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The Third Sleeve

Emerging Labor Newspapers and the Response of the Labor Unions and the State to Workers' Resistance in Vietnam

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This article focuses on how the Vietnamese General Confederation of Labor (VGCL) responds to workers' strikes. A complex, non-monolithic VGCL has developed a "third sleeve," its dynamic pro-labor press, which plays strategic mediating roles among the state, labor unions, and management. The labor newspapers use their forums to champion workers' rights and interests and empower labor unions that negotiate with state bureaucracies and management on the workers' behalf. Simultaneously, the labor press must respond to policies and agendas of the VGCL and the state, which still hold to their power to monitor and control workers' collective action.

As foreign direct investment (FDI) increases in Vietnam with its recent membership in the World Trade Organization (WTO), many workers continue to suffer the consequences of substandard working and living conditions that have developed through these investments. How can labor relations be organized in a way that will allow workers' interests and rights to be recognized and acted on in a one-party state system run by the Vietnamese Communist Party? What is the role of the Vietnamese labor unions, still under this one-party government, in response to labor organizing in an expanding market system? What are the responses of labor unions in export processing zones (EPZs) and of local labor newspapers?

Conscious of common skepticism by scholars about lack of union independence in a one-party government, this article focuses on the extent to which the Vietnamese General Confederation of Labor (VGCL), still the only nationwide general labor

Author's Note: I would like to thank Sarosh Kuruville for his encouragement to establish clearly the case of Vietnamese labor unions and labor organizing, and to Kate Bronfenbrenner for the Global Unions Conference that inspired this article. Thanks are also given to Bruce Nissen and the reviewers of the *Labor Studies Journal*, who helped shape the arguments and structure of this article. Last but not least, my deep appreciation to my partner, Joe Lubow, whose faithful support saw me through this whole project.

union, responds to workers' spontaneous strikes. What I found is *not* a simple black-and-white, monolithic one-party state controlling the labor unions, but a much more complex and dynamic situation in which the labor unions, both central and local levels, have been creating their own space. This article argues that the labor unions themselves are also not monolithic in their relations with workers and management; they are strengthened by their official media arms, the labor newspapers, which play strategic mediating roles.

On one hand, these dynamic pro-labor newspapers use their forums effectively to champion workers' rights and interests and empower the labor unions to negotiate with state bureaucracies; on the other hand, as official forums of the labor unions, the labor newspapers must disseminate and respond to the policies and agendas of the labor unions and the state, which still are holding on to their power.

A second article to be published in a subsequent issue of this journal, on the minimum-wage strike wave (which took place at the end of December 2005), demonstrates in greater detail the mediating roles of the labor newspapers in response to workers' spontaneous collective action, which then triggered concrete response from the labor unions and the state. The victory of a long-overdue 40 percent increase in the minimum wage in foreign-invested companies and its aftermath provides a concrete case study on how labor organizing can still be successful in a one-party state system, and how labor unions with their dynamic pro-labor newspapers can respond positively and effectively to the workers' plight.¹

Overall, since strikes were legalized in 1995, more than twelve hundred strikes have erupted as of this writing. While there is a discrepancy on the number of strikes from different sources, which may be because of different ways in which strikes are defined, most sources agree that most strikes occurred in the FDI sector and that most strikes were spontaneous and without labor union leadership. A surge in strikes in the FDI sector over the past ten years can be explained by an increasing number of FDI companies in Vietnam and a shrinking number of state-owned factories (state workers do protest but take on more subtle forms such as petitions and complaint letters sent to local labor newspapers, labor unions, and state bureaucracies). In labor-intensive industries, such as garment/textile and footwear manufacturing, most FDI ventures come from Taiwan and South Korea (on the top five investors' list in Vietnam as of mid-2006). Most of their factories are in the south of Vietnam, especially Ho Chi Minh City (HCMC) and industrial provinces such as Binh Duong and Dong Nai, where one witnesses a concentration of strikes.

To analyze how the VGCL adapts its structure in response to strikes, a conceptual framework of global flexible production and global resistance in Vietnam is needed. Understanding how different levels of the Vietnamese labor unions and their media arms respond to explosive strikes can contribute to the literature on workers' movements and labor-management relations.

Conceptual Framework on Flexible Production and Global Resistance

Unequal power relations between labor and capital characterize the global division of labor in the multilevel subcontracting system (Frobel, Heinrichs, and Kreye 1980; Nash and Fernandez-Kelly 1983; Gereffi and Korzeniewicz 1994; Tran 1996). In that framework, giant foreign retailers, corporate buyers, and trading companies in developed countries control the designs, specifications, and brand names. Most retailers and producers in industrialized countries – Europe, North America, and Japan – no longer manufacture consumer products in their home countries but source these products from global suppliers, including many from East Asia.

According to the multilevel subcontracting system, these East Asian global suppliers, or East Asian multinational corporations (MNCs) had moved assembly operations out of their home countries, becoming input producers and global suppliers for the western MNCs. They supply inputs and raw materials, based on corporate buyers' designs and specifications, supervise workers, manage the manufacturing process in developing countries such as Vietnam, and then ship the finished products to final destinations in developed countries. Their concentration in HCMC EPZs explains why most strikes that erupted in December 2005 occurred in East Asian companies.

Flexible production explains this production organization and labor process prevalent in Vietnam and other developing countries (Deyo 1997; Tran 2001). This manufacturing system consists of essential elements of Fordism (such as mass production and assembly line systems of the early to mid-twentieth century) and flexible subcontracting, a key feature that did not exist in Fordism, hence post-Fordist. Just-in-time input delivery, manufacturing of small orders to save inventory costs, and quick turnaround times, necessitating a lot of overtime, are key features of flexible manufacturing. Regarding the labor process, the Vietnamese workers' plight is similar to that of garment workers in other Southeast Asian countries, such as Taiwan, South Korea, and Singapore in the 1970s, and Malaysia and the Philippines in the 1980s. It still reflects Fordist requirements of a low-skilled, compliant, and docile workforce in manufacturing processes fractionalized into minute details. But the post-Fordist elements, flexibility and compliance, make the working conditions even worse than before: workers bear the costs of flexibility, while management accumulates the benefits. Workers have to work overtime in peak seasons (June-August, November-December) while not having enough work in slow seasons, and to accommodate all production fluctuations to ensure on-time delivery (Tran 1996). When imported inputs arrive late, workers have to work around the clock to finish assembling products to meet the factory's delivery schedule. So, such overtime work pressure with inadequate compensation, very common in labor-intensive industries such as textile/garment and shoes, is one of the key reasons why workers went on strike.

