

Introduction

The Puzzle: Scooters and Cars

The scene that struck me most when I first arrived in Taipei in the spring of 2003 was of the streets filled with scooters. Young and old, men and women, humans and pets were riding these versatile vehicles. More surprisingly, there seemed to be few clashes between the scooter riders and car drivers, either in the form of physical bumping or in the sounds of yelling and swearing. This was quite a contrast to the street scenes with which I had been more familiar. The roads in Seoul are notoriously jammed with cars whose drivers are highly impatient, if not hostile, to smaller vehicles such as scooters and bikes.

As a comparativist trying to figure out the origins of divergent labor politics in East Asian democracies, I found that these contrasting street scenes seemed to capture perfectly the different paths adopted by labor unions in Korea and Taiwan. *Militant*, *radical*, and *confrontational* have been the words associated with Korean labor, whereas terms such as *partisan*, *moderate*, and *dependent* have described Taiwanese unions. The basic puzzle that this study explores in these two Asian democracies is their types of labor politics, which are as distinctive as the streets in Seoul and Taipei: Why did these seemingly twin-like East Asian polities come to breed such different types of labor politics in their post-democratization decades?

Indeed, Korea and Taiwan often team up as the most comparable pair in the imperfect world of small-number cross-national comparisons. Historically,

both experienced Japanese colonialism during the first half of the twentieth century, followed by national division. Trapped within the Cold War political competition, authoritarian regimes in South Korea and Taiwan outlived the post-WWII decades under the tutelage of U.S. power. Dictators compensated for their legitimacy complex with export-oriented economic development, later to be described as the East Asian economic miracle. Along with the phenomenal industrialization and rising material affluence, a deprived working population and dissident intellectuals emerged to form the basis of a coalition to push the wheels for democratization in the late 1980s.

Astounded by the exceptional abilities of Korea and Taiwan to combine high growth and liberal democracy in such a short and similar timetable, scholars researched and wrote much about the contours of these nations' economic and political transformations.¹ However, these analysts' research agendas have often been bounded by the framework of the developmental state, government–business coordination, or elite-negotiated transitions.

This study turns the spotlight onto somewhat unusual collective actors in East Asia—workers and unions—and asks what happened to them when they encountered the long-yearned-for democracy after decades of labor-repressive rule. Obviously, political democratization since 1987 has ushered in heightened labor mobilization and increased union organizing. Workers have demanded decent wages and improved working conditions. But even more desperate than these voices for material compensation was their desire for humane treatment and recognition as legitimate members of a democratic system. Yet the way in which union actors pursued their goals drastically differed and eventually diverged into two varieties of labor politics. Two decades of democratic strengthening in Korea have not stopped unionists from taking to the streets and frequently clashing with police forces. In contrast, union mobilization has become a seasonal event in Taiwan, and labor issues seem to have become integrated into the formal political processes, where politicians often campaign on labor-policy issues.

This book's main goal is to explain the origins, processes, and outcomes of this variety of labor politics in East Asian democracies. As the title suggests, this study questions why Korean unions are militants whereas Taiwanese unions are partisans. As militants, Korean unions continue to resort to confrontational mobilization, but Taiwanese unions, as partisans, seek moderate methods to implement their labor agenda through the political process. What are the historical origins and political processes that have produced this divergence? And eventually, what has organized labor gained through these varied collective efforts in labor-reform politics under democratic governments in

the last twenty years? For our more general understanding of labor politics, is militancy a fair manifestation of union strength and efficacy that leads to greater policy gains, or are we missing some important alternative strategies and hidden paths for labor movements? Finally, how does the Korea–Taiwan comparison deepen our theoretical understanding of democracy, democratic representation, and labor politics in a more general sense?

Whether labor militancy is enthusiastically applauded by leftist circles and antiglobalization activists or vehemently loathed by international investors and corporate managers, it represents more than the degree of union recalcitrance. Perhaps it tells more about democracy than we usually expect. If democratization is understood as a process of expanding the representation of previously excluded groups, labor militancy is a reflection of the identity of the insiders and outsiders of a democratic system. Frequent collective actions by workers on the shop floors or in the streets are an indication that they have found no organization to introduce their voice into the institutionalized political process. Moreover, strikes and demonstrations by unions are not without consequences, both political and economic. Insiders can affect the direction of policy formation and resource allocation, whereas outsiders cannot. The prolonged existence of disgruntled outsiders may result in an erosion of institutional stability and legitimacy. Also, volatility in labor relations often becomes a negative indicator of the national economy's competitiveness and labor productivity, which could eventually worsen the bargaining conditions of labor. For these reasons, understanding labor militancy or its absence is more significant than labor militancy's face value.

