

Ssangyong Motors Strike in South Korea Ends in Defeat and Heavy Repression

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The Ssangyong Motor Company strike and plant occupation in Pyeongtaek, South Korea, ended after 77 days on Aug. 5. For the 976 workers who seized the small auto plant on May 22 and held it against repeated quasi-military assault, the settlement signed by Ssangyong court receivership manager Park Young-tae and local union president Han Sang-kyun represented a near-total defeat. Worse still, the surrender was followed by detention and interrogation of dozens of strikers by police, possibly to be followed by felony charges, as well by a massive (\$45 million) lawsuit against the Korean Metal Workers' Union and probable further lawsuits against individual strikers for damages incurred during the strike. The hard-right Korean government of Lee Myong Bak is signaling with these measures-its latest and most dramatic "take no prisoners" victory over popular protest in the past year and a half— its intention to steamroller any potential future resistance to its unabashed rule on behalf of big capital.

The Ssangyong strike echoed in many ways the dynamic seen in the recent Visteon struggle in the UK and in battles over auto industry restructuring around the world. Involving, on the other hand, an outright factory seizure and occupation, and subsequent violent defense of the plant against the police, thugs and scabs, it was the first struggle of its kind in South Korea for years. Its defeat-one in a long series of defeats extending over years-does not bode well for future resistance.

Ssangyong Motor Company was taken over three years ago by China's Shanghai Automotive Industry Corporation, which holds 51% ownership. At the time, the Pyeongtaek plant (located about 45 minutes from Seoul) had 8700 employees; by the time of the strike, it had only 7000. In February the company filed for bankruptcy, proposing a restructuring and offering the Pyeongtaek plant as collateral for further loans to re-emerge from bankruptcy. The court approved the bankruptcy plan, pending adequate layoffs to make the company profitable again.

The management strategy seems to have been a long-term whittling down of personnel combined with acquisition of technology for operations in China. Since the Shanghai Automotive takeover, there has been no new investment at Ssangyong Motors, and no new car model launched. (Korean prosecutors have raised questions over the legality of the technology transfer to China, since the technology in question was developed with Korean government subsidies, but to date no legal action has been taken.) In December 2008 there was also a brief job action protesting this technology transfer.

Following the decision of the bankruptcy court, workers at the plant responded in April with warning strikes against pending layoffs. This evolved on May 22 into a full strike, plant takeover and occupation by 1700 workers when the list of workers to be laid off was announced. The strike focused on three main demands: 1) no layoffs 2) no casualization and 3) no outsourcing. The company wanted to force 1700 workers into early retirement and has fired 300 casuals.

The Ssangyong workers are organized in the Korean Metal Workers Union (KMWU) and have worked an average of 15-20 years in the factory. A regular worker earns a base pay of approximately 30,000,000 won (currently ca. \$25,000) per year; a casual earns about 15,000,000 for the same

work. (In Korea, the base pay is only part of the salary, which includes benefits -for regular workers- as well as significant overtime paid at a higher rate, often 10 hours a week and accepted, or even desired, by most workers as a necessary income supplement.)

As of mid-June, about 1000 workers were continuing the occupation, with wives and families providing food. About 5000 workers not slated for layoff stayed at home, and about 1000 supervisory staff scabbed, mainly maintaining machines, though no cars were produced once the occupation began.

There was in the early weeks little mass police presence in Pyeongtaek. This was due at least in part to the ongoing political crisis in South Korea following the recent suicide of ex-president Noh Mu Hyeon and subsequent large-scale demonstrations expressing growing outrage against the current right-wing government of Lee Myong Bak. The Lee government, elected in December 2007 on a program of high economic growth and already somewhat discredited by repeated blatant measures in favor of the wealthy and by the world crisis, was initially taken aback by the depth of outrage revealed in demonstrations mobilizing up to one million people. After the unleashing of riot police following Noh's funeral provoked further outrage and brought more people to the streets, the government was at first unwilling to risk further disenchantment by an early assault on the Pyeongtaek factory.

On June 16, a large anti-strike rally of more than 1500 people was held outside the factory gates. The rally was attended by the 1000 supervisory scabs, 200 hired thugs and 300 workers not on the layoff list and not supporting the strike. 400 riot police stood by, doing nothing, and finally declared the scab assembly illegal, apparently due to fear that the occupying workers and their supporters might attack it.

