

Wage Bargaining, Worker Organising and Capitalist Hegemony in the Cambodian Garment Industry

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On the 25<sup>th</sup> of December 2013 after a Ministry of Labour decision to increase the minimum wage from 80USD – 100USD/month, mass wildcat strikes and protests erupted in Phnom Penh and across the Cambodia. The Garment worker strike lasted until state security forces shot and killed five striking workers on the 3<sup>rd</sup> of January. Global solidarity campaigns joined the national movement for higher wages and forced the government to set a new minimum wage of 128USD/months the following year. Furthermore, the Ministry of Labour adopted a new framework, proposed by the International Labour Organisation (ILO), aimed at providing a more ‘transparent’ and ‘evidence-based’ approach to wage negotiations. Hoping to avoid future violent clashes, the Ministry of Labour promised yearly wage increases and allowed independent trade unions a seat at the negotiations table. These increases have, however, fallen far short of union demands and the minimum wage for garment workers in Cambodia continues to be highly inadequate.

Using Gramsci’s concepts of hegemony this paper argues that through the formalisation of wage negotiation mechanisms (consent) on one hand and the violent crackdown of grassroots worker organising (coercion) on the other, wages have effectively been ‘depoliticised’ and neutralised as an arena for contention and worker organising in Cambodia. The paper argues that the policy changes in Cambodia – as the result of national and international pressure - will not help overcome the exploitative conditions in the industry. Rather, they stifled a successful campaign for higher wages in the industry and are undermining trade union and worker organising.

Not just is the more ‘transparent’ and ‘evidenced based’ process still strictly controlled by the state, it also forces trade unions to accept a very narrow logic of wage calculations. Furthermore, the Cambodian parliament has passed a new Trade Union Law and is discussing a new National Minimum Wage law, both of which further restrict workers’ rights to freedom of association and collective bargaining. The reforms in Cambodia therefore undermine possibility of establishing a genuine collective bargaining process. The paper will also shed light on the dynamics of wage bargaining in Global Supply Chains more broadly, as the role of the ILO in reforming the wage negotiation process and the role of GUFs and NGOs during the wage campaign have implications for the global industry.

The research is based on extensive fieldwork in Cambodia in 2016 while wage negotiations were taking place and in 2017. In-depth interviews with members of the trade union movement, labour and human rights NGOs as well as the International Labour Organisations (ILO) project office in Cambodia and regional office in Bangkok. Furthermore, a number of in-depth interviews were conducted with members of the International Trade Union Confederation (ITUC), IndustriALL Global Union and the Clean Clothes Campaign (CCC). The research was enriched through participant observations during national and regional trade union wage strategy workshops.