The Fordist mass-assembly element is still reflected in huge factories employing from several thousands to over 45,000 workers (as is the case of Pou Yuen, a Taiwanese shoe factory in HCMC). In flexible production, global employers often hire neophyte and young female workers. Working conditions are often substandard: no on-site health services for workers who pass out because of exhaustion from overwork, inadequate meals within work shifts, poor overall sanitary conditions, insufficient meal time (less than thirty minutes, because workers have to hurry back to work), and limited restroom trips (workers are fined if they need to go more often) (Huynh 2005; Tran 2002).

Under such horrendous working conditions, workers face negative health consequences and on-the-job accidents (Huynh 2005). Some common workers' complaints include: "All we know are the factory and the dorm room!" (a response of a young female worker in a Northern port town to a *Labor* journalist when asked what she would do on her day off, Sunday); or "having to leave for work before the sun rises, and return home when the sun sets long time ago" (comments of workers in EPZs and industrial zones in HCMC) (*Labor* June 2004, September 2004, January 21, 2005; Huynh 2005).

Most workers have no say regarding the product, the production process, or the wages paid (Harvey 1990; Ong 1997). In the garment/textile industry, most workers are paid by the piece, not by the hour, but they also have to fulfill high daily quotas. In the shoe industry, their basic salary is based on the minimum wage. Most workers absorb the training costs themselves by practicing these simple tasks in their own time so they can meet the daily quotas and increase their productivity (Tran 2001).

The most common workers' complaint is that their rights stated in the collective bargaining agreement are not being met at the workplace. They range from not receiving wages on time and in full, unclear policy on raises and bonuses, not being paid adequately for overtime work, partial social security coverage, delay in signing long-term labor contracts even after the worker's probationary period ends, being laid off without legitimate reasons (which often happened to labor organizers), no sick leave, and not implementing special stipulations for women workers (rest time for nursing infants, maternity leave, menstruation). Given very low piece-rates and frozen minimum wages in FDI companies (1996-2006), workers expect to receive more than those basic rights to make a living. Their interests, often violated, are based on agreed-on benefits *beyond* collective bargaining agreements; they include raises and bonuses, overtime compensation, and so forth. Thus, transparent policies on raises, bonuses, and overtime work are especially significant to workers when their basic salaries/wages do not make ends meet. This distinction is important when we analyze the rights-based and interest-based disputes in the context of the new strike law discussed below.

Does just-in-time flexible production in the new international division of labor weaken labor movements? Yes and no. Alternative interpretations of the "race to the bottom" thesis shed light on the important roles of the state, labor movements, and labor unions. One interpretation of the "race to the bottom" debate in

wages and working conditions is negative: hyper-mobility of capital-moving production around the world weakens labor's bargaining power worldwide and de facto weakens state sovereignty, defined as states becoming incapable of controlling capital flows or protecting workers' rights. The movement of capital is true to some extent, as can be seen from China to Vietnam; within Vietnam, there is a trend of FDI companies setting up factories in smaller provinces (and even the countryside) to take advantage of even lower minimum wage rates (Ms. Tuyen, interviewed by author, August 2006).² However, this capital mobility would have to contend with local unions and labor newspapers, whose proactive role will be unfolded in the minimum wage strikes article.

Also, as networks of temporary subcontractors and help agencies replaced the once-stable working class, labor organizing is weakened (Silver 2003). However, this is certainly not true in Vietnam, because workers do find space for resistance to protect their rights and interests, as will be demonstrated in the minimum wage strikes article.

The impact of industrial capital relocation has been far less "unidirectional" than the race-to-the-bottom thesis suggests. Evidence in Spain, Brazil, South Africa, and South Korea shows that while labor has been weakened in the locations from which productive capital emigrated, new working classes have been created and strengthened in the new sites of investment, producing powerful new labor movements rooted in mass production industries, which improved wages and working conditions. Furthermore, these perspectives recognized the roles of unions and labor-affiliated parties, as well as possibilities for the states to be participants in setting up new frameworks through which globalization is furthered (Silver 2003). The role of the still state-controlled VGCL, albeit gaining some autonomous agenda at times, distinguishes itself from independent labor unions in Spain and South Korea, thus contributing another case study to the labor resistance literature.

This article supports the alternative interpretations of this debate by demonstrating that Vietnamese migrant workers have formed a sizeable force in or near EPZs, and their open protests can create a challenge to capital in flexible production. As such, this article contributes the Vietnam case to the study of labor union rights in EPZs, rights that do not always exist in many parts of the world (such as EPZs in the Philippines) and thus tend to go unrecognized by scholars in labor studies (Froebel, Heimichs, and Kreye 1980). In the context of a so-called "workers' state," forms of labor protests in Vietnam are different from those in nonsocialist states such as Malaysia (Ong 1987, 1997) and Thailand (Ungpakorn 1999, 2003). In the near future, I will conduct a comparative study between Vietnamese and Chinese labor resistance to contribute to an existing literature on labor studies in China and Vietnam (Perry 1993; Lee 1998; Chan and Norlund 1998).

Emerging Vietnamese migrant labor patterns of activities take root in new sites of foreign investment in flexible production, similar to the patterns observed in other developing Asian countries (Ong 1987; Lee 1998; Silver 2003). Vietnamese workers'

communities, in strike-prone cities and provinces such as HCMC, Go Vap, Dong Nai, Binh Duong, and Cu Chi, provide a type of fertile ground, or incubator, for labor organizing, similar to the development of labor movements in traditional assembly-line mass production. Most workers in the EPZs and industrial zones, where most (although certainly not all) foreign capital is concentrated, are migrant workers. Most are young females (in their early twenties) who migrate from poor provinces nationwide to work in big cities such as Hanoi and HCMC. Most migrant workers coming from the same hometowns or villages tend to live together in dormitories or makeshift rental units. In the case of Vietnam, there is evidence that the bond that Vietnamese migrant workers (mostly women) create is based on native-place networking and gender. Their nexus of identities – including native place, gender, cultural networks, and a sense of class consciousness – and their agency to appeal to local labor newspapers, local labor unions, and state bureaucracies have facilitated their labor organizing and strikes (Tran 2007; Huynh 2005).