During the scab rally, about 700-800 workers from nearby factories, such as the Kia Motor company, had come to defend the Ssangyong plant, in part in response to a text message tree of the KMWU.

The occupying workers made plans for armed defense against any police attempt to recapture the plant, stocking iron pipes and Molotov cocktails. As a further fallback plan, they prepared to concentrate in the paint department, where the flammable materials (in their estimate) would dissuade the police from firing tear gas cannisters and setting off a conflagration. (This calculation did prove correct, as we shall see, but it ultimately proved of no avail.)

I spoke to one activist participating in the occupation and critical of the role of the union. In his view, the KMWU remained in control of the strike. However, in contrast to role of the unions in the Visteon struggle in the UK and in the dismantling of the US auto industry, the KMWU supported the illegal actions of seizing the plant and preparing for its armed defense. On the other hand, in negotiations with the company, it concentrated on the demand for no layoffs and soft-pedaled the demands for job security for all and against out-sourcing.

The core occupation of the plant was powered by 50 or 60 rank-and-file groups of 10 workers each, who in turn elected a delegate (chojang) for coordinated action. According to the same critical activist, these chojang are the most combative and class-conscious workers.

Once again, the Ssangyong strike initially benefited from a favorable political climate, which put the Korean government on the back foot, but it is up against the deep crisis of the world auto industry and the world economic crisis generally. The nearby Kia Motor Company plant was itself in the middle of critical negotiations for crisis measures, and GM-Daewoo is being hit with the world reorganization of GM. The company strategy, as in the case of Visteon, has been at best slow attrition (already underway since 2006) or even an outright closing of the plant.

In late June, the government and company dropped their wait-and-see attitude and began to go on the offensive. On June 22, stiff lawsuits had already been filed against 190 strikers. A few days later, one fired and heavily-indebted worker committed suicide. The broader social and political climate continued to harden, with groups ranging from school teachers to monks attacking the government's accelerating drift to the right, and the forces of order, led by the ruling Hanaradang (Grand National) Party, branded such critics as sympathizers of North Korea. Demonstrations of strike supporters took place periodically in Seoul and in Pyeongtaek, but rarely assembled more than a few thousand people.

On June 26th-27th a serious government and employer attack on the plant resumed, as hired thugs, scabs recruited from the workers not slated for firing, and riot police tried to enter the factory. They secured the main building after violent fighting in which many people were injured. The occupying workers retreated to the paint sector, which was part of the (above-mentioned) strategy. (In January, five people in Seoul died in another fire set off during a confrontation with police, sparking weeks of outrage.)

On the following day, the company issued a statement declaring that there had been enough violence, but in reality in recognition of the tenacious worker resistance, and police and thugs were withdrawn. The company urged the government to involve itself directly in negotiations.

Ever since the attack of the 26th-27th, aimed at isolating Ssangyong's struggle and breaking the strike, solidarity actions outside the plant were attempting to build broader support. These included a street campaign, mainly from family organizations in the center of Seoul and in the Pyeongtaek area, and a 4-hour general strike by the KMWU during which metal workers from nearby plants rallied in front of Ssangyong factory gate.

Then, on July 1, all water was cut off, which in the hot and humid Korean summer ultimately forced workers to trap rain water as they could and make improvised toilets from barrels when all toilets backed up. All access to the plant was blocked and negotiations collapsed.

On July 4th, and July 11 the KCTU (Korean Confederation of Trade Unions) held nationwide labor rallies in support of the Ssangyong's struggle. These actions were, however, poorly attended and the leadership of the KMWU hesitated in declaring an all-out strike in response to the attacks on the plant. Activists think the KMWU and KCTU leaderships were more preoccupied with upcoming union elections. (927 activists also held a one-day hunger strike in the center of Seoul on July 11.) (From my experience in Korea over the past four years, these are largely ritual actions which rarely influence the outcome of a struggle, except as barometers of weakness and isolation.)

Finally, on July 16, 3,000 KMWU members gathered to support the Ssangyong strike in front of the Pyeongtaek City Hall. When they tried to move to the factory after the rally, they were blocked by police and 82 workers were arrested on the spot. During one subsequent (and failed) attempt to reach the plant gate with food and water, company thugs went out of their way to break every bottle of water.

