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The Politics of Pro-Worker Reforms

This paper explores the drivers of pro-worker reforms in Vietnam. It shows how commerce, trade deals, aid, and geopolitics strengthened support for higher wages, social dialogue, and freedom of association. Strikes have triggered Government concerns about regime legitimacy. Manufactures are also keen resolve strikes and propitiate reputation-conscious buyers. Reform was also incentivised by TPP's stipulation of Freedom of Association, together with economic and geopolitical incentives to join TPP. Donor-supported pilots have not *motivated* reform, but are nonetheless important: enabling reformists to explore new ideas; iteratively adapt; garner evidence of what furthers their priorities; with which they can persuade anxious colleagues. None of these forces are deterministic. They merely stimulate debate, authorise experimentation and are used by coalitions to push for reform. By tracing the politics of pro-worker reforms, this study draws attention to drivers often overlooked by donors: strikes, commerce and trade deals.

Introduction

The global garment industry is a major generator of jobs, exports and economic growth. But factory work is often poorly paid, precarious, and dangerous. Overt resistance is deterred by the prevalence of short-term, insecure contracts; fear of job loss; and management intimidation. Even if workers do protest for higher pay, firms and governments are often unresponsive – for fear that price-competitive buyers will relocate to countries with lower labour costs. Improving these jobs, preventing another Rana Plaza, is a major challenge for the international development community. So, what could enable more inclusive industrialisation? How might governments and manufacturers come to promote and uphold decent work? Further, how can rich countries support overseas workers' activism, voice and pay? How do international initiatives interact with domestic pressures and priorities?

An apt case study here is Vietnam – which has achieved rapid economic growth, job creation and poverty reduction through economic liberalisation and industrialisation, becoming the world's fourth-largest garment exporter (World Bank, 2016: 152).[1] But the Government remains cautious: anxious about further governance reforms. It permits only one union body: the Vietnam General Confederation of Labour (VGCL). Subordinated to the Party, VGCL is a top-down organisation: providing services for members and advocating on their behalf (e.g. on minimum wages). VGCL is not directly accountable to workers. National-level VGCL leaders are appointed by the Communist Party; while factory-level union leaders are often employed as senior managers (Anner, 2017; Arnold, 2012; Do, 2011; Kerkvliet, 2011: 173; Khanh, 2014: 590-593; Lee, 2006: 422; Pham, 2010: 341; Pham, 2017).[2] Under Vietnam's centrally planned economy, independent unions were not permitted; the matter was closed. But the Government appears increasingly supportive of independent unions, along with a progressively higher minimum wage, social dialogue between management and workers, and collective bargaining. Why is this?

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[1] Reform (*doimoi*) commenced in December 1986. GDP growth has since averaged 7%. Between 1993 and 2012, the proportion of people living in extreme poverty ($1 a day) fell from 59% to 15% (World Bank, 2012). Vietnam's garment industry employs 2.5 million people, in 6'000 enterprises: 59% are private domestic, 36% foreign and 3% state-owned (Do, 2017).

[2] The Vietnamese trade union system comprises four levels: (1) VGCL at national level (whose leaders are chosen by the Party); (2) provincial trade unions, and national sectoral trade unions (such as the Vietnam Garment and Textile Union); (3) upper level unions, local sectoral unions, industrial zone unions; and (4) enterprise-level unions.

To enhance our understanding of the politics of inclusive development, this paper explores why the Government of Vietnam has undertaken a series of pro-worker reforms. The paper is divided into four sections. Section 1 discusses key literatures. Section 2 outlines my qualitative research methodology. Drawing on these interviews, Section 3 traces the major drivers of industrial relations reform in Vietnam: domestic unrest, pressure from buyers, experimentation (the ILO Better Work Programme), trade negotiations, geopolitical concerns, and faltering economic growth. It charts how these created pressures for reform. Section 4 concludes: pressure from strikes, buyers and trade agreements could motivate more enabling environments for decent work; while aid programmes can enable middle-income governments to iteratively experiment with desired reforms.

Section 1: Literature Review

This section details how this case study of Vietnam builds on the existing literature on global production networks, the politics of inclusive development, and the shift towards politically-informed donor programming.

As recognised by the International Labour Organisation (2013), '[i]n the garment sector, [wage] adjustments are usually adopted only after mass protests and strikes that disrupt the industry'. In South East Asia, mass strikes and demonstrations have enabled concerted increases in minimum wages. Furthermore, when unions mobilise, labour inspectors can better enforce legal compliance (Amengual and Chirot, forthcoming; Amengual and Fine, forthcoming; Anner, 2015; Hughes, 2007; Siddiqi, 2009; Trần, 2007; 2013; Yoon, 2009: 22). Successful activism also seems to galvanise further mobilisation, as other workers learn that they *can* influence wage negotiations (Arnold, 2013; Cox, 2015; Do, 2011; Kerkvliet, 2011: 175 on Cambodia and Vietnam). Improvements in state capacity only appear to improve labour rights when workers gain political strength: via high union density, left-wing political parties in the executive and legislature, and democratisation (Berliner et al, 2015a; Mosley, 2010).

Though garment workers have secured important gains through organising collectively, they are severely hindered – by gender ideologies, precarity, authoritarianism and global competition. Across Asia, the garment workforce is predominantly female. Widespread expectations of assertive men and acquiescent women may foster patriarchal, authoritarian unions, in which male leaders lecture at women rather than listening to them. If women perceive unions as unresponsive, they may be reluctant to approach representatives and engage in union activities. Such disengagement weakens the collective power of labour (Evans, 2017a). Collective organising is further impeded by short-term, insecure contracts, fear of job loss, and intimidation by factories. These labour abuses are incentivised by buyers' short-term contracts, low prices and late penalties. For example, 'the real dollar price paid per blouse imported from Vietnam to the United States from 2005 to 2016 declined by 29.09 per cent' (Anner, forthcoming: 11). Buyers may be reluctant to reform individually, given price competition within the garment industry. Governments are often reluctant to enforce workers' rights, for fear of price-competitive buyers relocating overseas. Some research indicates a 'race to the bottom' (Davies and Vadlamannati, 2013). These pressures can be exacerbated by financial crises: credit-constrained governments appear to permit a deterioration of labour practices (Blanton et al, 2015); perhaps using cheap labour to improve their global competitiveness.

