

2019

Research Paper-01



Gender Responsive Analysis of Basic Income and Policy Agendas

Soo-bum Park
Sun-joo Cho
Hae-ram Kim
Yeon-sook Yoon
Dong-yeon Shin



Korean Women's Development Institute



Gender Responsive Analysis of Basic Income and Policy Agendas

©2019

Korean Women's Development Institute

225 Jinheung-ro Eunpyeong-gu

Seoul 03367

Korea

www.kwdi.re.kr

Contents

I. Overview	1
II. Gender-responsive discussions on basic income	4
III. Survey of the awareness of the introduction of basic income ...	8
IV. Effects of the introduction of basic income on income redistribution	25
V. Conclusion	33

Tables

〈Table 1〉	Issues in basic income and gender equality	7
〈Table 2〉	Distribution of respondents	9
〈Table 3〉	Structure of questionnaire items	12
〈Table 4〉	Awareness of basic income	13
〈Table 5〉	Whether to agree to the introduction of basic income ..	14
〈Table 6〉	Appropriate amount of basic income	15
〈Table 7〉	Basic income recipients	16
〈Table 8〉	(Employees' responses) Changes in working patterns attributed to the introduction of basic income	18
〈Table 9〉	Offering basic income will increase the number of citizens who don't want to work	20
〈Table 10〉	Effects of the introduction of basic income on the gender division of labor in household	22
〈Table 11〉	The introduction of basic income will positively affect gender equality	24
〈Table 12〉	Basic income model	29
〈Table 13〉	Definitions of basic income by model	30

Figures

[Figure 1] Relative poverty rates by population type (2016) 26

[Figure 2] Relative poverty rates by age group (Median:50%) 27

Gender Responsive Analysis of Basic Income and Policy Agendas

Soo-bum Park

Sun-joo Cho

Hae-ram Kim

Yeon-sook Yoon

Dong-yeon Shin

I . Overview

☐ Background and objectives

- Against the backdrop of the 4th Industrial Revolution, income inequality, and economic polarization, the expansion of social security systems, as well as the creation of high-quality jobs, has been continuously discussed.
 - Social polarization has led Korea to actively discuss basic income.
- Basic income refers to a system where all members of society are given income without separate conditions or requirements.
 - The main principles of basic income are ‘universality,’ ‘unconditionality,’ ‘individuality,’ ‘sufficiency,’ ‘periodicity,’ and ‘cash payment.’
 - Basic income is regarded as individual rights, not relating to paid work, and is differentiated from old-age pensions and child benefits that are offered depending on demographic characteristics.

- Moreover, a basic income is paid not to households but to individuals, thereby signifying that it should be sufficiently given to substantially ensure the freedom of individuals.

○ In connection with the introduction of basic income, several measures have been taken but there have been pros and cons on this issue. In fact, discussions should sufficiently take place at a national level before it is officially introduced.

○ The introduction of basic income may go beyond the realm of social security systems and bring about big changes in society as a whole, having significant effects on women or gender equality. However, there have been few research studies on the effects of basic income on gender equality.

○ Against this backdrop, this paper is designed to proactively identify how the redistribution of national budgets attributed to the introduction of basic income affect women and gender equality and to review related issues. At the same time, this study aims to spark gender perspectives-based discussions on basic income and to present the future direction of related policies, as well as evidentiary data.

☐ Contents

○ In connection with the introduction of basic income, local and global cases, as well as its effects on gender equality, are reviewed through research on existing literature.

- The cases of foreign nations that are implementing pilot projects or are partially introducing and operating basic income are gathered to examine basic income operation models, financing, and so forth.

- How feminism researchers cope with basic income is also reviewed.

- Koreans' awareness of basic income and their behavioral changes attributed to the introduction thereof are analyzed via the survey of citizens.
 - Citizens' attitudes and related changes are forecast through questions regarding their recognition of basic income, those subject to basic income and the amount, and their behavioral changes coming from the payment of a basic income.
 - Effects of basic income on income redistribution are analyzed.
 - Diverse models for the introduction of basic income are reviewed via existing research and surveys, selecting and analyzing models suitable for this study.
 - In particular, its effects on men and women's poverty rates are analyzed, considering various classes of women.
 - Based on analysis results, the implications of basic income on women and gender equality are identified, presenting related issues that should be considered in the process of institutionalizing basic income.
- ☐ Research methods
- Previous studies conducted at home and abroad are reviewed in order to examine experts' opinions on the introduction of basic income.
 - An online survey of 1,504 adult men and women across the nation is carried out to analyze citizens' recognition of basic income and their behavioral changes resulting from its introduction.

- Korea Welfare Panel Study statistics are analyzed to study the effects of basic income on income redistribution.
- Experts' opinions are actively reflected by phase (research scope, development of questionnaires, and analysis methods) via expert advisory meetings.

II . Gender-responsive discussions on basic income

- ☐ Issues in the introduction of basic income
- Need for the introduction of basic income
 - Basic income was discussed only within the academic world in the past but has been recently reviewed, applied, and tested in various ways and contexts.
 - It's mainly because of the acceleration of socio-economic changes (the change of the industrial structure into a service economy, the resulting abolishment of standard employment systems, the establishment of unstable working systems, and deeper inequalities) and limitations in existing social security systems (a rise in the number of unstable jobs makes it impossible for more and more people to benefit from social insurance based on continued contributions).
- Basic income and other similar systems
 - In reality, constraints facing each society lead experts to discuss various types of revised basic income, rather than full basic income in which all of the principles for basic income are reflected.

- The most frequently discussed basic income includes ‘participation income’ and ‘social allowances’.
 - However, participation income is not regarded as basic income in that it is still subject to conditions and is financial assistance based on reciprocity.
 - Social allowances are distinguished from basic income in that they are designed to meet the needs of specific demographic groups.
- Discussions on the feasibility of the introduction of basic income
- Those against the introduction of basic income focus on realistic constraints, especially lack of financial resources and its relations with existing income security systems.
 - As a result, supporters of basic income highlight that there can be complementary relations between ‘the potential of welfare budgets and basic income’ and existing social security systems when Korea’s tax-to-GDP ratio is raised to the OECD average.
- Cases
- Local cases
- In Korea, discussions concerning basic income began to be conducted in the academic world in the early 2000s. Since the mid-2000s, the number of related papers has consistently jumped, expanding the discussions.
 - From 2015 to 2016, Seongnam city and Seoul introduced youth dividends and youth benefits, respectively, as policies for youth, leading discussions to be conducted in terms of policy-making.

