regarding labor unions, the meetings were arranged through the prior connections, help and translations of Mrs. Thanh. For the interview with Mr. Truong, I required the use of a translator; resulting in the ideas he expressed to possibly contain minor inaccuracies in tone or detail.

The meetings with taxi drivers were not pre-arranged and are a result of random assignment. They were requested to drive for an undisclosed amount of time, until all questions were asked. None rejected and were very willing to accept a large fare and an opportunity to discuss their situations to a party outside of their peer network. In addition, minor discrepancies may arise due to fact translators were needed.

Findings

In order to garner a more accurate view about the life of workers in Vietnam, I conducted extensive interviews with three different Vinasun taxi drivers chosen at random. This company was chosen due to the large-scale strike in September based on a violation of labor contracts regarding wages. The following consists of summaries of these conversations describing their daily routines, attitudes about the work environment and commentary on the recent strike against their employer. Their names have been concealed at their request and best interest.

Interview #1:

During the strike, this driver was hired as an apprentice in order to combat the numbers of drivers refusing to work. He had applied to work for Vinasun before but his application was put on hold until the company needed replacements throughout the strike. The strike lasted throughout Sept 15th-18th, but he is unsure which of these days he was hired.

The hours he works are typical of all Vinasun drivers, whereas they must complete a 24-hour shift (5 a.m.-5 a.m.) every other day, consisting of 15 working days per month, working between 72 and 96 hours per week. Two consistent drivers continuously use a single car and exchange ownership of said vehicle each day at 5 a.m. Prior to the strike, each driver had to drive between 150-180km per day (with or without customers) and pay for their own gas out of pocket (although, the costs were marginally minimized by Vinasun Corp, who paid for 2-3% of their total gas bill to combat the economic crisis). The salary of the driver was based on revenue generated by their vehicle during their shift, allowing the driver to keep 49% of profits.

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Following the strike, this driver was part of the 50 apprentices that the company did not fire, of the total 100 apprentices that were hired to combat the strike. The outcomes of the strike were two clear and distinct changes in the way the workers would conduct labor. First, the percentage of the funds they are allowed to keep from the day was increased by 3.5%, raising the total percentage of salary based on daily revenue to 52.5%. Second, and more importantly, the daily kilometer minimum and cap were both erased, leaving more power to the drivers to decide how much to earn, how much to drive and where to go to find their fares.

Although he cannot compare the current wages to how they were prior to the strike, he admits they are sustainable for his lifestyle (however, he is single and solely supports his own lifestyle). After subtracting fuel costs, he averages a monthly salary of 4 million VND. The reduction of km limit is the most helpful to himself and his co-workers, as some days they are unable to find many fares and would reach the km limit, resulting in no profit, requiring more money to go to fuel costs. He is constantly worried about fuel prices rising after a recent spike in liter price by 800 VND, while his salary remains stagnant and his constantly unstable income perpetuates these fears. In addition, following the strike, Vinasun no longer pays the 2-3% of fuel costs they used to in order to combat the economic crisis. Although the future holds many doubts, currently he is surviving without much difficulty, although the hours of the job are truly punishing.

Throughout his usual workday, he is required by Vinasun to produce 600,000 VND in fares as a minimum, of which he now keeps 52.5%. However, in order to procure a reasonable living situation, he sets a personal goal of 1.3 million VND, which if achieved early, he can turn in the taxi and go home (although this situation is rare). If a

driver does not make the 600,000 VND for a few consecutive days, Vinasun will typically fire the driver. The reason for these high personal goals is due to the fuel costs, which range between 200,000-250,000 VND for four-seat taxis and 280,000-300,000 for seven-seat taxis. Therefore, after reaching his goal of 1.3 million VND, he keeps about 400,000 VND for his unreasonably long shift.

In addition to the costs he must pay for fuel, the driver had to pay 4.5 million VND for a 9-month driving course to gain his license before he could apply for his position (currently, the price is 8 million VND and a one-year course). During his time as a driver, he is also subject to driving and parking violation tickets due to the heavy amount of time spent driving throughout the week. Some parking tickets will be paid for by Vinasun, after being reviewed and determining how much fare money they have made as a result of the violation (usually as a result of stopping in heavily populated areas with restricted parking). It is unclear how expensive these fines are and how it impacts his paycheck, however he had noted that he has received a few of these fines since he began working.

