

## Kim Dae Jung's inauguration as South Korean president

# From opposition leader to IMF linchpin

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Amid a rapidly deepening economic and social crisis in South Korea, long-time opposition figure Kim Dae Jung was formally sworn in as president on February 25 at an elaborate ceremony attended by 45,000 people, including pop stars, diplomats, businessmen and political leaders.

Every previous South Korean president and prime minister was on the guest list. The event illustrated the degree to which this 74-year-old veteran politician has become the linchpin for the maintenance of capitalist rule in South Korea.

Kim has been widely hailed in the world media as a symbol of the struggle for democracy in Asia. He did, in fact, suffer persecution, long periods of imprisonment and attempts on his life in retaliation for his opposition to the military dictatorships which ruled South Korea for much of the post-World War Two period.

He was a leader of the bourgeois opposition to the military regime and, at various times, had substantial support among workers and oppressed layers of the middle class. In reality, however, he always represented social interests distinct from and fundamentally antagonistic to those of the working class. To an increasing extent he became the spokesman for those sections of Korean business that were impeded by the military's close relations with the large corporations known as the chaebol.

Now, with the disintegration of the economy, he has been brought into office with the backing of powerful sections of the ruling class, both in Korea and internationally, to impose the far-reaching program of economic restructuring and deregulation demanded by the International Monetary Fund. Having won office as a "democrat," he has set about imposing the mass sackings and austerity measures that his predecessor,

Kim Young Sam, also a so-called democrat, proved unable to implement.

As the inauguration ceremony underscored, Kim Dae Jung, in carrying out this agenda, will work with the most reactionary sections of the ruling elite and state apparatus. The occasion was marked by the spectacle of the new president shaking hands with two former military-backed presidents—Chun Doo Hwan and his protege Roh Tae Woo. One of Kim's first acts as president-elect had been to effect the release of the two from jail, where they were serving lengthy sentences for mutiny, treason and corruption.

Chun, a former general, came to power in a military coup in 1979. In 1980 he and his military chief Roh carried out the suppression of the Kwangju rebellion, in which hundreds of workers and students were massacred by army troops. At the time Kim Dae Jung was indicted for instigating the rebellion, and only escaped execution after a storm of international protest.

Kim won last year's presidential elections after forging an alliance between his National Congress for New Politics (NCNP) and the right-wing United Liberal Democrats. ULD leader Kim Jong Pil, now acting prime minister, was the army colonel who orchestrated the military coup that brought Major General Park Chung Hee to power in May 1961. He was the founder of the Korean Central Intelligence Agency (KCIA) and was prime minister in 1972 when KCIA agents attempted to assassinate Kim Dae Jung in Japan.

Kim Dae Jung's willingness to link arms with his former persecutors should serve as a sharp warning to South Korean workers of the measures he is prepared to use against them. In his inaugural address, Kim called for South Koreans to "shed sweat and tears" to overcome the country's worsening economic crisis.

The billionaire financier and speculator George Soros attended the ceremony to hear Kim Dae Jung pledge to do his “utmost to induce foreign investment” in order to “strengthen the competitiveness of businesses and raise the transparency of the economy.”

By breaking up the close ties between government, the banks and the chaebol, Kim will provide a potential bonanza for international investors to buy up large sections of the economy at firesale prices. He has also promised to privatise sections of the government apparatus and state-owned enterprises.

In addition, the incoming president has launched fresh initiatives aimed at reaching a settlement with the Stalinist regime in North Korea. Faced with economic uncertainty and financial turmoil in the south, business leaders hope to open up North Korea as a reservoir of cheap labour, disciplined by the Stalinist state apparatus.

In his two months as president-elect, Kim Dae Jung has already shown himself to be a crucial political asset to the IMF and the South Korean ruling class. As part of the price for a \$US57 billion bailout package, the IMF demanded an end to the system of life-long employment for major sectors of industrial workers that barred mass layoffs. Nationwide strikes had compelled Kim Young Sam to back away from this measure in early 1997.

Kim Dae Jung used his close connections with the trade unions, particularly the unofficial Korean Confederation of Trade Unions (KCTU) that emerged in the mass strike struggles of the late 1980s, to ram through legislative amendments lifting the ban on widespread sackings. A tripartite committee of government, big business and trade union representatives drew up the measures.

When the deal provoked massive unrest, a leadership revolt in the KCTU and the threat of national strikes, Kim Dae Jung mobilised tens of thousands of riot police and threatened to use “whatever means necessary” to crush any industrial action. Rather than challenge his government, the new KCTU leaders quickly caved in. They allowed the new legislation to pass, paving the way for the destruction of hundreds of thousands of jobs.

All indications are that the unions will continue to police Kim’s measures. His cabinet includes Lee Ki Ho, head of the tripartite committee on the labour laws.

He has become Minister of Labour, reportedly with the blessing of the union leaders.

Immediately following Kim Dae Jung’s inauguration, bitter parliamentary protests erupted over his intention to appoint Kim Jong Pil as prime minister. The conservative Grand National Party (GNP) claimed Kim Jong Pil was “ill-equipped” in economic matters. Its position reflects the concerns of some of the chaebol that government plans to de-regulate the economy will send more vulnerable corporations to the wall.

The response of Kim Dae Jung, the “democrat,” was instructive. Failing to obtain a parliamentary vote of approval, he appointed Kim Jong Pil as acting prime minister by administrative fiat.

The new government includes Lee Kyu Sung, a finance minister under Roh Tae Woo, in the top economic post; Kang In Duck, a former senior intelligence officer and director of the conservative Institute of East Asian Studies, as Minister of Unification; and Chun Yong Taek, a retired army general, as Minister of Defence.

Kim underscored his commitment to the IMF’s restructuring demands by appointing as central bank governor Chon Chol Hwan, an economics professor who opposed the previous relations between the military, the banks and the chaebol, and criticized rampant property speculation.

Under the guise of democratic reform, figures such as Kim in South Korea, Thai Prime Minister Chuan Leekpai and Indonesian opposition figure Megawati Sukarnoputri are today being pushed forward to remove all barriers to the operations of transnational banks and companies, and quell working class resistance to the destruction of jobs and social conditions.



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