

# South Korea's KCTU's Social General Strike and Labor Movement Priorities in the Moon Jae-in Era

Low-wage irregular workers in South Korea will launch a social general strike on June 30 to demand an increase in the minimum wage; reversal of former President Park Geun-hye's regressive labor reforms; and an end to the country's chaebol-centered economic system. Wol-san Liem discusses the aims of the strike as well as movement priorities for organized labor in the Moon Jae-in era.

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The mass candlelight protests, which began in October 2016 and ultimately brought down the conservative and corrupt **Park Geun-hye** administration, have now subsided. The liberal Democratic Party leader **Moon Jae-in** has been elected president, and a new day seems to have dawned in South Korea. Yet, the atmosphere within the democratic labor movement is far from calm. While debate rages over the meaning of the 'candlelight uprising' and the strengths and limitations of the new administration, the Korean Confederation of Trade Unions (KCTU) and its affiliates are preparing for a 'social general strike' at the end of June and beginning of July.

### Dignity for Low-wage Irregular Workers

South Korean labor unions are known for their frequent large-scale strikes and protest actions. In 2015, for instance, the national workers' day rally and people's mass mobilization organized together with farmers and other social groups on November 14, gained international attention due to its scale and the government's aggressive response. Excessive police force led to the death of one participant, farmer **Baek Nam-gi**, who was hit straight on with a water cannon, and dozens of trade unionists were arrested and imprisoned in the crackdown that followed.

In 2016, a national strike against privatization by sixty thousand public sector workers fueled the anti-Park candlelight uprising. KCTU's upcoming 'social general strike' will carry forward this practice of national protest, part of a labor movement tradition based in the recognition of the need for collective action to achieve social change. On the other hand, the KCTU has intentionally planned the upcoming strike to be different from past actions. Whereas the main force behind past actions has been KCTU's traditional membership of politically conscious and regularly-employed[1] workers in large-scale workplaces, the vast majority of those participating in the upcoming strike will be low-wage irregular workers. Specifically, tens of thousands of education support workers, college campus cleaning workers, subcontracted workers at public hospitals and other public institutions, construction workers and irregular workers in the services industry will walk off their jobs.

These workers will gather in Seoul for a major strike rally on June 30 and participate in

separate regional and sector-specific actions into the first part of July. Further, as indicated by the term 'social' general strike, the KCTU is making an effort to reach out to nonorganized workers, students and community members to participate in the action by expressing support, either online or in person.

In addition to broad-based participation, 'social' also indicates KCTU's goals of centralizing issues pertinent to organized and unorganized workers alike-low-wage, non-unionized irregular workers in particular-and re-awakening the public's desire for deep economic and social reform, which was embodied in the candlelight uprising. Concretely, the KCTU has put forth the demand to increase the minimum wage (currently KRW 6,470 or roughly USD 5.7) to KRW 10,000 won per hour as a central issue in the strike. More than merely a wage issue, the demand is a step toward fundamentally altering the low-wage basis of the national economy.

In addition, the KCTU is calling for:

1) The reversal of Park Geun-hye's regressive labor reforms and other antidemocratic policies;

2) Dismantling of the chaebol-centered economic system;

3) Democratization of government institutions and expansion of public services; and

4) Progressive labor law reform, including expansion of the right to unionize.

KCTU affiliates participating in the strike are also adding sector and workplace-specific demands in line with the KCTU's overall framework.

### Moon Jae-in's Proposed Reforms and his Avid Fans



President Moon Jae-in (Source: Wikipedia)

The planned strike action comes less than two months after Moon Jae-in was elected in an

early presidential election on May 9. Since taking office, President Moon has begun to move on a wide range of reforms, including, to name just a few, abandonment of the previous government's plans for a government-written history textbook, re-opening of the investigation of the Sewol Tragedy in 2014, and new measures to combat climate change and pollution.

Moon, who made 'creating a society that respects labor' a main campaign promise, has also introduced several labor-related measures that appear to break substantially with the policies of the past administration. On May 12, shortly after his inauguration, Moon visited Incheon International Airport, where low-wage irregular workers employed by subcontractors of the public Incheon International Airport Corporation have been fighting for years for 'regularization' of their employment status, i.e. direct employment and improvement in wages and working conditions. During this meeting, Moon promised to regularize the status of all 10,000 workers at the airport and eradicate irregular employment throughout the public sector, as well as induce similar changes in the private sector.

In addition, Moon has established a 'Jobs Creation Committee,' the aim of which is to formulate a policy plan to rapidly increase good jobs throughout the economy, beginning with the public sector. He has also promised to increase the minimum wage to 10,000 won by the year 2020.

