



The GR Company

Tokyo | Osaka | Seoul | Taipei | Singapore | London | Washington D.C.

GR Korea

Presidential election analysis & implications

24 April 2025

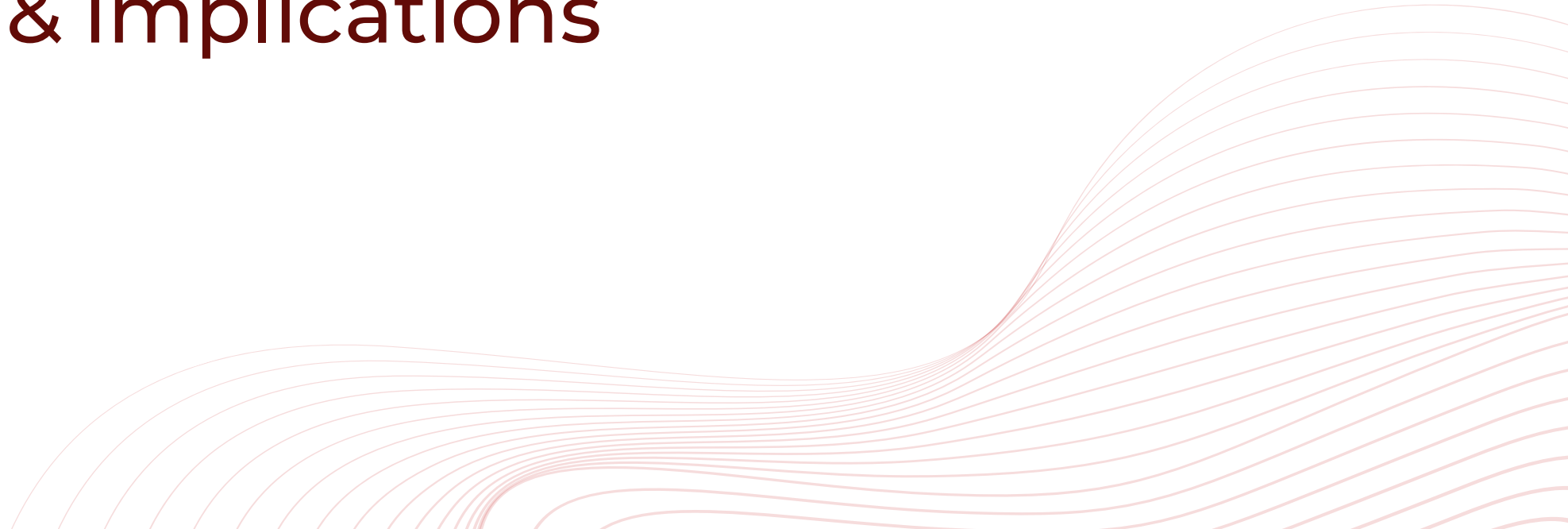
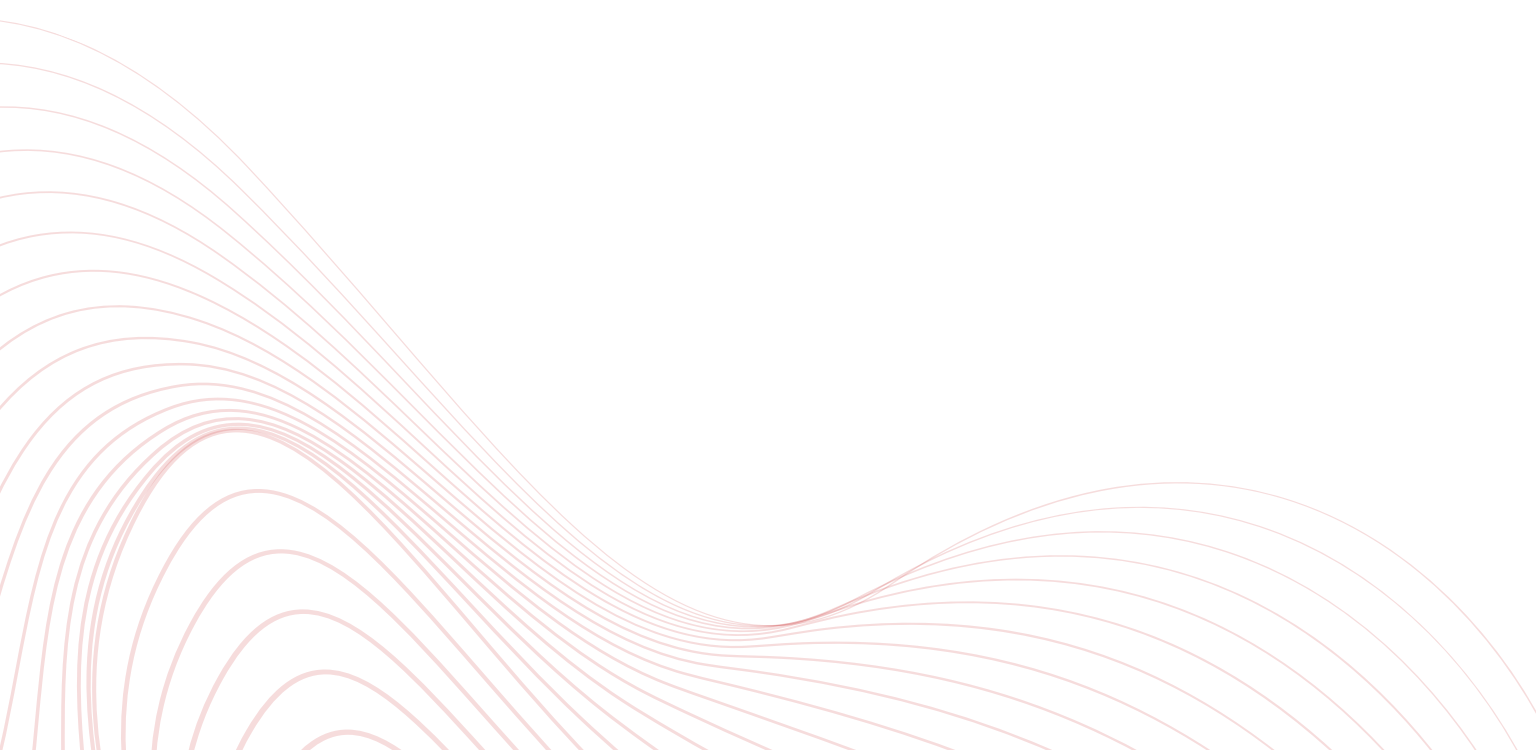


