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Unrest in Bangladesh's Ready-made Garments
(RMG) Sector**

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Reasonable Wages for Workers to Eliminate Unrest in Bangladesh's Ready-made Garments (RMG) Sector

Mohammad Ismail Bhuiyan*

Abstract

This paper summarizes the main causes of unrest in Bangladesh's ready-made garments (RMG) sector and how they can be resolved. It provides some background on the degree of unrest in Bangladesh's RMG sector, focusing on six major unrests during December 2010 and June 2012 and provides some information on conflict resolution processes. The paper is based on interviews with RMG workers, management, and factory owners. It shows that low and discriminating wages are the main underlying factor of unrest in the RMG. Hence, wages should be given top most priority to evade unrest in the RMG factories, followed by the implementation of labor rights.

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I. Introduction

Bangladesh is a developing country with few large and some moderate size industries of different kinds. Among these, the fast growing ready-made garment (RMG) industries are the most prospective ones, earning the major portion of the country's foreign currency and providing employment to a large number of female and male workers. This industry has successfully transformed Bangladesh into an export-oriented economy.

Starting its journey in the late 1970s with a relatively small investment, the industry flourished between 1980s and 1990s and became the largest industry in Bangladesh. These industries made and can continue to make a substantial contribution to the economic development of the country. The substantial and conspicuous factors of RMG industry in Bangladesh are cheap labor cost, safe investments relative to other competing countries, congenial working atmosphere, government support, and a dynamic private entrepreneurship. All these factors have easily patronized Bangladesh to become a global partner in the garment business. Moreover, the industry has become a vehicle for further industrialization of the country. Other industrial sectors grow on the basis of an evolving garment industry.

In spite of having an impressive performance, the RMG industry has several problems, especially in terms of frequent conflict and unrest between workers and management. Frequent unrest is a very common pervasive incident around the garments sector which makes all walks of people (workers, owners, buyers, investors) apprehensive towards its potentiality. Daily unrest has become a common feature in the RMG industry.

There is a growing concern that unrests are usually ignored by the owners of the RMG factories. Typically, the factory owners also actively control the role of management. This controlled management sometimes disregards some fundamental requirements of workers (like- minimum payment of wages, unjust payment of wages, irregular and untimely payment of wages, unfair dismissal and retrenchment, physical and verbal harassment, discrimination on the grounds of sexual, gender, racial, and religious aspects) which cause serious hindrance to the productivity and shipment of garments. When these requirements are ignored by the factory owners, workers become frantic to materialize their demands through stopping work, demonstration or even vandalism. In this state, the relationship between workers and management turns into turmoil and trepidation and overall economic and social condition of the country remain jeopardized. This is a severe threat to the topmost foreign exchange earning sector of Bangladesh.

This paper is based on data collected from both management (owners, manager, and officers) and workers by using a questionnaire comprising close-ended as well as open-ended techniques, and by visiting garments premises as well as houses of workers to gather information. Following this introduction, the paper is structured as follows. The next section (Section II) provides a brief overview of Bangladesh's RMG industry. Section III provides some background on the degree of unrest in Bangladesh's RMG sector, focusing on six major unrests during December 2010 and June 2012. Section IV examines the main causes for unrest, while section V provides some information on conflict resolution processes. Section VI presents the main findings and key recommendations before Section VII provides some conclusions.

II. Overview of Bangladesh's RMG Industry¹

Before the British ruled the Indian sub-continent, the cloth sector of Bangladesh achieved worldwide fame. Muslin and Jamdani cloth were used as luxurious garments of royals in Europe and other countries. Considering the Bangladeshi cloth sector a competition to the British textile sector, the British rulers did not appreciate the Bangladeshi cloth industry. Instead, they destroyed the sector and imported cloths from England. Large-scale production of RMG in organized factories is a relatively new phenomenon in Bangladesh. Until the early 1960s, individual tailors made garments as per specifications provided by individual customers who supplied the fabrics. The domestic market for readymade garment, excepting children wears and men's knit underwear (*genji*) was virtually non-existent in Bangladesh until the 1960s. However, a few years after the emergence of Bangladesh as an independent country, radical change came to our garment sector.

The RMG industry started to develop in Bangladesh primarily as an export-oriented industry during the late 1970s. In the 1980s, there were only 50 factories employing only a few thousand people. Currently, there are 4500 manufacturing units. Today, the RMG sector contributes around 3/4 of Bangladesh's total export earnings (please see the Appendix for more detailed annual data on RMG exports since fiscal year 1983-84). The RMG sector also contributes around 13 percent of GDP (compared to only around 3 percent in 1991). Of the estimated 4.2 million people employed in this sector, about 80 percent of them are women from rural areas. The United States are the largest importer of Bangladeshi RMG products, followed by Germany, the United Kingdom, France and other European Union countries.

II.1. Contributions of the RMG Sector

The Bangladeshi RMG sector rapidly attained high importance in terms of employment, foreign exchange earnings, and its contribution to GDP. With the growth of RMG industry, linkage industries supplying fabrics, yarns, accessories, packaging materials, etc. have also expanded. In addition, demand for services like transportation, banking, shipping and insurance has increased. All these have created additional employment.

In addition to its economic contribution, the expansion of the RMG industry has caused noticeable social changes by bringing more than 1.12 million women into labor force. The garment sector is the largest employer of women in Bangladesh. This sector has provided employment opportunities to women from the rural areas that previously did not have any opportunity to be part of the formal workforce. This has given women the chance to be financially independent and have a voice in the family because now they contribute financially. The economic empowerment of these working girls/women has changed their status in the family. The attractive opportunity of employment has changed the traditional patriarchal hegemony of the fathers, brothers and husbands. Most working women/girls can now choose when to get married or become mothers. The number of early marriages is decreasing; so is the birth rate; and the working girls tend to send their little brothers and sisters to school. As a result, the literacy rate is increasing. Women are also increasingly participating in family decision-making.

