

THE TRANSFORMATION OF PUBLIC SECTOR INDUSTRIAL RELATIONS AND THE LABOR UNION'S STRATEGY

Abstract

This study is an attempt to situate the public sector privatization & restructuring policy on the transformation of state-society relations and to suggest how the public sector labor unionism should respond this situation.

Kim Dae-Jung government has been propelling the policy of privatizing the public utilities of electric power, gas, railways, etc., which could be produced and supplied more effectively in the public sector than in the private sector and the public sector restructuring via the commercialist management systems, without any social discussions or consensus. and with disregard of objections from the labor unions and civil society on the ground of the expected degradation of the quality of services and working life. In this situation, however, the public sector labor unionism fails to protest properly against that policy and to propose the alternative strategies which could get the support from the civil society.

The characteristics of the public utility privatization and public sector restructuring policy is that it is so radical that, if continued, it would transform the system of existing state-society relations. As you know, the state of Korea as the developmental state have strongly exercised the economic role in the Korean capitalist industrialization, which has supported the monopoly capitalists(*chabol*) but excluded and suppressed working peoples. The role of Korean developmental state was more directive than promotional for the formation and operation of the market, which have been founded on the condition of the state-centered state-society relations and state's (embedded) autonomy. But this development itself have given rise of the strengthening of *chabol's* market power and the working people's social power, which have made the developmental state's old-fashioned interventionist policy no more functional. On this process, of course, the globalization of the economy and society has had very important effects. But the economic crisis in the late 1990s unfolded another different settings, where the state should/could re-acquire the autonomy from the *chabol* and the working people. This is the rough story of the advent of Kim government's public sector privatization & restructuring policy which has the characteristics of neoliberalism.

Kim government's public sector privatization & restructuring policy is neoliberalist in that it over-emphasizes the market forces as the panacea for the efficient working of the society. But the market is not the panacea for the efficient distribution of social resources which could be guaranteed only by the organic relation of the state and the market, and this should be the perspective the public sector labor unionism set its strategy on. Nonetheless, the public sector labor unionism in Korea, more or less, is missing the right target by neglect the meaning of the transformation of the state-society relation that, on the one hand, it is not the temporary one and related with the system's restructuring so that the public sector

industrial relations now stand on the different social structure, or that the social system is on the course of transformation, on the other hand, this situation require that the public sector labor unionism survive the politics of publicness to make the public sector working in the progressive orientation in which the public sector is the field for the upgradation of the welfare of working people and the side-support of the operation of the civil society, and to do so, it develop the alternative strategy deeply rooted in the civil society.

In this perspective, this study examined the transformation of the state-society relations in Korea, focusing on the developmental state's economic roles via public sector, esp. public enterprises. With the state banking that have been the institutional mechanism for the developmental state to support, regulate, and monitor the *chabol*, the public enterprises have been the transmission belt of the developmental state's material resources for the compressed and rapid economic development. They have built the infra-structure to be used by the private enterprises in want of market power for the industrial development. In time of the economic growth from late 1960s to early 1980s the public sector industrial relations had been relatively stable, but from late 1980s, as the result of the economic growth led by the developmental state and the continued movement for democracy, the civil society and labor unionism began to be activated. From early 1990s as the economic situation became worse, the state began to restrict the public sector wage growth tightly, which made the public sector industrial relations unstable. Furthermore the state began to propel the public sector privatization and restructuring policy and this is strengthened from the crisis of late 1990s. This development of situations made public sector industrial relations more and more unstable and the labor unions began to protest the privatization and restructuring policy militantly.

But the public sector labor unions' struggles against the state's policy have been more or less limited to the economic interests, not developed upward to submitting agendas to the state and the civil society for the progressive reorganization of the state-society relations and the public sector.

In this perspective, this study submits to the public sector labor unionism the institutionalizing strategy of "politics of publicness" in which the public sector labor unionism take the lead in the politics of publicness to transform the public sector progressively and to make the public sector industrial relations a institutionalized field where the agendas for the good working of public sector are dealt by the state, management, labor unions, and the public.

To make this strategy realized, firstly, public sector labor unions should, in order to overcome the limits of the enterprise unionism system in Korea, build the "big" industrial unionism in public sector, and only by establishing this union system the public sector labor unionism could possess the real strength to bargain with government to protect the interests of the public sector union members and to make the public sector not the bureaucrats' and the *chabol*'s belongings but the working people's. Secondly, the solidarity not only with-in but also with-out the public sector should be accomplished. This is necessary because without the solidarity between the public sector labor unionism and the civil society there could be no ground for the

union's leading of the politics of publicness. Thirdly, the public sector labor unionism should take the social and political unionism line. This means not the lobbying but the making of the tables on which the agendas of the public sector industrial relations are discussed, negotiated and settled socially and politically. In Korea, the Tripartite Commission could be tactically exploited for that purpose. Lastly, to respond to the challenges the public sector labor unionism, on the one hand, should establish the firm strategy via the proper judgement of the social, economic, and political situations, and, on the other hand, could use various tactics to attain its strategic purpose.