In light of Moon's 'reform drive,' many have been vocally critical of the KCTU's strike plans. Criticisms come from KCTU's traditional enemies on the right, as well as Moon Jae-in's avid liberal supporters, who defend everything and anything associated with the president. Although on opposite sides of the political spectrum, both criticize KCTU as needlessly militant and anti-government, and say that most of the strike demands are already reflected in Moon's own policy platform. Both conservatives and liberals also accuse KCTU of being a 'labor aristocracy' seeking to protect the privileges of its high-paid, regularly-employed members.

These criticisms, however, misrepresent the KCTU, as well as the character of the social general strike and what KCTU is trying to achieve.

### Aims of the Social General Strike and Limitations of Moon's Reforms

First, the label 'labor aristocracy' ignores the extensive (albeit never sufficient) efforts KCTU has made over the last two decades to organize and improve the wages, working conditions and social status of low-wage irregular workers. As a result of years of 'strategic organizing projects' and several public campaigns (the most recent being the campaign for a 10 million won minimum wage), KCTU's membership has moved from being comprised almost entirely of regular workers at large-scale enterprises to being 25% irregular workers.

This change in membership composition has been achieved in spite of the dearth of legal protections for irregular workers' trade union activities and vicious union busting by employers. It is in fact close to impossible in many sectors for irregular workers to join and form unions without fear of dismissal. Many of KCTU's affiliates, moreover, have an even higher percent of irregular workers in their membership than KCTU as a whole. The Korean Public Service and Transport Workers' Union, which will be the largest force in the upcoming social general strike, is made up of roughly 40% irregular workers and is actively seeking a model of union organizing that fosters solidarity between high-wage regular and low-wage irregular workers in the public sector.

Second, critics of the social general strike ignore the fact that the action is planned not as a head-on confrontation with the Moon administration but as a demonstration of force against the *chaebol*[2] (corporate) elite and the pro-chaebol conservative ruling class, who may have supported Park's impeachment but still seek to maintain the deeply unequal political and economic system that supports their interests. KCTU has tried to make clear that the strike is not an anti-government action but an effort to press Moon to stand up to these forces that impede social reform. In other words, through the strike, KCTU seeks to push the administration to the left in terms of the content and timeline of reform.

Finally, critics of the strike do not acknowledge the limitations of the Moon administration's proposed economic and labor policies. For example, the administration has yet to put forth a clear plan for *chaebol* reform and has instead indicated it seeks the *chaebol*'s voluntary efforts at social responsibility. The administration lacks an analysis of the way in which *chaebols* restrict the development of small businesses, stifle the domestic creation of value[3], contribute to the creation of bad jobs and lead the way in union repression.

The administration is also stalling on ratification of core ILO conventions and revisions needed to bring South Korean labor laws in line with international standards. And most importantly, its proposal on regularization of the employment status of irregular workers in the public sector focuses superficially on the form of employment without adequately addressing the need for investment in improving wages and conditions and threatens to solidify rather than eradicate discrimination between irregular and regular workers.

## **Pushing Moon to the Left**

As a president elected through a people's uprising, Moon has come to symbolize for many the desire for real progressive change in South Korean society and has been given the mandate to actualize these desires.

A good deal of internal debate preceded KCTU's decision to go forward with the social general strike. In addition to concerns about how the strike would be read, some KCTU affiliates expressed concerns about the potential challenge of mobilizing members, many of whom voted for Moon and continue to have high expectations in the new administration. This internal debate eventually led to the clarification of the goals, target and main force of the strike as described above.

The discussion continues, however, about how to view the new administration and what relationship KCTU should establish with it. Some are pushing for 'cooperation' in the fight against the *chaebols* and reactionary forces, while others point to Moon's limitations.

The most recent iteration of this debate has centered around whether to accept the administration's proposal to participate in its Job Creation Committee. Reflecting on past experiences with tripartite bodies, in particular the Economic and Social Development Commission-used as a mechanism to enable broad-reaching neoliberal reforms in the wake of the 1997 Asian Financial Crisis-many trade unionists have expressed strong reservations about KCTU joining the job-creation committee. They worry that the committee will be used to give the appearance of social consent to inadequate government policies.



June 30, 2017 – 57 thousand low wage precarious workers and other KCTU members gathered in Gwanghwamun for Social General Strike calling for 10 thousand won minimum wage, abolition of precarious work and the right to unionise. (Source: <u>KCTU Facebook Page</u>)

While publicly acknowledging these concerns, the KCTU's Central Executive Committee voted on June 8 to participate and actively 'intervene' in the committee with the goal of "realizing the demands of the candlelight uprising for reform of the world of work and the eradication of low-wage precarious jobs." The decision to participate in the committee, while simultaneously moving forward with the social general strike, is indicative of the democratic labor movement's struggle to define the correct path that will 'push the administration to the left.'