TABLE OF CONTENTS

1. About GR Korea
 2. Before election
 3. Presidential election
 4. After election
- 

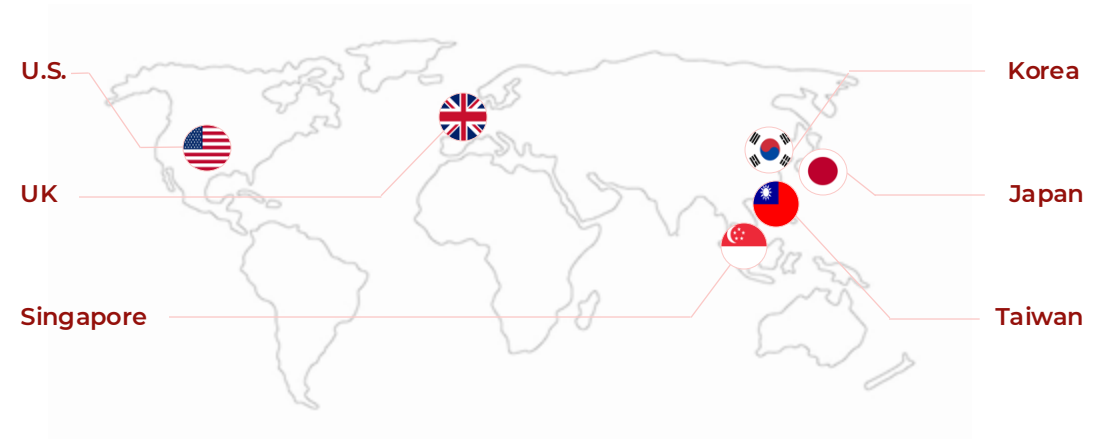
GR Korea at a glance

GR Korea is a leading **government relations and public affairs consultancy** in Korea.

