

To BIEN Executive Committee,

I'm Shin Ji-hye, the director of Basic Income Korea Network(BIKN) and leader of the Basic Income Party (KR). It is my honor to have an opportunity to send our message to those who have made effort to study and implement BI across the world. A few days ago, I saw that the BIEN Executive Committee announced a statement welcoming presidential candidate Lee Jae-myung's basic income pledge. I am here to introduce the pledge of the Basic income Party's presidential candidate.

More than a decade after the establishment of the Basic Income Network, the Basic Income Party, a political party for realizing basic income, was founded in January 2020. The basic Income Party won one seat in National Assembly in the general election in April 2020 and has been pushing for legislation related to basic income in Korea ever since. We have pushed for the Basic Income Public Discussion Act, the Basic Income Carbon Tax Act, and the Basic Income Land Tax Act, and will do our best to lead discussions on basic Income during this term of the National Assembly (May 2020 to April 2024).

The 20th presidential election of the Republic of Korea will be held in March 2022. The Basic Income Party also declares that it would create "Basic Income Korea," and announce a "basic income of 650,000 KRW(545 USD) per month" as our first pledge. The reason for setting the amount to 650,000 KRW per month reflects the decision to aim for "sufficiency" at the General Assembly of BIEN Congress 2016.

In Korea, the National Basic Living Security Act guarantees the minimum income to those who are judged unable to work. The Act stipulates that the minimum income guaranteed is correspondent to 30% of the median income. People dependent on this scheme are likely to be stigmatized as welfare scroungers. There have been also many tragic stories in which we see those who lost their lives due to the welfare state's blindspots in recent years. As of 2021, the livelihood benefits are about 550,000 KRW, and Basic Income Party pledges more with the basic income of 650,000 KRW.

There are four pillars to finance this basic income of 650,000 KRW per month:

- ① A new land tax. Currently, real estate inequality is so serious that apartment prices in Seoul have doubled in four years in Korea. Only those with housing assets become richer, and those without face ever greater housing cost burden, so the asset gap is widening. We would like to collect land taxes and return them to basic income as a way to resolve asset inequality and allow all citizens to enjoy the land.
- ② A new carbon tax. Korea is a country with high carbon emissions per capita

and is infamous as one of the “climate villains”, In particular, due to the geographical feature of Korea, surrounded as it were by the sea, the people will suffer great damage if the sea level rises due to the climate crisis. As the surest measure to get out of the climate crisis, we would like to establish a carbon tax to reduce carbon emissions and distribute it into basic income so that the people with low-income can be motivated to reduce carbon emissions without being damaged by the imposition of a carbon tax.

- ③ An income tax reform for dividends on knowledge commons. The income earned by everyone is obtained based on humankind's common knowledge. We pledge to reorganize the existing income tax so that a certain portion of the income can be allocated as dividends on knowledge commons.
- ④ We would like to reorganize the tax exemption system. We pledge to correct the unfairness of the Korean tax system. The more income and property someone has, the more tax cuts they receive. We would like to gradually eliminate the tax exemptions and turn the gains into a financial base for basic income.

While basic income is an attractive alternative, many are asking about its sustainability. In particular, if land tax decreases due to falling real estate prices or the carbon emission falls close to zero and the carbon tax disappears, would basic income also decrease? To sustain basic income sufficient for a living, we must also prepare for the future. Basic Income Party’s alternative is "dividends on common stake". When a country actively invests its finances in digital transformation and decarbonization economic transformation, it would take a stake in a company as much as the country invested and receive a dividend from the company’s profit, and share it with all citizens as basic income. We envision a country actively investing in technological development and sharing the profits with the public to prevent the further entrenchment of inequality from technological development.

Oh Jun-ho has been elected as a presidential candidate for the Basic Income Party, to stand on the pledge of a monthly basic income of 650,000 KRW. Candidate Oh Jun-ho is an author and his book, "Basic income changes the world" published five years ago is a bestselling basic income book in Korea. He has given hundreds of basic income lectures that easily explain basic income to the people. With this experience, he worked as a chief advisor to the National Assembly Member, Yong Hye-in(Basic Income Party), and is a basic income expert who crafted legislation on basic income. He also works as a member of BIKN steering committee.