¹ For a more detailed analysis of the Bangladesh RMG sector, see Siddiqi (2004).

Last, but not least, the growth of the RMG sector produced a group of entrepreneurs who have created a strong private sector. Of these entrepreneurs, a considerable number is female. A woman entrepreneur established one of the oldest export-oriented garment factories, the Baishakhi Garment in 1977. Many women hold top executive positions in the RMG industry. Within a short period, Bangladeshi entrepreneurs got familiar with the world apparel markets and marketing. They acquired the expertise of mobilizing resources to export-oriented RMG industries. Foreign buyers found Bangladesh an increasingly attractive sourcing place. To take advantage of this cheap source and cheap labor, foreign buyers extended their investments, as is shown in Table 1.

Table 1: Investments in Export Processing Zones (EPZs)
(from establishment until August 2011, millions of U.S. dollar)

Name of EPZ	Year of Establishment	Investment (millions of U.S. dollar)
Chittagong EPZ	1983	876.51
Dhaka EPZ	1993	795.74
Mongla EPZ	2000	5.14
Comilla EPZ	2001	143.71
Uttara EPZ	2001	17.89
Ishwardi EPZ	2001	58.21
Adamjee EPZ	2005	133.84
Karnaphuli EPZ	2006	139.84
TOTAL		2,170.87

Source: Bangladesh Export Processing Zone Investor Association (BEPZA).

II.2. Wages in the RMG Sector

In 1984, the RMG sector started flourishing when foreign buyers started coming to Bangladesh due to political unrest in Sri Lanka. At the beginning, there was no wage scale for the workers of this sector. No specific rules and regulations regarding the RMG sector were framed. Gradually, a pay scale came into being. The present government took an initiative for revising the existing wage structure against the backdrop of the labor unrest; and a new revised wage structure was declared by the Labor Minister concerned with Tk. 3,000 for the lowest grade for workers. An apprentice will now get an amount of Tk. 2,500. The new wage structure (which is the fourth wage structure) has seven grades for general workers and four grades for staff. Table 2 shows the fourth wage structure for the RMG workers of Bangladesh. The lowest wage of Tk. 3,000 was fixed at an individual after a revolutionary and tumultuous agitation by RMG workers in 2010.

Table 2: Fourth Minimum Wage Structure for Garment Workers

Grading (Main Posts)	Basic	House rent (40% of Basic)	Medical Allowance	Net Salary
Grade 1: Pattern Master, Chief Quality Controller	Tk. 6,500	Tk. 2,600	Tk. 200	Tk. 9,300
Grade 2: Mechanic, Electrician, Cutting Master	Tk. 5,000	Tk. 2,000	Tk. 200	Tk. 7,200
Grade 3: Sample Machinist, Senior Machine Operator	Tk. 2,870	Tk. 1,148	Tk. 200	Tk. 4,218
Grade 4: Sewing Machine Operator, Quality Inspector, Cutter, Packer, Line Leader	Tk. 2,615	Tk. 1,046	Tk. 200	Tk. 3,861
Grade 5: Junior Machine Operator, Junior Cutter, Junior Marker	Tk. 2,395	Tk. 958	Tk. 200	Tk. 3,553
Grade 6: Operator of General Sewing/Button Machine	Tk. 2,230	Tk. 892	Tk.200	Tk. 3,322
Grade 7: Assistant Sewing Machine Operator, Assistant Dry washing man, Line Iron Man	Tk. 2,000	Tk. 800	Tk.200	Tk. 3,000

Source: Minimum Wage Board, 2010.

Table 3 below shows that RMG workers rank 8th within Bangladesh's domestic minimum wage structure. Nevertheless, given the size of the sector, the RMG sector achieves the country's topmost foreign exchange earning sector.

Table 4 shows that Bangladesh enjoys the world's lowest wages in the clothing sector. The per hour cost of labor in Bangladesh is \$0.22, compared to \$0.44 in Vietnam, \$0.56 in Pakistan, \$0.44 in Sri Lanka, \$01.48 in China, and \$0.51 in India but cost of living has been increasing gradually; most likely at a significantly higher rate than the world average. Thus, demand of increasing monthly wages is obvious and reasonable.

Table 3: Sector-wise Minimum Wage for Workers

Ranking	Sector	Minimum wage in Tk.
1	Oil-mills	7,420
2	Re-rolling	6,100
3	Foundry	5,100
4	Ship breaking	4,645
5	Ayurvedic unit	4,350
6	Pharmaceutical	3,645
7	Soap and cosmetic	3,300
8	RMG	3,000
9	Shrimp processing unit	2,645
10	Tailoring shop	2,350

Source: Daily New Age of August 13, 2010.

Table 4: Per Hour Wages of Garment Workers across Countries

Country	Per hour wage (in US\$)
Turkey	2.44
Mexico	2.17
China	1.88
Pakistan	0.56
India	0.51
Sri Lanka	0.44
Vietnam	0.44
Bangladesh	0.22

Source: The Daily New Age, 13 Aug, 2010

As reported by Jason Burke and Saad Hammadi (2010) in the British daily, *The Guardian*, high street retailers, including Wal-Mart, Tesco, H&M, Zara, Carrefour, Gap, Metro, JC Penney, Marks & Spencer, Kohl's and Levi Strauss, all import clothes in bulk from Bangladesh because of the lowest labor costs in the world. In the same report, *The Guardian* quoted a report by the

International Trade Union Confederation (ITUC) in Vienna, which said Bangladeshi garment workers were the world's most poorly paid, and that their exploitation was on the rise.