- Basic income has since attracted keener attention from the public, causing other regions to devise similar youth policies. In the 19th Presidential Election held in 2017, some of the candidates chose basic income as one of their political agendas, further expanding its discussions.
- There are differing views on whether to consider Seoul's youth benefits and Seongnam city's youth dividends within the frame of basic income. However, unlike existing social security systems that have been implemented very selectively, various policies in terms of universal welfare have been presented, which can act as agendas within the framework of discussions on basic income.

○ Global cases

- Since the 1970s ~ 1980s when research on basic income started being actively carried out, many nations in the world have promoted basic income in diverse ways.
- Given that some principles for basic income have been revised to reflect different circumstances facing each nation, there are few basic income systems that satisfy all of the aforementioned six principles.
- The effects and problems of the system can be analyzed from various angles by reviewing how basic income can be realized through the cases of Alaska, USA where basic income operates in the most similar way to its main principle (unconditional basic income), of Finland where basic income is tested at a national level for the first time in the world, and of Canada's Ontario where the meaning of basic income in realms other than employment is identified in various contexts.

□ Basic income and gender equality

○ Various discussions on relationships between basic income and gender equality have been conducted based on gender perspectives.

Key issues in gender equality are as follows:

〈Table 1〉 Issues in basic income and gender equality

Issues	Contents
Basic income and labor	<ul style="list-style-type: none"> • Unlike existing social security systems, basic income featuring unconditionality is not based on the concept of paid labor, thereby weakening the principle based on paid work. • If a certain amount of basic income is paid, income stability is ensured. Therefore, bargaining power in employment improves, thereby preventing the number of low-quality jobs from jumping. • Likewise, basic income may cause big changes in labor, whose introduction may significantly affect gender equality.
Basic income and poverty	<ul style="list-style-type: none"> • One of the main reasons for women's poverty is that they don't enjoy equal social rights depending on their position in their family. This means that under the public aid system where benefits are given by family, unequal relationships in family in terms of distribution can be easily reflected in the distribution of benefits. • However, a basic income is paid to individuals, thereby enabling women to make a choice free from paid work and economic dependency in family. Therefore, it can act as an alternative to existing social security systems in the context of women's poverty.
Basic income and freedom	<ul style="list-style-type: none"> • Scholars who support basic income from feministic perspectives argue that the issue of freedom from gender perspectives relates not only to poverty and employment but also to marriage and civil rights. • Carol Pateman stresses that basic income plays a role in separating income from employment, thereby providing an opportunity to end mutual relationships among marriage, employment, and civil rights. • In other words, basic income may allow women not to belong to relationships between labor markets and care work, making them recognized as individual citizens. This is deemed to signify true sexual freedom.

Basic income and gender division of labor	<ul style="list-style-type: none"> • Scholars who do not agree to basic income from feminist perspectives argue that basic income allows women's unpaid housework and care work to be financially rewarded, thereby leading them to have less intention to work and to be satisfied with unpaid housework and solidifying the gender division of labor. • On the other hand, those who support basic income point out that basic income not only recognizes the value of care work but also reduces reliance on paid work, thereby contributing to weakening the gender division of labor. • To enable basic income to reduce the gender division of labor, a new system should be established, where parents share care work.
---	---

III. Survey of the awareness of the introduction of basic income

☐ Overview

- This survey of adult women and men across the nation was conducted to identify the public's awareness of basic income.
 - Sample: 1,504 adult men and women aged 19 (western age) or older across the nation.
 - Sampling: random sampling after proportional allocation by region, gender, and age, based on the statistics of registered population prepared by the Ministry of the Interior and Safety, as of May 2018.
 - Method: CAWI (Computer Assisted Web Interview)

〈Table 2〉 Distribution of respondents

Base=All	Number of cases (persons)	Sum (%)
■ All ■	(1,504)	100
Gender		
Male	(740)	49.2
Female	(764)	50.8
Age		
20s	(261)	17.4
30s	(260)	17.3
40s	(299)	19.9
50s	(304)	20.2
60s or older	(380)	25.3
Residential areas		
Seoul	(293)	19.5
Incheon/Gyeonggi	(455)	30.3
Daejeon/Sejong/Chungcheong	(159)	10.6
Gwangju/Jeolla	(150)	10.0
Daegu/Gyeongnam	(150)	10.0
Busan/Ulsan/Gyeongnam	(232)	15.4
Gangwon/Jeju	(65)	4.3
Academic background		
High school diploma or less	(741)	49.3
Junior college diploma or higher	(763)	50.7
Personal income		
less than KRW 1 million	(310)	20.6
KRW 1 million to less than KRW 2 million	(285)	18.9
KRW 2 million to less than KRW 3 million	(323)	21.5
KRW 3 million to less than 4 million	(254)	16.9
KRW 4 million to less than 5 million	(135)	9.0
KRW 5 million or more	(197)	13.1
Household income		
less than KRW 1 million	(49)	3.3
KRW 1 million to less than KRW 2 million	(161)	10.7
KRW 2 million to less than KRW 3 million	(263)	17.5
KRW 3 million to less than 4 million	(332)	22.1
KRW 4 million to less than 5 million	(233)	15.5
KRW 5 million to less than 6 million	(188)	12.5

■ All ■	(1,504)	100
KRW 6 million or more	(278)	18.5
Employment		
Yes	(982)	65.3
No	(522)	34.7
Occupation		
Agriculture/forestry/fishery	(12)	0.8
Self-employed	(220)	14.6
Sale/marketing/service	(137)	9.1
Production /technician/laborer	(280)	18.6
Office/management/professional	(326)	21.7
Housewives	(326)	21.7
Students	(93)	6.2
Unemployed/retired/others	(110)	7.3
Status of workers		
(Paid worker) Full-time	(506)	33.6
(Paid worker) Temporary	(166)	11.0
(Paid worker) Daily employee	(54)	3.6
Own-account worker	(151)	10.0
Employer	(69)	4.6
Unpaid family worker	(36)	2.4
Unemployed	(522)	34.7
Marital status		
Single	(429)	28.5
Married	(988)	65.7
Divorced/widowed	(87)	5.8
Number of children		
None	(72)	4.8
1	(210)	14.0
2	(643)	42.8
3 or more	(150)	10.0
Single	(429)	28.5
Number of household members		
1	(149)	9.9
2	(317)	21.1
3	(371)	24.7
4	(517)	34.4

Base=All	Number of cases (persons)	Sum (%)
5 or more	(150)	10.0
Double-income family		
Yes	(384)	25.5
No	(604)	40.2
Single/divorced/widowed	(516)	34.3
Dependent		
Yes	(375)	24.9
No	(1,129)	75.1
Political orientation		
Conservative	(271)	18.0
Moderate	(777)	51.7
Liberal	(456)	30.3

* Organized by researchers based on the awareness survey

- The questionnaire consist of items on the awareness of basic income, changes resulting from the introduction of basic income, and socio-economic characteristics.
 - Questions regarding behavioral changes resulting from the introduction of basic income are separately organized depending on the status of economic activities which is deemed to be the most important factor therein.
 - Questions are designed to lead respondents to reveal how to change their consumption and working based on the amount of basic income that they think is appropriate.