In this presidential election, we would do our utmost to establish basic income as a real solution to the deeply entrenched inequality in Korea that would allow all of us to live in pursuit of our happiness. I'm encouraged by BIEN Executive Committee’s interest in the discussion of basic income in Korea. I would ask you to keep an eye on Oh Jun-ho, the only presidential candidate who pledged sufficient basic income and lend us your support. The Basic Income Party will do its best to make basic income a reality in Korea.

With my gratitude and support as always,

December 28, 2021.
Shin Ji-hye, Leader of Basic Income Party



UBI of 650,000 KRW(545 USD) per month by 2026

■ UBI of 650,000 KRW per month

1. Meaning

- Realizing the practical freedom of everyone through Sufficient basic income guaranteed by the national community for the basic livelihood of all members of society
- The provisional standard for "sufficient" basic income is livelihood benefits under the National Basic Living Security Act
 - the livelihood benefits of single-person households : About 580,000 KRW (2022) → 640,000 KRW (2026)
 - UBI of 650,000 KRW sufficiently exceeds the standard for livelihood benefits from double-person households.
- Comparison of livelihood benefits and UBI

Unit : KRW

households	Standard for livelihood benefits			UBI of Oh Jun-ho	
	Year 2022	Year 2023	Year 2026	Year 2023	Year 2026
1	583,444	597,344	641,064	400,000	650,000
2	978,026	999,766	1,067,932	800,000	1,300,000
3	1,258,410	1,285,678	1,371,078	1,200,000	1,950,000
4	1,536,324	1,568,843	1,670,588	1,600,000	2,600,000
5	1,807,355	1,844,265	1,959,580	2,000,000	3,250,000
6	2,072,101	2,112,662	2,239,170	2,400,000	3,900,000

Remark 1. The 2023 and 2026 Standard for livelihood benefits is a forecast calculated by applying the average annual growth rate (2.0 to 2.4%) for each household for five years from 2016 to 2021.

2. The basic principle of realizing sufficient basic income.

- Designed so that the total level of existing welfare benefits does not retreat due to basic income payment.
- In accordance with the basic income theory of the common wealth, major financial resources are prepared through the increase in earmarked tax.
 - Correction tax-type earmarked taxes such as basic income carbon tax and basic income land tax will be introduced
 - Income tax, inheritance tax and gift tax are reformed to introduce the earmarked tax on knowledge commons.
- Actively seek to find basic income resources
 - Actively discover new tax sources such as data tax through digital transformation
 - Establish a common wealth fund by referring to the overseas sovereign wealth fund model and finance the fund's profits as basic income.

- *The basic income resources are diversified so that they do not rely solely on tax-type basic income.
- *Establish a common wealth fund for major transformation such as Digital New Deal and Green New Deal → Fund investment becomes a common stake
- *R&D subsidies for companies become common stakes.

3. Financial model

Unit : 1 Trillion KRW (842 Million USD)

Basic income resources		Year 2023	Year 2026
Tax reform(ex income tax)	Introducing earmarked tax on knowledge commons	82.7	191.6
	eliminating 6 tax exemptions	72.4	92.3
Corrective tax	Basic Income Carbon Tax	42.0	54.1
	Basic Income Land Tax	42.9	49.7
Adjustment of welfare expenditure		10.0	16.6
Total		250.0	404.3
Population		51,820,000	51,810,000
Annual Basic Income(Unit: 10K KRW)		482.5 (4,062 USD)	780.3 (6,570 USD)
Monthly Basic Income(Unit: 10K KRW)		40.2 (338 USD)	65.0 (547.3 USD)

4. Plans(ex proposing a bill)

- Promotion of the Basic Income Act
 - As a basic law for introducing basic income, the Basic Income Act will be proposed by the end of 2021
 - The Basic Income Act stipulates the spirit of basic income, the rights and obligations of the state and people for basic income dividends, the establishment of a basic income committee, the establishment of a basic income special account, and the basic direction for financing.
- Current status of tax law initiatives to finance
 - [Preparing] the "Citizen Income Tax Act" as an earmarked tax on knowledge commons
 - [Completed] Proposal of Corrective tax
 - Basic Income Carbon Tax (Proposed at March 2021)
 - Basic Income Land Tax (Proposed at November 2021)
 - [Preparing] the "Data Tax Act" as a digital transformation preparation tax
- Preparing an act on common stake basic income