



경제정의실천시민연합  
Citizens' Coalition for Economic Justice



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## Our vision for the future in Korean society

Citizens' Coalition for Economic Justice

Republic of Korea

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This year falls on the Citizens' Coalition for Economic Justice (CCEJ) 30th anniversary. Of our particular interest in a new order to obviate the incorrigible structure of Korean economy, economic iniquity and grand corruption and constructive ambiguity, is the report by CCEJ on our new vision for the future in Korean society. This report has the purpose of prescribing and advocating antidotes. Our report involves the man of the street in having been meaning to make the citizens' movement for the reform agenda, six goals and twenty-three detailed targets and with about eighty methods on the basis of the historical background and experiences. And we hope you can have to come up with the least common denominator from our report to your own alternatives.

In this background, the past years since 1987 has seen the plutocracies, the Chaebol's corporatocratic centralization of economic powers and the property tycoon's housing speculation for windfall profits over and over again—in effect, the lowering self-empowerment of the affected class, youths and women and working people; we citizens were in it, and the ordinary citizens without hope and despair but together with CCEJ couldn't help rising up against the worsening economic crises. In particular, the past few years of 2015–2017 saw the 2016 South Korean political scandal on their own way onto the political, legal and economic corruptions: the ex-President Park's abuse of power into the lobbyist's hands; the chief justice's court-packing scandal with the Circumlocution Office; and their collusive ties between the government and the judiciary and the conglomerate Samsung. And we the people could have got to impeach some of them against the crisis of democracy—still, the other daredevils wouldn't have reigned on it. After that time, the rising of the Moon when we would hope to see the nation through the selling of the President to return to normalcy, the recent years of 2017–2019 had got to see his privatized governance—bureaucrats' neo-feudalism underneath politicians' populism—to the Chaebol's innovative ambiguities under the name of “the Inclusive Growth of the Innovative Nation.” Of course, lately his fraternal approach to the North Korea crisis happened to be more or less unlike at his will; anyway at all, we appraised at good will. Meanwhile, his paternal and patrimonial approach to Korean socioeconomic crises had got to dare paid for systemic risks. As a matter of fact, sometimes when due to the monopoly regulation on patrimonial assets of conglomerates, the Chaebols grumbled to his government that was levying property, inheritance and donation taxes,

President Moon nodded, his bureaucrats and his politicians were going to make regulatory innovation not only to circumvent the tax exemption provisions but to deregulate the company provisions on the capital market though a Chaebol had committed accounting fraud, tax omission and tax evasion. And money changes hands. Thanks to them, our ordinary citizens had to pay for income tax more and for capital loss more. Or, sometimes when due to economic downturns on the property market, the property tycoons also grunted his government out pump-priming projects, President Moon nodded, his bureaucrats and his politicians already made regulatory innovation bulldozing out safeguards, such as the preliminary feasibility test of the development projects to gain related profits; thanks to them, our ordinary citizens couldn't help being expropriated dog-cheap out of our home and out of our workspace to be bulldozed through. And money comes, money goes. The whole nation is booming housing speculations more, falling into the incorrigible maladies of windfall income more. In recapitulation, the government hadn't to challenge hard tasks, hard targets only, like a sitting duck, as always.

In this result, we learn the people couldn't beat the man of system with only the candlelight campaign; without the government own will and its fair share and its intervention, the system is too vulnerable to dynamic market and socioeconomic order against both magnates: the Chaebol and the property tycoon. In the same vein, we suggest our reform agenda, a vision that is, goals and detailed targets by 2030 and with our alternatives as follows.

#### **A. Fair economy**

1. Establishment of fairness in the market economic order
  - a) Dispense away the Chaebol's corporatocratic existence of economic power;
  - b) Restore the separation of banking and commerce;
  - c) Reform the corporate governance for obviating private benefits of control over conglomerate royalty;
  - d) Make restrictions on the market monopoly and its monopsony;
  - e) Introduce punitive-damages discovery for obviating espionage and sabotage;
  - f) Dispense away unfair competition between power dynamics.
2. Innovation for inclusive growth
  - a) Get on with a more aggressive redistribution of income and wealth out of the polarization;
  - b) Make expansion of the social safety net;
  - c) Make improvement of doing business subcontracting between conglomerates and SMEs;
  - d) Get into revitalization of socioeconomy;
  - e) Make an increase in self-employment income of small businesses;
  - f) Get down to business onto innovation ecosystems.
3. Economic esteem on decent work

- a) Establish labor rights falling under the International standards (*e.g.*, the Three Basic Rights of Laborers, the ratification of ILO fundamental Conventions, and etc.);
  - b) Establish the pay system to fair wages (like the principle of equal pay for equal work);
  - c) Establish sound industrial relations on the basis of the labour integration into industrial relations (including the special employers who are in horizontal joint employment, industrial unions, social dialogue, and etc.);
  - d) Make the government support for the employer's changing in business, or the employee's receiving vocational retraining and outplacement;
  - e) Adopt relief measures against unemployment (*e.g.*, the young employment and the old unretirement, employment insurance, vocational education)
4. Reestablishment of the governmental role to realize fair economy
- a) Enhance their professionalism, independency and accountability for the Fair Trade Commission and the Financial Services Commission.
  - b) Make reorganize of the government office into like adhocracy to accord with innovation economy;
  - c) Dispense away plutocracy as though the government bankrolls the Chaebol's own corporatocracy.
  - d) Reject the Korea Development Bank, against its taking the lead of M&As;
  - e) Reform public enterprises.