Regarding the Vietnamese labor movement, scholars have recognized the difficulties facing the VGCL in fulfilling its roles under market reform and increasing integration into the world capitalist system (Norlund 2004; Hansson 2003; Fahey 1995). While Hansson is straightforward with her critique of the VGCL as failing to respond to workers' concerns in the market economy, Norlund is more nuanced in her assessment of the role of trade unions that are beginning to learn how to handle labor union work under new conditions with increasingly diversified constituencies. On one hand, given the ongoing equitization process (a type of privatization where state-owned enterprises are put out as shares to be bought by state, employees, and nonstate interests), hundreds of thousands of state workers are being laid off and thus demanding social protection and security. On the other hand, increasing numbers of workers employed in the domestic private and foreign-invested sectors need more innovative policies to defend themselves. Norlund notes that in the nonstate sector, the interests of trade unions and employers are more clearly separated, creating a challenge for the unions to get accustomed to this type of negotiation (Norlund 2004).

However, neither scholar explains how the new conditions in global flexible production weaken labor unions, especially at the enterprise level, or how they respond to spontaneous strikes. While Hansson appropriately recognizes the significance of local labor unions in the Hoc Mon District (HCMC) case study (Hansson 2003), her analysis of local power configurations does not include the full range of key local actors, especially the labor newspapers, and how they join forces to cope with new conditions in response to workers' collective action and MNCs' strategies.

I present findings from years of fieldwork in Vietnam, most recently in 2006. I interviewed people who were directly involved in strikes in southern industrial centers: migrant workers, firm managers and owners (foreign, Vietnamese, and joint-venture), labor union representatives at all levels (central, city, HCMC Export Processing and Industrial Zones Authority [HEPZA], district and enterprise levels), government officials, journalists of labor newspapers, International Labor Organization (ILO)

representatives, and management perspectives from FDI factories and chambers of commerce.

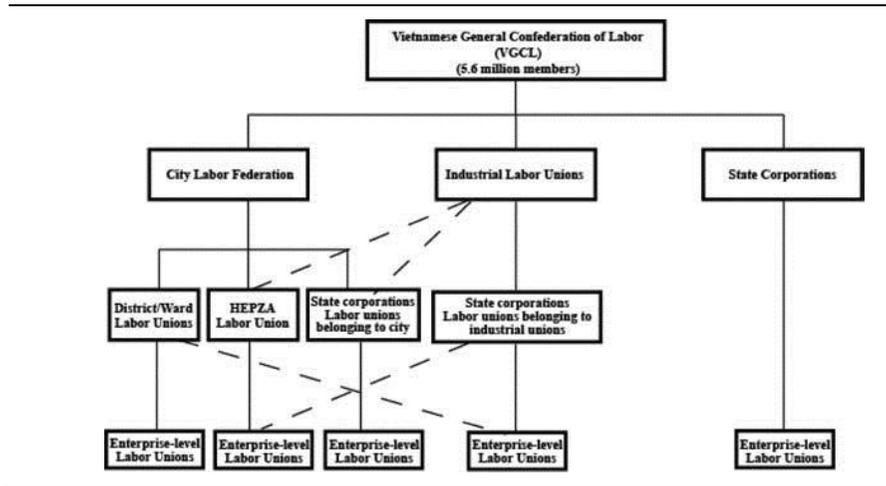
One needs to understand the original structure of the VGCL, how it promotes the formation of labor unions in the EPZs to deal with more complex labor-management relations in the expanding private sector; how the VGCL consolidates and oversees what used to be ministry-controlled labor unions in state corporations (The Coal and Mineral Industrial Union discussed in the VGCL Structural Adjustments Section) so it can better negotiate with the FDI community. As Vietnam further integrates into the global market system, the formation of a new labor union structure in the EPZs demonstrates the continuing efforts of both the Vietnamese Communist Party and the VGCL to hold on to their power and control over worker-management relations, as well as to deal with their structural weaknesses.

Structure of the VGCL: Strengths and Weaknesses

Figure 1 demonstrates the current structure of the VGCL, which existed before the onset of the market system in the late 1980s. It shows the dual management of both the VGCL and the state (through its ministries) over what used to be primarily state-owned factories and corporations. While the three broad branches are under the overarching umbrella of the VGCL, the industrial union structure (*cong doan nganh*) is under direct management of different ministries (notably the Ministry of Industry), which in principle should coordinate with the VGCL.³ The first branch, or regional structure of labor federation at city/province/district/ward levels, with about 4.73 million members, is based on an administrative structure in which there are three levels of labor unions: city/province, district/ward, and enterprise. The industrial union structure consists of thirteen unions of about 700,000 members.⁴ These unions are controlled by specific governmental ministries, such as post and telecommunications, education, construction, health, commerce and tourism, defense, transport and communication, industry, printing, agriculture, rural development, rubber, gas and petroleum, electricity, banking, aviation, maritime, and fishery. The third branch consists of seven labor unions of state corporations under the VGCL.⁵ As per correspondence with Tran Van Ly (director of International Relations Department of the VGCL), this branch will grow in the future as the state will establish more state corporations (*tap doan kinh te*) that report directly to the VGCL. Figure 1 also shows the addition of the new labor unions in export-processing zones in HCMC: the HEPZA Labor Union started their activities in 2000. More discussion is in the HEPZA Labor Union section.

The VGCL has been facing low unionization rates in both domestic and foreign sectors. About 50 percent of the total labor force has joined the VGCL (5.6 million union members out of about twelve million wage-earning workforces).⁶ Only about 40-45 percent of FDI companies and 15-20 percent of private domestic companies are represented (Tran Van Ly, correspondence with author, October 2006 and

Figure 1
Structure of the Vietnamese General Confederation of Labor



Note: The solid line represents direct control; the dotted line represents indirect control.
 Sources: Author's fieldwork up to 2006; Correspondence with Than Van Ly, January 2007.

January 2007).⁷ Therefore, top leadership has aimed at increasing union membership in both state and foreign companies by one million members from 5.6 million to 6.6 million members between 2003 and 2008 (VGCL and Friedrich Ebert Stiftung [FES] 2005, 54). Another important goal is to train union representatives so they can effectively negotiate with global suppliers/managers in the EPZs and industrial zones.

Still at the beginning of genuine international labor solidarity, the VGCL has permitted both branches (industrial and regional) to establish relationships with international labor organizations since 2002, when the VGCL started to work with some labor-friendly international trade union organizations from Norway, Denmark, Sweden, and Germany. In particular, eight Vietnamese industrial unions started to connect with international industrial unions in similar industries, such as railroads, ocean shipping, petroleum, commerce-tourism, banking, education, textile/garment, and union representatives (*Labor* October 2002).⁸ Local labor unions, such as the Go Vap District Labor Unions, visited the Saint Petersburg and Moscow Labor Unions to exchange notes on how to improve union activities in the market system. However, these visits are more diplomatic than real training on behalf of workers. (Norlund 2004; Bjarne Larsen, telephone conversation with author, August 2006; Daniel Reichart, interview with author, August 2006).

