

Auto layoffs spark general strike call in Korea

Kim Dae Jung detains union leaders

Mike Head
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Thousands of South Korean auto and metal workers walked off the job yesterday in the first stage of a proposed indefinite general strike from today against mass retrenchments. The confrontation with the government of President Kim Dae Jung began on Monday when Hyundai and Daewoo workers protested against the issuing of 5,600 dismissal notices.

Both companies shut down their assembly plants for at least three days in a bid to prevent action by workers, incensed by the 2,600 notices handed out by Hyundai and the 2,995 by Daewoo. Hyundai stood down an additional 900 workers for two years without pay and plans to sack another 6,842 workers if the unions fail to agree to a 21.7 percent pay cut. It has already shed 5,336 workers through three rounds of 'voluntary retirements'.

Defying the shutdown, scores of Hyundai workers occupied assembly lines. About 10,000 workers and their families rallied outside the company's main factory in the southern city of Ulsan. Some 100 have set up a tent city in front of the plant. Earlier, workers entered offices and removed items of furniture before setting alight to them. Others climbed an 83-metre-high chimney and refused to leave until the dismissals were withdrawn. In Seoul, 800 Daewoo workers demonstrated.

The eruptions prompted union leaders to warn the government and the companies that the unions may not be able to contain the situation. 'If the company refuses to accept our demands, we have no choice but to go on a full-fledged strike,' stated Hyundai union leader Kim Kwang-shik. 'As the union leader, I cannot control the anger of the union.'

One of the two major union groups, the Korean Confederation of Trade Unions, has called a general strike from tomorrow to demand that the government and employers halt the dismissals and consult with unions to develop a 'socially acceptable framework' for 'genuine economic reform'. The KCTU has urged more than 50,000 union members in the Seoul area to hold an

indefinite sit-in at major public sites in the capital, including the central railway station plaza, where thousands of unemployed and homeless workers now live.

The strike call followed moves by Kim's government to arrest almost 100 central and local union leaders for their alleged part in widespread strikes last week. Five officials have been rounded up by police, including KCTU general secretary Koh Young-joo, who has begun a hunger strike, KCTU Seoul regional chairperson Im Seung-kyu and regional leaders of the metalworkers and Hyundai unions.

Among the other officials being hunted by police are the presidents of the metalworkers, public sector (and Telecom) and Hyundai unions. Korean Metal Workers Federation president Dan Byung-ho narrowly escaped capture when people in his office held off riot police.

The detentions and dismissals signal a concerted offensive by the government and the Korean conglomerates, the chaebol, to break the resistance of Korean workers to the destruction of jobs, working conditions and living standards unleashed by the collapse of Asian economies and the restructuring demands of the International Monetary Fund.

Kim Dae Jung's spokesmen have declared the government's determination to crush illegal strikes and to proceed with plans for the privatisation of 11 firms, including Pohang Iron and Steel Co. (POSCO), the world's second-largest steelmaker, and Korea Telecom.

Clearly, the authorities were encouraged by the limited scope of the general strike called last week. Several key unions pulled out of the strike to seek talks with the government and the Hyundai union abandoned what was to be an indefinite stoppage.

The showdown is driven by the continuing implosion of the Korean economy and the global car market. Data released this week show that domestic car sales nearly halved to 340,000 units in the first six months of the year, with sluggish conditions expected to persist for up to five years, the duration of the IMF's bailout and retrenchment

program. In another key indicator, the seven largest department stores reported a summer sales slump of 22 percent.

The unions have already allowed widespread retrenchments by aborting a planned general strike earlier in the year, permitting legislation to pass ending the lifetime employment system. The social cost of that decision has been demonstrated most vividly by the plight of the 3,000 or more homeless workers now living in station plazas and parks, some with their children.

Officially, unemployment stands at 1.7 million, but the real figure is far higher and worse is to come as the carmakers and other major firms bring forward large-scale retrenchments. Only last week, the government's Financial Supervisory Commission ordered the main creditor banks of the top five chaebols--including Hyundai, Daewoo and Samsung--to add their weakest subsidiaries to a list of 55 nonviable firms to be liquidated. The culling process and the associated retrenchments are key requirements of the IMF package.

In response to this economic crisis, both the KCTU and the Federation of Korean Trade Unions (FKTU)--the 'yellow' unions officially sanctioned by the military regime in the 1980s--have pleaded with the government for it to work with them to prevent an explosion of unrest. The FKTU has not supported the general strike call but instead hinted at returning to the presidential advisory panel set up to discuss ways to impose economic restructuring.

The KCTU is currently refusing to participate in the tripartite union-government-employer commission, but its unions are nevertheless proposing alternative means of implementing job and pay cuts. The Hyundai union last Thursday proposed a comprehensive 'cost reduction' package that would suspend allowance payments and introduce so-called work-sharing and rotating leave to reduce wages by 50 percent, to be partially offset with a 30 percent direct contribution from union funds.

This proposal illustrates what the KCTU means by 'socially acceptable economic reform'. The unions are wedded to the defence of Korean capitalism, at the expense of the working class. The KCTU has demagogically denounced the government for following the 'dictates, wishes and whims' of the IMF, the US government and foreign capital, yet those dictates flow organically from the operation of the private profit system, both in Korea and globally.

The KCTU is also demanding investigations into the conduct of chaebol magnates and corrupt government

officials, holding out the illusory prospect of somehow democratically restructuring the economic order to secure social justice. KCTU president Lee Kap-yong on Monday accused the Kim Dae Jung government of 'abandoning any pretense of standing on the side of the people.' In reality, Kim, elected late last year with the support of the unions, was always committed to satisfying the demands of Korean big business, which are incompatible with the needs of the masses of working people.

With the help of the unions, Kim has traded on his reputation as a pro-democracy dissident under the previous military regimes to demand acceptance of sweeping cuts in social conditions. His capacity to do so is being rapidly exhausted. In its statement calling this week's general strike, the KCTU said the country was at a crossroads. It described its demands for consultation with the government as a 'last resort' effort to arrive at a common ground.

Korean workers are certainly at a crossroads. Having built the KCTU unions as militant organisations of struggle in the 1980s to fight the military dictatorship, they face a government using equally repressive measures as the generals, and find their unions still seeking an agreement with that government.

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