The Vietnam Strike Wave

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In 2011 Vietnam has riveted the world's attention not only in its vibrant and impressive economy, but also in its unrelenting strikes sweeping through the whole country. Just the first eight months this year, about 800 strikes have been recorded. This unprecedented amount of strikes has become the signature issue in Vietnam's industrial relations in 2011.

Before 2006, strikes in Vietnam, though having increase, were still moderate. The amount of strikes hovered around 140 cases per year. However, since 2006, Vietnam's strikes have started gaining impetus – just in 2006 there were 387 strikes a year, about 2.5 times recorded in 2005. The figure continued to grow in the next two years, with 541 and 762 strikes recorded in 2007 and 2008 respectively. Despite dipping down to 310 cases in 2009 due to the aftermath of global economic recession, yet it quickly re-gained its momentum to climb again in 2010 and 2011. On average there were about four strikes broken out weekly in the country. This amount of strikes has been unprecedented in the history of Vietnamsince the *Doi Moi* (renovation) program launched in 1986.

Characteristics of Strikes in Vietnam

Not only has the amount of strikes in Vietnamimpressed people around the world (especially foreign investors in Vietnam), the pattern of Vietnam's strikes has also become a puzzle to them, including Vietnam's government officials. Let's look at the characteristics of strikes in Vietnamin turn:

1. *Illegal strikes*: all strikes nowadays in Vietnamare illegal, and thus all of them are called, "wildcat strikes". Under Vietnam's labour law, strikes are not organized by official trade unions are illegal. But Vietnamese workers never go to the unions when they go on strike; instead, they just strike whenever they are discontented with their work conditions.

2. *Peaceful strikes*: another peculiar characteristic found in Vietnam's strikes is their

peaceful nature. Rarely have we heard of very violent strikes broken out in Vietnam. Vietnamese strikers, when they go on strikes, usually gather outside factory gates without generating big disturbance in the region, and thus local police also rarely suppress strikes. This peaceful feature has to be contrasted with other Asian's developing countries, notably China; China's strikes are usually violent and most of them turned out to be cracked down by local police.

3. *Leaderless strikes*: it is hard to find any organizers in Vietnam's strikes. At least, there are no open leaders, organizers or strike committee in every strike. Because of this, workers' demands are usually articulated when local government officials or trade unions asked in front of a large crowd of strikers. After that, local officials and trade unions, after knowing workers' demands, bargain on behalf of the workers against factory employers.

4. *Strikes with sympathetic press coverage*: local press also plays a role in Vietnam's strikes. Local news media, especially those pro-workers' newspapers (e.g.
The Labour
and
The Labourer
), usually send their reporters to the spot of strikes as quickly as they can. The reporters often interview strikers by asking their demands and their working conditions in the factories. In the end, most news reports are so detailed that not only workers' demands are reported, but also the whole process of strikes (including the bargaining process and the results of each round of bargains) is covered.

5. *Repeated and Routinized Strikes*: last but not the least feature of Vietnam's strikes is its repeated and routinized pattern. Strike experiences are common among Vietnamese workers, especially those working in foreign invested enterprises. Repeated strikes can be mounted in the same factory and strikes have become routinized. For example, in one of the Taiwanese owned footwear factories, the Hue PhongShoe Company, which is located in Go Vap district, Ho Chi Minh City, five large-scale strikes has been recorded repeatedly in 1997, 2000, 2001, 2005 and 2008 in just a decade. In this sense, Vietnamese workers are used to strikes and strike has become workers' effective bargaining tool to improve their working conditions.

Explaining the Vietnam's Strike Wave

Why are there so many strikes in Vietnam? The answer can be found by studying Vietnam's

macroeconomic situation. Since 2005, Vietnam's economy has suffered from double-digit inflation. In 2008, the average consumer price index (CPI) has reached 25 percent; in particular, when price index is measured in terms of major foodstuff (CPIfood) the figure peaked at 31 percent in 2008. Vietnamese government seems have no way to control this runaway double-digit inflation in the past five years. The only way they can ease workers' hardship is to adjust the legal minimum wage. However, although Vietnamese government has adjusted the legal minimum wage year by year with substantial increase, the increase in minimum wage still can't catch up with the rise of inflation, thus resulting in workers' declining living standards. That is why most strikes demand substantial increase in wages. Workers simply want to have more wages to upkeep their living standards.

Indeed, should the Vietnamese government still be unable to control the runaway inflation (in just first seven month this year, inflation has climbed up another 25 percent already), more strikes are expected, and strikes originated from economic demands can easily turn political – at that time, the present authoritarian regime in Vietnamwill be seriously challenged.