South Korean doctors walk out over medical privatization

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Doctors in South Korea staged a one-day walkout on March 10 over the government's plans to further commercialize health care. The strike was the first by doctors in 14 years.

Medical residents and doctors around the country took part, including in major cities like Seoul and Busan. Reports indicated that 8,300 clinics, about 30 percent of the country's total, were closed. The Korean Medical Association (KMA), however, which represents over 70,000 doctors, did not mobilize its entire membership. Only about 14 percent of hospitals in Seoul were closed. Busan had a closure rate of around 47 percent.

The doctors struck over regulations introduced last December that allow hospitals to run profit-seeking subsidiaries. Currently, private medical corporations operate hospitals in Korea, but are banned from expanding into profit-making fields, such as selling medical equipment, promoting medical tourism, and offering other products and services.

Doctors are also disputing plans to introduce telemedicine consultations, which they contend could be exploited as an alternative to in-person consultations, eliminating smaller, local clinics, and thereby risking the health of patients. Promoting telemedicine, President Park Geun-hye in January urged Korean companies to "take the lead in the market before other companies join in."

The government reacted to the walkout as it does to every strike, declaring the stoppage illegal before it even took place. Prime Minister Chung Hong-won stated: "Their collective stoppage of medical services without justifiable reasons is a violation of the law. We will do whatever we can to keep services open. And we will take action to punish those who violate the law."

The KMA, however, essentially begged the government to negotiate. KMA head Roh Hwan-kyu said: "The situation came this far because problems couldn't be solved through talks. (The government should) not let the public feel further anxiety but should find a solution through communication." Talks between the KMA and the government on Monday produced a sell-out agreement that caved in to government demands and will do nothing to prevent medical privatization.

The two sides agreed to form a consultative body that would supposedly minimize the effects of creating for-profit medical industries. The KMA also agreed to a six-month trial program for the implementation of telemedicine. The union has pushed through a vote today to call off a planned strike for March 24.

These latest moves by the government are part of a clear agenda. Last May, the government-funded Jinju Medical Center in South Gyeongsang Province was shut down by the regional government, supposedly due to a large deficit. The hospital, the second oldest in Korea, with a 103-year history, was derided by the provincial governor, Hong Jun-pyo of the ruling Saenuri Party, as a "refuge for aristocratic unionists."

The closure was a clear warning to hospital workers not to stand in the way of privatization. It threw a question mark over 34 other public hospitals around the country, which offer less expensive care than private hospitals.

Jinju's closure also demonstrated the opposition of the trade unions to any real struggle against the government. Outside of token protests designed to placate those at the hospital losing their jobs and their supporters, nothing was done by the Korea Health and Medical Workers Union (KHMU) to protect these workers, leaving them isolated.

The KHMU, which is affiliated with the Korean

Confederation of Trade Unions (KCTU), instead promised the regional government to help implement job and wage cuts. To cover its tracks, the union engaged in cheap stunts, such as when KHMU head, Park Seok-yong, climbed a transmission tower near the South Gyeongsang government offices to stage a protest. Such stunts are nothing but shameless diversions.

Health care in South Korea is nominally universal, but requires patients to cover a percentage of the costs, about 40 percent. This is a de facto exclusion of those unable to pay. A Statistics Korea survey last year showed that after food and housing expenses, healthcare costs represented the third highest expenditure—10.9 percent—for low-income workers or those making approximately 900,000 won ($839US) a month.

In 1977, the dictator Park Chung-hee mandated that all industries with more than 500 employees provide health care. This program was expanded over the next 12 years by Chun Doo-hwan, a general and protégé of Park who seized power in a 1979 coup following Park's assassination.

These "reforms," like many such measures implemented during this period, sought to stem the extreme hostility workers felt toward the military-backed dictators, who regularly employed violent and lethal measures against anyone who opposed them. By implementing "healthcare reform" in a country where none existed, the generals hoped to legitimize their regime.

Little improved following the return to civilian rule. In fact, with the onset of the Asian financial crisis in 1997, privatization became the order of the day. At the behest of the International Monetary Fund (IMF), President Kim Dae-jung embarked on a course of "economic liberalization" that resulted in the selling off of several state companies.

The separation of pharmacies from the hospital industry in 2000 resulted in a hike in medical fees and drug expenditures. These moves toward privatization were continued under each successive administration, both Democrat and conservative. President Park's administration also signaled at the end of last year that her government intends to restructure and sell-off state-owned institutions.

The trade unions have made clear that will not block the government's privatization push after selling out the railway workers who embarked on a 22-day strike in December against the privatization of a railway line.