Low wages in the global garment industry can also be understood as a collective action problem. Unilateral deviation from the *status quo* is individually costly – for workers, manufacturers, retailers and governments alike. Overcoming this collective action problem requires transnational collaboration and co-ordination, between diverse stakeholders (Posthuma and Rossi, 2017). Aid and trade agreements are potentially important avenues here (and rich countries are increasingly keen to promote international policy coherence). Indeed, trade deals increasingly include labour standards,

complemented by technical cooperation (ILO, 2016; Vogt, 2015). But, unfortunately, we know relatively little about their comparative, complementary strengths.[3] As Lim et al (2015) note, 'scholars [tend] to treat "aid" and "trade" as existing in silos: scholarship which examines the effects of trade on developing countries does not consider how these effects might be moderated by inflows of foreign aid, and vice versa'. So, where are the potential synergies in rich countries' foreign policy toolkits?

Given the widespread reality of poor working conditions in global production networks, research tends to be rather negative: highlighting inadequacies of existing public and private regulation. While such literature reveals the urgent need for reform, it does not really help us understand how to get there. Instead, we need to learn from progress towards inclusive industrialisation: the international and domestic political drivers, incentives and mechanisms of change; not just of 'cocooned' donor-supported projects,[4] but nationwide reforms (as called for by Berliner et al, 2015b).

The centrality of politics is also emphasised by parallel studies on overseas development assistance. They increasingly recognise that politicians and civil servants with countervailing interests and ideologies may not heed policy recommendations for inclusive development. Desire to placate donors may yield 'isomorphic mimicry': the façade but not function of good governance (Andrews et al, 2017). So, rather than prescribe more 'best practice' reforms, donors are increasingly urged to 'work with the grain'; engage with elite interests and ideologies; build inclusive coalitions; address collective action problems; iteratively adapt; ensuring aid programmes are 'politically smart, and locally led' (Booth, 2011; Booth and Unsworth, 2014; Levy, 2014; World Bank, 2017). But can appealing to (and potentially reinforcing) elite interests, hierarchies and ideologies promote *inclusive* development? – such as in the garment industry, where many politicians own factories and have vested interests in low wages (see Berliner et al, 2015a on Bangladesh for example).

Such uncertainty has spawned two sets of research on aid, politics and development. One set investigates the uptake, implementation and impact of politically smart, locally-led collaborations (e.g. Booth and Unsworth, 2014). But, in focusing on aid, these programme evaluations may be blinkered to more powerful drivers of reform. Another set of research takes a more macro, longer-term view: charting the political struggles and coalitions by which socio-economic and political resources come to be redistributed more equitably – across classes, genders, ethnicities and spaces. These studies illustrate the historical importance of crises, critical junctures, conflict and disruption, state-society reform coalitions, local ideologies and perceived interests (Heller, 2001; Hickey et al, 2015; Sandbrook et al, 2007; Teichman, 2016). They inform the above shift in donor practices. But how do these large-scale, long-term political processes interact with 'politically smart, locally led' aid interventions? We don't really know. As Grindle (2017:22) emphasises,

> [S]cholars considering pathways toward change have not given due attention to how these analytic lenses might interact… Doing so would bring them to a familiar conundrum: Should reformers seek to make incremental adjustments to improve ongoing performance or is it necessary to recreate or significantly modify major institutions of power?

In response to Grindle, this paper examines the interactions and synergies enabled by: (i) major domestic and transnational pressures to modify institutions of power (widespread strikes, commercial pressures, trade deals and geopolitical threats); and (ii) incremental adjustments (supported by the ILO-IFC's piloted Better Work Programme). In so doing, this paper explores their particular contributions, and relative importance to pro-worker reforms.

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3 Though see DiCaprio, 2013: 111; Polaski, 2006: 929 on the US-Cambodia trade deal and Better Factories Cambodia.

4 This excellent term is borrowed from Andrews et al (2017).

Through its analysis of political change, this project seeks to make a theoretical contribution. It departs from the tendency of research on global production networks to invoke 'power', e.g. 'associational', 'structural' or 'institutional' power: conceptualised as an aggregate capacity of groups; exploring whether they have it; and of what kind (Arnold and Hess, forthcoming; Brookes, 2013; Castells, 2009; Hendersen et al, 2002; Macdonald and Macdonald, 2010; Marx, 1976; Phillips, 2017; Ruggie, forthcoming). Such research often neglects people's reasons for acting. This lacuna is problematic since power is inherently relational. To understand its workings, we need to attend people's reasons for acting: their internalised ideologies, norm perceptions, and perceived interests. Why do they comply, or gain confidence in the possibility of social change, and collectively resist?

Similar questions can be raised about 'social norms' and 'ideas'. Studies of socio-political change and continuity often refer to 'social norms': conceptualised as aggregate features of a given society; widespread discourses, conventions and practices (Acemoglu and Jackson, 2017; Gauri et al, 2013; Pearse and Connell, 2016). Meanwhile social constructivists either emphasise 'intersubjective meanings' (Hay, 2016), or construct ideas as existing independently of individuals (Béland and Cox, 2016; Blyth, 1997; Gofas and Hay, 2010; Parsons, 2016). Neither specify how these widespread discourses, conventions and intersubjective meanings actually influence people's behaviour, motivate compliance, and thereby perpetuate continuity. They do not explain how social norms/ ideas motivate conformity or resistance (as also noted for by Yee, 1996). Nor do they explain the ontology of such phenomena. What are ideas and norms if not reducible to mental states? [In a bid to accommodate 'ideas', Gofas and Hay (2010: 47) reject naturalism. But this creates more problems than it resolves]. As Gofas and Hay (2009: 13) note, 'the burgeoning literature on the role of ideas has tended to lack solid, coherent and explicitly stated theoretical underpinnings'. Further theoretical work is needed to clarify the metaphysics, and articulate causation, so we can understand why widespread practices and power relations continue, or change over time.

To investigate the causes of socio-political change, I do not focus on the rise and fall of aggregate norms or abstract ideas, but rather *people's reasons for acting*: their beliefs and desires. So whereas previous ideational analyses focus on *ideas*, I focus on *people's ideas*. I encourage particular attention to individuals' *norm perceptions* (their beliefs about what others think and do) (see also Bicchieri, 2017). People (politicians, civil servants, factory owners and citizens, civil servants) develop beliefs about what others will tolerate, endorse, abhor or resist through observation, interaction, peers' narratives, and media consumption. If everyone else complies, we assume collective approval – not recognising that others may be privately critical. This is termed 'pluralistic ignorance'. We conform because we think deviation will be unsupported; and fear being reprimanded, reproached or violently repressed.