III. Overview of Some Recent Unrest in RMG Sector

Over the last few years, agitation among the RMG workers flared up in many RMG factories in Bangladesh. Many garment units were burnt and damaged by the unruly mob or so-called disruptive forces. Conflicts between workers and management of RMG industry are gradually increasing. Upward incidents of violence continue to hit the Bangladeshi apparel sector. The following are some details on major unrests in the RMG sector between December 2010 and June 2012.

III.1. Unrest of RMG Workers on December 12, 2010²

This RMG unrest was considered one of the most catastrophic unrests at the end of year of 2010. Both Dhaka and Chittagong mega city were quaked by the recurrent agitation of RMG workers. All 11 factories of Korean Youngone Ltd. in the Chittagong Export Processing Zone (CEPZ) were shut down for an indefinite period following workers unrest over wages. Meanwhile, in Narayanganj and Gazipur, at least 25 people at three garment factories were injured when the workers clashed with the management staff and ransacked vehicles, in protest against wages. Agitating workers at some of these factories of Youngone stopped work, staged demonstrations and beat up two top executives of the company, protesting "reduction" of wages despite implementation of the new pay scale. The demonstrators went on the rampage at two factories: Youngone Sports Shoes Industries Ltd (YSSIL) and Youngone Sportswear Ltd (YSL). They vandalized machinery, factory gates, windowpanes and a car. A CEPZ official, preferring anonymity, said the unrest resulted from a "misunderstanding" over wages.

In Narayanganj, ten people were injured after the workers of Robin Tex BD Limited located at Bhulta Gausia village under Rupganj upazila blocked the Dhaka-Sylhet Highway and ransacked at least five vehicles alleging the authorities were not following the new salary scale. However, the government had declared the new scale effective from November. Sources said some 7,000 to 8,000 workers of Robin Tex BD Limited started demonstrations early morning instead of joining work. They locked the main gate from inside and confined the officials. They also ransacked furniture, computers and machinery of the factory. Later, the workers took to the highway, put barricade and ransacked the vehicles, halting transport movement for half an hour.

Meanwhile, 15 persons were also injured in a clash among the officials and the workers of Moazuddin Textile Limited at Purba Chandra area and Knitwear Limited at Ratanpur village after they staged demonstrations in Kaliakoir upazila of Gazipur on the same demand. The factory authorities paid the workers' salary as per the old wage board. They started the demonstration protesting the old salary structure.

² This sub-section is based on a report in The Daily Star of December 12, 2010.

III.2. Unrest of RMG Workers in Narayanganj on September 22, 2011³

At least 10 workers including a journalist were injured when a clash ensued between the workers and management of Square Garments in Kachpur industrial area, Naryanganj. According to the workers, they demonstrated for a few days demanding the implementation of 16 points, including demands for increased salary and bonus, reduced overtime duty, provision of regular leave, stopping retrenchment of workers, ensuring payment of salary and allowances in due time, the end of oppression and harassment of workers, and the removal of the Managing Director from his post.

Workers said instead of joining work in the morning they began to demonstrate ahead of their demands inside of the factory. At that time management side of the garments tried to resist the workers from chanting slogans and demonstration. Attack and counter attack resulted from this resistance. Agitated workers forcibly went to the managing director's room and ransacked valuable documents and furniture. They lobbed the brickbats at the building and vandalized windowpanes. Workers of the Square garments immediately demanded the implementation of their demands and removal of managing director from his post. Workers announced the recession from work due to the non-compliance of their demands by the owners of the garments. 10 people from both of these sides were injured during the clash. Additional police were deployed in the garments.

III.3. Unrest of RMG Workers in Ishwardi EPZ on March 26, 2012⁴

Over a hundred people were injured as police and garment workers fought for around five hours at Ishwardi Export Processing Zone in Pabna. The EPZ erupted into violence soon after workers of Roshita Knitting Wear Limited, a foreign-owned company, began demonstrations for a pay hike around 9:00am. Pabna Police Superintendent Jahangir Hossain said police fired rubber bullets and charged batons to disperse the workers who had confined some foreigners to the factory. "Unruly workers confined the foreigners, all of whom are executives of the factory, and started vandalism. They also attacked the law enforcers, leaving 15 policemen injured," he said. "We've picked up 75 workers from the spot." Of the injured, over 50 were admitted to Ishwardi Upazila Health Complex and Pakshi Railway Hospital and the rest to other health centers in the district. Sheikh Mehedi Hasan, a local correspondent of the Bangla daily Manab Zamin, was wounded in police baton charge as he went to cover the incident. He was treated at the railway hospital.

The agitators claimed the law enforcers swooped on them without any provocation. Many of them were hurt as police lobbed teargas canisters, fired bullets and charged batons. They have long been demanding Tk. 150 knitting charge for every sweater but the factory pays only Tk. 100. Around noon, rumors of a worker's death fuelled the violence. People from nearby villages came in and damaged structures at the EPZ by hurling brick chips. They smashed up vehicles in and around the area. Normality, however, returned around 3:00 pm. The clashes led to a suspension of production at five RMG factories in the EPZ. The General Manager of Ishwardi EPZ, Md. Mahmudul Hassan, said there must have been an evil plot behind this unrest event. "Some workers have planned the unrest at Ishwardi EPZ to stop foreign investment in efforts to

³ This sub-section is based on a variety of newspaper reports.