Labor Unions in EPZs: HEPZA Labor Union

The interesting new structure of the VGCL is the formation of labor unions in HCMC EPZs Authority (from hereon HEPZA Labor Union) (Figure 1). What is significant about this arrangement is that both local labor unions (HCMC Labor Federation) and the local state (HCMC People's Committee) co-exist to manage these foreign-owned or managed factories in the EPZs.

The HEPZA Labor Union reports directly to the HCMC Labor Federation, its immediately higher-level labor union. The director of the HEPZA Labor Union receives a salary from the HCMC Labor Federation. As a special type of labor union that deals with labor-management issues in the EPZs, the HEPZA Labor Union, in coordination with HCMC Labor Federation, directly manages capital-labor management relations in 348 FDI companies. Workers employed in these FDI companies have to join HEPZA enterprise labor unions and cannot join district labor unions; enterprise labor unions of these FDI companies report directly to the HEPZA Labor Union, not to district labor unions. It seems that the lack of horizontal interactions and coordination between the HEPZA Labor Union and district labor unions is a structural weakness, which I will discuss in the Structural Adjustments section.

First, a recounting of the historical context of HEPZA is necessary to explain this special governance structure. In the city with the largest amount of foreign investment, the HCMC People's Committee manages all EPZs and industrial zones. After promulgation of the law on promoting foreign investment in Vietnam in 1987, foreign investment in Vietnam increased rapidly. But these projects faced difficulties because of inadequate infrastructure, inefficient bureaucracy in obtaining investment licenses, and actual implementation of projects. So, in October 1991, the government established the export processing zone regulation (Decision No.322/HDBT), and then, in November 1991, Tan Thuan EPZ, the first EPZ in Vietnam, was established. A year later, Linh Trung I and II EPZs were established. Thirteen other industrial zones followed in 1996, 1997, 2002, and 2005.

To manage these EPZs and industrial zones, the prime minister established the HCMC EPZs Authority (HEPZA) in 1996; since 1999 HEPZA has maintained its own budget. The prime minister appoints directors of the management boards, whose charge is to grant investment licenses, control their implementation, and manage activities in each zone. The HCMC People's Committee directly has managed these three main functions of HEPZA, human resources, planning, and finance, since October 2000 (Prime Minister Decision No.100, August 17, 2000). Of the 124 EPZs and industrial zones nationwide, HEPZA has emerged as the flagship management board. It manages three huge EPZs (Tan Thuan, Linh Trung I, and Linh Trung II) and twelve industrial zones with over nine hundred enterprises employing 170,000 workers.⁹ Most foreign investors belonging to HEPZA, from Taiwan, Japan, South Korea, Hong Kong, United States, and Singapore, manufacture a wide range of products such as textile/garment, electronics, leather/shoes, household, mechanics, wood, service, and jewelry.

Enterprise labor unions must be formed six months after establishment of an FDI company in the EPZs/industrial zones, one progressive feature of the Vietnamese Labor Code not always permitted in other developing countries (unions are even banned in the EPZs in the Philippines) (Greve, interview, 2004). The HEPZA Labor Union was formed to represent all enterprise-level labor unions within HEPZA. Full-time HEPZA Labor Union representatives and staff are on the payroll of the HCMC Labor Federation. However, while this labor union requirement is progressive, it is difficult to enforce. The unionization rate is still quite low: less than 50 percent of HEPZA companies formed enterprise labor unions; and in those unionized companies, only 67 percent of workers are union members (*Labor* November 2005).

Efforts have been made by both sides of HEPZA (management and labor union) to enforce the formation of enterprise labor unions six months after establishment of an FDI company. Vu Van Hoa, the management director of HEPZA, announced on November 23, 2005, in a conference on enterprises and labor unions: "As someone who signed many companies' investment and operation permits, I will withdraw permits from any company that refuses to form labor unions at the enterprise level. In December, I will have formal documentation to set the deadline to form labor unions in the first quarter of 2006; companies running into difficulty can seek help from HEPZA; companies that refuse to abide by this law will lose their operation permits" (*Laborer* November 2005).

However, Vu's strong rhetoric simply demonstrates his good intention to act on workers' behalf but it has weak enforcement power, since the "formal documentation to set the deadline" was nowhere to be found at the time of writing. This observation was confirmed by a legal expert of HCMC Labor Federation, Vo Van Doi, in July of 2006.

The communication channels of the HEPZA Labor Union are two ways: on one hand they work with various departments of the HCMC Labor Federation to implement their shared goals, to prevent and resolve strikes; on the other hand, they maintain close contacts with their enterprise labor unions in the EPZs to strengthen union activities on the factory floor and to contain strikes. The upcoming minimum wage strikes article demonstrates this relationship via the case of Freetrend Industrial, a 100 percent Taiwanese-owned leather/shoe company, which sparked the wave of strikes at the end of December 2005 demanding a minimum wage increase.

In particular, Nguyen Khai, the recently appointed president of HEPZA Labor Union and on the payroll of the HCMC Labor Federation, works closely with the HCMC Labor Federation offices. He works with Nguyen Huy Can, the president of HCMC Labor Federation, to expand labor union activities by increasing union membership in EPZs in HCMC. Moreover, he collaborates with Ms. Tran Bich Van (the head of Women's Department at HCMC Labor Federation) to strategize on factory visits in EPZs and industrial zones in HCMC to promote the formation of enterprise-level labor unions, and offer classes on labor code, health, and work safety for workers. The outcomes are mixed: some have successful relations as in Yujin-Kreves, a South Korean cutlery company; but others are very challenging. In a 2006 interview, Ms. Tran lamented:

First, it is very difficult to make an appointment to visit those factories. Then, after getting management's approval, I have to come to the factory at night (for one to one and a half hours) after workers finished their shifts to deliver materials on labor rights and responsibilities, and health and safety issues. But by then, workers were exhausted after a whole day work, so I have to be very creative about presenting these materials to get workers' participation in class. Sometimes, we even had to give them a small amount of money as an incentive for them to stay in class.

Central Tendencies and Local Practices

In April 2001, Prime Minister Phan Van Khai promoted Vietnam's "cheap labor" as a positive asset during a speech at the end of a four-day international exhibition and trade fair of garment and textile equipment in Hanoi: "Viet Nam is endowed with plentiful resources such as timber, cotton, and cheap labour, and that the nation intends to make the garment and textile sector one of its major hard currency earners in the next ten years"¹⁰ (Tran Van Ly, and Bui Duc Hai, interviews, August 2006). Pro-FDI policy strengthened foreign capital and weakened the bargaining power of the VGCL, especially for the enterprise-level labor unions. The historical contradiction between the pro-FDI policy and the pro-labor socialist ideal contributes to the long-term tensions between the VGCL and Ministry of Labor, Invalids and Social Affairs (MOLISA) since 1992.