While individuals' norm perceptions are shaped by their idiosyncratic encounters and interactions, these are also influenced by wider political, economic and social structures. Under an authoritarian regime, people may be scared to speak out and be openly critical. Accordingly, their compatriots (civil servants, manufacturers and factory workers) may not realise widespread dissatisfaction. Workers' organisations could provide spaces to hear alternative perspectives and realise their collective strength. But they may be hampered by political repression and precarity (informalisation, short-term contracts, turnover and instability). If people do not expect to be supported by others, they may quietly conform to observed practices, thereby impeding political change. They only revise their norm perceptions upon witnessing behavioural change (or hearing it from trusted sources). This creates a collective action problem, requiring a large-scale and coordinated change in beliefs and behaviour (Bicchieri, 2017: 111). This helps explain why norm perceptions and widespread practices persist over time. By contrast, conceptualisations of 'norms' or 'ideas' as aggregate features of a given society struggle to elucidate how these influence individual behaviour, and perpetuate path dependency.

This paper also attends to 'perceived interests': whatever an individual or group considers instrumental to achieving their desires, e.g. for economic growth, political legitimacy or geopolitical security. Thus conceptualised, interests are subjective and their content cannot be assumed *a priori*. Perceived interests are not only shaped by material circumstances but also norm perceptions, i.e. how people expect to be perceived and treated by others. Drawing on this theoretical framework, this paper explores how different socio-economic and geopolitical processes influence different stakeholders' norm perceptions and perceived interests, cultivate debate and motivate pro-worker reforms.

Section 2: Methodology

This paper draws on in-depth interviews with government officials (both senior and junior); domestic business associations; foreign investors; trade union leaders; ILO advisors; Better Work Vietnam staff; INGO personnel; bilateral and multilateral co-operating partners; international brands; factory managers; and workers (totalling 35 participants). This research was undertaken in March-May 2017, in Hanoi, Ho Chi Minh City and via Skype (to North American participants). Some of these interviews were facilitated by a translator, well-versed in sensitive socio-political research. To understand participants' perspectives and priorities, I always asked open questions: not leading the discussion by mentioning possible influences.

Participants may have provided carefully curated, strategic narratives. For example, co-operating partners may have exaggerated their organisations' contributions to ongoing reforms, downplaying wider influences (of which they might be less aware). As one ILO advisor remarked, 'It's hard for any of us on the outside – and we are on the outside – to understand what's going on'. Surprisingly, interviewed co-operating partners were much more modest about their contributions to reform than was implied by their (somewhat self-promotional) online communications. Meanwhile, Vietnamese officials might have downplayed foreign influences, so as to present themselves as sovereign. Further, as an outsider, I may have misinterpreted: not recognising indirect references.

To address these challenges, it was imperative to cultivate trust, shared understanding and empathy. This was easiest when conversing in English, harder when mediated by a translator, and challenging when interviewing factory workers (possibly advised on how to engage with outsiders, Hoang and Jones, 2012: 78). Triangulation and repeated interviews (with a broad range of actors and institutions, engaged in different aspects and levels of reform) helped corroborate and nuance diverse perspectives. Spending time with participants, chatting and joking in cafes, also helped build rapport. Interviews were recorded, translated, transcribed and manually coded. For accuracy and accountability, I circulated the full paper to participants, ILO staff, Vietnamese industrial relations experts, and revised it in light of their comments.

Section 3: Reforming Industrial Relations in Vietnam.

This section traces the slow, incremental, iterative, anxious and acrimonious processes of reforms, and their drivers. Structured chronologically, it charts how interests and norm perceptions have been shaped by wildcat strikes, pressure from buyers, donor-facilitated pilots, free trade agreements and geopolitical threats. By examining the entire process of change, this paper seeks to illustrate the relative importance, interactions and complementary strengths of different dynamics.

Wildcat Strikes

Dissatisfied by their wages and working conditions, Vietnamese factory workers have expressed discontent by go-slows, attrition, and wildcat strikes (unauthorised by VGCL, so not considered legal) (Do, 2011). This is not a new phenomenon, it is partly inspired by historical strikes in South Vietnam (1950s-early 1970s - Kerkvliet, 2011). Strikes and attrition are also enabled by: tightening labour markets in industrial zones; companies' desire to maintain production; as well as state tolerance (of both strikes and positive media coverage). In this context, strikes generally secure material gains, at least in the short term. By spreading news of successful activism, showing photographs and statistical data, pro-labour journalists shift norm perceptions: other workers learn that they *will* have state support*, and *can* influence wage negotiations. This galvanises further mobilisation (Chan, 2011; Cox, 2015; Do, 2011; Kerkvliet, 2011: 175; Lee, 2006; Siu and Chan, 2015; Tran, 2007). It also alarms manufacturers – concerned about productivity and buyers' deadlines. Sustained media attention also shifted Government's norm perceptions: revealing the extent of domestic discontent, threatening regime legitimacy.

People's expectations of (predominantly female) garment workers may also be influenced by collective memories of the American War: women defiantly fighting for the Vietnamese People's Army and Viet Cong; providing extensive logistical support across mountains, jungle and rainforests on the Ho Chi Minh Trail; and being publicly celebrated for these contributions to the resistance (Taylor, 1999). Governments elsewhere may presume that garment workers are acquiescent, meek, docile, unlikely to riot, or easily repressed. But these gender ideologies are perhaps less prevalent in Vietnam.

Importantly, strikes do not entail reform. Given pressure from foreign investors, the Government *could* have violently suppressed strikes, or quashed media reporting – as in Bangladesh and China.[5] But instead the Government permits positive media coverage of strikes, and local authorities berate investors for non-compliance with the labour code (Siu and Chan, 2015). Further, even if the state did wish to support workers, it could have just penalised employers for non-compliance, rather than revise industrial relations and strengthen workers' voice. To evade such sanctions, companies could have just relocated to provinces with surplus labour (which sometimes happens, Do, 2011: 132-133) or refused to budge (Nguyen, 2017: 272). So why has the Government chosen to reform industrial relations? Why has it made iterative, incremental revisions to the labour code and trade union law?