⁴ This sub-section is based on a variety of newspaper reports.

take revenge on the factory that sacked a few of their colleagues for breaking discipline,” he said. “The EPZ authority will form an inquiry committee to investigate the incident” he added. The General Manager also said the EPZ authority discussed with the workers the wage hike but he did not know why they had gone berserk.

III.4. Unrest of RMG Workers in Ashulia EPZ on May 13, 2012⁵

Ha-Meem Group establishments and a vehicle of an official of the company were damaged during garment workers violence in Ashulia on the outskirts of the capital. Production in around 350 garment factories remained suspended in Ashulia industrial belt near the capital as workers took to the streets following rumors of a co-worker's death. Clashes between the agitating workers and police left at least 100 people including 10 cops injured. During the clashes, Kamrun Nahar Golapi, 30, an operative of Opex Sweater Factory, was run over and killed by a bus at Jamgorah when the workers were chased by police, said Mokhlesur Rahman, inspector of Ashulia industrial police. Traffic on Dhaka-Tangail highway and Ashulia-Baipail road was suspended for three and a half hours since the workers started agitations around 10:00am. Police fired teargas shells and rubber bullets to bring the situation under control. The workers retaliated with brickbats, set tires a fire and barricaded roads, witnesses said.

All the factories, offices and business establishments at Jamgorah, Baipail, Beron, Narasinghapur and Banglabazar were shut down to avert escalation of violence. Mizanur Rahman, superintendent of police in Dhaka, told The Daily Star that they had arrested six persons on the spot and released them later. The marauding workers damaged around 20 roadside factories, including those of Ha-Meem Group, and vandalized over 50 vehicles. According to witnesses and police, several hundred workers of Ha-Meem Group started agitation inside a factory at Narasinghapur in the morning, alleging that some officials and security guards had beaten dead Salman, a storekeeper of the group's Artistic Design Ltd, and hid the body.

Salman had an altercation with Mofakharul Islam, a director of Ha-Meem, Thursday evening when the director asked Salman not to use his mobile phone during work hours. Salman did not listen and disobeyed the director's order. At one stage, security guards and officials beat up Salman and handed him over to police. Ashulia police confirmed that he was sent to jail immediately. As Salman was absent in the next morning in his office, a rumor spread that he died from torture. Later, the workers demonstrated on the streets and called other factory workers to join them. After clarifying that the death of Salman was a false rumor, police brought the situation under control later that afternoon.

III.5. Unrest of RMG Workers on May 28, 2012

At least 30 people including 10 law enforcers were injured as garments workers clashed with police in Sonargaon upazila of Narayanganj. The workers of Sinha Group, who were protesting an attack on a trade union leader, blocked the Dhaka-Sylhet highway for three hours suspending vehicular movement that caused immense sufferings to the commuters. The agitated workers also set three shops ablaze in the area. On Saturday, Advocate Montu Ghosh, adviser of Garment Sramik Trade Union Kendra, and two of his associates were critically wounded in an attack by unidentified assailants in Kanchpur. The workers of Sinha Group, also located in Kanchpur, went

⁵ This sub-section is based on a variety of newspaper reports.

to office next morning and started a work abstention protesting the attack on Montu Ghosh, said the officer-in-charge of Narayanganj Police Station. At some point in the morning, around 10,000 workers of the factory took to the streets and staged a demonstration on the Dhaka-Sylhet highway. Police rushed to the scene and used truncheons on the agitators, prompting them to retaliate with brick chips. Law enforcers fired at least 50 tear gas canisters and rubber bullets to free the highway, said the superintendent of police of Narayanganj. Road communications resumed around 1:30 pm, when additional police reached the spot and dispersed the workers.

III.6. Unrest of RMG Workers from June 12-17, 2012

The readymade garment belt at Ashulia (a few miles away from the Dhaka) turned into a battleground from June 12-17, 2012, as several thousand apparel workers clashed with police and factory management/owners, according to the workers mostly due to low wages. Workers also protested the police action on some of their fellow workers. Unrest became rigorous when several thousand workers from other factories in the area joined the agitating workers. The five-day consecutive unrest in Ashulia industrial belt continued due to lack of mutual settlement between owners and workers, ignorance of workers' demands, and random assault of workers by law enforcement. Hundreds of workers staged violent demonstrations demanding wage hikes to compensate them for sharply increasing costs of house rents and essentials. However, the President of the Bangladesh Garment Manufactures & Exporters Association (BGMEA) stated that these unrests did not stem from the demand for salary hikes, but were the result of a few vested groups that were trying to destroy the garment sector, as perhaps they were benefiting from the unrest.

IV. Main Causes of Conflicts in the RMG Sector

Conflicts are a part of human endeavors and pursuits. Some experts say that rising prices of essentials, unpaid salaries, government's inaction and absence of responsible trade unions are some of the reasons responsible for the rising violence in the RMG sector. Khan (2011, p. iii) has stated that based on his questioning of workers and managers, the major causes of labor unrest are "irregularities in payment, low wage, mistreatment of the workers by managers/officers, rumor, absence of trade unionism, conspiracy, non-execution of labor laws, unruly nature of the workers and political intervention." Recent conflicts have shown that demands for higher wages are a fundamental part behind all recent conflicts in Bangladeshi RMG factories. However, as shown by Apu (2010), a second factor is wages discrimination; that is, top-level employees draw more than 100 times monthly salaries than low-level employees, plus other company's benefits in the hierarchy, which creates non-motivation by lower paid workers, jealousy, and consequently less productivity by unrest in the production environment.