Attempts were made by reform-minded VGCL leaders in the late 1980s to separate labor unions, party-state, and management so each can better function in a market-oriented economy.¹¹ Although not always successful, this historical political relationship with the state helps the VGCL represent and support labor causes. Every month, top VGCL leadership meet with Vietnam's prime minister and his cabinet, including MOLISA, Ministry of Planning and Investment, and other relevant ministries. Cu Thi Hau, the two-term VGCL president, has since retired and was succeeded by Dang Ngoc Tung, a member of the Vietnamese Communist Party Central Committee.

The VGCL leaders come to these meetings with their pro-labor agenda to influence labor-related policy changes. In these meetings, the tensions between VGCL and MOLISA are reflected in several key issues, for instance, overtime hours and minimum wage.¹² A relatively old "battle" was on the maximum number of overtime hours; Cu Thi Hau successfully bargained in 2002 to 2003 with MOLISA and limited overtime to three hundred hours per year as opposed to five hundred hours, as demanded by management in flexible production (Nguyen Manh Cuong, interviews with author, August 2004). However, as will be shown in the minimum wage strikes article, without proactive workers and labor newspapers' actions, the VGCL leadership was at the mercy of MOLISA in recommending a minimum wage hike.

The VGCL intends to maintain its historically based power grip as the only legal representative of workers, as was clearly stated in the September 2005 conference on

VGCL position: "When joining the WTO, the VGCL needs to continue pushing international relations efforts so the world can better understand Vietnamese vision and policies, and help us fight back the distortion of enemy forces . . . Also, when expanding international cooperation, we need to have strategies to fight off propaganda for ideology about independent/multi labor unions, apolitical labor unions, labor unions fighting for economic goals, etc." (VGCL and FES 2005)¹³

Local Unions and Local States

City and district labor unions are generally proactive, but they are spread thin because of lack of resources; thus, they are not always successful in enforcing labor rights. Two positive points empower their actions: first, they have financial independence from management (their salaries are based on budgetary decisions made by the HCMC Labor Federation); second, in nonunionized factories, they can act as the immediate union level that responds to workers' requests. However, how well they help establish enterprise labor unions and represent workers depends on individual union representatives' commitment and capability (Tran Hung, interview with author, 2004).

On the budget issue, city/provincial labor unions have their own budgets, generated by their own fund raising facilities such as guesthouses, facilities, and tourist services, giving them financial autonomy. HCMC Labor Federation has its own budget and works closely with the VGCL. It oversees funds submitted by local labor unions (2 percent of wage funds of Vietnamese state-owned and private factories), and income generated by many union-owned hotels/resorts and by renting popular cultural facilities in HCMC, such as Cung Van Hoa (Cultural Palace), for musical and artistic performances.

District unions in strike zones directly participate in the monitoring process to compensate for the weak and inadequate state monitoring process.¹⁴ Pham Ngoc Doan, chairman of the Go Vap District Labor Union, is considered a model labor union representative, whose comments are often featured in the *Laborer's* columns. In our interview in 2004, he expressed that most labor union officials requested an effective investigative team to expose and discipline those violating companies. To that end, in December 2004, in response to a local labor union request, the state reactivated an Inter-Departmental Investigative Team in HCMC consisting of state officials from Department of Labor, Invalids and Social Affairs (DOLISA), planning and investment, social security, labor investigators/arbitrators, and local labor unions (*Laborer* December 2004). But the ongoing challenge is how to effectively discipline violators so they will not repeat their labor violations year after year (*Laborer* May 2005).

The weakest link is the enterprise-level labor unions. One main reason for their weakness is the lack of economic independence: most receive salaries and bonuses paid by management. Second is the lack of bargaining capacity, which the VGCL addresses using technical assistance from ILO and other international labor organizations

(Tran Van Ly, interview with author, August 2006). Consequently, the interests of enterprise labor unions tend to be similar to those of management. Because of such structural weakness, most workers do not have direct interaction with their representatives or trust them. That distrust may even color workers' attitudes toward other levels of labor unions.¹⁵

One cannot overgeneralize that local state agencies are pro-capital. Local state agencies work with HCMC Labor Federation and local labor unions, especially in strike-prone districts such as Dong Nai, Binh Duong, Cu Chi, and Go Vap. There are examples of committed state officials in city bureaucracy (HCMC People's Committee) and DOLISA, who work alongside labor union representatives to resolve labor-management conflicts. Interviews with Nguyen Thi Dan, a well-known state official in HCMC DOLISA, in 2006 demonstrate her commitment toward improving working and living conditions of workers. She offers periodic workshops on the labor code, workers' rights, and responsibilities in factories in HEPZA and Go Vap district. She was right at the scene of the minimum wage strikes to help labor unions negotiate with foreign management.

From the workers' perspectives, local state officials can win workers' trust (although not always) if they have a track record of being committed and intervening in labor-management disputes on workers' behalf. For instance, in interviews with several workers who witnessed Ms. Nguyen Thi Dan's intervention in repeated strikes in a shoe factory in Go Vap district, one said, "When HCMC Labor Federation and Go Vap Labor Union arrived at the strike scene, we told them that we would wait for signals from Ms. Dan, because we trust her and don't really trust the enterprise labor unions." When asked for the reasons, another worker said, "We don't trust our enterprise labor union representatives. When we submitted our complaints detailing management's repeated labor violations, they threw our petitions into the trash can. Then when we went on strike, they disappeared. Also, not all of us know about Go Vap labor union."

Of course, Ms. Dan is just one case, but as will be shown in the upcoming minimum wage strikes article, there are some outspoken National Assembly delegates who worked alongside labor unions and came up with progressive ideas to protect workers' rights and interests, especially the right to strike.