〈Table 3〉 Structure of questionnaire items

Classification	Content
Awareness of basic income	<ul style="list-style-type: none"> • Whether aware of basic income • Whether to approve of the introduction of basic income • Reasons for approving of the introduction of basic income • Reasons for disapproving of the introduction of basic income • A proper amount of basic income • Those subject to basic income
Changes attributed to the introduction of basic income	<ul style="list-style-type: none"> • Use of basic income • Economic activities • Paid workers/self-employed/unpaid family workers/unemployed • Status of workers and occupations • Changes in working patterns • Changes in the gender division of labor • Related opinions (economic activities, social conflicts, polarization, volunteer services, taxes, social security systems, and gender equality)
Socio-economic characteristics	<ul style="list-style-type: none"> • Age, gender, and residential areas • Double-income families and children • Academic background • Family members that should be taken care of • Average monthly personal income and average monthly household income • Political orientation

□ Survey results summary

- 60.2% of the respondents answered that they have heard of basic income while 13.2% replied that they are well aware of the issue.
- Generally, they are informed of basic income to a certain degree.

〈Table 4〉 Awareness of basic income

(Unit: %)

Base=All	Number of cases (persons)	Never heard of it	Heard of it but little informed	Heard of it and much informed	Sum
■ All ■	(1,504)	26.6	60.2	13.2	100.0
Gender					
Male	(740)	25.0	60.3	14.7	100.0
Female	(764)	28.1	60.1	11.8	100.0
Age					
20s	(261)	36.4	52.9	10.7	100.0
30s	(260)	27.7	61.9	10.4	100.0
40s	(299)	29.8	59.5	10.7	100.0
50s	(304)	23.7	59.2	17.1	100.0
60s or older	(380)	18.9	65.3	15.8	100.0
Household income					
less than KRW 1 million	(49)	40.8	51.0	8.2	100.0
KRW 1 million ~ less than KRW 2 million	(161)	37.9	49.1	13.0	100.0
KRW 2 million ~ less than KRW 3 million	(263)	29.3	61.2	9.5	100.0
KRW 3 million ~ less than KRW 4 million	(332)	26.8	61.4	11.7	100.0
KRW 4 million ~ less than KRW 5 million	(233)	20.2	65.7	14.2	100.0
KRW 5 million ~ less than KRW 6 million	(188)	24.5	64.9	10.6	100.0
KRW 6 million or more	(278)	21.6	57.9	20.5	100.0
Political orientation					
Conservative	(271)	22.1	61.3	16.6	100.0
Moderate	(777)	29.0	60.2	10.8	100.0
Progressive	(456)	25.2	59.4	15.4	100.0

* Organized by researchers based on the awareness survey

- The percentage (78.9%, including conditional approval) of supporters of basic income is much higher than that (10.3%) of those against it.
- Most of them agree to the introduction of basic income and are willing to accept higher taxes for financing. However, they are not deemed to accept weaker social security systems.
- Increasing taxes to a certain degree is expected to be accepted for financing purposes.

〈Table 5〉 Whether to agree to the introduction of basic income

(Unit: %)

Base=All:	Number of cases (persons)	Approve of basic income regardless of whether it leads to higher taxes and weaker social security systems	Approve of basic income only when it does not lead to higher taxes, accepting weaker social security systems	Approve of basic income only when it does not lead to weaker social security systems, accepting higher taxes	Approve of basic income only when it lead to neither higher taxes nor weaker social security systems	Disapprove of basic income in any case	No idea	Sum
■ All ■	(1,504)	7.9	12.0	25.0	34.0	10.3	10.8	100.0
Gender								
Male	(740)	11.4	12.4	25.4	29.7	11.1	10.0	100.0
Female	(764)	4.6	11.5	24.6	38.2	9.6	11.5	100.0
Age								
20s	(261)	6.1	18.0	26.4	29.9	5.0	14.6	100.0
30s	(260)	6.5	13.1	24.6	40.0	4.6	11.2	100.0
40s	(299)	11.0	13.0	19.4	38.5	6.4	11.7	100.0
50s	(304)	8.2	8.2	30.3	31.3	13.5	8.6	100.0
60s or older	(380)	7.4	9.2	24.5	31.6	18.4	8.9	100.0
Household income								
less than KRW 1 million	(49)	8.2	10.2	26.5	32.7	4.1	18.4	100.0
KRW 1 million to less than KRW 2 million	(161)	9.9	15.5	21.1	33.5	8.1	11.8	100.0
KRW 2 million to less than KRW 3 million	(263)	3.8	12.5	23.6	37.6	9.9	12.5	100.0
KRW 3 million to less than KRW 4 million	(332)	8.1	11.7	23.5	36.1	9.3	11.1	100.0
KRW 4 million to less than KRW 5 million	(233)	11.2	9.4	26.2	31.8	12.9	8.6	100.0
KRW 5 million to less than KRW 6 million	(188)	8.0	12.2	27.7	31.9	9.0	11.2	100.0
KRW 6 million or more	(278)	7.6	11.9	27.3	32.0	12.9	8.3	100.0
Political orientation								
Conservative	(271)	5.9	9.6	20.7	35.8	23.6	4.4	100.0
Moderate	(777)	7.6	12.6	23.2	34.5	8.2	13.9	100.0
Progressive	(456)	9.6	12.3	30.7	32.2	5.9	9.2	100.0

* Organized by researchers based on the awareness survey

- The highest percentage of the respondents prefers KRW 500,000 a month as the appropriate amount of basic income, followed by KRW 250,000 and KRW 830,000.