According to RMG workers, the increase reflected in the fourth wage structure is not satisfactory if comparing it with the cost increase of essential commodities. So that some worker resorted to movement with the argument that the lowest amount for a worker's salary should be at least Tk5000 and be effective from August, 2010. This is a reason why the labor unrest gaining winds despite the declaration of a revised wage. Now, the RMG owners are saying that they cannot help but close down their factories if arson and anarchy continues further. So, what is the ultimate remedy of this crisis? Whatever may be the reason, the situation now remains subdued as the workers have started working and production is once again in full swing everywhere.

However, the question is how long it will take until the next cycle of violence will erupt. According to nutritionists, a person needs at least taka 75 (about \$1) for her/his daily food requirement. So for a family of 4 persons, the basic food requirement would be Tk. 300 a day or Tk. 9,000 a month. Furthermore, the monthly rental rate in Dhaka, Narayanganj and Chittagong for a very narrow room (which can be accommodated at best by four persons) is about Tk. 3,000. Including other basic expenses (like clothing, educational and medical expenses), the total monthly required for a 4-person family amounts to about Tk. 15,000. Hence, the question is how Tk. 3,000 minimum wage is sufficient for a worker?

Salary and wages discrimination is another important reason of unrest in the RMG sector. Employees that have been working for many years at a factory complain that they do not get a fair compensation compared to new employees. For example, an officer (team member) that worked for seven years at the Youngone Corporation Limited (CEPZ) in the same position got paid a total Tk. 15,000 as his monthly emolument. On the other hand, a new employee at the same position gets Tk. 12,000 as monthly emolument. Salary and wages discrimination between and among workers and officers in senior and junior levels was an implicit reason behind the disastrous unrest in Youngone Corporation on December 12, 2010. Indeed, the Garment Workers' Federation termed the new (fourth) minimum wage structure defective because the salary of the junior workers has been increased to match that of the senior workers' pay.

Famous psychologist Sigmund Freud determined that all instincts fall into one of two major classes: a) the life instincts and b) the death instincts. The life instincts are those that deal with basic survival, pleasure, and reproduction. These instincts are important for sustaining the life of the individual as well as the continuation of the species (hence, they are often called sexual instincts). On the other hand, self-destructive behavior is an expression of the energy created by the death instincts. When this energy is directed outward onto others, it is expressed as aggression and violence.

RMG workers sometimes become agile and volatile and express their aggressive mood onto the owners, management, properties of factories and factories violently. When they are severely frustrated with their low wages and unprivileged facilities, they may try to satisfy their needs in irresponsible, non-normative and even disruptive way. A disruptive force is usually created through a crowd, mob and a conflict. When needs and demands are dissatisfied and disapproved by the owners or management, the workers get frustrated and this accumulated frustration leads to the conflict.

Misunderstandings, deprived of getting due rights and a persistent conflict in the garments sector produce a disruptive force. A disruptive force may consist of a well-organized group of people who undergo a long period of oppression and deprivation, observe a frequent breach of commitment and enjoy insufficient amount of opportunities and independence. The members of disruptive force are devastating and unruly and comprises of this force at least 50 to innumerable workers or people. Each of the members of this group is destructive, self-destructive, aggressive, infuriated and agitated. This group is considered to be detrimental to the owners and properties of the industries. Two types of disruptive force are usually seen in the industrial premises. One disruptive force comes out of the workers' side. This force grows out after observing many inequalities between management and workers. Members of disruptive forces march ahead of the workers during clashes and demonstrations. They often vandalize factories and passing vehicles on the road. Destructive activities have to lead to the indefinite closure of the factories or transfer

ownership to the local investors. According to The Daily Noya Diganta, at least 50 owners of RMG companies were compelled to transfer their ownership to others due to frequent attack and unrest in their factories.⁶ Furthermore, around 100 RMG factories are about to be sold.⁷

V. Conflict Resolution Processes

Conflicts in the workplace are a fact of life. We have all seen situations where different people with different goals and needs have come into conflict. When different goals and needs of different people differ from each other then conflict becomes an inevitable phenomenon. Workers' agitation and vandalism turned the country into an absolute anarchic state for days now. The untoward situation leads to immediate closure of many RMG units in both Dhaka and Chittagong. In 2008, there were a total of 5,608 RMG factories in Bangladesh. Today, the number has been reduced to 3,260; hence, 2,342 RMG factories have been closed so far, mostly due to frequent unrest, lack of implementation of compliance issues, and inadequate infrastructure facilities.⁸ Frequent conflicts in the garments industries also slander our long standing image outside of the country. As a result, foreign investors lose their interest in investing in this sector. Effective conflict resolution processes are needed to save this sector from losing its long standing positive image.

V.1. Understanding the Problems

By resolving conflicts successfully, we can first of all solve many of the problems that are brought to the surface and second, get benefits that might not be expected initially. These are related to implementing compliance issues, listening to the complaints, setting up communication between workers and management during conflicts, increased understanding, and increased group cohesion, which are each explained in more details below.

- **Implementing compliance issues:** Compliance means to comply with something or yield to the wishes of another. Compliance ensures all labor rights and facilities according to the buyer code of conduct. International buyers demand compliance with their "code of conduct" before placing any order. Our RMG owners also accept their buyers' demands by assuring them of giving proper feedback. But in vain, the pragmatic use of compliance remains ineffective. When cunning owners of RMG come to know the imminent visit of buyers on their factories, they immediately inform the high officials about the buyers' visit and order to take immediate steps for arranging compliance facilities for time being till the buyers' stay in the factories. The system of compliance soon withdraws after the buyers' exit from the factories. These are common phenomena and real pictures in RMG sector in our country. This fraudulent process or falsely displaying of compliance hampers the usual productivity of the garments and expedites the conflicting situation in the factories. So concrete and effective implementation of compliance issues must be brought on to the RMG industries to avoid conflicting situation and escalation of conflicts.