Initial attempts to reform industrial relations were thwarted by visceral resistance – from VGCL. In 2009, the National Assembly proposed labour councils at national and enterprise level, including unions or workers' representatives. The Ministry of Labour (MOLISA) promised they would 'not replace enterprise unions').[6] Despite this strategic framing, VGCL reacted angrily: running aggressive newspaper articles; publicly accusing MOLISA of trying to undermine the working class, union movement, party leadership and nation as a whole. MOLISA backed down, stalling the reform process (Do, 2011). To promote dialogue, MOLISA also established tripartite labour councils at national and provincial levels – clearly excluding non-union workers' representatives. Similarly, the first draft of the 2012 Labour Code allowed workers to form independent organisations in enterprises without trade union representation, and engage in collective bargaining agreements.[7] These clauses were removed (Pham, 2010: 367).

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5 While the Government of Vietnam does not arrest and seldom beats peaceful workers, protesting factory conditions; it has harassed, intimidated, arrested and convicted prominent leaders of Vietnam's independent labour movement and other pro-democracy campaigners, who make political demands of national government (Chan, 2011; HRW, 2009; Kerkvliet, 2011: 179-180; Lee, 2006).

6 Sai Gon Tiep Thi, 27 September 2009, cited in Do, 2011.

7 Article 206 of the first draft of the 2012 Labour Code.

For their part, VGCL leaders tried to ameliorate labour conflicts while maintaining the status quo: mandating greater support from district and industrial zone unions to weak enterprise unions[8] (Arnold, 2012; Do and van den Broek, 2013). They also used top-down authoritarian power to push for improvements, within the existing system. VGCL initially set targets for numbers of unionised enterprises and collective-bargaining agreements.[9] But these collective-bargaining agreements merely repeated the law (rather than securing greater gains for workers), thus failed to quell strikes. VGCL then sought to improve the quality of collective bargaining agreements[10] (shifting from 'form' to 'function', to use Andrews et al's 2017 terminology). It developed a pilot programme with Friedrich-Ebert-Stiftung (a German NGO and long-term partner): developing a database of CBAs. VGCL then funded nationwide scale-up. Here VGCL is trying to preserve its monopoly, *and* improve effectiveness.

Incrementalism notwithstanding, many (within MOLISA, VGCL, and business associations) are responding to strikes by through pro-active reform. In 2006, wildcat strikes comprising 200,000 workers – immediately publicised by pro-labour newspapers – led to a 30% increase in the minimum wage in and mandated inflation-adjusted nationwide annual increases thereafter. Many enterprises are also actively exploring alternative forms of industrial relations, such as social dialogue (managers meeting workers, to address concerns before they escalate), dispute resolution and collective bargaining – as surmised below:

> *There were lots of unresolved conflicts… The only way to reduce disputes is through dialogue. The idea stemmed from the enterprise level, then VGCL pushed for it [at national-level]… Larger enterprises and experiencing strikes felt great necessity to hold regular dialogue. Experiments at local level led to national pressure for reform.*
> VGCL official.

> *The main driver in Vietnam for reform is wildcat strikes. The Government blames VGCL for not stopping them… In the south, where they're dealing with a lot of strikes, they understand system isn't working very well…*
> ILO, senior advisor.

These are nervous times. Many within the Government are keen to attract foreign direct investment (FDI), harmonise industrial relations, reduce strikes, and improve economic growth. Strikes threaten their economic interests in growth, wider unrest and disharmony, and most importantly the legitimacy of the VGCL and VCP (as the as guardians of workers' interests – Do and van Broek, 2013). But doing nothing is also politically risky. The Government and VGCL are well aware that other communist regimes have been undermined by independent trade unions (as also noted by Pham, 2017: 23). Besides self-interested concerns for survival, many within VGCL also worry about workers' collective power being fragmented through multiple, competing unions – as in Cambodia. Regime stability and credibility are paramount (as also emphasised by Vu-Thanh, 2017). Importantly, no institution has a homogeneous set of norm perceptions or interests. Each is internally diverse: comprising conservatives, gradualists and reformists. This partly reflects diverse norm perceptions – different players, in different parts of the country, have different beliefs about how others are likely to react to new initiatives.

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8 Decision No. 1693(2007); and the 2008 Union Statute, Articles 26(4) and 27 (3a);

9 VGCL and MOLISA, 2007, cited in Do, 2011; 2008, Union Statute, Article 20.

10 VGCL issued Resolution No. 1 on improving the quality of CBAs (2009); and reiterated this push at their 11th Congress (2013) (Do, 2011; 2016: 44). The first sectoral CBA pilot covered the textile and garment sector. First signed in 2010, it covers 69 enterprises and 90,000 workers (Artus et al, 2016: 275).

Strikes have incentivised small-scale experimentation ('learning by doing'), study trips abroad[11] and workshops, to explore suitable possibilities and gather evidence before embarking on large-scale reforms (Bartholomew et al, 2005; Do and van den Broek, 2013; Khanh, 2014: 591; Malesky and London, 2014). Ideas, initiatives and individuals are invited to the extent that they serve existing interests – though these interests are by no means uniform within the Party, VGCL or business. Nor are they fixed in time. They are contested, and evolve, through experimentation.

> *Everything is learning by doing: testing. The idea sounds brilliant but the question is how workers react to the change.*
> VGCL official [anxious to maintain social stability and political legitimacy]

To reduce workers' discontent, the Government has permitted experimental initiatives – especially in southern provinces, where FDI-led economic growth is threatened by strikes and attrition. Large companies (especially those suffering from strikes and supplying foreign buyers) have trialled different forms of dialogue: bypassing enterprise unions, listening to rank-and-file workers, addressing concerns before they escalate (Do and van den Broek, 789; van der Loop, 2015). These initiatives are shared and iteratively improved upon through networking in business associations (see Do, 2011: 155, 209; Malesky; Nguyen, 2017: 269; Vinh and Le, 2016: 20-27). Such dialogue is encouraged by provincial governments in the south. For example, in 2008, Ho Chi Minh City's (HCMC) Department of Labour, Invalids and Social Affairs wrote to employers, urging them to reduce strikes by embarking upon two-way communication with workers and collective bargaining agreements. HCMC also increased labour inspectors from 7 in 2006 to 100 by 2010 (Do, 2011: 208).

Strikes and attrition have thus incentivised gradual reform at national level, and authorised small-scale experimentation in industrialised provinces. But worker activism is not the only driver of change. Another incentive is pressure from buyers: overseas orders often come with labour standards requirements attached.