Incurring about the causes of the strikes, he denotes the main reasons as the increase in fuel prices and an unfair percentage of salary in relation to the fares made by the drivers. Strangely, my interviewee didn't believe the employees of Vinasun nor the labor union they are involved in initiated the strike. He suspected an "invisible hand" as responsible for inciting the strike due to the fact that around 200 taxis were damaged throughout the strike. He didn't understand why a driver would destroy his own vehicle, essentially describing the taxi as a necessary tool for sustaining yourself, as a means to protest. Instead, he suspected other taxi companies damaging the vehicles in order to

give the appearance of a protest and fooling many employees to take part in it. This was done to hurt the reputation of Vinasun, as he explained that many Vietnamese people would not support a company with unrest within it.

In regards to the labor union's position in this conflict, the driver believed that they played almost no part in negotiations at any time during the issue. Although he is not a member of the union, many of his co-workers are but almost never organize or discuss issues due to their vigorous labor hours (half of the employees are working at any given time). In addition, the head of the labor union at the company level is not appointed by the workers, but rather the company, and although giving the appearance of siding with the workers, he ultimately must choose to side with the company in order to keep his job. The labor union appeared to fulfill its role after the conflict, serving as a peacekeeper between the employers and the employees, attempting to assure the workers that they will receive the benefits they have fought for. The strike ended when 70% of the workers were satisfied with the new conditions, however, he estimates that 30% of the current employees still want to continue the strike. He notes that he has had no issues with Vinasun since beginning employment and feels that it may be likely due to the his hiring situation and accepting to work at a time when the company really needed him.

Interview #2

The second interview with a Vinasun taxi driver addressed a similar set of questions, however, more refined to focus on the labor union and the recent strike as much of the regulation and typical work practices were described adequately in the

previous interview. This driver did not participate in the strike but has reviewed and discussed the events with his peers enough to form his own ideas about what happened.

This driver believed the strike to have been caused solely by Vinasun taxi drivers, who voluntarily damaged their own vehicles to protest their violated labor contracts. Ultimately, a conclusion was reached that was reasonably satisfactory to both parties with minor help from the labor union within the company, addressing issues from the workers to the company and conducting negotiations. In conclusion, the Vinasun Corporation has promised not to punish the workers who took part in the strike as well as agreeing to reimburse costs for fixing damages caused to taxis during the strike.

As of now, nearly three months have passed and the Vinasun taxi strike is out of the news and out of people's recent memories. The reputation that was potential hurt has been restored and the company has been taking advantage of this position. Although the drivers were ensured by the labor union at the city level that the company's promises at the end of the strike would be upheld, this has not been the case. The drivers who participated in the strike have not been reimbursed for the damages done to their cars and the company has refused to renew their contracts as they run out (essentially firing the workers). Due to instances such as this, the driver has refused to join a labor union of any sort, as he believes that their actions usually do not reflect their words. Throughout the experiences of his peers, he has seen labor unions side with higher powers rather than the workers and would not want any union he has encountered thus far to claim that it represents his interests.

Interview #3

The final extensive interview was conducted with an older taxi driver, who has been in the taxi business since his youth and is currently in his 10th year working for Vinasun. Throughout his protracted career, he has created a peer network spanning across several different taxi companies, as he noted that most people working as long as he has have moved between several employers. However, in addition to his experience, he has become increasingly less willing to discuss matters of policy and politics within the infrastructure of the taxi business in Vietnam.

He has faith that labor unions are representing the interests of him and other workers, throughout the different tiers in which they may appear. As he has a family to take care of and is approaching retirement, he has no interest in meddling with risky affairs and did not take part in the strike. He believes in the potential prosperity of Vinasun, as they are already an established business in Ho Chi Minh City and continue to improve the comfort and convenience of their service over the years.

He was more inclined to discuss more personal aspects of his life, regarding his attitude towards his job and his life outside of work. He has worked the ludicrously long shifts required by Vinasun and some other taxi companies for several years and although he has become accustomed to it, he believes the job is too time consuming and would like to spend more time with his family. Recently, he has saved enough money to take his family on holiday where he will use his taxi to bring his family to his hometown to celebrate the Tet holiday. Unfortunately, he must turn this vacation into a day trip, due to the need to return the company car at 5 a.m. and must pay the minimum 600,000 VND the company expects the car to earn in fares upon return to Ho Chi Minh City.