〈Table 6〉 Appropriate amount of basic income

(Unit: %)

Base=All	Number of cases (persons)	50% of the median income of single-person households (KRW 830,000)	Minimum cost of living for single-person households (30% of median income) (KRW 500,000)	Half of the minimum cost of living for single-person households (KRW 250,000)	10% of the median income of single-person households (KRW 160,000)	As much as child benefits (KRW 100,000)	Others	Sum
■ All ■	(1,504)	22.7	40.8	22.4	6.4	6.9	0.7	100.0
Gender								
Male	(740)	27.8	42.6	17.0	5.7	6.1	0.8	100.0
Female	(764)	17.8	39.1	27.6	7.1	7.7	0.7	100.0
Age								
20s	(261)	21.1	37.5	27.2	8.4	5.7	0.0	100.0
30s	(260)	27.3	45.0	15.0	5.8	6.2	0.8	100.0
40s	(299)	27.4	40.1	20.7	7.0	4.3	0.3	100.0
50s	(304)	25.0	42.1	19.7	5.3	6.3	1.6	100.0
60s or older	(380)	15.3	39.7	27.6	5.8	10.8	0.8	100.0
Household income								
less than KRW 1 million	(49)	30.6	36.7	22.4	6.1	4.1	0.0	100.0
KRW 1 million to less than KRW 2 million	(161)	29.8	35.4	23.0	6.2	5.6	0.0	100.0
KRW 2 million to less than KRW 3 million	(263)	20.2	41.8	22.4	7.6	6.5	1.5	100.0
KRW 3 million to less than KRW 4 million	(332)	21.4	44.6	21.1	5.1	7.8	0.0	100.0
KRW 4 million to less than KRW 5 million	(233)	22.3	37.8	23.6	8.2	6.9	1.3	100.0
KRW 5 million to less than KRW 6 million	(188)	28.2	34.0	23.4	7.4	6.4	0.5	100.0
KRW 6 million or more	(278)	18.0	46.4	21.9	4.7	7.9	1.1	100.0
Political orientation								
Conservative	(271)	20.3	36.5	22.9	7.0	11.8	1.5	100.0
Moderate	(777)	25.5	39.8	20.3	6.8	6.9	0.6	100.0
Progressive	(456)	19.5	45.2	25.7	5.3	3.9	0.4	100.0

* Organized by researchers based on the awareness survey

- The category of ‘all citizens’ is preferred the most highly as those subject to basic income, followed by ‘the elderly aged 65 or older’ and ‘youth aged 19 ~ 29’.

〈Table 7〉 Basic income recipients

(Unit: %)

Base=All	Number of cases (persons)	All citizens residing in the Republic of Korea	Children and teenagers aged 18 or younger (to 12th graders)	Children and youth aged 24 or younger	Youth aged 19~29	The elderly aged 65 or older	Others	Sum
■ All ■	(1,504)	23.3	9.6	6.1	13.2	43.9	3.9	100.0
Gender								
Male	(740)	25.1	7.8	6.4	14.3	42.7	3.6	100.0
Female	(764)	21.6	11.4	5.9	12.0	45.0	4.1	100.0
Age								
20s	(261)	18.0	11.1	10.0	40.6	18.4	1.9	100.0
30s	(260)	38.8	15.0	6.2	8.5	26.9	4.6	100.0
40s	(299)	28.8	13.0	9.0	9.7	35.5	4.0	100.0
50s	(304)	23.7	6.3	4.9	6.9	53.6	4.6	100.0
60s or older	(380)	11.8	5.0	2.1	5.3	71.8	3.9	100.0
Household income								
Less than KRW 1 million	(49)	24.5	6.1	0.0	20.4	42.9	6.1	100.0
KRW 1 million to less than 2 million	(161)	25.5	9.9	3.7	11.2	45.3	4.3	100.0
KRW 2 million to less than 3 million	(263)	20.5	8.0	7.2	12.2	47.1	4.9	100.0
KRW 3 million to less than 4 million	(332)	27.7	10.8	4.5	13.0	41.0	3.0	100.0
KRW 4 million to less than 5 million	(233)	24.9	7.7	6.4	12.0	44.2	4.7	100.0
KRW 5 million to less than 6 million	(188)	21.3	10.6	10.1	14.4	42.0	1.6	100.0
KRW 6 million or more	(278)	19.4	11.2	6.5	14.4	44.6	4.0	100.0
Political orientation								
Conservative	(271)	16.6	7.7	4.4	11.8	55.0	4.4	100.0
Moderate	(777)	23.9	11.1	6.4	11.2	43.4	4.0	100.0
Progressive	(456)	26.3	8.3	6.6	17.3	38.2	3.3	100.0

* Organized by researchers based on the awareness survey

- Changes in employees' working patterns attributed to the introduction of basic income can be identified through two questions.
 - In connection with the question that only employees can answer, the highest percentage (66%) of employees replied that they will not change their working patterns even though basic income is introduced.
 - 12.6% said that they will reduce working hours to increase their leisure time. 10.3% of women and 3.9% of men responded that they will spend more time on child care and housework, which is deemed to be an interesting result.
- On the other hand, 47.3% agreed that the introduction of basic income will increase the number of those who don't want to work while 27.5% disagreed.
- Considering responses to the two questions about changes in working patterns, respondents are deemed to expect that the introduction of basic income will not alter their working patterns but will shorten others' working hours.

〈Table 8〉 (Employees' responses) Changes in working patterns attributed to the introduction of basic income

Base=Those against the introduction of basic income	Number of cases (persons)	Continue to do the jobs they are doing, regardless of basic income	Shorten the working hours and increase leisure time	Shorten the working hours and spend more time on child care and housework
■ All ■	(982)	66.0	12.6	6.2
Gender				
Male	(622)	66.9	13.3	3.9
Female	(360)	64.4	11.4	10.3
Age				
20s	(134)	55.2	17.2	7.5
30s	(174)	59.8	12.1	10.3
40s	(206)	68.4	9.7	8.3
50s	(225)	69.8	12.9	3.1
60s or older	(243)	70.8	12.8	3.7
Household income				
Less than KRW 1 million	(16)	81.3	12.5	0.0
KRW 1 million to less than KRW 2 million	(98)	59.2	10.2	4.1
KRW 2 million to less than KRW 3 million	(148)	67.6	14.2	6.8
KRW 3 million to less than KRW 4 million	(208)	66.3	13.9	4.8
KRW 4 million to less than KRW 5 million	(165)	62.4	13.9	6.7
KRW 5 million to less than KRW 6 million	(143)	63.6	14.0	7.7
KRW 6 million or more	(204)	71.1	9.3	7.4
Political orientation				
Conservative	(182)	75.8	9.9	2.2
Moderate	(496)	63.1	11.9	7.9
Progressive	(304)	64.8	15.5	5.9