Our team of exceptional policy and industry specialists helps clients navigate the complexities of politics and work with stakeholders from all sides of the political spectrum to drive change and deliver societal impact.

GR Korea is a proud part of The GR Company, the largest dedicated government relations and public affairs consultancy in Korea and Japan, with offices in Seoul, Tokyo, Osaka, Taipei, Singapore, Washington D.C. and London.

Where we work



Our services

The GR Company offers a full range of government relations, public affairs and related services, including issue mapping, stakeholder mapping, policy monitoring, discreet intelligence gathering, and stakeholder outreach and engagement.

Stakeholder and issue mapping

Understand the issue at stake, stakeholder dynamics and the implications of political milestones

Strategy development and engagement planning

Identification of engagement targets and practical routes to achieving key objectives

Data-driven messages and narratives crafting

Development of persuasive fact-based narrative that resonates with targeted audience

Timely reporting and intelligence gathering

Discreet intelligence gathering and monitoring of relevant political, regulatory and policy developments

Engagement and outreach support

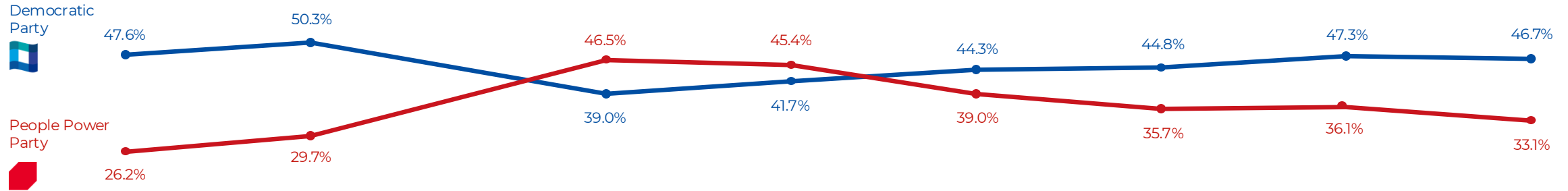
Implementation of strategic outreach programs to engage with core stakeholder groups

Public affairs campaigns organization

Assistance in coordinating agenda-specific advocacy events and campaigns

122 days of political turmoil: from martial law to the election

Approval ratings source: Real meter



Timeline



3 Dec 10:27pm
President Yoon declares martial law



14 Dec
National Assembly (NA) passes the impeachment motion against Yoon

2025



15 Jan
Corruption Investigation Office for High-ranking Officials (CIO) arrests Yoon



21 Jan
Third hearing session of Yoon's impeachment trial: Yoon's first attendance



7 Mar
Seoul Central District Court releases Yoon



24 Mar
Constitutional Court votes to reject acting president Han's impeachment



4 Apr
Constitutional Court votes to uphold Yoon's impeachment, ousting him permanently



8 Apr
Government announces an early presidential election for 3 June

Martial law and impeachment by the numbers

Martial law - a politically costly decision

6 Hours

A six-hour fiasco

Yoon's six-hour martial law — the shortest in modern history — was swiftly overturned by the National Assembly, marking a rapid and dramatic reversal

Impeachment trial – a unanimous ruling

8:0

Uphold(8)  Dismiss(0)

Unanimous decision

All justices of Constitutional Court voted unanimously to remove President Yoon from office, ending his political career

45 Years

First martial law since 1979

This incident marked Korea's first imposition of military martial law in 45 years.

The last such instance occurred in 1979, during the military coup.

13 %

Fall to lowest rating

Immediately after the martial law, Yoon's approval rating plunged—not only to his personal low but also to the lowest mid-term level for a Korean president ever—ultimately triggering the NA's impeachment motion

111 Days

Longest deliberation period

The Constitutional Court took the longest time in Korean history to deliberate the ruling of Yoon's presidential impeachment trial.