Working with the Grain: the Better Work Programme

To improve compliance and industry reputation, the Government of Vietnam invited the International Labour Organisation (ILO) and the World Bank's International Finance Corporation (IFC) to establish Better Work (BW) in 2009. BW monitors and advises garment factories on how to improve their compliance with national and ILO international core labour standards. To support this process, BW also trains workers, union leaders and factory managers. Now a multi-country programme, BW first began in Cambodia. Following international consumers' and national unions' outrage about poor labour conditions, the US Government offered annual increases in Cambodia's export quota if ILO factory inspections recorded an improvement in factory conditions (DiCaprio, 2013: 111; Polaski, 2006: 929). BW has since been established in Bangladesh, Cambodia Haiti, Indonesia, Jordan, Nicaragua and Vietnam, because governments perceive it as advantageous: cultivating legitimacy; placating reputation-conscious buyers (like Disney, Gap and Nike), who pressure factories to join (Alois, 2016: 125, 138; DiCaprio, 2013: 111; World Bank, 2015: 23, 40). Better Work is thus a useful example of donors supporting local stakeholders, carefully working with the grain, making 'incremental adjustments'. This section will explore BW's contribution to pro-worker reforms, and how this is mediated by macro-level pressures.

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11 Keen to explore alternative possibilities, VGCL has funded study trips – to Australia, Singapore, Indonesia, Japan and South Korea (see also Chan and Wang, 2004: 642). The importance of regional peers and social learning is also emphasised in Mosley (2010: 163): '[w]here regional peers have stronger legal protections, a country is significantly more likely also to have such protections'.

By strategically addressing the self-interested concerns of various stakeholders, Better Work Vietnam (BWV) has improved working conditions. Over time, non-compliance has reduced for child labour and compensation. There has been less improvement on overtime: 80 percent of firms remain non-compliant (Brown et al, 2016). Most research on BW explores 'programme effectiveness', i.e. the gains made within this intervention.[12] However, I suggest that any such 'effects' are actually conditional and symptomatic of the broader political economy that (a) incentivised support from Government, business and VGCL, and (b) circumscribed what was possible in order to secure their co-operation. We cannot understand the gains, limitations or apparent effects of BW without recognising the wider enabling/ restraining environment. It is only because of pre-existing interests in reducing strikes, increasing exports, orders, and economic growth, while restricting the possibility of autonomous power bases, that ILO was invited to establish BW. This political context obviously affects the results achieved.

Given these political difficulties, BW worked strategically to build support and ownership in Vietnam – at national, provincial and factory levels. Bringing in more stakeholders came at a short-term cost, however: weakening attempted radicalism. Notwithstanding widespread consensus about the need for some kind of reform, many were sceptical and reluctant. 'They [factories] think management knows everything. They worry about having more channels. They don't know what concerns workers will raise', explained a BW senior manager (see also BWV, 2016). Such resistance was overcome via pressure from buyers (*not* donor-facilitated coaxing and cajoling).

Conservatives within VGCL were also anxious about BW's proposed P*erformance Improvement Consultative Committees [PICCs] –* whereby management and workers' elected representatives discuss non-compliance issues identified in BW assessments. 'VGCL was very sceptical about Better Work. They were worried it would undermine the trade union [by including production workers]', explained a senior manager in BW. So MOLISA had to withdraw [support for the original PICC proposal], and only keep worker representation in dialogue [not in bargaining or strike negotiations]', narrated a senior advisor at ILO. PICCs were thus a pilot form of what had been rejected at national level.

Framing thus became important: PICCs are always presented as 'complementary', 'capacity building for union', 'strengthening the union' (to quote interviews with those involved). Framing was not sufficient to placate anxieties. Substantive revisions were also needed. It was initially agreed that the PICCs would comprise a subcommittee of the union, nominated by the union: five rank and file workers; five union representatives/ management. Further, PICCs would only discuss gaps in compliance; not wages, not collective-bargaining, not dispute resolution.[13] To secure approval, Better Work had to accept these conditions. While arguably insufficiently transformative (see Footnote 10), the conservatism and incrementalism of this pilot helped alleviate VGCL's anxieties.

By working in ILO's tripartite style, Better Work has been able to progressively evolve over time. Rather than present their own data in workshops, they invite MOLISA and VGCL to conduct their own qualitative research on PICCs. Besides building state-capacity, Government-led research also increases ownership. Having interviewed factory managers, workers and enterprise advisors, state officials see

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12 Concerns have been raised about feigned compliance, limited enforcement and depoliticisation. Recorded improvements in compliance with labour standards may be superficial, as managers often prepare for inspections and intimidate workers. Further, BW has little independent power to sanction factories that violate labour laws or ignore industrial tribunal rulings – especially in the absence of government support and/or union mobilisation (Alois, 2016: 170; Amengua and Chirot, forthcoming). These box-ticking codes of conduct seldom amplify workers' collective strength (Anner, 2012; Bartley and Egels-Zanden, 2015; Barrientos and Smith 2007). Although the BWP's Partnership Agreement asks buyers to revise practices that incentivise labour abuses, this is neither monitored or enforced.

13 As Anner (2017) notes, the PICCs only address compliance, but most strikes are about concerns that go above the law (e.g. wages, bonuses and food). This limits their capacity to resolve workers' grievances.

the situation for themselves and trust their own research findings (rather than abstract data). In 2011, having become familiar with this non-threatening pilot, two senior leaders within VGCL approached BW, to try something new. They wanted to change the guidelines, so that 50% of PICC members would be directly elected by workers. This was another experiment, to inform ongoing discussions about the new labour code – as highlighted below:

> *A lot of things in Vietnam, people assume it can't work, because it's a communist country. But then they see it in action. VGCL support for regular dialogue partly emerged through Better Work.*
> ILO, senior advisor.

> *BW serves as a showcase for some ideas, in terms of dialogue... I'm very familiar with BW, I've visited several times. We refer to PICCs when we talk about the new model. It works, we have evidence.*
> *Question: were you sceptical before Better Work?*
> *No, I knew it works in other countries: Germany, South Korea. But PICC gave us more likely experience and evidence, for Vietnam. And we see the reaction from workers and employers. If you try to introduce something without checking... [intones there would be problems]. PICC is test. PICC enabled me to convince others in Vietnam.*
> MOLISA, senior official.

> *The demand comes from their side. We just showcased good practice. Our experiences are good material for their debate.*
> Better Work, senior manager.

