Abstract of Workplace Dispute Resolution in Vietnam


Abstract:
The paper examines more than a decade of strikes in Vietnam, moving from a period of relative industrial peace to a strike wave. Using statistical data, it argues that the Vietnamese state’s macroeconomic policy and inability to control inflation are partly responsible for the country’s deteriorating conditions, as is capital exploitation. Foreign capital’s increasing impatience with labour disturbances is forcing the Vietnamese government to suppress strikes, but thus far the Vietnamese government has shown no signs of doing so. As excerpted by the authors, “Vietnam has witnessed more strikes than any other Asian country in the past decade, despite its vibrant economy. However, this regular industrial action has not deterred foreign investors from setting up manufacturing facilities in the country, as wages are about half those of China. Beneath the wildcat strike culture lies a deterioration in living standards to the extent that some Vietnamese workers have to conserve energy due to inadequate food and malnutrition.”

This article poses the fascinating question as to why some enterprises have strikes and some do not. More specifically, why do Vietnamese-owned factories have fewer strikes than foreign-owned factories? “In the past, workers went on strike mainly because of low pay, wages in arrears, long work hours, and abusive management. Today, neither economic nor cultural conflicts are always the main reasons for labour disputes. This research suggests that Vietnamese middle management have established effective channels of dispute resolution through which workers can air their grievances. In addition, Vietnamese firms contain trade unions to help diffuse grievances, and Vietnamese managers tend to be more responsive to complaints. In contrast, foreign-owned factories have more abusive managers and do not have a union to assuage labour unrest. Many Asian owners do not recognise that Vietnamese workers are more aware of human rights than workers in other countries, and do not accept harsh treatment.”

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