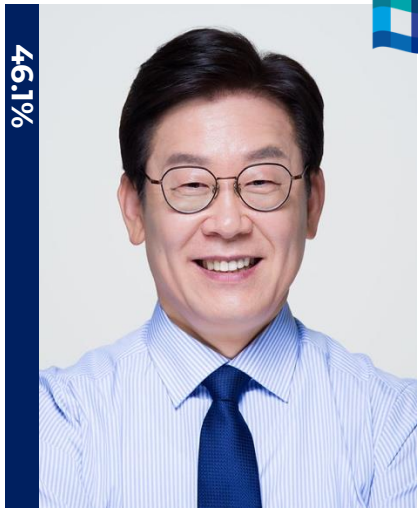
(Roh 64 days, Park 92 days)

5 Issues

All five grounds ruled unconstitutional

The Court ruled in favor of all five constitutional accusations against President Yoon, firmly validating the impeachment decision in constitutional law

Who could be Korea's next president?



Lee Jae-myung

Former Democratic Party Leader

“The Real Korea Begins Now ”

- Known as a non-ideological pragmatist, recently aiming to broaden support among moderates
- Maintains his position as DP's party despite ongoing legal controversies



Han Duck-soo

Acting President (Prime Minister)



Kim Moon-soo

Former Minister of Employment & Labor



Han Dong-hoon

Former People Party Party Leader

 Democratic Party
 People Power Party
 Reform Party*
 Independent

Source: CBS-KSOI, as of 20 April 2025



Hong Joon-pyo

Former Mayor of Daegu Metropolitan City

“Toward the seventh Republic, ushering in the era of a leading nation”

- Veteran lawmaker known for his blunt rhetoric and maverick stance within the party
- Anti-impeachment stance with a pragmatic tone aimed at moderates



Lee Jun-seok

Party founder, NA member



Ahn Cheol-soo

4th term NA member



Kim Dong-yeon

Gyeonggi-do Governor

Note: The slide only includes PPP's top 4 candidates, reflecting the 1st round result of primary on the 22nd April 2025

* New Frontier Party: former body of People Power Party | Reform Party: one of the third parties in Korea; center-conservative party

Lee Jae-myung, the clear front-runner



Democratic Party
Lee Jae-myung

2nd term NA member
2nd term Democratic Party Leader

From a party's outsider to the axis

A former mayor and governor of Gyeonggi Province, Lee built his political career outside the party mainstream but now plays a key role in shaping its direction.

Known for his **strong communication** style, **assertive leadership** that sidelines internal dissent, and policy focus on **economic equity and social welfare**, he is currently the leading presidential contender.

Latest election pledges



Social welfare

Raise living standards based on universal social rights—not just basic survival



State-led economy

Supports state-led economic growth that delivers broadly shared benefits.



Balanced diplomacy

Pursues a balanced, interest-driven foreign policy with strategic flexibility

1963

1982

1989

2005

2010

2016

2018

2022

2022 ~



Born as a son of a poor coal miner
Could not finish schools, worked as a **boy laborer**



Went to college with GED* and became a **self-taught lawyer**



Opened his **lawyer office** at Seongnam and was known for his **civil rights activities**



Began his political career by **joining the Uri Party** (former body of DP)



Served as a **2nd term mayor** of Seongnam City, implementing **various free public welfare programs**



Get a national level attention during President Park's impeachment, becoming **DP's rising candidate**



Elected as a **Gyeonggi Governor**, implementing **more public-led welfare** and **local currency**



Became a **DP's presidential nominee**, losing to Yoon Suk-yeol with 0.73% margin

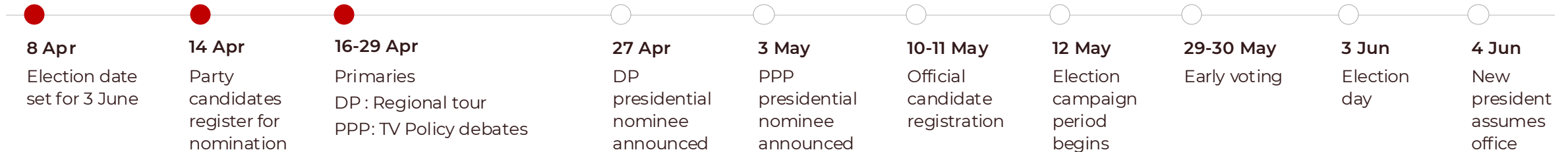


Became NA member via by-election, serving as **2nd term NA member** and **party leader**