Reformists within the Government, MOLISA, and VGCL thus used effective pilots (such as but not limited to BW) in order to shift conservatives' norm perceptions (about the likely effects of workers engaging dialogue), and lobby for change (see also Do, 2011; Turley and Womack 1998). Learning by doing is not only important for top leaders (who authorise and push for reform at national level), but also enterprise and provincial union leaders (who BW engage in their advisory services and trainings). Even in authoritarian contexts (which could simply mandate top-down compliance), it seems important to build ownership throughout and across multiple organisations.

Better Work's impact should be qualified, however: (a) regular dialogue is merely an incremental reform within the existing system; (b) BW enriched but did not incentivise debate or reform – at government or factory level; (c) there were other complementary pilots – as detailed below.

First, the PICC model does not enable autonomous worker organisations; it merely enables communication. This communication is circumscribed to compliance, not wages or strike disputes. Also, there is a risk that by securing buy-in from established elites (namely VGCL leadership), the international legitimacy of the BW's PICC model is crowding out more progressive, transformative models for worker voice – such as those developed in southern Vietnam (Do, 2012).

Secondly, the BW trainings, workshops and pilots do not appear to have incentivised factory management or government commitment to dialogue. The pressures of strikes and CSR appear to exert far greater pressure for reform. My qualitative (non-representative) research suggests that responsive dialogue is more common: (i) in large companies, supplying foreign buyers; with (ii) experience of wildcat strikes, keen to address grievances; (iii) strong, confident, articulate worker representatives; emboldened by their collective strength; cognisant of workers' concerns; and able to articulate these without fear of repercussions from management; and (iv) where management believe that grievances can be resolved through dialogue, having learnt from peers' successful initiatives in

the southern, industrialised provinces. Whether and how factory managers facilitate dialogue depends on their perceived interests, ideologies and evolving relationship with workers (see also Anner, 2017; forthcoming, on non-resolution of time- and cost-sensitive non-compliance issues).

To increase factories' responsiveness, several co-operating partners have facilitated two day workshops for union representatives and management.[14] These participatory discussions have been carefully designed to help workers' representatives recognise the importance of listening to workers; collect information from thousands of workers; prioritise their concerns; then communicate and negotiate with management. These are all valuable skills. However, it is not obvious that workers lack technical capacity – for many have covertly co-ordinated large-scale wildcat strikes, which is no easy feat (Lee, 2006; Tran, 2007). Furthermore, providing information about rights and responsibilities does not address the managers' interests and norm perceptions in responsive dialogue. Without strong collective power, workers may fear recriminations for speaking out (see also Anner, forthcoming). Such autonomy is arguable impeded by VGCL's affiliation with management, and its persistent monopoly – as emphasised below. This may help explain why a recent quantitative study of BW found that trainings have a rather small effect on working conditions (Brown et al, 2016[15]); and were widely downplayed by participants:

> *This [training] is not an incentive [to change]… They [union officials] are paid by the employer. They know the rights of the workers, but how can they be against the employer? They will lose their job. Because of the system, some issues cannot be solved.*
> NGO worker.

> *[We] need workers' power for PICC to work. When person come to PICC without worker power, he just voice... He don't have power back up… You need to build workers' movement.*
> VGCL official.

> *The trade union is on sider of owners, so cannot protect workers... In a company with PICC, workers sometimes don't raise their voice… Sometimes they just keep silent because they afraid. So dialogue isn't real, it's not effective.*
> Vietnam Chamber of Commerce and Industry, manager.

BW trainings do not appear to have incentivised responsive factory dialogue. Nor does BW appear to have incentivised government reform. As a Vietnamese industrial relations researcher explained, 'Technical projects bring in new ideas, but it doesn't mean they'll be implemented. It creates internal debate. After long internal debate, [the Government] comes up with a solution which has nothing to do with original ILO idea'. Indeed, MOLISA had already proposed workers' representatives in labour councils. BW's PICCs were just a small-scale pilot of this pre-existing idea. Such experimentation was nonetheless useful in securing wider support, and alleviating anxieties within the Party, business and VGCL – about norm perceptions. After many discussions, workshops and factory visits, the Government mandated dialogue between workers and management, every three months. However, strikes persist. None have been settled by Arbitration Councils (VnExpress, 2017a), since these are premised on VGCL representation (which plays no part in wildcat strikes). Notwithstanding incremental adjustments, major institutions of power remained unreformed (Do and van den Broek, 2013). This was to change.

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14 Project evaluations of trainings for VCCI suggest ineffectual rote-learning, rather than participatory discussions. Horizontal learning seems much more valuable (Vinh and Le, 2016: 18).

15 That said, training for production supervisors have improved working conditions and business outcomes.

Free Trade Agreements, requiring Freedom of Association

The Trans-Pacific Partnership offered greater market access (ameliorating a trade deficit with China and enabling greater economic growth), as well as stronger international partnerships and military security.[16] From the outset, few could predict TPP negotiations. But there was a growing recognition that TPP (and other FTAs) had pre-ratification conditionalities: compliance with international labour standards, especially Freedom of Association (independent unions).[17] In November 2012, over lunch with senior ILO figures from Geneva, VGCL's Vice President made an important announcement (as recounted by a former ILO advisor[18]):

> "We are now recommending to government that Vietnam ratifies [ILO] Conventions 87 and 98 conventions". They saw TPP coming. And they wanted to be clear they were running the agenda, not international.... That allowed things to move. ILO got very excited. We had two national workshops: closed workshops, for vice ministers and National Assembly members; VGCL and VCCI… They were really hot. It was changing so fast. We had experts from Beijing and Geneva… It was a good, open discussion. All parties asked ILO for mass roll out for understanding… By November 2015, Vietnam signed off on final TPP negotiation. Everything changed… Because of TPP, the pilots became more and more.

This narrative was widely corroborated:

> TPP served as a starting point, to kick off the process of industrial relations reform in Vietnam. Many things before TPP, you couldn't be able to be open, to talk. But with TPP, people became free to talk… public debate and discussion. Before TPP, there was no 'reform'… no radical changes to the fundamental principles. The key principle of IR reform is workers' organisation. Regular dialogue isn't 'reform'. It's just improvement. It's the same system; the union system. TPP meant fundamental change. Workers to have own organisation, then that leads to changes in dialogue, strike negotiation.
> MOLISA, senior official.

> In the past no one can talk about the word [FOA]. Now you can talk about it openly. But not too openly!! Without TPP, I think everything would be slow. Some change their mind [i.e. were privately supportive], but feel they cannot do because of the system. So this group they want TPP, so their idea can be implemented.
> VGCL official.

