

BIEN Congress 2022

Opening Session speech

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Korean Situation

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Let me first thank Elise Klein, Greg Marston, and the members of the organizing committee of the Congress for giving me an opportunity to share the Korean story, before I will present it in more detail tomorrow afternoon.

As you know, South Korea came very close to introducing a universal basic income. In the presidential election held last March, Democratic Party's candidate Lee Jae-myung pledged to introduce a UBI. Unfortunately, he lost by a slim margin of less than one percent of votes. Let me first tell you about how we Koreans came so close to getting a UBI, but failed to get it this time. Also, about the current situation and the future prospects.

It was not something that occurred by chance that we had a presidential candidate with a platform of UBI from a major party. There have been enormous efforts by many activists and scholars, and some politicians. Basic Income Korea Network (BIKN) was formed in 2009, 13 years ago, by a small group of scholars and activists, including my respectful colleague and the founding president of BIKN, Prof. Kang Nam-Hoon. An important momentum came in 2016. That year, Lee Jae-myung, then Mayor of Seongnam with 1 million population, launched a youth basic income program. Every 24-year-old in the city received 1 million won, or about 800 US dollars, in four installments, without any conditions attached. That year, BIKN hosted a BIEN Congress in Seoul. Since then, research on basic income as well as various activities and initiatives on basic income have burgeoned. Next year, Lee Jae-myung ran for Democratic Party's presidential candidate with a platform of UBI and finished third. In the following year, he was elected Governor of Gyeonggi-do, Korea's most populous province with 14 million population. He expanded the youth basic income program to the entire province. Also, many rural municipalities began to introduce farmers' allowance or basic income for farmers. Local Governments Council for Basic Income was formed with participation of 36 municipalities, and it was expanded to 75 municipalities in mostly rural areas.

In 2020, another momentum came with the outbreak of COVID-19 pandemic. There were calls for emergency basic income. Although the Korean government was initially reluctant to accept the proposal, the government eventually distributed emergency relief funds to every household. Then, surprisingly, the conservative opposition, People Power Party, adopted UBI as its official platform.

In fact, neither the Democratic Party nor the People Power Party was able to reach consensus about UBI within each party. Within the then governing Democratic Party, the majority were in favor of expanding social insurances and few supported UBI. Within the opposition PPP, many politicians expressed skeptical views about basic income in spite of the party's official position on UBI, but a few prominent politicians within the party proposed some versions of negative income tax.

As the presidential election of March 2022 neared, basic income became one of the hottest election issues. Mr. Lee won the Democratic Party's nomination with a pledge to introduce a universal basic income as well as a youth basic income. He proposed to finance his basic income schemes largely with a new land-holding tax and a carbon tax. However, his basic income policy was under attack both from within his-affiliated Democratic Party and from the opposition candidate Yoon Seok-yul. Opponents exaggerated the required taxes on one hand, and questioned the wisdom of giving scare resources even to the richest people on the other hand. Public support for UBI declined as many politicians from both major parties fiercely criticized Lee Jae-myung's basic income policy. In this context, Mr. Lee downplayed his basic income policy during both the primaries and the main election period.

Although the presidential election outcome was a setback to basic income movement, there are grounds for optimism. President Yoon Seok-yul has consistently opposed UBI, but his-affiliated People Power Party still includes UBI in its official platform. Oh Se-hoon, mayor of Seoul, affiliated with the PPP, has promoted the policy of Safety Income, a version of negative income tax on a household basis. After he was reelected in June this year, he launched a randomized controlled experiment of Safety Income. Also, newly elected Governor of Gyeonggi Province, Kim Dong-yeon, affiliated with Democratic Party, is continuing the youth basic income program. He also plans to expand the rural basic income pilot, which was initiated by his predecessor, Lee Jae-myung. Recently, calls for introduction of rural basic income have been growing. Unlike farmers' allowance, it would be given to every resident in rural areas, not just to farmers. Several rural municipalities are planning to implement a rural basic income, or a basic income for all residents within the municipalities. And Lee Jae-myung is now the Chair of the Democratic Party, with a majority seats in the National Assembly.

Now, Korea is conducting two important policy experiments on rural basic income and a negative income tax. Several prominent politicians from both major parties are competing with different versions of basic income and negative income tax. These developments give us hope that Korea will introduce some kind of basic income scheme in the not-too-distant future, perhaps after the next presidential election of 2027.

Next year, BIEN Congress will be held in South Korea for the second time, seven years after the 2016 BIEN Congress in Seoul. We hope, next year's BIEN Congress will give another momentum to our journey toward UBI in Korea, as well as the global basic income movement.

Thank you for listening.