Tendencies for Structural Adjustments

There are ongoing debates about changing this structure to give the VGCL more direct control over these industrial unions, to be ratified in the VGCL Congress in 2008 (Tran Van Ly, correspondence with author, January 2007). According to Mr. Tran, some proposed changes to consolidate VGCL power aims at strengthening the VGCL to better cope with growing domestic private and FDI sectors. Since 2005, the VGCL has been consolidating its management over the ministries-controlled labor unions, which at present still directly manage thirteen industrial labor unions belonging to the industrial union structure (listed previously in the endnotes). The most recent example

of this change in direct management is the Trade Union of Coal and Mineral Group, which used to be under Ministry of Industry, but now is directly under the VGCL (VGCL 2006). The ongoing debates aim at transferring more of the thirteen ministries-controlled labor unions to VGCL management. Moreover, another interesting tendency is the creation of state-owned MNCs (*tap doan kinh te*) to be directly under the control of VGCL. An example would be Vinatex, a state-owned textile and garment corporation, which oversees sixty-seven state-owned factories and companies and has its own industrial union director who represents all the member factories and reports to the Ministry of Industry.¹⁶ Again, changes are on the way as Vinatex goes through its long-term privatization plan. This trend can be seen in Vinatex's recent invitation to investors from Taiwan, Korea, Japan, and the United States to carry out its investment projects by 2010 (worth hundreds of millions dollars) and the establishment of a branch office in Hong Kong.¹⁷

Many VGCL officials recognize the weakness of the current structure and have proposed solutions to these shortcomings, which will be ratified in their congress in 2008. It appears that heavy, top-down control (both direct and indirect control, represented by the solid and dotted lines in Figure 1) and lack of horizontal networking among the same-level labor unions (for example, there is no formal coordination between the HEPZA Labor Union and district labor unions) are two key weaknesses. The labor unions at the district and enterprise levels have two types of top-down control/management: regional and industrial branches, whereas there is no mechanism to enhance solidarity between industrial labor unions, and labor federations at different administrative levels (regional structure). For instance, a global retailer or supplier may subcontract work orders to several garment factories; some may be under the Go Vap labor union; and some belong to Vinatex, which has its own union structure parallel to that of the Go Vap labor union. Under this structure, these two labor union offices do not have horizontal channels to communicate and exchange strategies with each other to strengthen the negotiation with that global retailer or supplier (Bjarne Larsen, telephone conversation with author, August 2006; Tran Van Ly, interview with author, August 2006).

Technical assistance, especially capacity training workshops from the ILO and some labor organizations from Denmark, Norway, Sweden, Germany, and countries in the Asia Pacific region, focuses on developing bargaining skills to negotiate collective bargaining agreements, resolving worker-management conflict, identifying and improving workplace safety, increasing union membership, and establishing enterprise labor unions in the private sectors. The ILO, working mainly with MOLISA, has provided capacity training on the roles of conciliation councils at the firm level, collective bargaining agreements, local state monitoring agencies, and labor courts. At this writing, interviews and observations during the 2006 fieldwork indicate that these ILO trainings tended to concentrate at the city/provincial level, and did not reach down to the district level. The ILO staff relies on different levels of MOLISA to implement their plans, and does not deal with them directly (Pham Ngoc Doan and Jan Sunoo, interviews with author, August 2006).

Mediating Roles of Labor Newspapers

Scholars have argued that local media content in Vietnam is dictated by the state, ideology, and organizational control. They focus primarily on actions at the central level, the continuing utility of Marxist-Leninist ideology, and the control of the Communist Party, state, military, and Fatherland Front organs (Heng 1998). Specifically, Heng argued that the party's state and organizational domination, via people's committees and mass organizations down to the provincial/city level, maintains strong control over media content. Heng further argued that there are permissible and non-negotiable areas of media coverage, and that their boundaries shift, depending on the political-economic climate, local authority and personalities involved, and details of each article (Heng 2004). Compelling evidence in this article supports Heng's 2004 argument and indicates that the effects are two way, not just top down.

Structurally, media in Vietnam is still under the control of the state and the VGCL. The labor unions oversee two weekly TV programs on workers and labor union issues, two labor newspapers, and their official Web site (Tran 2005; Tran Van Ly, interview with author, August 2006). Focusing on the two labor newspapers, *Lao Dong* (*Labor*, the media arm of the central labor unions and based in Hanoi) and *Nguoi Lao Dong* (*Laborer*, the official forum of HCMC Labor Federation), this article argues that while their reporting reflects official positions of the labor unions, they also create public forums and facilitate conditions that push the central labor unions and the state to respond to workers' spontaneous labor organizing and strikes. As discussed in the Minimum Wage Strikes article, these two labor newspapers played a crucial role in first facilitating the minimum wage increase decision and then expediting its implementation in a matter of days, which otherwise would have taken months to take effect.

The two labor newspapers have different foci and spheres of activities, but do come to each other's rescue in times of need. Structurally, the HCMC Labor Federation and the central VGCL are still their supervisory organizations. While the *Labor* has national coverage of labor union activities and strikes and is more policy oriented, the *Laborer* has timely, on-the-ground strike coverage focused on the South and surrounding vicinities. There were times when these labor newspapers pushed and effectively influenced the VGCL's resolution (details in the forthcoming article on minimum wage strikes). Acting primarily as an advocate for workers, in the 2006 political-economic climate with some state tolerance toward labor collective action, the *Labor* and *Laborer* exposed these strikes in a matter of hours and thereby set off a chain of reactions. These accounts pushed the HCMC People's Committee and DOLISA to act; they also criticized MOLISA for their indecision in labor policy, and through the VGCL action, ultimately pressured the prime minister to sign a decree in January 2006 raising the minimum wages in the FDI sector.

To be sure, besides the *Labor* and the *Laborer*, other Vietnamese newspapers such as *Nhan Dan* (*People*), *Cong Doan* (*Labor Union*), *Phap Luat* (*Law*), *Viet Nam News*, *VCCI Forum*, and *VnExpress Net* have daily or weekly coverage and analysis on labor

Figure 2
A Worker in a South Korean Factory in an HCMC EPZ
Complains to a Journalist about Missing Pay



Note: HCMC EPZ = Ho Chi Minh City Export Processing Zone.
Source: Reproduced courtesy of the *Laborer* newspaper.

issues. However, focusing on the South where most strikes erupted, the *Laborer* is one of the most popular and dynamic pro-labor newspapers in Vietnam with large readership nationwide. When many workers send their grievances and/or personally come to the offices of the labor newspapers to seek help, the "newspaper arm" has emerged as a powerful player, a mechanism and space for workers to expose their concerns and complaints (see Figure 2). Other forms of state media are not as effective in championing workers' causes. The labor unions' TV program and the Hanoi TV program have weekly reports on labor issues. However, their coverage is not as current and updated as the daily reports from *Labor* and *Laborer* newspapers, especially significant in strikes.