### Fissures in the Neoliberal System: Opportunity for a New Direction

The development of this strategy will necessarily involve a great deal of debate as well as trial and error. The democratic labor movement finds itself in a situation very different from the last ten years of conservative rule and even the ten years of liberal rule before that. First, in addition to making Moon's election possible, the candlelight uprising and the scandal that sparked it have created a fissure (although not a rupture) in the close alliance between Korea's *chaebol* elite and the government. It also made transparency and accountability of government institutions a top priority for the incoming government.

Secondly, the contradictions of neoliberalism – a rapid decline in real wages, decrease in workers' share of the national wealth and increase in inequality, unemployment and precarity – have led to its destabilization as a political-economic paradigm in South Korea and globally. While neoliberalism is far from over, governments around the world have been forced to introduce emergency measures (e.g. low interest rates, quantitative easing, etc.) and Keynesian/populist policies (e.g. minimum wage increases) that do not square comfortably with neoliberal ideology. At the same time, traditional neoliberal parties (whether they be politically moderate or conservative) have faced harsh judgment by

voters.

In the United States, the failure of the labor movement and the left to break from their alliance with left-of-center neoliberals (the Democratic Party) meant that **Donald Trump** could present himself and his racist, nationalist and protectionist ideology as 'the alternative' to the status quo.

In South Korea, the candlelight uprising deposed a right-of-center neoliberal government and has replaced it with Moon Jae-in, left-of-center but still neoliberal. What distinguishes Moon from his predecessors is that he faces a new, uncertain moment, in which broad sectors of the electorate have voiced discontent with the neoliberal model, but no one has yet articulated a clear vision for where to go from here, i.e. what will replace the neoliberal paradigm. This is an opportunity for the labor movement and the left to suggest a new direction.

### Immediate Tasks

To seize this opportunity, the South Korean labor movement needs a clear understanding of the current historical moment-in Korea and globally-and the character of the Moon administration within this context. This will require a clear analysis of Moon's limitations as well as the possibilities that have been opened up to correct the anti-democratic and antiworker policies of past administrations. Further, it demands recognition that much deeper reforms than the government-as the mediator of class interests at best and representative of capitalist interests in normal times-can possibly initiate on its own are needed to fundamentally address social inequality and insecurity.

In the immediate, KCTU will need to develop very clear policy proposals that expose the limitation of Moon's own and find the most convincing way to present them to the public and the administration. To begin with, KCTU needs to put forth a clear roadmap for dismantling the *chaebols'* economic and political stranglehold on South Korean society and regulating the multi-layer subcontracting system they control. An increase in the minimum wage has to be accompanied by *chaebol* and supply-chain reform to have maximum effect in eliminating low-wage work.

In addition, KCTU must put forth a policy on the 'regularization of irregular workers' that calls into question the very concept of 'regularization.' Rather than merely propose permanent employment as the goal, its policy must eradicate discrimination in wages and working conditions, as well as uphold the responsibility of parent companies toward all workers who produce value for them regardless of their form of employment. Further, KCTU needs to build broad social agreement about the importance of protecting the right of all workers to join trade unions and the right of unions to bargain and strike as an essential means to address social inequality.

Even more importantly, KCTU has to connect its policy demands to organizing and invest heavily in the expansion of its organizing capacity.

Fundamentally, the labor movement and the left need to articulate the limitations of concepts such as 'income-led growth,' which underpin Moon's economic policies. Instead, we need to popularize a discourse that places primary importance not on 'growth' but on sustainability, equality and the fulfillment of human needs. Putting forth this vision will be an important step towards developing a political alternative that goes beyond Moon and his

Democratic Party.

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#### Notes

[1] In South Korea, the term 'regular' is used to refer to permanently-employed workers with job protection and relatively superior wages, conditions and benefits; and 'irregular' is used to refer to precariously-employed workers in a variety of employment relationships (including part-time, short-term, subcontracted and disguised employment).

[2] 'Chaebol' refers to South Korea's massive conglomerates (Samsung, LG, Hyundai, etc.), which are characterized by a unique form of circular investment that enables single families to dominate vast groups while actually owning only a small share in each company. The top ten *chaebols* account for roughly 80% of the national economy (GDP) and dominate multilayer subcontracting systems (supply chains), which play a central part in institutionalizing low-wage precarious work.[3] By relying on import of value-added intermediary goods and failure to invest in increasing labor productivity.

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