

# Korean unions end Ssangyong occupation on company terms

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7 August 2009

The Korean Metal Workers Union (KMWU) called off a 77-day long occupation at the Ssangyong Motor plant in Pyeongtaek after striking a deal on Thursday that accepts the mass lay-offs demanded by the company's court-appointed management. The union also left hundreds of workers facing the threat of criminal prosecutions.

The occupation began on May 22 in opposition to the company's plans to slash its workforce by 36 percent and eliminate more than 2,600 jobs. While 1,670 workers accepted redundancy, the remainder refused and occupied several buildings in the plant complex.

Ssangyong is majority-owned by the Chinese Shanghai Automotive Industry Corporation, which lost management control after the company entered bankruptcy protection in February. The other major shareholder is the state-controlled Korea Development Bank (KDB). Investors registered their approval of the union deal by pushing up Ssangyong Motor shares by the daily limit of 15 percent.

Union officials entered renewed talks with management yesterday after the violent events of Tuesday and Wednesday, when more than 4,000 riot police, police commandos and company goons stormed the buildings that were held by 600 to 700 workers. Scores of people were injured and hospitalised during the paramilitary-style assaults, which included baton-wielding elite police being lowered by helicopters onto the roof of one building. Helicopters were also used to drop liquid tear gas and chemicals on workers manning barricades.

Negotiations between representatives of the KMWU and management had broken down over the weekend because, at that stage, the union was unable to break the intransigent stand of the workers. From the beginning

of the dispute, they had insisted on the defence of all jobs, including those of casual workers, and an end to the plans for outsourcing and spin-offs. The brutal police operations were needed to cripple the workers' resistance and impose a union betrayal.

Further talks have been scheduled to discuss the possible withdrawal of the company's legal action against the KMWU, in which the company is seeking multi-million dollar damages for lost production. Management claims it has lost 300 billion won (\$US245 million) since the dispute began.

The union, however, has not commented so far on the fate of the workers who have been charged with serious offences during the occupation. According to one media report, police plan to detain at least 21 strike leaders and have begun questioning around 100 workers who allegedly attacked police during the siege. Even as workers filed out of the plant on Thursday, police began checking their identities. One ranking officer at the scene told the media that "legal action will be taken against the leaders of the violence".

Alongside the police assaults, other moves had been underway to exert maximum pressure on the workers. When talks broke down over the weekend, the court-appointed receivership manager Park Yong-tae declared he would submit a revival plan based on liquidating the entire company unless the occupation was ended.

Representatives of around 600 auto component suppliers who are owed 276 billion won by Ssangyong filed a petition in the Seoul Central District Court on Wednesday calling for company to be liquidated. A spokesman for the suppliers told the media they would only consider withdrawing the application "if the standoff is resolved within a few days".

The media kept up a barrage of denunciations of the

workers, vilifying them as “selfish” and accusing them of being responsible for the threatened liquidation and the potential loss of thousands more jobs.

The union’s claim that the deal it has brokered will save 48 percent of the nearly 1,000 threatened jobs is a fraud. The dispute arose out of the bankruptcy court’s insistence that the company restructure its operations and carry out mass sackings. While the details are still unclear, it is known that the majority of workers will be retrenched outright, while most of those remaining will be forced to take indefinite unpaid leave. Only a few will be employed in spun-off departments or reassigned to jobs such as salesmen.

The major factor in the defeat of the Ssangyong workers was the role played by the KMWU and the peak union body, the Korean Confederation of Trade Unions (KCTU). While the workers displayed immense courage and determination, the unions worked from the outset to isolate the occupation and restricted opposition to partial strikes and limited protest actions.

The four-day union-management talks that broke down over the weekend were used to undermine the possibility of wider support for the besieged workers. As the negotiations dragged on, major workplaces employing tens of thousands of union members were in the process of breaking for summer vacation, lessening the chance of an organised response. The government, in the meantime, used the time to beef up the police presence in and around the plant to prepare an all-out assault.

The Ssangyong occupation, the first large-scale action of its type by workers in South Korea since the global crisis erupted last year, became a test case for President Lee Myung-bak, who came to power in 2007 pledging to crack down on “excessive labour disputes” and make the country “investment friendly”.

The workers’ defiance of mass sackings cut across a government-backed “national bargain” launched earlier this year, under which unions in state-owned enterprises and a number of large private conglomerates agreed to impose job sharing and cuts in working hours under the guise of preserving jobs.

Like other occupations that have taken place in various parts of the world in opposition to mass layoffs and plant closures, the occupation at Ssangyong challenged the sacred prerogatives of the ruling elite and posed in a direct way the question of which class

should control the productive forces and in whose interests they should be organised—the working class producers or the minority of capitalist owners.

The Lee government’s resort to massive state violence to enforce the dictates of big business, the banks and major investors stands as a dire warning to workers in the auto industry and across all other sectors, not only in South Korea but also internationally.

Similar state repression is being prepared by the ruling class and their political representatives in every country. Ruthless measures will be used to offload the cost of the global economic crisis onto the working class and restore profitability. Under conditions of massive overcapacity and an increasingly cut-throat competition for shrinking markets, the drive to slash jobs and wages and eliminate longstanding working conditions will only intensify.

Workers everywhere must draw the necessary lessons. Courage and militancy are not enough to defeat the corporate onslaught. The struggle to defend jobs and conditions requires a political struggle against the union apparatuses, whose privileged position is wholly bound up with the preservation of the private profit system.

A global strategy is required. Car workers and the working class as a whole must be united across national borders in the fight for a socialist perspective, which aims at the fundamental restructuring of society in the interests of the working people, not the parasitic financial and corporate elite.



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