A Political Explanation: Labor Politics Is a Democratic Project

Several explanations have been offered to account for union militancy in Korea versus union moderation in Taiwan. These accounts converge on emphasizing the importance of the structural differences between these two economies and the structural strengths that buttress the labor actors. Korea is recognized for the dominance of large conglomerates, known as *chaebols*, whereas Taiwan's economy is notable for the vibrancy of a large number of small- and medium-size enterprises. So, the argument goes, Korean unions that were formed in the big *chaebol* companies are better organized and exert greater leverage than do their counterparts in Taiwan. Taiwanese unions are presumed to be handicapped by collective-action problems because of their dispersion into numerous small firms. Additionally, organized as decentralized enterprise unions, Korean labor is often criticized for its habit of engaging in

militant mobilization to pursue its parochial interests at the cost of macro-national consequences.

These accounts tell bits and parts of the labor-movement story but obviously not the whole account. It is true that Korean unions are organized at the firm level, mostly berthed in large conglomerates. Yet Taiwanese unions are the same. A close examination of the structural and organizational conditions that undergird labor unions in these two democracies, as this study will show, reveals that they share more similarities than differences. Regardless of the macro-structural differences, unions in both Korea and Taiwan are primarily organized in large firms, maintain a decentralized enterprise union structure with a similar level of unionization rates, and are equally divided into two national centers, one conservative and the other progressive. Therefore, the questions about why these union actors with so many similarities in their structural and organizational features have chosen different modes of mobilization to achieve their goals under democratic politics have remained unanswered.

To account for these differences in labor politics, this study builds upon the theoretical tradition that has viewed unions as political actors that constantly interact and negotiate with the political conditions in which they are situated (Lipset 1983; Collier and Collier 1991; Rueschemeyer, Stephens, and Stephens 1992; Collier 1999; Bartolini 2007). This approach is a clear departure from an economic perspective that interprets labor unions primarily as the embodiment of economic interests tied to their place within the economic structure (Rogowski 1989; Pontusson 1992; Hall and Soskice 2001). This economic perspective dismisses the significance of labor unions' historical and political experiences and consequently errs by assuming that unions represent an intrinsic, essentialist labor interest. As collective actors develop their preferences and interests based on their position within the socioeconomic structure, they are concurrently shaped by given historical and political experiences.

When we think of working-class mobilizations in early-twentieth-century Europe, for instance, their interest in economic enhancement was closely tied to their political demand for universal enfranchisement (Bartolini 2007). However, workers' protest in the third-wave democratization differed from earlier mobilizations depending on how workers saw their interests being infringed by authoritarian regimes (Seidman 1994; Collier 1999; Bellin 2000; Candland and Sil 2001). For South African workers, labor subjugation, racial apartheid, and authoritarian politics overtly coincided, whereas labor privileges and political democratization were separate goals for Mexican workers with prolonged experience of state dependency. Moreover, for these

distinctive interests to be manifested into “labor movements,” workers have to overcome collective action problems and engage in strategic interactions with other collective actors, which are conditioned by specific institutional opportunities and constraints.

In short, labor’s interests and actions cannot be fully understood without a systematic analysis of politics. Politics here is understood as political institutions, relationships with other political actors, and political experiences that offer varying possibilities and limitations to organized labor. The importance of politics is more pronounced when the focus of research is workers and unions in a polity transitioning from authoritarianism into democracy. Under such transformative circumstances, labor politics *becomes* a democratic project where workers and unions are fully immersed in contestation and negotiation for greater representation and influence by exploring the opportunities under the political institutions in flux. Students of labor need to go further from a structuralist argument to disentangle these political interactions and processes that condition the molding of labor into collective actors. Without disclosing the interactions between union actors and their political environment, we may not be able to fully grasp the causal paths that lead to the national variations of labor activism.