* Organized by researchers based on the awareness survey

(Unit: %)

Quit and change jobs or start their own business	Quit jobs and pursue hobbies	Shorten the working hours and spend more time on volunteer activities	Quit jobs and focus more on housework or child care	Others	Sum
5.4	4.4	3.4	1.9	0.1	100.0
.
5.6	5.3	3.4	1.4	0.2	100.0
5.0	2.8	3.3	2.8	0.0	100.0
.
9.7	9.0	0.7	0.7	0.0	100.0
11.5	2.3	1.1	2.9	0.0	100.0
3.9	5.3	1.5	2.4	0.5	100.0
2.7	5.3	4.4	1.8	0.0	100.0
2.5	1.6	7.0	1.6	0.0	100.0
.
0.0	6.3	0.0	0.0	0.0	100.0
12.2	4.1	7.1	2.0	1.0	100.0
4.1	3.4	2.0	2.0	0.0	100.0
4.8	4.3	4.3	1.4	0.0	100.0
7.3	4.8	3.0	1.8	0.0	100.0
4.9	3.5	2.1	4.2	0.0	100.0
2.9	5.4	2.9	1.0	0.0	100.0
.
3.8	3.8	3.3	1.1	0.0	100.0
6.5	5.4	3.4	1.6	0.2	100.0
4.6	3.0	3.3	3.0	0.0	100.0

〈Table 9〉 Offering basic income will increase the number of citizens who don't want to work

(Unit: %)

Base=All	Number of cases (persons)	① Strongly disagree	② Disagree a little	①+② Disagree	③ Average	④ Agree a little	⑤ Strongly agree	④+⑤ Agree	Sum
■ All ■	(1,504)	9.6	18.0	27.5	25.2	38.8	8.4	47.3	100.0
Gender									
Male	(740)	10.3	18.0	28.2	25.8	37.6	8.4	45.9	100.0
Female	(764)	8.9	17.9	26.8	24.6	40.1	8.5	48.6	100.0
Age									
20s	(261)	11.9	25.3	37.2	23.0	34.5	5.4	39.8	100.0
30s	(260)	10.8	17.3	28.1	22.7	43.1	6.2	49.2	100.0
40s	(299)	9.0	12.7	21.7	34.1	36.5	7.7	44.1	100.0
50s	(304)	8.2	13.2	21.4	24.7	44.4	9.5	53.9	100.0
60s or older	(380)	8.7	21.3	30.0	21.8	36.3	11.8	48.2	100.0
Household income									
Less than KRW 1 million	(49)	18.4	28.6	46.9	22.4	24.5	6.1	30.6	100.0
KRW 1 million to less than KRW 2 million	(161)	10.6	23.0	33.5	29.8	29.8	6.8	36.6	100.0
KRW 2 million to less than KRW 3 million	(263)	8.4	16.0	24.3	25.1	39.5	11.0	50.6	100.0
KRW 3 million to less than KRW 4 million	(332)	10.5	16.6	27.1	25.6	42.2	5.1	47.3	100.0
KRW 4 million to less than KRW 5 million	(233)	8.2	15.9	24.0	25.3	41.6	9.0	50.6	100.0
KRW 5 million to less than KRW 6 million	(188)	9.6	18.1	27.7	28.7	33.5	10.1	43.6	100.0
KRW 6 million or more	(278)	8.6	18.3	27.0	20.1	43.2	9.7	52.9	100.0
Political orientation									
Conservative	(271)	10.0	16.6	26.6	20.3	38.7	14.4	53.1	100.0
Moderate	(777)	6.9	16.5	23.4	27.9	41.1	7.6	48.6	100.0
Progressive	(456)	13.8	21.3	35.1	23.5	35.1	6.4	41.4	100.0

* Organized by researchers based on the awareness survey

- Differences between men and women are witnessed in their responses to the effects of basic income on the gender division of labor in household and gender equality.
 - The highest percentage of men and women replied that the introduction of basic income will not have significant effects on the gender division of labor in households.
 - However, gender differences are seen in their responses to the item, “Men can shorten working hours and thereby spend more time on child care and housework.” 30% and 17.9% of men and women, respectively, responded to the item positively.

〈Table 10〉 Effects of the introduction of basic income on the gender division of labor in household

Base=All	Number of cases (persons)	No differences occur even if a basic income is paid.	Males can shorten their working hours and therefore spend more time on child care and housework.
■ All ■	(1,504)	47.0	23.9
Gender			
Male	(740)	44.2	30.0
Female	(764)	49.7	17.9
Age			
20s	(261)	49.4	29.1
30s	(260)	39.6	26.9
40s	(299)	40.1	25.4
50s	(304)	50.3	18.4
60s or older	(380)	53.2	21.3
Household income			
Less than KRW 1 million	(49)	51.0	24.5
KRW 1 million to less than KRW 2 million	(161)	38.5	23.0
KRW 2 million to less than KRW 3 million	(263)	49.4	17.5
KRW 3 million to less than KRW 4 million	(332)	47.6	25.6
KRW 4 million to less than KRW 5 million	(233)	42.5	28.3
KRW 5 million to less than KRW 6 million	(188)	44.7	23.4
KRW 6 million or more	(278)	53.6	24.8
Political orientation			
Conservative	(271)	58.3	17.7
Moderate	(777)	45.8	23.2
Progressive	(456)	42.3	28.7

* Organized by researchers based on the awareness survey

(Unit: %)

Females don't have to do low-quality jobs, leading them to focus more on housework	Females rely less on males economically, causing them to spend less time on housework	Females don't have to work anymore, leading them to focus more on housework	Others	Sum
12.9	11.7	4.3	0.3	100.0
10.4	11.1	4.1	0.3	100.0
15.3	12.3	4.5	0.3	100.0
6.5	11.1	3.8	0.0	100.0
13.1	11.9	7.7	0.8	100.0
17.1	12.7	4.3	0.3	100.0
16.4	10.2	4.6	0.0	100.0
11.1	12.4	1.8	0.3	100.0
4.1	8.2	8.2	4.1	100.0
14.3	18.6	5.6	0.0	100.0
14.8	13.3	4.2	0.8	100.0
12.0	11.1	3.6	0.0	100.0
15.0	9.0	5.2	0.0	100.0
16.0	11.2	4.8	0.0	100.0
9.0	10.1	2.5	0.0	100.0
13.7	6.6	3.3	0.4	100.0
13.5	12.5	4.8	0.3	100.0
11.4	13.4	3.9	0.2	100.0

○ 31.3% agree that the introduction of basic income will positively affect gender equality while 28.5% disagree.