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Ultimately, he has reverted his shift from the social reform he found interesting in his youth to a much more subdued role in his later years where he realized he must live with the reality he is faced with and ensure a good standard of living for his family, regardless of the costs.

Interview #4:

This interview was conducted with Chau Nhat Binh, the Deputy Director of the Int'l Department at the VGCL; the highest ranking labor union in the country of Vietnam. Mr. Chau provided me with his version of the changing roles of labor unions throughout the conception of the first official labor unions up until current times (largely used for the background section). In addition to the extensive history he provided me with, he shared his views on the current institution of the labor union and his hopes for the future in terms of legislation and economic prosperity. Finally, he recommended organizations dealing with labor unions and worker's rights as well as the issues they are being faced with today.

Interview #5:

This interview was conducted with Vo Tri Thanh, the Director of the Department for Trade Policy and International Integration Studies at CIEM (Central Institute for Economic Management) in Hanoi. Although primarily an academic on economics in Vietnam, he addressed issues involving labor unions and explained the general structure

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of the labor union and its relation to the socio-political structure within Vietnam's infrastructure. As Vietnam begins to be more influenced by the free-market structure and develops larger proportions of FDIs and companies within the private sector, the labor unions must shift their roles to integrate into these new systems without too many problems. In addition, he presented his own views about wage equality and the over-representation of workers in Vietnam, these issues being detrimental to Vietnam's progress economically. He expressed his firm beliefs in economic reform as the principal action that must be taken, before focusing initiative on the problems of lower classes and controversial legislation. Finally, he concluded the interview with his beliefs on the pros and cons of the current system of rights for laborers and elucidated his concerns with labor unions in contemporary times.

Interview #6:

The final interview conducted was with Truong Lam Danh, Vice President of the labor union at the city level in Ho Chi Minh City. Mr. Truong enlightened me on the structure of labor unions in Vietnam, which consist of several levels from the company level all the way to the national level (VGCL). It is difficult for complaints or information to travel upwards through the tiers, as the jobs of the superiors are to provide tasks for, manage projects and micromanage the tiers below them. In addition, the lower the tier, the larger the pool, the more employees they possess, of which higher ranked tiers of labor unions may draw upon and promote excelling workers, to ensure that the best employees are in charge of more important matters.

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He is very positive in his abilities to incite change within the government, noting that there is a special private department reserved for labor law legislation, which he is directly involved in. He does not worry about exploitation involving private and foreign companies hiring migrant workers from rural areas and believes that exploitation has been eradicated from the Vietnamese labor structure as the same rules are applied to foreign and private companies as those run by the government. In addition, he explained to me that a labor union must exist within a company if it is in operation for six months, requiring that the labor union is unaffiliated with other companies and there are at least five people working in the union. Throughout the legislation he and his colleagues have worked on, he assures me that he is utterly confident that labor problems rarely exist throughout Vietnam.

In regards to the Vinasun taxi strike, I was assured that it was not a strike and that Vietnam has never had a strike throughout its long history with labor unions. His beliefs on the labor contract violations were different than those of the taxi drivers I spoke with and believed that the actions carried out by the taxi drivers were not strong enough to warrant the event as a “strike”. He described the taxi drivers as refusing to work in order to negotiate, ultimately, being successful at having their demands satisfied by Vinasun and their promises enforced at the company and city level of the labor union.

In conclusion, he looks positively to working with the ILO to improve the knowledge of workers in regards to labor unions, future international connections, awareness of labor systems and its advice to Vietnam based on globally changing market systems. Mr. Truong is a strong advocate for educating workers, as they can only fight for worker’s rights effectively through understanding legislation, building strength

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financially and unity and through adequate worker appointed representation. His views coincide with traditional socialist thought about the purpose of the labor union, however, refusing to discuss problems with the newly emerging systems that will inevitably change labor relations in the near future.

