

High Level Militancy and Unusual Alliances Bring Rare Victory for South Korean Workers

Reversing a cost-and-risks transfer chain for working class power

A Case Study by Aelim Yun

In the recent history of union activity in Korea, two episodes stand out, the first being when on the 8th of March 2011, visitors to three of the most prestigious private universities in Seoul witnessed extraordinary scenes. Hundreds of women – most of them old enough to have grandchildren – were marching on campus, loudly demanding “We want to live as human beings!”.

It was the cleaning staff of the universities who had gone on strike. For months, the cleaners had demanded higher salaries, since their current wage was hardly enough to make ends meet. On top of that, the women felt ill-treated. They were often forced to eat their lunches in the toilet stalls because the universities refused to provide them with a room to take their breaks.

The university authorities washed their hands of any responsibility, pointing to the fact that the women were employed only through subcontractors, not directly by the institutions. They assumed that the elderly, working class women posed no threat.

They were wrong. Through clever unionization, the cleaners and their organizers were able to win the broad backing of civil society groups and win their fight against the university. In July 2011, the Minimum Wage Council gave in to the demands of the cleaners and significantly raised the minimum wage – which traditionally sets the standard wage for cleaners.

Tragic Gesture and Basic Agreement

The second notable event in the history of the Korean workers movement fell on the May 17th 2014. An escalating conflict between the Korean electronics giant Samsung and its after-sales staff culminated in a tragedy: Yeom Hoseok, a 33-year old repairman for Samsung appliances and an official of the Samsung Electronics Service Workers Local, committed suicide.

He was protesting against increased repression of workers by Samsung Electronics, which was trying to uproot the union. By choosing to die, Yeom wrote in a suicide note, he hoped to help his union win its fight for better working conditions.

Yeom’s death came amid rising tensions between Samsung and repair workers which – similar to the cleaners – were employed through subcontractors. As in the case of the cleaners, Samsung Electronics was denying any responsibility for the wellbeing of the contractors.

Then Yeom took his own life, which led to widespread media coverage of the labour dispute at Samsung Electronics. A month later, his union achieved a basic agreement on securing the right of union activities and on wage increases.

Workers up Against Powerful Foes

Although different on the surface, the two cases have much in common, casting a spotlight on the precarious conditions faced by many Korean workers. They also provide lessons on how other workers can organize, be it by engaging the community or using existing unions as policy advisors.

The prevalence of triangular employment relationships is a characteristic feature of Korea's labour market. In this arrangement, a worker enters an employment contract with a contractor, but the work itself is performed at the workplace of the principal company.

For example, of the 8670 engineers working in its after-sale department, Samsung Electronics services employs only 270 as regular employees. The remaining 8400 are formally employed by so called "Great Partnership Agencies".

The same applies to cleaners. Of the 1.1 million cleaners and janitors employed in Korea, around 70 percent per cent work for sub-contractors. These workers – the vast majority of whom are women with an average age of 60 – rarely earn more than minimum wage.

By 2016, 44 percent of the total workforce in Korea was employed under such triangular arrangements, with far less rights than regular employees.

Freedom of association is linked to employee status in Korea. Workers who try to exercise their right to association beyond corporate boundaries get punished. Collective actions against contracting companies are considered an "obstruction of business" and face criminal penalties. As a result, in 2016, only 2 percent of contract workers were union members.

Precarious Work as the New Norm in Korea?

The practice of subcontracting in Korea grew in the aftermath of the Asian financial crisis of 1997, when many domestic small and medium-sized enterprises became subcontractors of the *Chaebols*, the large Korean family-owned business conglomerates.

The Korean government acted as facilitator. To save the *Chaebols*, Seoul pushed ahead with neoliberal policies and repression of labour rights. This led to unbalanced power relations between capital and labour. While a user companies can exert the power to terminate a contract, which results in the dismissal of workers, collective actions against the user company are banned.

In an attempt to push back against this, Korean unions have attempted to organize contract workers and bargain collectively on their behalf. They implemented two policies – labour market unionism and community unionism – which have been identified as the core collective bargaining innovations responsive to today's labour market.

Power Through Solidarity

In the case of the cleaners, the elderly ladies prevailed because their organizers were able to engage the people the women were cleaning up after. When the Seoul and Gyeonggi Local of the Korean Public Service Union launched an organizing campaign in 2009 targeting the cleaners at Seoul universities, it made sure to include progressive student organizations and human rights groups. That was partly to overcome a shortage of resources as well as to build community solidarity.

Once the elderly women were empowered by solidarity campaigns, they were able to collectively bargain with their user employers, the universities. It was only when the university authorities pressured the subcontractors that the cleaners received a pay raise.

Leverage and Militancy

When a few engineers in 2012 first demanded an 8-hour-day and overtime pay, Samsung Electronics reacted by ending the contracts with the subcontractors the engineers worked for.

The Samsung group had stuck to the 'union-free' business policy for decades, and a lot of attempts to form a union had been violently smashed by the management.

But this case was different. The engineers were a highly skilled workforce that could not be substituted easily, so they could exercise some leverage. That Samsung was not allowing unionization of its workers also suited the engineers fine: Instead of having to deal with possible yellow unions at their workplace, they were free to bring in expertise from the outside, in the form of officials of the hard-nosed Korean Metal Workers Union.

In 2013 the engineers formed the Samsung Electronics Service Workers Branch of the KMWU. Having been taken under the wing by a well established union, the engineers learnt fast. Militant actions like sit-ins and strikes, as well as Yeom's suicide, drew the nation's attention to their heated labour dispute with Samsung Electronics.

Eventually, the union achieved a basic agreement in June 2014. Although the formal party of this agreement was a representative of the subcontractors, it would have been impossible without the approval of Samsung Electronics Service.

by Ulrike Putz