Divergency in Labor Politics in Democratizing South Korea and Taiwan

Byoung-Hoon Lee

South Korea (hereafter Korea) and Taiwan are well-known for achieving economic miracles in their postwar late industrialization and for making successful political transitions from developmental dictatorships to democratic states over the past decades. For this reason, these two countries, called two of Asia’s dragons, are often treated as a comparable pair by cross-national comparative studies of politico-economic development. Korea and Taiwan are also known for having notable differences in their industrial relations regimes: the former’s labor-management relations have been confrontational, whereas the latter’s, to a certain extent, have been moderate. As succinctly stated in the title of Lee’s book, it is often indicated from an international comparative perspective that the Taiwanese labor movement is characterized as partisan, while the Korean counterpart is marked by militancy.

This book, which begins with the author’s sharp observations of the contrasting street scenes of seemingly “crash-less” scooters in Taipei and impatient car drivers in Seoul, presents a convincing answer to the puzzle of why Korea and Taiwan have become quite distinct from each other in their industrial relations. It sheds light on the origins, processes, and outcomes of labor politics, penetrating the historical trajectory of the democratization of the two countries. In contrasting the labor politics in the two democratizing economies, in particular, the author cogently spotlights collective actors, workers, and labor unions that largely have been overlooked by the existing literature. Employing a qualitative case-study method, the volume employs thorough analysis and nuanced causal explanation in comparing the divergent labor politics that evolved historically in the two East Asian states, thereby offering grounded insights that further develop theoretical reasoning concerning the relationship between democratization and labor movements.

Byoung-Hoon Lee is a Professor in the Department of Sociology, Chung-Ang University, Seoul, South Korea. <bhlee@cau.ac.kr>
The divergence of industrial relations and union movements in Korea and Taiwan has been examined by many comparative studies. As indicated in the book, these existing studies mostly have highlighted economic structural contexts, conditioning labor movements, and the organizational features of labor unions, in order to account for the divergent patterns of organized labor activism in the two countries. The author, however, defies these explanations by critically reviewing the rationales behind them and effectively demonstrating that labor unions in Korea and Taiwan have more commonalities than differences in structural and organizational aspects (i.e., union concentration in large firms, union density, union centralization, union authority, and sectoral basis), in contrast to what previous studies have assumed. Instead, the author argues that the differing patterns of labor activism or union movements in the two East Asian countries can be properly explained, through the theoretical lens of labor politics, as a criticism of the “absence of politics” (p. 24) in the existing literature.

In the book, labor politics is defined as “a democratic project where workers and unions are immersed in contestation and negotiation for greater representation and influence by opportunities under the political institutions in flux” (p.5). According to the logical reasoning employed in the book, the contrasting behavioral patterns of organized labor are forged and reproduced by the national variations in labor politics, which, in turn, are attributed to the legacies of authoritarian regimes, union-party relationships in democratic politics, and the modes of labor mobilization. Militant unionism in Korea, involving recurrent confrontation with employers and public authorities, is associated primarily with the exclusionary labor-control policy under the former authoritarian state and the lack of a political vehicle to represent the interests of organized labor in the process of democratization. By contrast, partisan unionism in Taiwan, in part relying upon pressuring and lobbying in a moderate manner, is related to the policy of the Kuomintang (KMT) regime to incorporate labor, and to the presence of political partners to introduce the unions’ interests into the democratic policy-making arena. In short, the author argues that whether political representation is guaranteed for organized labor in the stages of authoritarian and democratic regimes shapes the national variations of labor movements—the militant unionism in Korea versus the partisan unionism in Taiwan—despite the contextual and organizational similarities.

This argument is well-evidenced by an articulate comparative case analysis, delving into the past and present of labor unions in the two countries, where labor actors have experienced different types of political representation. Chapter three delineates the historical legacies of the authoritarian regimes in Korea and Taiwan, which conditioned the different modes of representing organized labor’s interests during the stages of pre-democratization and early democratization, and discusses the evolution of political coalitions with pro-democratic partners, including opposition parties, which influenced the nature
of labor activism that was forged in the democratic transition of the late 1980s. In Korea, the authoritarian regimes, led by Syngman Rhee (1948-1960), Park Chung-hee (1961-1979), and Chun Doo-hwan (1980-1988) in the pre-democratization era, built a political alliance with domestic capitalists, while primarily excluding the unions’ involvement in policy-making and preempting the formation of a democratic coalition between organized labor and opposition groups. In Taiwan, the authoritarian state, led by the KMT, not only imposed “Leninist” control on the national center of labor unions (Chinese Federation of Labor, or CFL), like the Korean dictators, but also made a policy choice to incorporate labor organizations at both the leadership and workplace levels. More importantly, the KMT, having the status of a minority émigré regime, permitted democratic local elections, in which opposition “nativist” groups formed an anti-KMT movement (dangwai) and gained their political foothold at the local level. Within this context, independent unions outside the KMT-CFL nexus were able to build a political coalition with opposition politicians and create an effective channel for the representation of their interests, even though only at the local level. The nature of the democratic transition makes the patterns of labor politics or the linkage between independent unions and political parties more divergent: Korean “democratic” unions remained outsiders from policy-making, owing to the lack of their political coalition with opposition parties, whereas Taiwan’s independent unions strengthened their political leverage in policy-making with their party partners, gaining a strong presence in national politics.

