

# South Korean rail union sellout paves way for privatization

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On December 30, the Korean Railway Workers Union (KRWU) ended a 22-day partial national strike opposing the privatization of a new railway line, effectively clearing the way for the agenda of the Korea Railway Corporation (KORAIL) and the government.

The strike began over KORAIL's plan to corporatize a new KTX (bullet train) railway line, running from Suseo in southern Seoul to Busan. From the beginning, however, the union made sure that the strike had as little effect as possible. Only 8,700 KRWU members, about a third, took part in the strike; planned stoppages by Seoul's subway unions were quickly called off; and no attempt was made to appeal to other workers around the city or country. During the strike, passenger train services were reduced by about 24 percent, while freight train services fell to 30 percent.

President Park Geun-hye's government immediately declared the strike illegal and arrest warrants were issued for union leaders. The police raided several KRWU offices in Seoul and other cities, and mounted a full-scale attack on the KCTU headquarters in Seoul on December 22. Police tore down the front door of the building and sprayed water and tear gas over protesters, hauling away around 140 people on charges of obstruction of justice.

KRWU committee members have now turned themselves in to police over charges stemming from the strike. Union leader Kim Myung-hwan said in a press conference that union officials would take responsibility for the problems the strike caused. KORAIL is also planning to lay the costs of the strike at the union's feet. On December 31, KORAIL filed a claim in Seoul Seobu District Court for 15.2 billion won (US\$14.5 million).

During the strike, President Park, the daughter of the former South Korean military dictator, personally

declared that the government would not back down, saying: "We won't be able to promise a future for our economy and society if we compromise on principles just because it is difficult at this moment."

The strike was ended through a backroom deal between the union, KORAIL and both the ruling Saenuri Party and main opposition Democrat Party. The only "concession" from the government was to set up a subcommittee within the National Assembly that will be headed by Saenuri Party member Kang Seok-ho and consisting of six members, three from each of the two major parties. The KORAIL subsidiary in charge of the Suseo-Busan line is scheduled to begin operating, with plans for the line itself to be opened at the end of 2015.

The strike culminated in a rally held December 28 in Seoul, designed not to extend the strike but shut it down. Estimates of the number of protesters reached as high as 100,000, swelled by people demonstrating against the government in general.

Just two days later, KRWU leader Kim Myeong-hwan called off the strike, saying: "I command all the union members to return to their workplaces by 11 a.m. on December 31. We are transferring the all-out walkout fight to a workplace fight." His statement immediately begged the question, how can a strike that does not even include half the union membership be considered an "an all-out walkout fight?"

In a further effort to cover the unions' tracks, the KCTU called two one-day protests—deceptively called "general strikes"—for January 9 and 16. The reality is that the KRWU and the KCTU have once again subordinated the interests of the workers they claim to represent to the government, acting in close coordination with the Democrats.

The KCTU and its affiliates are seeking to suppress

any independent expression of working class hostility as big business demands increasingly lower wages and cuts to benefits under the threat of job losses. GM Korea, one example among many, is demanding lower labor costs. GM last month announced a fourth round of 6,000 “voluntary” job cuts in salaried positions.

The government has long had privatization on the menu despite intense public opposition. The KTZ bullet train project was lined up for privatization during the previous Lee Myung-bak administration, along with other public entities, such as the Incheon International Airport. A public outcry forced Lee to delay these plans before the presidential election a year ago, but now the plans are back on the table.

In November, Finance Minister Hyun Oh-seok declared that “the party is over” for public enterprises, including KORAIL, claiming that their large debts would force the government to restructure them. He signaled an assault on wages and jobs, claiming that public sector workers “have enjoyed excessive benefits and job security.” During the rail strike, Saenuri Party leader Hwang Woo-yeo underscored the underlying agenda, stating that if the government backed down, “we will fail in the reform of public firms.”

The KRWU-KCTU sellout has demonstrated that the unions will not stand in the way of the government’s plans. “This will create important momentum in the government’s reform drive against public firms,” Professor Cho Dong-keun of Myungji University commented.



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