This labor press is effective because it brings all stakeholders to the table. Once workers' grievances are exposed on these public forums where perpetrators are put on the spot, all stakeholders do come together to address workers' requests. This alliance demands management to listen and address workers' concerns (Tran 2005). In the case of the *Laborer*, on receiving workers' complaints (mostly about basic rights such as wages, overtime work, working conditions, social security, health insurance, and unemployment), the newspaper staff proactively sorted these complaints into specific categories, sought appropriate labor experts, and state and labor union officials to address these complaints, and then published their viewpoints. For instance, Ms. Dan, director of the Wage Department (HCMC DOLISA), often expresses her viewpoints in the labor union section of the *Laborer*. Over 70 percent of workers' complaints and concerns that got resolved to their satisfaction ranged from public promises to investigate the queries, to actual retribution of back-pay, benefits, and/or clarifications on

Figure 3
Policy Roundtable Column: "The State ... Forgot to Fine."



management actions and decisions affecting workers' lives (Ms. Le, interview with author, August 2006).

Moreover, many newspapers offer twenty-four-hour hotline phone numbers for workers to report labor violations and impending strikes, to which investigative journalists rush to cover the unfolding conflicts. This idea was recently adopted by the HCMC People's Committee who announced their hotline number in December 2006. The newspaper staff also meets with workers who, in desperation, go directly to the newspaper's headquarters, or the "Readers' Room" (*Phòng Ban Doc*) in the case of the *Laborer*, to expose labor violations and injustices.

Evidence shows a rising influence of the labor newspapers. Having an independently funded operating budget (primarily based on advertising) has empowered the *Laborer* to maintain its columns/pages, not just championing workers' rights and interests, but also to bring management, local unions, and state bureaucracies to the negotiating table. As such, the newspaper arm can also be a tool to criticize state bureaucracy, management, and to a lesser extent, strikers who engaged in violence (as in the case of Hue Phong shoe factory in Go Vap district) or, at the time of writing, on strikers who bypassed union representatives whom they think cannot effectively negotiate with management on their behalf (*Laborer*, February 2007). For instance, labor newspapers criticized ineffective state enforcement agencies who failed to execute disciplinary actions against companies

Figure 4
Rights and Responsibilities Page: “Already Listed (Company)
Violators for (State) Investigation”



that repeated labor violations (see Figure 3). More discussion on specific labor press influence is in the forthcoming article on minimum wage strikes.

The *Laborer* constantly renews, improves, and expands its coverage to meet workers' needs and attract more readers. Permissible coverage includes the forums that expose wrongdoings committed primarily by FDI and Vietnamese private factories. What is implicitly *not* permissible is critique of the role and structural weakness of the VGCL. More research is needed on shifting boundaries of these spaces.

Its core journalists are young and committed to the workers' cause. Most of these fifteen journalists are in their early thirties and not all are Communist Party members. They focus on workers and labor union issues. Each journalist, reporting for the Politics and Labor Unions Section (several pages every week), is assigned to cover a particular strike-prone zone as well as other labor-related issues, such as social benefits (health care, social security, unemployment, etc.), industrial lifestyle, and entertainment for workers. To cover labor-management relations, they follow and report on the strikes in their designated areas on a same-day basis. Most of these young reporters know intimately the conditions of migrant workers who work and reside within their assigned area. This level of direct responsibility adds authenticity to their reporting (Le, Hong, Nam, Pham, four *Laborer* journalists, interviews with author, August 2006). At the time of writing, they have been reporting on social consequences of equitization, a process in which former state-owned enterprises (SOEs)

transform to limited-liability companies, resulting in hundreds of thousands of workers being laid off when SOEs ceased their state-run operation.

Expanding their coverage is one effective way to cope with an expanding market system in Vietnam and its accompanying social problems, increasingly arising from the equitization process. Since July 2006, the *Laborer* became a daily newspaper when they added a Sunday edition. Each day, they devote one page to labor-management relations/issues and address the daily needs of workers through columns such as Industrial Life, Rights and Responsibilities (see Figure 4 for photograph), Labor Unions, Employment and Young Workforce, People and Jobs, Entertainment, Echo of Current Events, and Counseling on Labor Laws. To the extent possible warranted by permissible coverage alluded to earlier, these forums allow workers and other relevant stakeholders, such as managers, labor unions, state officials, and legal labor experts, to voice their concerns and viewpoints. For instance, these columns exposed the recent strategy of multinationals: the phenomenon of "*shell companies*," in which foreign companies rented facilities and hired workers for a short period, delivered the final products, and disappeared literally overnight, leaving migrant workers stranded (*Laborer*, September 2006). Moreover, the paper has been expanding its infrastructure to increase its scope of activities: constructing a new building façade in 2005, and adding another wing in the near future.

Conclusion

The VGCL is not monolithic; it has varying levels of effectiveness in response to workers' strikes and is changing the structure to adapt to new conditions. One prominent example is the addition of new labor unions in EPZs. Second, the dynamic newspaper arm played effective roles that occasionally empowered the VGCL to negotiate with state bureaucracies in response to workers' protests. But, it is the very pressure emanating from workers' collective action that sets off a chain of reactions from labor newspapers, labor unions, and then the prime minister.

As the VGCL evolves in the market system, the emerging pro-labor press effectively combats negative consequences of pro-FDI policy and compensates for structural weaknesses of the VGCL. Yet, the media arm still has to respond to the agendas of the labor unions and the state; as official forums of the VGCL, they must disseminate labor union and state policies to monitor and even to preempt "wildcat" strikes.

Tensions between the labor unions and state bureaucracies show that their relationship is not unidirectional; yet both tend to ally to hold their power at the central level. This nuanced analysis shows that not all state bureaucracies are pro-capital, and not all levels of VGCL are effective in protecting labor rights. As participants in setting up the framework for further globalization, they both have tried to adjust structurally to react to the new global and domestic conditions. While still lacking union independence in a one-party state, what transpires on the ground is that the

VGCL, relying on its vibrant pro-labor press and local unions, does respond to workers' collective action, to some extent alleviating the weakness of enterprise-level labor unions.

In closing, this topic is extremely dynamic, with changes taking place at this writing. My future work examines factors that determine the shifting boundaries of permissible and nonpermissible coverage of labor newspapers. Furthermore, to understand how labor organizing is recognized and acted on in a one-party state system, more research is needed on the implementation of the new strike law (which started in July 2007), as well as impending structural changes of the VGCL in 2008.

Notes

1. The increase affected all three levels (higher for cities and lower for provinces and rural areas): 870,000 Vietnamese đồng (VND) (US\$54), 790,000VND (US\$49), and 710,000 VND (US\$44), respectively, using an exchange rate of 16,000 VND to US\$1.