The story goes on in chapter four, in the analysis of how the different union-party relationships of the two countries have led to divergence of labor activism during the countries’ democratized regimes. In particular, examination of the career backgrounds of lawmakers and of their representation of labor interests in the national legislature, in addition to an investigation of workers’ voting behavior, reaffirms that, under democratization, the Korean labor unions continued to be militant due to the absence of an effective party-union relationship, while Taiwanese counterparts, having developed a reliable alliance with political parties, retained their partisan character.

Chapter five focuses on four labor reform episodes—recognition of union rights, wage increases, reduction of work hours, and job protection/anti-privatization—in order to distinguish the processes and outcomes of democratized labor politics in Korea and Taiwan. This detailed analysis of contested labor policy issues offers a clear picture to help determine how differently the labor unions in the two countries engaged in and achieved labor reform politics. Korean unions, largely resorting to the tactics of militant mobilization, succeeded in advancing corporate-level compensation and welfare, but failed to achieve what they demanded in terms of labor reforms in national-level policy; Taiwanese unions, taking advantage of their partisan links, have been relatively effective in advancing their labor-reform interests in policy-making, although they have made only moderate gains in corporate-
level bargaining.

By examining the origins, processes, and outcomes of the divergent labor politics in Korea and Taiwan, this book reveals that the links formed between organized labor and political parties are a crucial determinant in understanding the roles of unions and their behavioral patterns under authoritarian and democratized regimes. The author cogently highlights the theoretical significance of labor politics that influence the shaping, structuring, and transformation of industrial relations and union activism. The book provides convincing clues as to what has differentiated the labor union movements—Korean militant unionism versus Taiwanese partisan unionism—in the two East Asian countries, which have followed similar paths of economic growth and political democratization during the past several decades. The persuasion of the author’s arguments, I recognize, is based on the many strengths of the book, including its articulated and logical construction, its well-evidenced discussion, its critical and clear theoretical reasoning, and even the author’s fluid writing style. For such reasons, I truly enjoyed reading this book, and strongly recommend it not only to researchers who are interested in exploring the labor regimes of Korea and Taiwan, but also to academics who want to apply theoretical conception and reasoning to their empirical research into labor politics.

As a book reviewer, I want to raise several points to be further explored in the author’s future research and in other academic inquiry into the labor politics of East Asian countries, in general, and of Korea and Taiwan, in particular. First, a significant actor in labor politics—employers, or capitalists—is virtually missing from this book’s analysis and discussion. Although admitting that the union-party link is a significant factor in shaping the behavioral patterns of organized labor, no one can deny that employers are bargaining partners, who interact with labor unions at both the corporate and national policy-making levels, and that they engage in the processes of labor politics through political lobbying and the application of collective pressure. That many Korean unions have resorted to militant mobilization during the periods of past authoritarian and subsequent democratized regimes is not explained simply by the absence of union-party links (as argued in this book), but also by the employers’ entrenched anti-union attitude that is manifest in the suppression or exclusion of organized labor’s interests in national policy-making and in workplace governance. Therefore, in addition to organized labor which the author spotlights in this book, it is necessary to include employers in a study in order to capture an authentic picture of labor politics. Second, it is noteworthy that Korean unions have become much less militant over recent years. Labor disputes and lost workdays have continued to decline sharply to the lowest level since Korea’s democratization. More concretely, many unions in large firms, including chaebols, which led militant mobilization until the mid-2010s, to a certain extent, have become immune to labor disputes, although many of the recent disputes have occurred chiefly as a result of collective action undertaken
by non-regular workers (e.g., part-time workers, temporary workers and temporary help in agencies, contract workers, dependent self-employed, and so on). Although I am not familiar with what is happening in Taiwan’s unions, the transformation of Korean union activism toward de-militancy might be closely associated with the privileged status that union members in large firms have enjoyed within the polarizing labor markets. That is, union leaders and members are treated as insiders of the corporate internal labor markets and, as a consequence, are moving away from their past militant activism, although they are still outsiders in the arena of labor politics. This remarkable change in Korean union activism implies that the analytical framework of labor politics must embrace the transformation and reality of labor markets as key contextual factors that condition the strategic choices and behavioral patterns of labor actors.

The two points addressed above concerning employers and labor-market structure are linked to my final suggestion, that there needs to be a theoretical bundling of actor-focused labor politics (including the political institutionalism highlighted in this book) with an explanation of the context of an economic structure (taking business governance, economic concentration, and labor-market segments into account), in order to delve into the more nuanced nature of industrial-relations regimes and to accurately identify their changing direction. Going beyond this book, one can look forward to further dialectical development of contesting explanations for international comparative labor studies, overall, and for the East Asia region, in particular.