This political context – growing support for TPP, recognising the inevitability of reforms to industrial relations, and a need to reduce unrest – incentivised exploration, in the form of workshops on international labour standards and practical experimentation. There was a growing cohort of reformers – at national and local level, within MOLISA, Party, and manufacturers. The previous leader of VGCL supported FOA and talked about it openly – thereby licensing and legitimising open discussion. His support enabled another series of ILO industrial relations pilots. Again, there were many creative processes (elected representatives in VGCL, collective bargaining), though radicalism

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16 TPP would comprise Australia, Brunei Darussalam, Canada, Chile, Japan, Malaysia, Mexico, New Zealand, Peru, Singapore, United States, and Vietnam.

Through TPP, Vietnam was estimated to gain 8-10% in GDP, a 28% increase in garment exports, by and a 14% increase in real wages for unskilled labourers by 2030 (World Bank, 2016). The EU Free Trade Agreement was predicted to increase Vietnam's GDP by 7-8% (Baker et al, 2014).

17 The Government of Vietnam knew congressional support for Vietnam's inclusion in TPP was conditional upon labour reforms (Hiebert et al, 20114). Such conditionality is increasingly common: by 2015, 76 trade agreements included labour provisions (ILO, 2016).

18 On MOLISA and VGCL appealing for ILO support and trainings, in preparation for TPP and other FTA, see also Arroyo (2015: 30-33).

was often reduced to secure the broadest possible buy-in. Better Work also encouraged factories to support elected unions, by appealing to their self-interested concerns in preparing for TPP.

This narrative is contested, however. Some Vietnamese leaders downplay foreign influence, and present themselves as sovereign (reflecting long-standing resistance to American imperialism). For example, the Deputy Minister of Labour insisted that TPP merely accelerated the Government's pre-existing plan (VietNam News, 2016b). It may help that FTA discussions refer to 'international standards', so can be neutrally framed as joining the international community (see also Ford et al, forthcoming).

Notwithstanding its prospective economic benefits, many within the Government were nervous about the prospect and pace of reform required by TPP, especially Freedom of Association (ILO Convention 87) (as also noted by Pham, 2017). Such concerns have lessened due to geopolitical developments, domestic unrest, unwavering strikes and faltering economic growth. There have also been workshops and more pilots, though these seem less catalytic – as elaborated upon below.

While workshops play a relatively marginal role, they have helped familiarise and embed new concepts – as one VGCL official explained:

> *Without awareness, VGCL will be against it more. If union don't know about it, they will be afraid. They will protest. They will say 'NO! It threatens the position of VGCL'. And the Government will be considerate, as VGCL is in the political system… Generally we talk about international labour standards, broadly. Not having a talk specifically on FOA [since that would be too overtly radical].*

> *At the start, VGCL they don't know [about FOA]. They afraid [of mentioning it]. They don't talk. Then this topic start to be discussed in workshop, in seminar, repeat, every day, it's normal. The first year, I come to [this] department, the people are afraid, you will be accused for something, [but] then many people talk about it. We are not afraid of it anymore. Every day it['s] normal.*

But workshops' existence and effectiveness is contingent upon pre-existing interests in reform – as galvanised by TPP and strikes.

While my participants downplayed ILO's influence, I suggest that its perceived impartiality is actually an intentional, politically savvy strategy. Any prescriptive language can trigger resistance and backlash. So the ILO works strategically: detailing the international standards, their implications for Vietnam, and sharing useful insights from regional peers. This enables Vietnamese stakeholders to perceive themselves as driving the process, not being dictated to.

The ILO also facilitates pilots (supporting bottom-up organising, multi-employer organising, as well as the Better Work Programme). Through iterative adaptation, pilots can expand horizons about what might be possible in Vietnam (i.e. shift norm perceptions). But none of these benefits are envisaged at the outset, before experimentation. Thus any deviation (from familiar practice and authorised protocol) can be fraught with tensions: 'angry words, storming out' – even for mild acts like surveying workers. 'They always cried out, 'this is really hard, this is really new… No one understands the new forms of bargaining' – an ILO senior advisor recounted. Building local commitment to reform is critical, since top-down mandates [in the authoritarian system] only ensures the form not function of reform.[19]

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19 As one senior official in MOLISA commented about a collective-bargaining initiative, '*This effort was done in top-down manner…They [local unions] just do it to meet the goal: to have multi-employer bargaining. One of these was worse than what they had at one company. [To get other enterprises to join, they had to*

To build support and shift norm perceptions about the possibility of social change, recent ILO pilots have supported horizontal learning between factories and provinces, enabling workers and union representatives to learn from each other's innovations. Horizontal learning can also foster mutual accountability, between provincial union leaders: 'they have to report, and get attacked by other groups' (ILO advisor). If (after prolonged struggle) pilots are eventually successful, they may shift norm perceptions. Top leaders as well as provincial unionists learn how workers and employers are likely to react in the Vietnamese context. They may show win-win benefits: such as reduced strikes and turnover, as well as improved worker satisfaction. But there were no pilots of freedom of association, of independent worker organisations (unaffiliated to the VGCL). Hence pilots did not motivate the leaders of VGCL or party to support such reform.[20]

In 2014, China deployed an oil rig in a disputed region of the South China Sea. This triggered widespread, violent anti-China protests throughout Vietnam. Rather than quash dissent, the Government actually lessened past restrictions on media commentary about China, permitting extensive coverage of the demonstrations and open critique (Do, 2016; Nhung 2017). Preserving its legitimacy in the face of virulent anger, the Government of Vietnam implicitly sided with its people, rather than the aggressor.

Importantly, critical junctures are not self-fulfilling prophecies. Big events did not in themselves shift perceived interests. Geopolitical threats and domestic discontent were used by reformists to persuade sceptical conservatives that Vietnam could not rely on China's fraternal support but must diversify and deepen international relationships (see also Do, 2016; Pham, 2017: 18). When asked how Vietnam could preserve sovereignty in the South China Sea, the Deputy Prime Minister replied,

> *It is necessary to forge strategic trusts with big powers. On the basis of developing economic, trade, and investment with big powers, they will have an interest in protecting their own interests in Vietnam* [translated] (Hoang, 2015).

Even if TPP had not happened, Vietnam might have embarked upon other, similar geopolitical agreements. Vietnam-American defence co-operation had been carefully cultivated during Obama's 'Asia Pivot'. In 2011, they signed the 'U.S.-Vietnam Bilateral Defense Cooperation Memorandum of Understanding'. In 2013, John Kerry visited Hanoi and Ho Chi Minh City, announcing $18 million for Vietnam's maritime security (Hoang and Do, 2016).