Conclusion

Vietnam has been placed in a unique position based on its history, its role in the global market, social attitudes and form of government; all of which affect the way labor unions are run within the country. Labor unions are a youthful institution in Vietnam, having existed for less than a century and have already seen the fall and rise of empires, changing government structure and globalization, essentially preventing the institution from finding a comfortable niche within the social system and allowing it to thrive based on understanding the system it exists in. The emerging free-market system it is facing now further complicates its expected role as part of the socialist thought it has expected to become integrated in. Further divided by exponentially increasing foreign investors and private sectors, it is difficult for the labor union to craft a unanimously applicable set of guidelines for success as has been seen throughout my study.

Although the legislation to improve worker's conditions exists, the workers in the companies are unrepresented as unrest and misrepresentation exists even at the company level. As strikes in Vietnam increase in frequency, measures must be taken to reduce these numbers and as they are not dealt with appropriately, they will continue to rise. A lack of resources or interest exists in higher tiers that do not ensure that regulations, labor contracts and company promises are enforced. As higher tiers of government work towards improving conditions, the gap between them and the typical Vietnamese laborer is so large that they are ultimately detached from the situation, not realizing the urgency of their needs and becoming unaware of problems within the company levels.

Labor unions are essentially a Marxist idea being implemented into the socialist system and should have no problem being integrated into Vietnamese society. The goal

of the labor union is advancing the standard of living for those involved by becoming involved with the legislative process. Unfortunately, through misrepresentation and newly emerging labor markets, the system incites a lack of interest and allows room for exploitation, respectively. Faced with a difficult situation without many options for those in the lower class, the workers must hope for radical social change or a fundamental change in government structure, depending on a fundamental shift in thought or an increase in resources to make change a reality.

Throughout the case study with the Vinasun taxi drivers, it is apparent that they are unhappy with business practices even following the strike. The hours of the workers are abhorrent, the labor union lacks substance due to its nearly coerced views aligned to its corporation heads and promises made by the company following the strike are being broken as the issue fades out of the public's recent memory and into obscurity. The workers interviewed were fearful of the loss of their jobs and subsequently did not take part in the strike and are not affiliated to the union due to personal views and a lack of time due to the unrelenting working hours. Those who held positions capable of making change were optimistic for the future and often avoided specifically discussing the issues, possibly showing detachment from the pleas of the working class. In evidence, the labor unions misrepresent the common worker and the working class is ultimately suppressed by a system that should ultimately promote empowerment of the laborers.

Further research on the topic is necessary to draw a clear conclusion and many more interviews would need to be done on ground and national levels. In addition, examination of another company faced with unrest within their laborers or even one that is progressing and integrating within the emerging systems without difficulty would

certainly be helpful in developing conclusions on this issue. Clear limitations within this study were the one-month time limit, difficulty in reaching those in managerial and government positions, in addition to their general aversion to discuss the issues and a lack of full understanding of language and culture in Vietnam. This study could greatly benefit from an increase in subjects and greater time limit to research this issue, although I believe that it has identified the major issues in Vietnam and successfully captured a genuine sense of apathy and helplessness among the laborers in regards to enacting social change through the use of the labor union. These sentiments are the most important to the study, as laborers have no incentive to hide their true feelings as their feelings towards their company do not reflect their feelings for Vietnam, whereas a government position may be more inclined to shy away from a topic that shows flaws within Vietnam's general infrastructure. Although further research would be crucially helpful and clear limitations can be seen, general notions of instability and a lack of national support can be distinguished among the working class on the topic of labor unions.

It is unclear how labor unions in Vietnam will fare in the future. As currently, the labor unions are unsuccessful in representing the workers and it is unknown how strong the presence of the national level of the labor union is within the government and how effectively its capacity is at shaping legislative reform. Through cooperation with the ILO and other organization focused on workplace reform, the standard of living for Vietnam's laborers could ultimately improve as the country continues developing economically and becomes increasingly interdependent in the global market. It is also possible that the framework will continue to change throughout globalization, making it increasingly difficult to create an effective labor union and workers will continue to be

exploited at the hands of foreign and private companies, unsupported by labor unions at all levels incapable of solving the problem. In true Marxist spirit, hopefully the workers will unite and assume their role as the key actors in shaping the system that should benefit their class the most.

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