The gloves really came off on Monday July 20. Here is the military situation as described by a worker from nearby Kia Motor Company who came, with hundreds of others, to help defend the plant against an attack by 3000 police, thug and scabs:

"When we finished night shift work at 5:30 this morning, we went to Pyeongtaek to the front gate of the Ssangyong factory where the struggles were going on, just as they had on the previous day.

By 9:00 or 10:00 AM many buses loaded with riot police were arriving at the gate, as well as

approximately 20 fire-fighting vehicles as well.

While 2,000 riot police were trying to get near the paint plant, the workers responded with slingshots and sometimes Molotov cocktails. A catapult using bolts and nuts had a range of 200-300 meters and was effective. Tires placed in an effort to defend the plant were burning, and the black smoke covered the sky over the factory.

The company had cut off water and gas supplies and enforced a blockade on all material for workers from outside, including medical supplies. The company seems to have as a first strategy wearing people down to get them to leave the paint plant spontaneously.

Later that day, a police helicopter was spreading tear gas against workers who were fighting on the housetops."

On 21 July, the KCTU declared a general strike from July 22nd to the 24th, and scheduled a nationwide labor rally on Saturday July 25th. The KMWU announced partial strikes on the 22nd and 24th in support of the Pyeongtaek strike and of ongoing negotiations. These strikes, which the KCTU in particular is in the habit of calling with neither follow-through or serious support, remained scattered and ineffective.

The same Kia worker, fighting police at the plant gate, reported these events as follows on July 22:.

"Starting July 20th, with a court order, more than 3,000 riot police, including a ranger unit, had tried to seize the plant and ordered workers out of the factory. After the workers rejected this order, the police launched an attack against occupying workers for 7 consecutive days, and this attack also involved hired thugs and scabs from workers not laid off.

The police are conducting round-the-clock ideological propaganda, and a police helicopter is flying low to prevent workers from sleeping and to unnerve them.

They have cut off the supplies of water and and gas and are refusing factory entry to humanitarian medical help. (Electricity has been left on to prevent paint and other flammable materials in the paint plant from decomposing.)

From the 21st onward, the police have been dropping tear gas from helicopters onto workers struggling on the roof of the paint sector. That gas includes a toxic material that can melt sponge rubber.

Intermittently, when the riot police try to get into the paint plant, they use a special gun firing 50,000 volts and nails, while the scabs are using slingshots from the building opposite.

Naturally, we are fighting the police with iron pipes and Molotov cocktails on the street in front of the factory to defend the strike.

By the end of July, the approximately 700 workers left in the plant were eating a rice ball with salt instead of regular meals, and drinking boiled rain. Though many workers had been injured during the fight, they resolutely continued their struggle.

On Jul. 20th, one union official's wife committed suicide at her home. Even though her husband was not laid off, he participated in the struggle despite several threats from management. His wife was just 29 years old. Thus far five people have died or committed suicide in as a result of this struggle.

On July 25, the KCTU held a rally in front of the Pyeongteck railway station. After that rally, the

workers and other participants, armed with iron pipes and stones from the sidewalk, fought against riot police, while attempting to march to the Ssangyong factory gate. A brutal attack by police forced us to retreat from the front of the factory. Struggles continued late into the night on the streets of Pyeongtaek.

We of the KMWU are scheduled to launch a 6 -hour general strike on July 29th but as you know, it is so difficult to mobilize all union members to participate in such a strike.

Management has been seeking the moral high ground, claiming they may be forced into bankruptcy.

Amid growing pressure from some civic organizations, and some congressman, management and the Ssangyong union were scheduled to meet on July 25th. But the management cancelled that meeting unilaterally, for the sole reason (they claimed) that the workers still throwing bolts and that they could not accept the union's demand of no layoffs but with all dismissed workers rotating on unpaid temporary retirement.

The management rejected union's concession, and said that they will only accept layoffs.

On July 27, the Ssangyong workers held a press conference and another rally in front of the paint plant, escaping for a while the suffocating atmosphere inside.

The demands of that rally were:

- 1) Withdrawal of the police
- 2) Direct negotiation with management and government
- 3) Release of the results of the investigation into illegal effluence resulting from the use of hybrid diesel engine technology.

Finally I'll finish this, referring to the last part of the press conference ;

" We have been doing our best to solve this dispute with the principle of peaceful settlement with dialogue. Nevertheless, if this kind of brutal, deadly repression continues, we openly declare our resolute will to fight to the death..

