

# South Korean auto parts workers strike

Ben McGrath

11 November 2024

A strike by South Korean auto parts workers at Hyundai Transys, which has lasted more than a month, is having a growing impact on the country's car industry. The workers are fighting for the improvement of wages and their overall economic conditions, but also confront a growing attack on jobs taking place throughout the auto industry internationally.

Hyundai Transys supplies transmissions and other parts to Hyundai Motors, the third largest automaker in the world, as well as to Kia. All are part of the Hyundai Motors Group, one of the massive, family-led conglomerates in South Korea known as *chaebol*. As of last week, the strike has impacted the production of around 150,000 transmissions.

Hyundai Motors announced on November 4 that as a result of the strike it would shut down production lines at its Ulsan plant. From November 5 to 8, the company stopped its line 1, which produces the Kona compact SUV. Hyundai also used the strike as an opportunity to shut down line 2, which produces the electric vehicle Ioniq 5, until November 18 as a result of reduced demand.

Hyundai's Asan plant in South Chungcheong Province, which produces the Sonata and Grandeur sedans, is also experiencing a slowdown, which is expected to last until Wednesday. Kia's plants 1 and 2 in the city of Gwangju have been similarly affected. The strike is also having an impact on other companies, including Tranix Corporation, a subsidiary of Hyundai Transys, which experienced a shutdown beginning on November 6.

Hyundai Transys' workforce of approximately 2,800 initially went on strike on October 8 at the company's Jigok plant in Seosan, South Chungcheong Province. The Korean Metal Workers Union (KMWU) initially tried to limit the walkout to partial strikes. However, it was forced to call a broader strike on October 11. The use of partial strikes is a common tactic used by the

South Korean unions to limit the impact of industrial actions on big business while providing a safety valve for workers' anger.

The KMWU represents workers in the auto industry throughout the country. It is one of the most influential unions in the so-called "militant" Korean Confederation of Trade Unions (KCTU), which operates in the orbit of and supports the pro-capitalist Democratic Party.

Negotiations between Hyundai Transys and the KMWU began in June. The union is requesting a 159,800 won (\$US115) increase in base salary and so-called "performance-based" bonuses of 2 percent of last year's sales. In 2023, Hyundai Transys recorded 11.7 trillion won (\$US8.36 billion) in sales and 116.9 billion won (\$US83.7 million) in operating profits. The company rejected the union's requests. Hyundai Motors' operating profits grew 54 percent from the previous year.

It is the first time in six years that Hyundai Motors has been forced to stop production. In this time period, the KMWU has forced workers to stay on the job during the COVID-19 pandemic and imposed wage freezes on workers throughout the industry while signalling their support for massive job cuts. The current strike at Hyundai Motors and other companies, however, demonstrates that workers can fight back against these attacks on their job and social conditions.

Any genuine struggle can only take place outside the stranglehold of the KMWU, which is working to confine the current strike to negotiations over wages and will ultimately sell it out. However, the strike is about far more than wages. Workers are no doubt acutely aware of the broader issues as the auto industry around the world slashes jobs as part of the transition to the production of electric vehicles (EV). The ruling class portrays this change as a "just transition" to make more environmentally friendly vehicles that cut carbon

emissions.

EVs are produced with fewer parts than vehicles with combustion engines and therefore require less labor power. Tens of thousands of jobs are on the chopping block in South Korea alone. Estimates in recent years have predicted that Hyundai Motors alone could cut 60 percent of its workforce by 2030. In addition to Hyundai and Kia, GM Korea, Renault Korea, and KG Mobility (formerly Ssangyong Motor) all have a significant presence.

The “just transition” entails slashing jobs around the world, not just in South Korea. In Germany, Volkswagen plans to close at least three plants, cutting tens of thousands of jobs. In the United States, Stellantis and General Motors are also sacking thousands of workers. In Asia, Beijing Hyundai in China is rumored to be preparing to slash 30 percent of jobs by February 2025, though the company has denied this. In Thailand, the tenth largest auto producing country in the world, Japanese companies Subaru and Suzuki have announced they would close their factories by the end of 2024 and 2025 respectively.

The KMWU supports this so-called “just transition” and the attack on autoworkers that comes with it. In an interview with Bloomberg published in July, the KMWU’s policy director Kim Sang-min and its international outreach director Jeong Hyewon admitted the union has no intention of waging a struggle on behalf of workers.

They acknowledged that the development of EV and heavily automated plants in South Korea and other countries like Singapore “made us realize that it will be hard to keep our jobs. So we’re trying to demand that companies create new jobs related to green industries. It’s something we really think about deeply and study what kind of demands will really make a difference. We need to confess we don’t have a magic bullet.” In other words, the KMWU has no plan for fighting the job cuts.

The union, the KCTU and the Democratic Party, in whose orbit the unions operate, all support capitalism. Their goal is not to defend the working class, but to ensure that the South Korean capitalist class is best positioned in relation to those of other countries. This means pitting workers against one another, not only against those abroad, but within South Korea in a race to the bottom.

Kim and Jeong continued in their Bloomberg interview: “We signed an agreement on industrial transformation with Korean metal industry employers in 2021. This year we’re focusing on supply chains, a plan called ‘just transition,’ where automakers are taking overall responsibility for realizing carbon neutrality in their supply chains.”

The KMWU backs this campaign and asks workers to place their faith in the auto companies to “take responsibility” for this transition. While developing measures to protect the environment is vital, the current “transition” takes place under capitalism. The auto companies are not carrying out the transition for the benefit of the environment, but to boost profits.



To contact the WSWS and the  
Socialist Equality Party visit:

**[wsws.org/contact](https://wsws.org/contact)**