A further factor, galvanising reform is the persistence of wildcat strikes, notwithstanding incremental adjustments within VGCL. There were 384 strikes in 2013; 303 in 2014; 316 in 2015; and 281 in 2016 (about 40% of these were in the garment industry) (according to VGCL). In 2015, 90'000 workers went on strike at Pouyuen factory. Unlike all previous strikes, discontent was directed at the Government, protesting the new social insurance law. Surprised and alarmed, the Government responded instantly: not violently repressing demonstrations but amending the law (Tran, 2015). The Government is clearly

sensitive to public discontent, and can be mobilised by critical journalism. For example, the Center for Development and Integration (a Vietnamese NGO, supported by Oxfam) invited familiar journalists[21] to discuss MOLISA's proposed revisions to the labour code, concerning women workers. These newspaper articles (VnExpress, 2017b; VietnamNet, 2017) were then shared on social media, triggering public debate and dissent (see also Tran, 2007 and Do, 2011 on the importance of pro-labour strike coverage). These signs of public unrest trigger worries about social instability, incentivise reform, and shift norm perceptions about what the public will support.

While many conservatives were concerned about TPP's requirements, reformists could persuade them by framing their arguments in terms of shared interests in military security and sovereignty, boosting faltering economic growth, and curbing domestic discontent. Thus, in the final TPP agreement (2015), the Government of Vietnam agreed to:

> *permit workers… employed by an enterprise to form a grassroots labour union… of their own choosing without prior authorisation…. [with] the right [to] autonomously to elect its representatives, adopt its constitution and rules, organize its administration, including managing its finances and assets, bargain collectively, and organize and lead strikes… [G]rassroots labour unions may… form or join organizations of workers, including across enterprises and at the levels above the enterprise, including the sectoral and regional levels… The ILO will be sponsored by the US Department of Labour to set up a Technical Assistance Program (TAP) which support Vietnam to revise its legislation to comply with the TPP and consistency plan while also reviewing periodically Vietnam's compliance and report to the Vietnam-US Senior Official Committee on Labour (SOC). Violations of the compliance may result in postponement of tariff reductions on Vietnam exports to the US.*

On 6th November 2016, the Central Committee issued Resolution 6, permitting 'workers' organizations not affiliated to the Vietnam General Confederation of Labor'.[22] Three days later Trump was elected. He withdrew from TPP. Would FOA still go ahead? In January 2017, MOLISA, VGCL and VCCI announced that Free Trade Agreements required reforms to industrial relations, including Freedom of Association (TalkVietnam, 2017). But then in May 2017, the National Assembly withdrew the Labour Code revision from the law-making agenda – putting reform on hold. In the meantime, independent labour activists are arrested and beaten, as part of a wider crackdown on dissidents (Do, 2017: 38; The Economist, 2017; Tostevin, 2017). Without the USA's economic and geopolitical incentive for FOA, the earlier hive of activity appears to have dwindled.

Conclusion

Building on the latest advances in psychology and social cognition (attending to norm perceptions), this paper has used qualitative research to understand people's reasons for acting: their beliefs, anxieties, and priorities. Drawing on this data, it has sought to connect individual motivations to macro-level changes.

To answer Grindle's (2017) question, macro-level pressures and crises appear to have motivated pro-worker reforms in Vietnam. It is in a context of wildcat strikes, pressure from lead buyers, trade conditionalities, and geopolitical insecurity that the Government, VGCL and business became increasingly supportive of wage increases, social dialogue, collective bargaining and independent unions. But none of these structural forces are deterministic. They merely stimulate debate, authorise experimentation and are used by coalitions to push for reform (see also Byth, 2003).

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21 With whom they had already worked, visited workers, and empathised with workers.

22 See also Hafner-Burton (2013) on the pre-ratification effects of trade agreements more widely.

These qualitative insights are important. Had I traced change by analysing documents (i.e. trade deals, labour chapters, and subsequent domestic policy reforms), I might have framed trade-labour conditionalities as 'external pressures', 'forcing change from the outside' (Tran et al, 2017; Hafner-Burton, 2013). Listening to Vietnamese actors, it seems that FTAs can legitimise domestic discussions on hitherto silenced, stigmatised subjects (such as Freedom of Association); enable supporters to speak openly, explore these ideas without fear of sanction; realise their views are widely shared; overcome pluralistic ignorance; and build reform coalitions.

For their part, factory managers appear are more responsive to workers' demands if anxious to prevent wildcat strikes. But although strikes perturbed the Government, companies and VGCL (motivating more responsive dialogue, improved compliance and higher wages), they did not catalyse major reform to industrial relations. International economic and geopolitical incentives (from buyers and TPP) seem much more significant in converting sceptical conservatives to support Freedom of Association.

Elite interest in exploring alternative possibilities authorised donor-facilitated workshops and pilots. Rather than railroad radical change, BW evolved slowly and incrementally, to secure broad support. Through gradual familiarisation, diplomatic phrasing, incremental adjustments, ongoing engagement, and inviting government research, Better Work allayed anxieties and animosities about worker representatives in dialogue.

The experience of Better Work may be useful for other donors trying to engage politically: recognising that they are merely providing a space for tripartite actors to explore policy options that address *their* concerns (as shaped by macro-level pressures). By testing new initiatives, pilots may shift 'norm perceptions' (a key theoretical contribution of this paper) about what is feasible in that country, and how different stakeholders will react, thereby alleviating anxieties about the unknown. But any such effects are contingent upon: (i) norm perceptions and interest in reform (emanating from the perceived strength of organised labour, for instance); and (ii) careful efforts to build ownership and 'coordinated governance' ('the interaction and complementary efforts of different public, private and social stakeholders' – Posthuma and Rossi, 2017). Thus, while the international development community increasingly champions iterative adaption and experimentation (Andrews et al, 2017; Ang, 2016; World Bank, 2017), this paper highlights the complementary importance of domestic and transnational political pressures for pro-poor reform.

Going forwards, the international development community might broaden its engagement with global production networks: from politically savvy aid interventions to coordinated global governance; engaging with lead buyers and trade negotiators to support workers' activism, pay and safety. For it is these three drivers (buyers, FTAs, and organised labour) that appear central to Vietnam's reform process.

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