

Split looms in South Korea's opposition party

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South Korea's main opposition party is heading toward a potential split after one of its most prominent members quit its ranks on December 13. Ahn Cheol-soo announced his decision after clashing with party chief Moon Jae-in over the leadership, with the move likely to impact on April's general election for the National Assembly.

Ahn, a one-time co-leader of the party, demanded on December 6 that a national convention be held to choose a new leader for the New Politics Alliance for Democracy (NPAD). Moon has been criticized by a minority within the party for its defeat in by-elections during April, in which the NPAD failed to win any of the four National Assembly seats up for grabs.

Moon, who previously offered to share power with Ahn and Seoul mayor Park Won-soon, rejected the demand. After quitting, Ahn told a press conference: "The current opposition party cannot provide the people with an alternative. It cannot change the world or give the people hope of a new government. Yet the party refuses bigger innovation and is busy guarding its vested interests."

The NPAD is divided into two main groupings, based on the followers of past South Korean presidents. The majority backing Moon is considered to be the Noh Moo-hyun faction, while the minority is known as the Kim Dae-jung faction. Ahn Cheol-soo and his followers represent a smaller group, but have aligned with the Kim faction.

Moon has angered members of the Kim faction who feel they have been marginalized from the party's leadership. However, both groupings advocate virtually identical political agendas. They differ on campaign methods and the party's power structure.

While a few Ahn loyalists have quit the NPAD, a mass defection has not taken place. Speculation in the media is that 20 to 30 lawmakers could leave the party before the end of the year, portending a wider split.

Cheon Jeong-bae, another one-time NPAD member from the Kim faction, is planning to launch a new party soon that might attract Ahn and his followers. Other leading NPAD figures, like former floor leader Park Ji-won and ex-party leader Kim Han-gil, could join Cheon to form what is tentatively being called the National Congress.

Such a party will not represent the interests of the working class, but will be a new mechanism to keep workers who are fed up with the political establishment corralled within the confines of parliamentary politics.

The NPAD and its predecessors have been in disarray since the presidencies of Kim Dae-jung and Noh Moo-hyun, who left office in 2008. The NPAD was founded in March 2014, bringing together the Democratic Party with Ahn Cheol-soo and his supporters, in an attempt to stabilize the supposed "progressive" wing of official politics.

Hoping to mask and obfuscate their anti-working class record, the NPAD-Democratic Party has undergone a number of transformations. Kim and Noh traded on their reputations as opponents of the country's decades of military rule. Amid a wave of mass protests and strikes in the late 1980s, the military made limited electoral reforms and South Korean bourgeoisie turned to the Democrats to contain the opposition.

In the midst of the 1997-1998 Asian financial crisis, Kim Dae-jung played the critical role in implementing the International Monetary Fund's restructuring demands and, with the assistance of the trade unions, in suppressing the opposition of workers.

Kim's administration privatized state-owned companies and undermined the country's lifelong employment system, leading to an expansion of a casualized work force that only continued to grow under the pro-market policies of his successor, Noh. The resulting widespread disillusionment opened the

door for the right-wing Saenuri Party to return to power.

Likewise, Ahn Cheol-soo is a political charlatan. He gained popularity with young people by posing as a political outsider and making mild criticisms of the existing political system during the 2012 general and presidential elections. Ahn unsuccessfully ran for the presidency in 2012 before dropping out to support Moon Jae-in's candidacy.

Both Ahn and the NPAD represent the interests of sections of South Korea's corporate elites that are not connected to the few dozen conglomerates, known as chaebols, like Samsung and Hyundai, which dominate economic life in the country.

The NPAD and Ahn have previously proposed eliminating chaebols' cross-shareholdings. Currently, a ban, which went into effect in July 2014, is in place on new cross-shareholdings, but not on existing ones. The chaebol families use cross-shareholdings to maintain control over companies and affiliates, while appearing to own only a small percentage in each individual company.

A cross-shareholding is when company A invests in company B, which in turn invests in company C, which again invests back into company A. For example, Hyundai Motors owns stock in Kia Motors, which invests in Hyundai Mobis, which then invests back into Hyundai Motors. This allows a chaebol's assets to be controlled by a single family, who regularly put their own interests before those of other investors.

The NPAD's policy is aimed at protecting the interests of investors, demanding larger financial payouts from the chaebols as well as ameliorating concerns that personal squabbles in a chaebol family could affect profits. At the end of last year, before the cross-shareholding ban, South Korea's stock market had a dividend yield of only about 1.2 percent, a third of that of the share markets in Hong Kong and Singapore.

The NPAD and figures like Ahn represent layers of the South Korean bourgeoisie whose ambitions are frustrated by the chaebols. As the records of the administrations of Kim Dae-jung and Noh Moo-hyun demonstrate, the "progressive" opposition would be just as ruthless as the Saenuri Party in imposing the burden of the global capitalist breakdown onto the working class.



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