- Specifically, 34.9% and 27.7% of men and women, respectively reacted to the item, positively. In other words, a lower percentage of women than men are found to think that the introduction of basic income will have positive effects on gender equality.

〈Table 11〉 The introduction of basic income will positively affect gender equality

(Unit: %)

Base=all	Number of cases (persons)	① Strongly disagree	② Disagree a little	①+② Disagree	③ Average	④ Agree a little	⑤ Strongly agree	④+⑤ Agree	Sum
■ All ■	(1,504)	12.1	16.4	28.5	40.2	26.3	4.9	31.3	100.0
Gender									
Male	(740)	11.9	13.5	25.4	39.7	29.5	5.4	34.9	100.0
Female	(764)	12.3	19.2	31.5	40.7	23.3	4.5	27.7	100.0
Age									
20s	(261)	14.9	23.8	38.7	40.6	15.7	5.0	20.7	100.0
30s	(260)	12.7	14.2	26.9	48.8	21.2	3.1	24.2	100.0
40s	(299)	11.0	15.1	26.1	39.1	26.8	8.0	34.8	100.0
50s	(304)	11.2	13.5	24.7	37.5	33.9	3.9	37.8	100.0
60s or older	(380)	11.3	16.3	27.6	37.1	30.8	4.5	35.3	100.0
Household income									
Less than KRW 1 million	(49)	14.3	8.2	22.4	36.7	36.7	4.1	40.8	100.0
KRW 1 million to less than KRW 2 million	(161)	15.5	11.8	27.3	36.0	26.7	9.9	36.6	100.0
KRW 2 million to less than KRW 3 million	(263)	11.8	15.2	27.0	43.0	25.9	4.2	30.0	100.0
KRW 3 million to less than KRW 4 million	(332)	9.3	17.8	27.1	41.6	28.3	3.0	31.3	100.0
KRW 4 million to less than KRW 5 million	(233)	10.3	13.3	23.6	41.6	30.5	4.3	34.8	100.0
KRW 5 million to less than KRW 6 million	(188)	13.3	17.0	30.3	43.1	22.9	3.7	26.6	100.0
KRW 6 million or more	(278)	14.0	22.3	36.3	36.0	21.2	6.5	27.7	100.0
Political orientation									
Conservative	(271)	20.3	16.2	36.5	36.9	23.2	3.3	26.6	100.0
Moderate	(777)	10.7	17.6	28.3	43.4	24.2	4.1	28.3	100.0
Progressive	(456)	9.6	14.5	24.1	36.8	31.8	7.2	39.0	100.0

* Organized by researchers based on the awareness survey

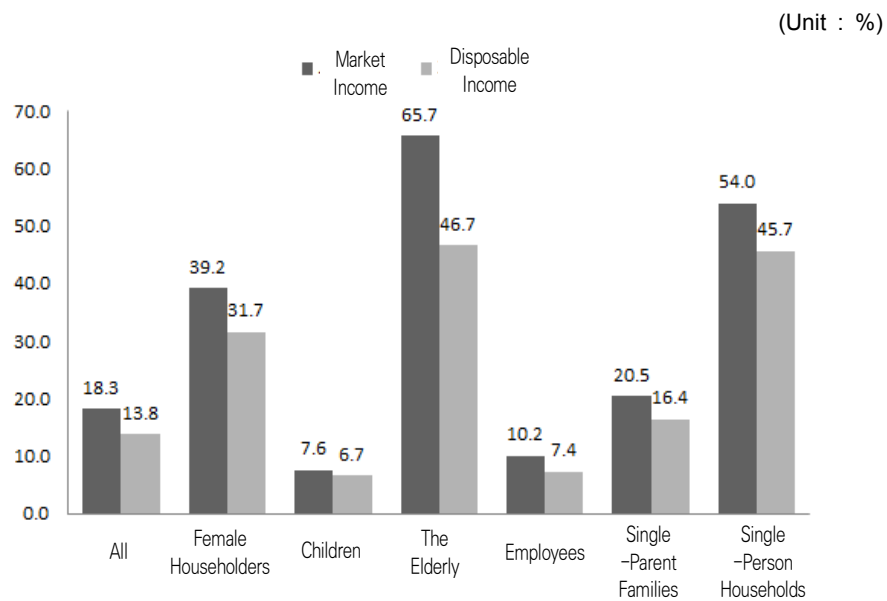
IV. Effects of the introduction of basic income on income redistribution

☐ Poverty rates by population type

○ The current poverty rates for those subject to basic income identified via the survey were reviewed before analyzing the effects of basic income on relative poverty rates.

- Yeo Yoo-jin & Chun Ji-hyun (2017: pp.12-14) was used for the analysis of relative poverty rates. However, Yeo Yoo-jin & Chun Ji-hyun (2017) used the Household Income and Expenditure Survey conducted by Statistics Korea to analyze poverty rates while this study referred to the 12th Wave of the Korea Welfare Panel Study for the analysis of relative poverty rates herein. Therefore, there are differences between the two. However, they are very useful in identifying relative poverty rates by population type and their changes by year.

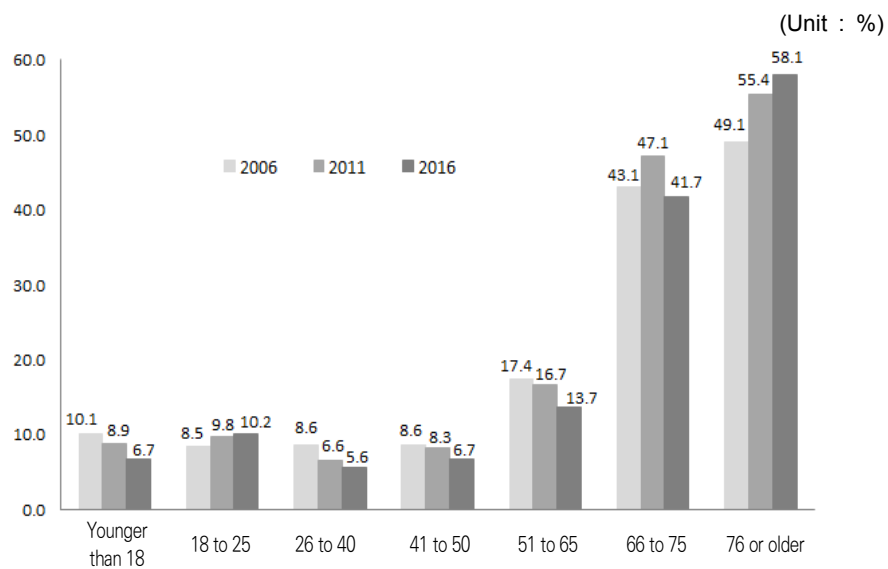
- The relative poverty rate for the population as a whole based on the 2016 disposable income is estimated at 13.8%.
 - The population is classified into female householders, children, the elderly, employees, single-parent households, and single-person households. The relative poverty rates for female householders, the elderly, and single-person households are found to be high.
 - The relative poverty rates for female householders, the elderly, and single-person households based on disposable income are found to be as high as 31.7%, 46.7%, and 45.7%, respectively.