To account for the evolution of different patterns of labor politics in Korea and Taiwan, I build my explanation by connecting authoritarian legacies, political coalitions under democratic politics, and the modes of labor mobilization. Authoritarian legacies are known to leave lasting imprints on the development of political parties (Mainwaring 1999; Geddes and Franz 2007), civil society (Kubicek 2004; Bernhard and Karakoc 2007), and labor actors (Collier and Collier 1991; Buchanan 1995; Kubicek 1999; Pollert 2000; Robertson 2004; Crowley 2004; Cook 2007; Caraway 2008). However, authoritarians come in various shapes and adopt different control strategies vis-à-vis their political opposition. For authoritarian legacies, I focus on how strategies of incorporation or exclusion employed by dictators affected the interests and capacities of political challengers. Oppositional actors more exposed to incorporation and formal politics are more likely to be expected to learn to moderate their demands and tactics than are those who are mostly excluded under authoritarian rule.

In understanding the development of labor politics, the formation of a democratic coalition under authoritarian rule is also of critical importance. Whether this coalition includes labor or not and whether this coalition is led by an opposition party (or parties) or social-movement groups can significantly affect labor’s position during democratic transition and beyond. Here the role

of political parties is crucial. It has been one of the few reaffirmed claims in comparative politics that partisan coalitions between labor unions and political parties (left, populist, or otherwise) have been instrumental in harnessing labor militancy and instituting pro-labor policies (Garrett and Lange 1989; Levitsky and Way 1998; Murillo 2001; Tafel and Boniface 2003; Etchemendy 2004; Burgess 2004). Because partisan allies are able to provide access to labor policy making and channel material rewards to organized labor, unions with partisan allies are more likely to pursue institutionalized methods of interest articulation under democratic governments. However, if union actors have no political agent to take their voices into the formal political process, they tend to continue to resort to outsider tactics—for example, militant mobilization. As Lipset argued years ago, labor militancy is a proxy for unions' frustration that originates from their exclusion from the formal political process (1983). It is thus critical to investigate who labor's friends are and whether these coalition partners can provide unions with meaningful access to institutionalized politics.

These political experiences of the past and present offer different possibilities for and limits on unions' mobilization strategies, which this study conceptualizes as militant unionism (independent unions engaging in frequent strikes and street rallies that often involve confrontation with law-enforcement authorities) versus partisan unionism (party-dependent unions employing moderated small-scale collective actions aimed at pressuring and lobbying within legal limits). Historical legacies of exclusion and the subsequent absence of partisan representation produce militant unions. Yet this heightened militancy is expected to be less successful in labor-reform politics under democratic governments because of unions' lack of partisan allies who can offer policy influence within the government. Partisan unions, although less dramatic in street politics, might be able to garner policy concessions with their ties to political parties within institutional politics.

These theoretical expectations are confirmed by the Korea–Taiwan comparison. I argue that the continued militancy of Korean unions originates from authoritarian exclusion and the absence of political parties to represent labor interests in democratic politics. Korea's military dictators sought collusive alliance with large capitalists and their hometown cliques while using a strategy of blatant exclusion to tightly contain labor mobilization and political opposition. Limited opportunities for electoral contestation and the high costs associated with political dissent against dictators divided political opposition into party-oriented and movement-oriented groups, with the latter becoming better organized and more influential. Unions were further limited by authoritarian laws that prohibited unions' political activities in addition

to restricting union organizing. These exclusionary control strategies by the Korean developmental state not only radicalized political dissenters but also brought workers and oppositional groups together. Therefore, Korean workers with little experience in resolving labor grievances within institutional channels came to project a radical vision of labor politics, both in their interests and in their modes of mobilization.

Even under democratic rule (since 1987), Korean unions have remained as electoral outsiders. Korean political parties, largely organized along regional divisions, have failed to develop into representative organizations able to mediate labor interests into institutional politics. These political configurations reinforced the established norm of union-centered militant mobilization and drove union actors out of the formal political processes. As unions found no mediating political forces to articulate their interests, labor-reform politics became highly confrontational and futilely protracted. Although unions' mobilization capacities were instrumental in raising wages and benefits at the firm level (where unions are organized), the lack of partisan allies to channel labor interest into formal politics limited the unions' effectiveness in national policy changes involving such issues as union rights, workweek reduction, and anti-privatization campaigns. Unions clashed with the democratic governments, which introduced neoliberal measures aimed at undermining the structural and organizational basis of labor unions but having little actual efficacy in altering the course of change. Despite the dramatic scenes of factory occupations and street demonstrations over the last twenty years, Korean unions raise a fundamental question of whether union militancy is a fair representation of union strength.