## **B. Social justice**

1. Eradication of windfall profits out of speculative investment in real estate
- a) Strengthen the Public Concept of Land Ownership;
  - b) Strengthen the strict taxation of housing that is based on closing the realty price gap in between market and public notification system—for example, property tax, holding tax, the comprehensive real estate holding tax, both transfer and rental income taxes;
  - c) Make developers pay the restitution of development gains.
2. Justice and taxation
- a) Improve fair taxation, as increasing progressive tax rate and as curtailing non-Taxable benefits and reduction;
  - b) Obviate tax evasion and tax omission, with tax-reforming the National Tax Service faithful to its tax collection, as uprooting underground economy and as investigating financial secrecy in tax havens;
  - c) Manage dynamic taxation in correspondence with dynamic economy—for example, sharing economy or the Fourth Industrial Revolution so that the tax system will change with the labour market changes.

3. Reformation of systemic corruption
  - a) Do away with the hired personnel who are privileged as a predecessor from the bureaucracy (*e.g.*, so-called “Mofia” is from Minister of Economy and Finance and from the Financial Services Commission those who customarily became professor emeritus, and have been habitually availed of for interest group politics);
  - b) Cut off corporatocratic ties between government and business organizations (*e.g.*, the Federation of Korean industries is an advocacy group, the gateway to misappropriate every kind of corrupt practices)
  - c) Cut off economic ties between government and the real estate development industry, that is, between civil servants and developers, and among union representatives corruption.

### **C. Community well-being**

1. Improvement of Health and Welfare
  - a) Improve the quality of health care services
  - b) Increase coverage of health insurance
2. Assistance to the child and the youth welfare (\*Draft)
3. Countermeasures against a demographic crisis out of the low-birth and super-aging society
  - a) The encouragement system of childbirth;
  - b) Improve the supporting policy of infant care services and with its qualities;
  - c) Improve the supporting policy for newlyweds, including transnational marriage and families;
  - d) Improve the supporting policy for single mothers;
  - e) Reorganize National Pension Service and its system to improve management for operating reserves;
  - f) Introduce the Stewardship Code for National Pension Fund Operation Committee;
  - g) Expand social welfare for the elderly—particularly, those who are subjected to live alone.
4. Reinforcement of housing welfare
  - a) Increase in public housing;
  - b) Reverse the order of the housing sales—before completion—and supply system, a deferred payment system that means housing sales—after completion—and supply plan on parceling out apartments, as if they “Don’t put the cart before the horse”;
  - c) Grow residential stability of human settlement with tenants and tradespeople: protect the penurious tenant as well as the indigent tradesperson, grant housing allowance to the destitute and most vulnerable, and etc.;

## **D. Social inclusion**

1. Toward a human-centered and technological innovation
  - a) Bridge the digital divide;
  - b) Protect privacy and personal data;
  - c) Create jobs against technological change;
2. Closing the socioeconomic achievement gap in education
  - a) Guarantee universal access right to education, and promote the educational system for the human development approach to creative life;
  - b) Create equal opportunities for the alienated (*e.g.*, special education for the disabled and poverty children, or both lower-income and multi-cultural families);
  - c) Intensify early childhood education, and substantialize nurseries;
  - d) Encourage lifelong learning;
  - e) Improve educational availability, finances and values;
3. Guarantee of the decent right without social exclusion or marginalization and with sharing our fate on the basis of cosmopolitanism
  - a) Make social conflict resolution policies;
  - b) Make supports for social minority, such as LGBTs, migrators or North Korean defectors;
  - c) And for the disabled and multi-cultural families;
  - d) Cope with starvation and food crisis, and lead to relief aid and ODA;
  - e) Watch over local wars and refugees;
  - f) And over religious, or racial conflicts.
4. Closing the development gap between local areas (\*Draft)

## **E. Democratic communitarianism**

1. Political and judicial reforms
  - a) Reform the electoral system;
  - b) Consolidate direct democracy (*e.g.*, the recall election and etc.);
  - c) Discontinue parliamentary privilege;
  - d) Reform the political party funding system;
  - e) Reform prosecution;
  - f) Reform court;
  - g) Reform police;

2. The government reform
  - a) Improve the personnel management system;
  - b) Redesign the government organization;
  - c) Strengthen public administration ethics;
  - d) Tighten an anti-corruption agency and its system.
3. Decentralization and the reinforcement of local autonomy
  - a) Strengthen local public finance;
  - b) Develop local politics and plan community involvement;
  - c) Improve the local self-governing system.
4. Strengthening the CSO partnership with citizen participation (\*Draft)

#### **F. Community peace-building**

1. Promotion and development of inter-Korean relations, exchange and cooperation, with the settlement of the North Korea crisis and with the establishment of a peace regime on the Korean Peninsula (\*Draft)
2. Building a new system of peaceful cooperation in Northeast Asia (\*Draft)
  - a) Advocate four-party talks (and need to resume the six-party talks);
3. Strengthening safeguards system
  - a) Build the safeguard system against disasters and accidents;
  - b) The end of nuclear power plants;
  - c) Strengthen food safety.
4. Coping with a disaster, climate change, and environmental destruction
  - a) Obviate global warming (e.g., the Certificated Emissions Reduction);
  - b) Obviate plastic pollution, and air pollution such as Asian dust with fine dust;
  - c) Obviate marine pollution, drinking water contamination, and etc;
  - d) Conserve biodiversity.