2. A source for much information in this article came from interviews. In some cases, names are pseudonyms to respect confidentiality. These individuals are Bui Due Hai, senior researcher at Southern Institute of Social Sciences; Rosemarie Greve, director of the International Labor Organization (ILO) office in Vietnam; Bjarne Larsen, Danish 3f labor unions representative in Vietnam; Nguyen Manh Cuong, director of the International Relations Department of Ministry of Labor, Invalids and Social Affairs (MOLISA); Nguyen Thi Dan, director of the Wages and Salaries Department in Department of Labor, Invalids and Social Affairs (DOLISA) in Ho Chi Minh City (HCMC); Pham Ngoc Doan, head of Go Vap labor unions; Daniel Reichart, Friedrich Ebert Stiftung (FES); Jan Jung-Min Sunoo, ILO chief technical adviser in Vietnam; Tran Hung, former director of Labor Management Department HCMC EPZs; Tran Van Ly, member of Vietnamese General Confederation of Labor (VGCL) Executive Committee and director of VGCL Foreign Relations; Tran Dinh Toan, state official; Tran Bich Van, director of HCMC Labor Federation Women's department; Vo Van Doi, legal expert for HCMC Labor Federation; Ms. Tuyen, HCMC worker; and *Laborer* journalists Ms. Hong, Ms. Le, Mr. Nam, Mr. Nguyen, and Mr. Pham.

3. It is very difficult to understand the current VGCL organization chart (not available on their Web site at the time of writing), which I obtained from Tran Van Ly, who kindly explained about these direct and indirect managements of the VGCL and different ministries, seen in solid and dotted lines between these branches.

4. These thirteen unions are under the management of the industrial branch: Vietnam National Union of Post and Telecom Workers, Vietnam National Union of Industrial Workers, Vietnam National Education Union, Vietnam Union of Transport and Communication Workers, Vietnam National Union of Banking Workers, Vietnam National Union of Building Workers, Vietnam National Union of Fishery Workers, Vietnam National Union of Health Workers, Vietnam National Union of Agricultural and Rural Development Workers, Vietnam National Union of Commerce and Tourism Workers, Vietnam Public Service Union, Trade Union Committee of National Defense, and Trade Union Committee of People's Police (Tran Van Ly, correspondence with author, January 2007).

5. The labor unions of these seven corporations are directly under the management of the VGCL: Vietnam National Union of Civil Aviation Workers, Vietnam Maritime Union, Vietnam National Union of Railway Workers, Trade Union of Coal and Mineral Group, Vietnam National Union of Oil and Gas Workers, Vietnam Electric Power Workers' Union, Vietnam National Union of Rubber Workers (Tran Van Ly, correspondence with author, January 2007).

6. There were about 30.7 million peasants from the 42.7 million total labor forces (Tran Van Ly, correspondence, January 2007).

7. According to Tran Van Ly, these estimates are very rough, given inadequate data gathering in Vietnam. Moreover, there is a technical legal issue here: labor union law in Vietnam requires union formation in companies consisting of at least five to ten workers; whereas in reality many private factories are small-scale, consisting of less than five workers/employees; thus they would not establish enterprise labor unions.

8. This study relied on articles that appeared in two newspapers, *Labor* (issues from 2002 to 2006) and *Laborer* (issues from 2004 to 2007), in addition to interviews.

9. By 2020, HCMC Export Processing and Industrial Zones Authority (HEPZA) plans to have twenty-three export processing and industrial zones with 6,500 hectare of area.

10. This observation was confirmed by Tran Dinh Toan, a state official, during a personal conversation at Australian National University in August 2001.

11. Historically, the VGCL and the Vietnamese Communist Party (VCP) state were in a corporatist relationship, meaning that the VGCL participated in management at the workplace (mostly state-owned factories) with the VCP officials (Norlund 1996). In the pre-market reform era, the VGCL oversaw the production process, the division of labor, the wage funds, and income distribution to all stakeholders. As market reform started in the late 1980s, Nguyen Van Linh (the then-president of the VGCL) revised the structure of the VGCL in 1988, intending to reflect a greater separation among labor unions, the party-state, and enterprise management, which constitutes a more appropriate arrangement for a market-oriented economy. But the gap between policy and its implementation remains: union representatives are no longer required to be VCP members as long as they are adequately trained at the grassroots level, but in practice, most union representatives are still VCP members (Norlund 1996).

12. Tension between the VGCL and MOLISA dates back to the implementation of the 1994 Labor Code, in which MOLISA intended to create a unified social welfare system by taking over part of the role of the VGCL (Fahey 1995). In a more recent study, Hansson discussed the tension between the VGCL and the state, demonstrated in the VGCL critique of the VCP state in the 1998 VGCL Political Report (Hansson 2003).

13. FES, a political German research institute, has had a permanent office in Vietnam since 1990 with an annual funding of 500,000 Euro for research and exchange activities prioritizing the impacts of the economic reform process, Vietnam's integration into the world capitalist system, and legal reforms especially of socio-economic laws (including equitization, labor, strike, social security, women workers stipulations). FES staff work closely with the VGCL, MOLISA, and the national HCM Political Institute. They focus on two goals: (1) providing both industrial and regional union branches of the VGCL with technical assistance through training and workshops; (2) bridging the gap between the VGCL and the German Confederation of Labor (*Labor* October 2005).

14. Nationwide, in 2005, only three hundred state officials on the investigative teams were responsible for over 120,000 factories, making it impossible to detect labor violations and enforce corrective measures at the enterprise level (according to Dr. Bui Sy Loi, chief investigator at MOLISA, *Laborer* April 2005).

15. However, there are exceptions where enterprise labor unions work well with higher-level labor unions. Yujin-Kreves is a 100 percent South Korean company making dining utensils, employing about two thousand workers in Linh Trung I EPZ. Yujin-Kreves's labor union (the director is a woman) work well with HEPZA labor unions in negotiations for workers' rights and benefits (such as raises, improved sanitary conditions, 24/7 health insurance, and workers' safety) with the South Korean management.

16. There are thirty-one companies in the north of Vietnam (twenty-two manufacturers, and the rest deal with marketing, retailing, vocational/technical/management training, and employment services), and thirty-six companies in the south of Vietnam (twenty-eight manufacturers, and the rest deal with marketing, retailing, vocational/fashion training, finance, export/trading, with one branch in Hong Kong). Over time, these numbers decline as the equitization plan gets implemented. <http://www.vfabric.com/textile/Vinatexmembers.htm> (accessed April 19, 2007).

17. Efforts to increase foreign direct investment (FDI) in Vinatex already started in 2005: Vinatex implemented thirty-five investment projects worth \$209 million (Vinatex 2007).

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