Labor politics in Taiwan offers a different story. Taiwan's Kuomintang (KMT) regime was a minority émigré regime and, as such, had to design control strategies that would minimize the political revolt by the majority Taiwanese. Its solution was to create a dualistic system in the economic and political arena. The KMT placed the large public enterprises under its control while leaving small businesses in the hands of Taiwanese entrepreneurs. In the political realm, it allowed local elections as a way of incorporating native elites while tightly controlling the electoral space at the national level. As part of such dualistic control, the KMT placed greater emphasis on the incorporation of unions than did Korean dictators and encouraged union organizing among the state-owned enterprises (SOEs). At the same time, the electoral space at the local level provided the political opposition (first called *dangwai* and later organized into the Democratic Progressive Party, the DPP) with opportunities to advance into formal politics, prompting the anti-KMT,

pro-democracy forces to be organized under the leadership of an opposition party. Therefore, under the partial incorporation of labor into the KMT regime, the majority of Taiwanese workers began to perceive labor grievances as ethnic-justice issues that could be represented by an opposition party. For unions in Taiwan, therefore, political means that prioritize partisan reliance were not to be rejected, as was the case for Korean unions, but were to be highlighted and exploited as an important channel to enhance labor interests.

Taiwan's democratization since the late 1980s has magnified the opportunities for union actors as political parties have consolidated as stable but highly competitive organizations at various levels of electoral contestation. The competition between the KMT and the DPP not only emboldened the leverage of labor unions but also reaffirmed party-dependent union movements. Organized labor, induced into formal political processes, sought to enhance its interests through political maneuvering. Such strategies proved to be effective for Taiwanese unions in securing policy concessions in national labor reforms, but not quite so effective in their firm-level wage demands, which require mobilizational strength vis-à-vis their employers. Although Taiwanese unions have played it smart by taking advantage of the available political resources and have gained some policy influence through their partisan allies, it is also possible that this continued dependency and the unions' weakening protest capacities will test the sustained loyalty of their political partners.

In essence, this study offers a political account of the relationship between labor and democracy by highlighting how labor interests are mediated by political parties into the formal political process. Because democracy is a system that purports to provide representation and inclusion of previously excluded social members, labor activism in nascent democracies such as Korea and Taiwan cannot be explained in a satisfactory way without examining labor's place within democratic institutions. This study places special emphasis on political parties in analyzing labor politics under democratic governments. Because political parties are the primary agents that provide representation and policy influence in representative democracies, having a partisan ally is of crucial importance for organized labor to become a political insider with access to resource-allocation institutions. For unions that are denied such democratic channels, streets become the venue in which to raise their voices. Continued labor militancy and unstable labor relations are thus reflections of party failures and democratic imperfections. Therefore, the saying that this study reasserts is "No political representation, no labor peace!"

To return to the opening analogy of cars and scooters, the street scenes in Seoul and Taipei resemble the political paths offered to union actors in Korea

and Taiwan. Korean unions are required to block the roads or drive cars (the political party) themselves because the existing cars have failed to take them to their desired destination. In contrast, unions in Taiwan are riding scooters (the unions) and are able to travel with the help of existing cars that have been accommodating to lesser vehicles. Expect lousy streets in Seoul with sudden stoppages and clashes. In Taipei, anticipate less dramatic street scenes.

Methods of Inquiry: Comparisons, Processes, and Causal Paths

This study employs a case study method because explaining the origins and development of divergent labor politics requires thick analyses and nuanced process tracing, which are attainable only through qualitative case studies. Case studies allow researchers to gain in-depth knowledge of cases and grounded insights about causal processes. By engaging in these qualitative investigations, we are able to identify reasons for the emergence of a particular decision through a sequence of events (Munck 2004; McKeown 2004; Tarrow 2004). In short, this method enables “assessing *whether* and *how* a variable mattered to the outcome [rather] than *how much* it mattered” (George and Bennett 2005, 25; emphasis original).

The political account of labor activism offered in this book builds upon a comparative case study.² It is comparative not only because it compares Korea and Taiwan but also because it places these two cases in a broader comparative picture of labor politics in old and new democracies. The arguments presented in this study are informed by and compared with the theoretical claims generated from empirical studies of a larger set of countries.

Also, the cases compared in this study are not just two countries. Whereas Chapters 2, 3, and 4 offer a broad cross-national comparison between Korea and Taiwan, Chapter 5 delves into subnational comparisons of four labor-reform episodes that were most salient and highly contested in their post-democratization decades. The empirical examination is expanded to eight cases to more closely follow the causal paths of how the political party–union linkage, or its absence, shaped unions’ modes of mobilization in pursuing their interests in these labor-reform episodes.

