Rising unemployment provokes widespread industrial unrest

Mass strike and rally called in South Korea

Peter Symonds 11 July 1998

Between 100,000 and 200,000 South Korean workers and their supporters are expected to take part in a mass rally in Seoul this Sunday to protest the continuing wave of sackings throughout industry which has rapidly led to record levels of unemployment.

In the last fortnight, Seoul and other major industrial centres have already been in turmoil with daily strikes, protests, rallies and occupations. Last Friday subway workers in Pusan blocked railway tracks and clashed violently with police. Workers in banks, hospitals, auto plants, transport, manufacturing and other sectors have all taken industrial action against plans by government and big business to restructure, privatise and further cut jobs.

The mass rally tomorrow has been called by the country's two major trade union bodies -- the Korean Confederation of Trade Unions (KCTU) and Federation of Korean Trade Unions (FKTU) -- which have also called a national general strike from next Wednesday.

The KCTU and FKTU leaderships broke off talks this week with government and big business representatives in the Tripartite Commission established earlier this year by newly elected President Kim Dae Jung.

Both union bodies agreed in February to amendments to the labour laws to permit mass sackings and end the country's longstanding system of 'life-long employment'. The decision gave the green light for companies to begin retrenchments which have now pushed the official jobless rate to 6.7 percent -- almost treble the rate of 2.3 percent last year.

Yesterday FKTU head Park In Sang and KCTU chief Lee Kap Yong denounced the talks in the Tripartite Commission as 'meaningless,' saying that 'the panel had degenerated into rubber-stamping government-led restructuring programs.'

The union leaders have called the rally and strike,

however, not to defend jobs but to try and squeeze a few concessions from the government with which to pacify their members. Park and Lee complained at the joint press conference that the talks did not 'discuss ways to share the painful impact of industrial and financial restructuring'.

Clearly the unions are concerned that they are losing their grip over the rapidly escalating strike activity. Already the Korean Metal Workers Union, which includes the labour union at the giant Hyundai Motor Corporation, is scheduled to go on strike from this Tuesday.

Only last week, Hyundai workers went on strike for 48 hours to oppose mass lay-offs. The strike halted the company's operations including the production of 6,300 cars at its main plant in the city of Ulsan. The action follows a 24-hour stoppage the previous week called after management announced its plan to axe 4,830 jobs.

Union workers at 35 banking institutions were also planning to strike next Wednesday in protest at the government's decision to forcibly merge five failed banks with stronger financial institutions.

Strikes, protests and occupations have been taking place in the banks. Last Tuesday, 3,000 bank workers held a rally outside Myongdong Cathedral in central Seoul at which 100 union leaders shaved their heads as an sign of their seriousness. On the same day in northern Seoul, another protest by bank workers called on the government to reverse the restructuring.

Union members at 11 state corporations had planned a two-day strike from next Wednesday against government plans announced a week ago to privatise the enterprises, including the giant Pohang Iron and Steel Co and Korea Electric Power. Thousands of jobs are expected to be destroyed as a result.

Workers at the state-run Korea Heavy Industries and

Construction Co., one of five companies facing immediate privatisation, downed tools for two hours at the end of last week.

Over the last week, a series of rolling stoppages by 14 major hospitals across the country was announced when wage negotiations broke down. The strikes have been temporarily averted after a wage deal was accepted by striking workers at the Seoul National University Hospital on Thursday.

The Kim Dae Jung government has vowed to make an all-out effort to abort next week's general strike. Prime Minister Kim Jong Pil warned yesterday: 'The government will sternly deal with any illegal labour strikes in accordance with the law'.

At the same time as threatening to crack down on striking workers, two ministers -- Labor Minister Lee Ki Ho and Government Administration-Home Affairs Minister Kim Jung Kil -- have been assigned to hold private talks with union federation leaders to coax them into calling off the general strike.

The KCTU, which emerged during the wave of militant strike struggles in the 1980s in opposition to the state-run FKTU, has already called off national strikes at crucial political junctures twice this year under pressure from the government and big business.

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