⁶ See Noya Diganta, October 23, 2011, p. 13.

⁷ See Noya Diganta, October 23, 2011, p. 13.

⁸ See The Daily Amar Desh, October 9, 2011, p. 1.

- **Listen to the complaints and any other problems:** An uninvited embarrassing, humiliating behavior, sexual harassment, verbal, gestural, physical torture, use of slang language are common features in the workplace of RMG. Most of the RMG workers are women and come from rural areas with an extreme impoverishment on their shoulders. These typically illiterate and rural evacuees endure many of the above mentioned problems. They are considered an abject class in the society.⁹ So owners and management of the RMG do not care of their complaints and problems. Management wants to increase productivity ignoring workers' complaints and problems. They do not want to hear and receive any complaints from the workers. If workers complain, managers intimidate the workers such that they leave or they terminate their contracts. Nonetheless, the management forgets that productivity can be improved through the proper treatment and caring unto the workers. Unrest in garments factories is mainly caused due to the frequent negligence of workers' complaints by management. Instead of trying to increase productivity through pushing workers, management could actually increase productivity by listening to workers' problems and take necessary steps for amelioration of the factories.
- **Set up communication between workers and management during conflicts:** Conflicts can arise by deviating from communication. While in conflict, two parties become belligerent with each other. They try to hit one another by using sticks, knives, firearms or other sharp instruments. Sometimes they attack one another by exchanging blistering words. In this state, high officials should come forward to listen to the cause of conflicts and call upon leading workers to sit together to settle the conflicts by assuring them of accepting all demands. Communication gap between management and workers should be bridged through negotiations, frequent meetings and counseling etc. Workers should be considered the vital and inseparable part of productivity not an abject class in society.
- **Increased understanding:** The discussion needed to resolve conflict expands people's awareness of the situation, giving them an insight into how they can achieve their own goals without undermining those of other people. Regular interaction between workers and high officials should emphatically be imposed and thus mutual contradiction could be annihilated.
- **Increased group cohesion:** Conflict can be resolved through increasing group cohesion. There are many groups and sub-groups internally visualized in the RMG factories. These groups take pros and cons during the conflicts and conflicting issues. Some groups particularly owners and high management do not support the increase and demand of minimum wages, incentive bonus, festival bonus, gratuity, leave, sick leave, lunch facilities, weekly holiday etc, on the other hand, workers support to increase minimum wages, incentive bonus, festival bonus, weekly holidays, gratuity and leaves and lunch facilities but they do not support long working hours, overtime, oppression and any type of harassment. Conflicts can be reduced and group cohesion can be increased through paying attention and respect to the demands of each groups. Members of each group should respect and listen to each other's problems and look after daily's work and health condition. They should also have mutual respect and faith in their respective ability to work together.

⁹ See Rahaman, Islam, Abdullah and Rayhan (2011).

V.2. Conflict Resolution Styles

In 1974 Kenneth Thomas and Ralph Kilmann identified five main styles of dealing with conflict that vary in their degrees of cooperativeness and assertiveness. They argued that people typically have a preferred conflict resolution style. However, they also noted that different styles were most useful in different situations. The Thomas-Kilmann Conflict Mode Instrument (TKI) helps to identify which style may be the most appropriate to resolve conflicts. Thomas and Kilmann's styles are:

- **Competitive:** People who tend towards a competitive style take a firm stand, and know what they want. They usually operate from a position of power, drawn from things like position, rank, expertise, or persuasive ability. This style can be useful when there is an emergency and a decision needs to be made fast; when the decision is unpopular; or when defending against someone who is trying to exploit the situation selfishly. However it can leave people feeling bruised, unsatisfied and resentful when used in less urgent situations.
- **Collaborative:** People tending towards a collaborative style try to meet the needs of all people involved. These people can be highly assertive but unlike the competitor, they cooperate effectively and acknowledge that everyone is important. This style is useful when you need to bring together a variety of viewpoints to get the best solution; when there have been previous conflicts in the group; or when the situation is too important for a simple trade-off.
- **Compromising:** People who prefer a compromising style try to find a solution that will at least partially satisfy everyone. Everyone is expected to give up something and the compromiser him- or she also expects to relinquish something. Compromise is useful when the cost of conflict is higher than the cost of losing ground, when equal strength opponents are at a standstill and when there is a deadline looming.
- **Accommodating:** This style indicates a willingness to meet the needs of others at the expense of the person's own needs. The accommodator often knows when to give in to others, but can be persuaded to surrender a position even when it is not warranted. This person is not assertive but is highly cooperative. Accommodation is appropriate when the issues matter more to the other party, when peace is more valuable than winning, or when you want to be in a position to collect on this "favor" you gave. However people may not return favors, and overall this approach is unlikely to give the best outcomes.
- **Avoiding:** People tending towards this style seek to evade the conflict entirely. This style is typified by delegating controversial decisions, accepting default decisions, and not wanting to hurt anyone's feelings. It can be appropriate when victory is impossible, when the controversy is trivial, or when someone else is in a better position to solve the problem. However in many situations this is a weak and ineffective approach to take.

Different styles may be more or less useful for any specific conflict. Some conflicts may require an appropriate mix of styles, as well as additional approaches or changes. Ideally, a style and approach that meets the situation, resolves the problem, respects people's legitimate interests, and mends damaged relationships. Furthermore, over time, people's conflict management styles tend to mesh, and a "right" way to solve conflict emerges.

