

Green light for mass layoffs

Unions cancel Korean general strike

Mike Head
25 July 1998

Following all-night discussions with the government of President Kim Dae Jung, the leaders of the Korean Confederation of Trade Unions called off last Thursday's proposed general strike at the last minute, leaving thousands of auto, bank and public sector workers confronting mass layoffs.

The stoppage was abandoned without any opportunity for workers to vote on the back-down, despite the fact that no agreement was reached on the two central issues that compelled the KCTU leaders to call the strike. The first is the issuing of nearly 6,000 dismissal notices by the country's two biggest vehicle makers, Hyundai and Daewoo. The second is the government's privatisation and restructuring measures in the banking and public sectors, where tens of thousands more jobs will be eliminated.

Moreover, the action was aborted even though the government, using similar methods as previous military dictatorships, has detained union officials and dissidents, including KCTU General Secretary Koh Young-joo, and is conducting a manhunt for more than 100 others on charges of organising strikes. Only the day before, police rounded up 25 trade union and other political activists under the regime's notorious National Security Law. There is no guarantee that this repression will cease. The KCTU agreement merely suggests that the regime will consider 'minimising' legal action against trade unionists.

In the lead-up to the strike deadline, KCTU leaders warned the government that the unions were having difficulty containing workers, in the wake of the Hyundai and Daewoo retrenchments and the government's confirmation of plans to privatise key enterprises, including the giant steelmaker, Pohang Iron and Steel Co (POSCO), and Korea Telecom.

Talks began with the government at 8 p.m. on

Wednesday July 22, the eve of the strike, and lasted until 8 a.m. They were adjourned just before midnight for a meeting of KCTU officials at Seoul's Myongdong Roman Catholic cathedral, where union leaders have sought refuge from police raids. So determined were the government and union officials to scuttle the strike that the discussions resumed at about 3 a.m.

In response to the union-government deal, Hyundai has reiterated its determination to proceed with its 2,600 dismissal notices and to eliminate a total of 10,166 jobs this year--22 percent of its January work force of 46,132. At the end of the negotiations, the government's only proposal was to explore arrangements such as reduced working hours and retraining. This is in line with the unions' suggestion that workers reduce their hours and share jobs, with a 50 percent pay cut. The 2,995 sackings at Daewoo were not even mentioned in the communiqué issued by the KCTU after the talks.

On the restructuring of the banking and public sectors, the government has only agreed to consider further consultation with the unions via the Tripartite Council--a government-union-employer body set up to implement the sweeping rationalisation and privatisation program. The KCTU called for the suspension of the plans until the Tripartite Council could agree on procedures. The KCTU said it reached an accord with the government on eight other issues, including:

- * the prosecution of employers for 'illegal' and 'unfair' labour practices;
- * alternative employment for some workers displaced by the closure of five banks and 55 companies and the sale of POSCO, with union involvement in determining the selection criteria;
- * the Tripartite Council to draft plans for

unemployment relief programs;

- * a public hearing on the causes of the economic crisis and the responsibility of the chief conglomerates or *chaebol*;

- * the possible enactment of a Tripartite Council Law to formalise and consolidate the participation of the KCTU and the other main federation, the Federation of Korean Trade Unions (FKTU).

In short, these points accept mass retrenchments and further integrate the unions into the government apparatus.

The proposal for a public hearing is a political diversion. Even if a few individual *chaebol* executives or officials of previous governments were blamed and prosecuted for the disintegration of the economy, that would no more alter the operation of the global financial markets and the private profit system than the earlier jailing of ex-presidents Chun Doo Hwan and Roh Tae Woo (since released by Kim Dae Jung) ended repressive measures against striking workers and political activists.

It is the third time since February that the KCTU has aborted a general strike, despite the rising toll of joblessness. Even according to a government report, 4 million workers are now unemployed and 27 job-loss-related suicides are occurring every day. This social crisis will only worsen as other Korean industrial giants follow the lead of Hyundai and Daewoo. Samsung Electronics and other Samsung companies are reported to have begun reducing the work force by 20 percent.

It is by no means certain that Thursday's agreement will avert a confrontation between the working class and the Kim Dae Jung regime, even in the short term. On the one side, the International Monetary Fund and the Korean employers are demanding that the government make no concessions and prove its capacity to enforce the measures required by the financial markets. The Korean Employers Federation has criticised the government for negotiating with the unions, and refused to join tripartite talks on Friday to discuss the unresolved issues. Five government ministers issued statements warning of a new foreign exchange crisis if the unions did not end all 'illegal strikes.'

The arrests of 24 union and political activists in Ulsan, Pusan and Seoul last Wednesday under the National Security Law confirm that the government has

adopted the repressive methods of the previous dictatorships. The detainees are charged with joining an 'organisation which gives aid to the enemy' and involvement in 'illegal strikes' that assist 'the enemy.' The National Security Law punishes all ties with the Stalinist regime in North Korea and has been used in the past to outlaw all political and industrial dissent. Kim Dae Jung, once jailed under the Law himself, has repeatedly urged its repeal. Now he and the public security agencies are reviving its use.

On the other side, workers in the auto plants and other industries have responded angrily to the new wave of dismissals. As the marathon bargaining went on last Wednesday night an estimated 5,000 workers and their families and supporters remained at the main Hyundai plant in the southern city of Ulsan, where three union officials were also occupying a chimney. Both Hyundai and Daewoo intend to keep their plants closed until next week to try to prevent protests inside the factories.

See Also:

Kim Dae Jung detains union leaders

[23 July 1998]

In-fighting over Hashimoto's replacement

Japanese politics in limbo

[17 July 1998]

Marxism and the Trade Unions - A lecture by David North

[January 1998]



To contact the WSWS and the
Socialist Equality Party visit:

wsws.org/contact