Those of us in here will show our determination to die to the world not only as workers but also as human beings.

We will fight unflinchingly and regain our rights and return to our homes at last."

In the daily fighting from July 20 to July 27, the police, thugs and scabs had recaptured the entire plant with the exception of the paint department. Large contingents of police massed in the building next door, a few yards from the paint department entrance.

After renewed negotiations broke down again over the weekend of Aug. 1-2, electricity to the paint department was finally cut off, forcing the occupying workers to use candlelight at night. The final battle began on Aug. 3 and continued through the 5th.

100 strikers had left the occupation throughout the night (many out of disgust at the ruthlessness of the state and company's violence). In the final negotiations, the local union president agreed to early retirement (i.e. layoff with severance pay) for 52% of the occupiers, with 48% furlough for one year without pay, after which they will be rehired, economic conditions permitting. The company will also

pay a 550,000 won monthly subsidy for one year to some workers transferred to sales positions.

In the ensuing days, insult was piled on injury with detention and pending indictments of scores of workers, and a 500,000,000 won (\$45,000,000 US) lawsuit by the company against the KMWU. As indicated, further individual lawsuits, possible under Korean labor law which have left striking workers destitute in the past, may follow. The company claims 316 billion won (\$258.6 million) damages and about 14,600 vehicles in lost production due to the strike.

This calculated vengeance by the government and the company shows a clear escalation of a general offensive against all possible opposition. A year before, in summer 2008, the 12-month strike at the E-Land department stores went down to defeat. Of the 10,000 employees who had struck in summer 2007, many returned to their jobs, accepting the miserable offer they had initially rejected, Others had already moved on to other jobs. The E-Land employees had repeatedly sat in and occupied stores, and on several occasions fought off police and thugs attempting to escort strikebreakers into stores. Nevertheless, following the defeat, nothing like the reprisals coming down on the Ssangyong workers occurred.

The Lee Myong Bak government of the Hanaradang Party has important roots in the 1961-1979 dictatorship of Park Chung-hee, which were the glory years of Korea's emergence as the first Asian tiger. Park's daughter was only narrowly edged out by Lee to become the party's presidential candidate in 2007. More broadly, a rose-tinted view of the Park dictatorship, focused on its economic dynamism and downplaying or ignoring its brutal repression, has become widespread in Korean society in recent years, fueled by the spotty growth since the early 1990's and above all since the 1997-98 financial meltdown when Korea came under the control of the IMF. (One of the IMF's main conditions for its \$57 billion bailout was a major increase in the casualization of workers.) The Lee government not only repealed a tax on luxury real estate transactions imposed by the previous Noh government, but it refunded the tax money collected in those years. During the Ssangyong strike, it also pushed through a much-contested media law, which will allow a Rupert Murdoch-type consolidation of the media by a few large conglomerates, wiping out smaller and more critical outlets. Korea's notorious National Security Law, passed in 1948 during the civil war preceding the Korean War during which hundreds of thousands of leftists were killed, remains in force and has been recently used to arrest socialist groups for the simple fact of being socialist, as well as book dealers selling ostensibly pro-North Korean books.

The Ssangyong defeat cannot be attributed merely to the lame role of the KMWU national organization, which from the beginning allowed the negotiations to be channeled in a narrow focus on "no layoffs". (By contrast, the local union president, who ultimately signed the surrender document, stayed in the occupied plant right to the end, even though he was not on the layoff list.) Nor can the defeat be fully explained by the atmosphere of economic crisis. Both of these factors undoubtedly played a major role. But above and beyond their undeniable impact, it is the year-in, year-out rollback of the Korean working class, above all through casualization, which now affects more than 50% of the work force.⁽¹⁾ Thousands of workers from nearby plant did repeatedly aid the Ssangyong strike, but it was not enough. The defeat of the Ssangyong strikers, despite their heroism and tenacity, will only deepen the reigning demoralization until a strategy is developed that can mobilize sufficiently broad layers of support, not merely to fight these defensive battles but to go on the offensive.

Note

1-Cf. my article "The Korean Working Class: From Mass Strike to Casualization and Retreat, 1987-2007" on the Break Their Haughty Power web site
<http://home.earthlink.net/~lrgoldner>

Available on ESSF: [The Korean Working Class: From Mass Strike to Casualization and Retreat, 1987-2008](#)

P.S.

* This article is from the Break Their Haughty Power web site at:
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