V.3. Conflict Resolution Processes

In addition to using the appropriate conflict resolution style, the following five-step resolution process should be used to resolve a conflict.

- **Step One - Set the Scene:** If appropriate to the situation, agree the rules of the IBR approach (or at least consider using the approach yourself.) Make sure that people understand that the conflict may be a mutual problem, which may be best resolved through discussion and negotiation rather than through raw aggression. If you are involved in the conflict, emphasize the fact that you are presenting your perception of the problem. Use active listening skills to ensure you hear and understand other's positions and perceptions. That is, restate, paraphrase and summarize. Make sure that when you talk, you are using an adult, assertive approach rather than a submissive or aggressive style.
- **Step Two - Gather Information:** Here you are trying to get to the underlying interests, needs, and concerns. Ask for the other person's viewpoint and confirm that you respect his or her opinion and need his or her cooperation to solve the problem. Try to understand his or her motivations and goals, and see how your actions may be affecting these. Also, try to understand the conflict in objective terms: Is it affecting work performance? Damaging the delivery to the client? Disrupting team work? Hampering decision-making? Or so on. Be sure to focus on work issues and leave personalities out of the discussion. This implies to listen with empathy and see the conflict from the other person's point of view; to identify issues clearly and concisely; to use "I" statements; to remain flexible; and to clarify feelings.
- **Step Three - Agree that there is a Problem:** This sounds like an obvious step, but often different underlying needs, interests and goals can cause people to perceive problems very differently. You shall need to agree the problems that you are trying to solve before you shall find a mutually acceptable solution. Sometimes different people will see different but interlocking problems - if you can't reach a common perception of the problem, then at the very least, you need to understand what the other persons see as the problem.
- **Step Four - Brainstorm Possible Solutions:** If everyone is going to feel satisfied with the resolution, it will help if everyone has had fair input in generating solutions. Brainstorm possible solutions, and be open to all ideas, including ones you never considered before.
- **Step Five - Negotiate a Solution:** By this stage, the conflict may be resolved: Both sides may better understand the position of the other, and a mutually satisfactory solution may be clear to all. However you may also have uncovered real differences between your positions. This is where a technique like win-win negotiations can be useful to find a solution that, at least to some extent, satisfies everyone.

Conflict in the workplace can be very destructive to teamwork, resulting in situations where cooperation breaks down and the team's mission is threatened. To calm these situations down, it helps to take a positive approach to conflict resolution, where discussion is courteous and non-confrontational, and the focus is on issues rather than on individuals. If this is done, then, as long as people listen carefully and explore facts, issues and possible solutions properly, conflict can often be resolved effectively.

VI. Findings and Recommendations

VI.1. Major Findings

- Low and discriminating wages are the main underlying factor of unrest in the RMG. More than 96 percent of recent unrests in RMG took place related to wages. The minimum monthly wage of Tk. 3,000 is not sufficient to cope with the price rise of essential commodities and house rent of the garment workers. So demands for pay hikes are reasonable but this demand from workers is frequently foiled and disregarded by the owners and management of the RMG factories. Thus the unrest becomes inevitable.
- RMG owners or management disregard or do not listen to the needs and demands of workers. Instead of taking workers' matters into priority, the use of slang language verbal and physical harassment is horribly taken place by technicians and supervisors of the factories and floor management particularly by PM/ APMG. As a result, frequent labor unrest and strike is taking place in this sector by this major reason.
- Absence from utilizing of compliance issues in numerous RMG factories. Therefore compliant issues are much more neglected and obstructed by the respective owners/management. Compulsory over-time, no weekly day off, fraction payment, late payment and no payment and 10-12 working hours are very common matters.
- Workers are given warning letters due to very silly mistakes or very absurd non-compliance issues. This is a kind of oppression, exploitation and harassment of workers by the owners or management of RMG factories in making the workers' confined to the fear of losing their jobs. Access to remedies is restricted. Therefore, if any occurrence (unrest, harassment, displeasure, quarrel etc) takes place between workers or management or among workers or management, the concerned are called for inquiry, close witnesses are disallowed to give testimony to this occurrence.

VI.2. Key Recommendations

- Wages should be given top most priority to evade unrest in the RMG factories. Wages and salaries to the old and deserving workers and officers need to be adjusted to address equality and equity issues.
- Furthermore, as detailed in Morshed (2007), the implementation of labor rights can ensure sustainable livelihood of the garment workers, which in turn enhances the sustainability of the RMG industry in Bangladesh. Proper implementation of labor rights must be prescribed and monitored collectively by the international buyers, the Bangladesh Export Processing Zone Investors Association (BEPZIA) and the Government. As the representatives of buyers and members of BEPZIA cannot always remain present in the factories, government should continue to support and monitor the garment and knitwear sectors for the implementation of compliance issues.
- Relationships between workers and owners in our RMG sector are typically very awkward, tapered and restricted. In most cases, owners underestimate workers and despise them for their low status of life. This attitude and mind mentality has to change.

RMG factory owners should listen to demands of workers and either agree with them or assure workers to look into prompt steps to reach a solution.

- Workers always work under pressure and stress. So entertain workers by arranging some instructive and educative programs through some organizations like the DaNi Resource Center (DRC)¹⁰ and others- these types of organizations arrange to show some dramas or documentary films by giving workers some practical knowledge about compliance issues-like leave, maternity leave, wages, grievance procedures, personal protective equipment (PPE), workers welfare committee, overtime and fire safety etc.