Source: Yeo Yoo-jin & Chun Ji-hyun (2017: p.12), '[Figure 4] Relative Poverty Rates by Population Type (2016)' (Raw data: Household Income and Expenditure Survey, Statistics Korea)

[Figure 1] Relative poverty rates by population type (2016)

- Relative poverty rates by age and year have declined generally but the rates for those aged 18 to 25 and 76 or older have gradually climbed.
- These can be understood in the same context as the survey results exhibiting that youth and the elderly should be preferentially subject to basic income.



Source: Yeo Yoo-jin & Chun Ji-hyun (2017: p.14), '[Figure 6] Relative Poverty Rates by Age Group (Median: 50%)' (Raw data : Household Income and Expenditure Survey, Statistics Korea)

[Figure 2] Relative poverty rates by age group (Median: 50%)

☐ Basic income model

- The effects of basic income on income redistribution vary in accordance with the assumption thereof.
- The most ideal type of basic income can hardly apply due to difficulties in financing (etc.). Therefore, it is deemed to be appropriate to suppose and analyze a feasible type of basic income.
- In assuming models for basic income, those subject to basic income and the amount thereof are deemed to be the most important.
 - Here, the model for basic income consists of those subject to basic income and the amount chosen by the highest number of respondents, based on the survey results shown in Chapter 3.
 - The abolishment of basic old-age pensions and child benefits (Model I), the abolishment of basic old-age pensions (Model II), and the maintenance of the current system (Model III) are considered to resolve the issue of overlapping with existing social security systems.
 - Without considering changes in labor supply and tax revenue, only the fluctuations in the income of those subject to basic income are taken into account. Ways to finance for basic income and changes in tax system are not considered, either.

〈Table 12〉 Basic income model

		Basic income benefit			Requirement
		Minimum cost of living for single-person households (KRW 501,632)	50% of the minimum cost of living for single-person households (KRW 250,816)	50% of the median income of single-person households (KRW 836,052)	
Those subject to basic income	All citizens	I -1	I -2	I -3	Abolish basic old-age pensions and child benefits
	65 or older	II -1	II -2	II -3	Abolish basic old-age pensions
	Youth aged 19~29	III -1	III -2	III -3	Maintain the current system

□ Analysis and variables

○ Analysis data and definitions of income

- This paper is based on the results from the 12th Wave of the Korea Welfare Panel Study released in 2018.
- Individuals with single-adult equivalent disposable income are analyzed for this study.
- The following final income (<Table 13>) is identified after calculating the single-adult equivalent disposable income and introducing basic income by model.

〈Table 13〉 Definitions of basic income by model

Basic income model		Income after the introduction of basic income
All citizens	I -1. The minimum cost of living for single-person households (KRW 501,632)	Disposable income + KRW 501,632 a month - Old-age pensions (65 or older) - Child benefits (younger than 6)
	I -2. 50% of the minimum cost of living for single-person households (KRW 250,816)	Disposable income + KRW 250,816 a month - Old-age pensions (65 or older) - Child benefits (younger than 6)
	I -3. 50% of the median income of single-person households (KRW 836,052)	Disposable income + KRW 836,052 a month - Old-age pensions (65 or older) - Child benefits (younger than 6)
65 or older	II -1. The minimum cost of living for single-person households (KRW 501,632)	Disposable income + KRW 501,632 a month - Old-age pensions
	II -2. 50% of the minimum cost of living for single-person households (KRW 250,816)	Disposable income + KRW 250,816 a month - Old-age pensions
	II -3. 50% of the median income of single-person households (KRW 836,052)	Disposable income + KRW 836,052 a month - Old-age pensions
Youth aged 19 to 29	III -1. The minimum cost of living for single-person households (KRW 501,632)	Disposable income + KRW 501,632 a month
	III -2. 50% of the minimum cost of living for single-person households (KRW 250,816)	Disposable income + KRW 250,816 a month
	III -3. 50% of the median income of single-person households (KRW 836,052)	Disposable income + KRW 836,052 a month

□ Analysis and results

- Fluctuations in relative poverty rates are analyzed to study changes by gender and group following the introduction of basic income.
- Changes in relative poverty rates by group subject to basic income.
 - The introduction of basic income is deemed to generally decrease relative poverty rates.

- Relative poverty rates for men drop more significantly than those for women. The reasons can be summarized as follows: The income of men is higher than that of women among those below the relative poverty line. Therefore, in case a certain level of basic income is paid, a significant portion of men move above the poverty line but women don't.

○ Changes in relative poverty rates by marital status

- The group is categorized into 'the married', 'the widowed/the divorced/the separated', and 'singles' for analyses.
- The relative poverty rates for the widowed/the divorced/the separated are very high. In particular, the rates for women are higher than those for men.
- The payment of a basic income significantly reduces the rates for all the groups. The rates for men change more significantly than those for women.
- In case a basic income is paid to those aged 65 or older, the rate for singles not subject thereto changes little. On the other hand, if a basic income is paid to youth, the rates for the widowed/the divorced/the separated change little.

○ Changes in relative poverty rates by household type

- Changes in relative poverty rates attributed to the introduction of basic income were analyzed, targeting at 'mother and children households,' 'grandparents and grandchildren households,' and 'adolescent-headed households.'
- The relative poverty rate for 'grandparents and grandchildren households' and 'adolescent-headed households' is estimated at 42.4%, which is deemed to be very high.