This comparative case study is based on information collected through my field research in Korea and Taiwan, which involved multiple trips over eight years (2000–2008).³ I searched for information through a combination of several methodologies: (1) structured, in-depth interviews with unionists, labor activists, government bureaucrats, party politicians, and labor scholars; (2) labor, economy, and legislative data generated by government agencies

and other research institutes; (3) various printed or online materials distributed by labor-related groups; and (4) participatory observations in various union activities that ranged from small meetings and workshops to the annual congress of national confederations and labor protests in the streets.

I have drawn on all the sources gathered during my fieldwork, but I consider my interviews to be the crux of the empirical evidence in this research. I talked to more than one hundred people related to labor, sometimes at length and on multiple occasions. Detailed information about the interview logistics and the interviewee profiles appears in Appendix A. These interviews are obviously not intended to offer statistical confirmation or disconfirmation of the claims I offer in this study, but to give voices to the workers and unionists in terms of how they perceive, interpret, and assess their movements, allies, and the political context that surrounds them. The stories of their “lived experiences” (Thompson 1963) helped me clarify research questions, understand the complexities involved in the processes of labor politics, and formulate nuanced causal explanations of this comparative study. Without the knowledge and insights I gained from these interviews, I would have constructed a quite different argument, which perhaps would have made no sense at all.

Outline of the Book

Following this introduction, Chapter 2 presents the puzzle of the variety of East Asian labor politics in detail by placing these cases in a broader context of labor militancy. It discusses how existing scholarship has approached and explained labor politics both in advanced and developing democracies. This critical examination revolves around two approaches: economic/structural and organizational. Along with this exposition, this chapter presents comparative data on the structural features of the Korean and Taiwanese economies as well as on the organizational profiles of labor unions. After discussing why and how structural or organizational arguments cannot offer a satisfying explanation for the divergent paths of labor politics in Korea and Taiwan, this chapter offers a political explanation by focusing on the effects of authoritarian legacies and partisan coalitions that have critically molded the interests, capacities, and strategies of labor unions under democratic governments.

Chapter 3 begins with a discussion of the historical legacies of authoritarian labor control to establish an understanding of the initial conditions of union actors at the time of democratization. It examines how authoritarian control strategies shaped labor’s interests, perceptions, and capacities in pre-

democratization decades. It discusses the relationships formed between labor unions and other collective actors (pro-democracy movements and opposition parties) and how these political coalitions influenced the development of newly emerging labor movements. The chapter proceeds to describe the political dynamics in Korea and Taiwan that culminated in their democratic transition in 1987. The discussion is focused on illuminating how the electoral space and political parties have provided diverging possibilities and limitations for labor politics in these two Asian democracies.

Chapter 4 is dedicated to analyzing the varying relationships formed between labor unions and political parties in the post-transition period. It shows how the degree of political party institutionalization and the nature of political divisions shaped political party–union linkages. Through a close examination of lawmakers' career profiles in the national legislature and workers' voting patterns in the last two decades, this chapter illustrates effective party–union linkages in Taiwan versus the absence of such linkages in Korea. It highlights the role of political parties in mediating social conflict, particularly in channeling workers' grievances into formal political processes.

Chapter 5 examines the processes and outcomes of labor-reform politics that occurred under democratic governments in Korea and Taiwan. Four labor-policy areas that have been most salient and highly contested in the post-democratization decades are identified and analyzed: labor-rights recognition, wage determination, workweek reductions, and job protection/antiprivatization. These four areas of labor contestation reveal how union activism under democratic governments involved contrasting processes and produced divergent labor-reform outcomes. Korean unions that have resorted to contentious mobilization have been more successful in areas where their sheer mobilizing strength matters (such as company-level bargaining on wages and other material benefits), but less successful in national policy reforms. On the contrary, Taiwanese unions have been more effective in securing labor-policy concessions, while obtaining less drastic changes in company-level gains, where the actions of individual unions weigh more heavily and exert greater influence.

Chapter 6 is the study's conclusion. It starts by sharing the epistemological motivations that prompted this study on labor politics in East Asian democracies and proceeds to summarize its key arguments and findings. The chapter also discusses the new insights and broader implications that this research brings to the larger literature on democracy and labor. It ends by identifying the continued significance of studying labor for our better understanding of democratic politics amid the changing economic context.