VII. Conclusion

This study has been conducted to represent the conflict scenarios in the garments and conflicts between the workers and management in these garments. For a few decades now, the RMG sector became a flourishing and promising sector with the highest exports and employment in the economy. The European Union, the United States, Canada, Japan, and Australia are our main garment importing countries, though many other countries all over the world are importing garments from Bangladesh. Approximately 18 to 20 million livelihoods directly and indirectly depend on this sector.

However, the RMG sector has recently faced some unacceptable events that hamper its growth and productivity. The topmost foreign exchange earning sector of the country is undergoing severe trepidation. Unrest and conflict in this sector become a very common phenomenon. Conflicts ensue typically first from within the factory, where workers and management fight with each other. Then management asks for law enforcing agency's protection to oust the workers from the factory, which then take it to the streets to protest against the exploitation of management and owners of the garments. Police then tries to disperse them. Workers try to resist the police by lobbing stones and bricks at them. Sometimes workers vandalize and put up road barricades which cause severe traffic jams. Police then use tear gas and other ways to once again disperse the workers.

This scenario is continuing in our garments industries due to several factors, low wages or demand for raising salary is the top most and crucial factor Wage discrimination among garments employees, lack of compliance (no weekly day off, no festival bonus, compulsory over-time, but fraction payment or no payment, retrenchment without prior notice), closure of factory for indefinite time without prior notice are other important sources of unrest.

Most garment jobs are available without having high qualifications or skills. A very destitute group of people coming many times from extremely poverty-stricken rural areas come to the cities looking for jobs. Many poor women are employed in the RMG sector to support their families with their earnings. The percentage of women employed in Bangladesh's RMG section is above 90 percent. They contribute to the main working force in garment factories as they are relatively cheaper than men and typically also have lower educational qualifications than men.

¹⁰ The DaNi Resource Center (DRC) is a service provider organization established in 2005. DRC strives to offer services to enable sustainable management that effectively correlates economic, social and ecological performance of our clients and strengthens their competitiveness. For further information, please see: <http://www.daniresourcecenter.org/>.

Many times, women undergo verbal abuse and the physical abuse as well. Despite this harassment, women workers continue their job considering other wretched faces of their families. Furthermore, if frequent unrest and conflicts in garments factories keep the women workers from earning money, having no alternative way, women workers begin to involve themselves in some illegal affairs (especially prostitution and drug trafficking) to survive the faces of their families.

Recurring unrest in Bangladesh's RMG sector blurs and downgrades its positive reputation to the domestic and international investors. The United States Trade Representative (USTR) has recently brought some complaints against the Bangladeshi RMG sector, including serious violations of labor rights, forced labor, child labor, and no payment for overtime work.¹¹ The Bangladesh Embassy in Washington has received a letter from the U.S. Government warning that if USTR's decision will go against Bangladesh, then the Bangladesh export sector will likely be deprived of getting access to the United States under its Generalized System of Preferences (GSP) program.¹² That would be a great blow for our RMG sector and disastrous for the whole Bangladeshi economy.

All key players including the Workers Association, the owners/managers and the Government must join efforts to settle existing conflicts to avoid further unrest in the RMG sector. There should be a significant change in the mindset of the owners. Slogans like "owners-workers are brothers" will not bring any significant change. The owners should meet the justified demands of the workers and implement the agreed points as early as possible and with communicating and following an agreed time plan. Obviously, no owner of a factory will continue with her/his business if incurring losses, but the typical situation is that RMG owners make huge profits. Low wages of factory workers and a highly unfair distribution of profits are the main cause of unrest, which are inauspicious and unfavorable for the overall situation of our country.

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¹¹ The Daily Ittefaq, February 22, 2012, p. 18.

¹² The U.S. Generalized System of Preferences (GSP) is a program designed to promote economic growth in the developing world by providing preferential duty-free entry for up to 5,000 products when imported from one of 127 designated beneficiary countries and territories. For further information, see <http://www.ustr.gov/trade-topics/trade-development/preference-programs/generalized-system-preference-gsp>.

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Appendix: Exports of RMG and Total Exports of Bangladesh

Fiscal Year	Export of RMG (in million US\$)	Total Export of Bangladesh (in million US\$)	Percentage of RMG to Total Export
1983-84	31.57	811.00	3.89
1984-85	116.2	934.43	12.44
1985-86	131.48	819.21	16.05
1986-87	298.67	1,076.61	27.74
1987-88	433.92	1,231.20	35.24
1988-89	471.09	1,291.56	36.47
1989-90	624.16	1,923.70	32.45
1990-91	866.82	1,717.55	50.47
1991-92	1,182.57	1,993.90	59.31
1992-93	1,445.02	2,382.89	60.64
1993-94	1,555.79	2,533.90	61.40
1994-95	2,228.35	3,472.56	64.17
1995-96	2,547.13	3,882.42	65.61
1996-97	3,001.25	4,418.28	67.93
1997-98	3,781.94	5,161.20	73.28
1998-99	4,019.98	5,312.86	75.67
1999-00	4,349.41	5,752.20	75.61
2000-01	4,859.83	6,467.30	75.14
2001-02	4,583.75	5,986.09	76.57
2002-03	4,912.09	6,548.44	75.01
2003-04	5,686.09	7,602.99	74.79
2004-05	6,417.67	8,654.52	74.79
2005-06	7,900.80	10,526.16	75.06
2006-07	9,211.23	12,177.86	75.64
2007-08	10,699.80	14,110.80	75.83
2008-09	12,347.77	15,565.19	79.33
2009-10	12,496.72	16,204.65	77.12

Source: Export Promotion Bureau, compiled by BGMEA.