- In case all citizens are subject to basic income, relative poverty rates drop sharply regardless of the type of household.
- The application of basic income to the elderly aged 65 or older does not reduce the relative poverty rate for mother and children households while the payment of a basic income to youth aged 19 to 29 fails to lower relative poverty rates for ‘grandparents and grandchildren households’ and ‘adolescent-headed households’.
- The introduction of basic income significantly reduces relative poverty rates.
 - In particular, the payment of a basic income has bigger marginal effects on low-income and vulnerable classes. As a result, if intangible effects that are not empirically confirmed are included, the effects of basic income are expected to expand further.
 - The introduction of basic income decreases the rates for men more sharply than those for women. The reason is as follows: The income of women is smaller than that of men among vulnerable classes below the poverty line, making it difficult for the payment of a small basic income to lead low-income women to move above the line.
 - In case a basic income is paid to a specific age group such as those aged 65 or older and youth, there can be vulnerable classes who are not subject to basic income. This should also be considered.

V. Conclusion

☐ Summary

- Widening income inequalities and deepening social polarization have facilitated discussions on social security systems and on basic income where all members of society are regularly given income without any conditions and duties.
 - Basic income is differentiated from existing social security systems in that it is designed to unconditionally provide income to individuals regardless of employment, age, and specific physical characteristics.
- There are various opinions on the introduction of basic income.
 - Both conservatives and progressives support the introduction of basic income but they have differing views on ‘how to introduce’ and ‘what to expect.’
 - Those against basic income are worried about a great financial burden and the possibility of lack of willingness to work.
- Even feminism researchers have differing views on the introduction of basic income.
 - Supporters of basic income expect that the new system will improve the status of women who are not positioned as wage earners, narrowing the gap between female-dominated non-regular jobs and male-dominated regular positions and thereby contributing to the promotion of gender equality. They also think that the introduction of basic income will reduce women’s economic reliance on men.
 - On the other hand, those against the system believe that basic

income will be considered as economic rewards, further solidifying women's role in housework. As a result, they think that the new system will negatively affect men's participation in child care and housework.

- There are various views on the relationship between basic income and gender equality in terms of feminism.
 - Basic income and labor: Basic income is not based on the concept of labor, weakening reliance on paid work, ensuring income security, and strengthening bargaining power in employment. As such changes in the sphere of labor show how to implement basic income will significantly affect gender equality.
 - Basic income and poverty: Social rights not ensured due to unequal positions in families are also thought of as a key cause of women's poverty. Unlike existing public assistance systems, a basic income is paid to individuals, enabling them to make a choice free from paid work and economic relationships in families. Therefore, the basic income system will act as an alternative to existing social security systems in the context of addressing women's poverty.
 - Basic income and freedom: Basic income enables women to make a choice not to belong to the system featuring relationships between labor markets and care work, making it possible for them to be recognized as individualized citizens. This is deemed to signify real freedom by gender.
 - Basic income and gender division of labor: There are two types of opinions on this issue. Some experts argue that because basic income can be regarded as a reward for women's unpaid housework

and care work, it will lead women to have less willingness to take part in labor markets, thereby solidifying the gender division of labor. Others point out that recognizing care work as valuable activities; basic income will reduce reliance on paid work and contribute to weakening the gender division of labor. A system where parents share child care duties should be set up to enable basic income to decrease the gender division of labor,

- A survey of 1,504 citizens across the nation was carried out to identify the effects of the introduction of basic income
 - 78.9% (including conditional approval) agree that basic income should be introduced, which is deemed to be very high. However, many respondents said that they accept higher taxes but disapprove of weaker social security systems.
 - A significant percentage of respondents said that all citizens, the elderly aged 65 or older, and youth aged 19 to 29 should be preferentially subject to basic income. The highest percentage of survey participants chose KRW 500,000 as a monthly payment, followed by KRW 250,000 and KRW 830,000.
 - In terms of changes in working patterns, respondents replied that they will continue to do their current job but expected that others will be less willing to work.
 - In the context of the effects of basic income on the gender division of labor and gender equality, a large percentage of males answered that basic income will contribute to reducing the gender division of labor and promote gender equality while a high percentage of females replied negatively.

- The effects of basic income are analyzed based on survey results.
 - Nine different types of models for basic income are established by considering recipients and the amount based on survey results.
 - Recipients are classified into ‘all citizens’, ‘the elderly aged 65 or older’, and ‘youth aged 19 to 29’, categorizing monthly payments into KRW 500,000, KRW 250,000, and KRW 830,000. Then, the effects of the system by marital status (the married, the widowed/the divorced/the separated) and household type (‘mother and children,’ ‘grandparents and grandchildren,’ and ‘adolescent-headed household’) are analyzed via changes in relative poverty rates.
 - The introduction of basic income is very effective in lowering relative poverty rates. In particular, the payment of basic income has bigger marginal effects on low-income and vulnerable classes. Therefore, if intangible effects that are not confirmed empirically are included, bigger effects can be witnessed. The reason why the system has larger effects on men than on women can be explained as follows: The income of women is smaller than that of men among classes below the poverty line, making it more difficult for the payment of a small basic income to enable women to move above the poverty line.
 - If specific age groups such as the elderly aged 65 or older and youth are subject to basic income, some vulnerable classes may be excluded from the system. This should be seriously considered.
 - These analysis results empirically reveal that women are in a more difficult financial situation in terms of income distribution by gender. They should be deemed to signify that basic income will play a key role in reducing relative poverty rates.

☐ Policy suggestions

○ System design considering recipients

- In case a basic income is paid to all citizens, there will be no isolated classes, thereby reducing their relative poverty rates. However, in case only specific groups such as the elderly aged 65 or older and youth are subject to basic income, some classes will be excluded from the system. Therefore, diverse efforts and systems are required to minimize the occurrence of low-income and vulnerable classes isolated from basic income.

○ Social security system management

- It is necessary to identify whether the system is controlled by the central government or local governments. Depending on the results, who will be responsible for financing will be determined. However, generally speaking, it is deemed to be reasonable for the central government to bear a significant portion of related expenses.
- Also, an integrated administration system is required to effectively implement the basic income system. In particular, when paying a basic income to specific groups, whether they are qualified (etc.) should be thoroughly identified.

○ Social consensus on the introduction of the system

- Social agreement should be achieved before basic income is introduced. Social discussions should be facilitated by raising the public's awareness of basic income, leading them to present various opinions, and creating social discourse.

- Endeavors to reduce the gender division of labor through basic income
 - Basic income may not be enough to decrease the gender division of labor, making it necessary to set up a system where policies for work-life balance are promoted and parents share child care duties.



KWDI

Korean Women's Development Institute

225 Jinheung-ro, Eun pyeong-gu
(1-363, Bulgwang-dong) Seoul, 03367, Korea
TEL 02.3156.7000 FAX 02.3156.7007
<http://www.kwdi.re.kr>