* GED: national qualification exam that allows individuals to earn an academic equivalency without attending formal school

Election – opportunities for policy impact

The 21st Presidential election timeline



How proposals turn into policies

Business Policy proposals

Party level Campaign camp agendas

Even prior to nominating a candidate, parties begin forming their policy agenda at the early stages via 'election camps,' the nascent form of what will become campaign platforms

- **Policy proposal** outlining the issues and suggestions, with scientific evidence & global best practices
- **Engagement with individual candidate camps & party's policy committee**, relaying industry priorities related to their policy goals

Candidate level Election pledges

Parties meld party-level agendas with their respective nominee agendas, forming 'election pledges' that become the basis for the next five years of public policy

- **Issue-specific queries** asking nominees' stances, continually raising their understanding and priority of the agenda
- **Collaboration in providing relevant regional/policy platforms** supporting their election pledge content via indirect/collective vectors (e.g., site visits, industry forums)

Ministry level Policies

State affairs level National policy tasks

Possible scenarios & outlook



If Democratic Party wins...

Strong unified government

- Will **control both executive & legislative branches** of government & can fast-track its policy agenda

Public-led economy boost

- Likely to develop **public-led industrial infrastructure/complexes** to stimulate the economy
- Traditionally regulate corporates to prioritize consumers & SMEs, but is recently open to bold deregulation for pragmatic economic boost

→ **Impacts on industries**

- AI** Launching public free AI and public funds for AI industry investment
- Platform** Robust compliance standards to protect consumers & SMEs
- Biopharma** More government-led initiatives
- Energy** Higher share of renewables in energy mix; maintain some nuclear

Balanced diplomacy between big 4

- Though likely to retain strong diplomacy with U.S., will also seek to **reset relations with China and Russia**, while addressing **historical tensions with Japan**

NA relations

Economy & industry

Big 4 nations diplomacy

If People Power Party wins...

Continued divided government

- PPP unable to unilaterally push/block policy agenda – will actively pursue **compromise with opposition**

Industry-led economy boost

- Likely to utilize **tax incentives** to strengthen domestic corporates' global competitiveness
- Likely to continue **deregulation** for a business-friendly market

→ **Impacts on industries**

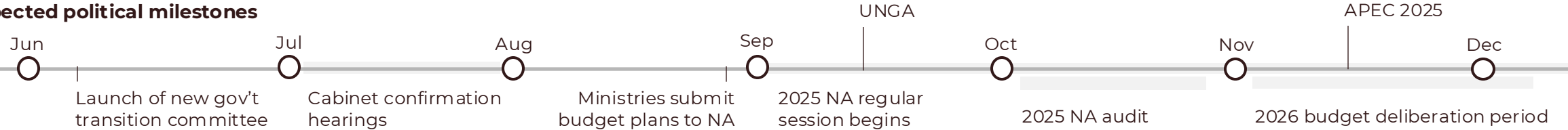
- AI** Securing the imperative position in the global AI supply chain
- Platform** Self regulatory measures to ensure technology advance
- Biopharma** Less regulations and complying with global standards
- Energy** More nuclear energy for the stable supply

ROK-U.S. alliance prioritized

- Strengthen the **ROK-U.S. alliance and liberal bloc** while maintain a **cautious stance toward China and Russia**

New government's priorities

Expected political milestones



Cabinet reshuffle

- Replacement of all minister-level cabinet members (prime minister & aides top priority)
- Pursuit of consensus with the NA (with PPP victory/divided government scenario)
- Messaging & appointments likely to focus on minimally divisive figures/rhetoric

Priority diplomacy

- Diplomatic summits (bi/trilateral) with key trade partners (U.S., China, Japan, Russia) prioritized
- U.S. tariff issue looms large on ROK exports in key sectors (e.g., auto)
- Engagement in multilateral diplomacy, agenda-setting coordination ahead of APEC 2025

National policy tasks

- New government will publish detailed, official policy agenda ('national policy tasks') by mid August
- National policy tasks reveal key administration plans regarding regulation, taxation, labor, etc.
- Prior engagement from industry can be impactful in this process

Economic recovery

- Possible stimulus measures to jumpstart dampened consumer sentiment targeting SMEs, individuals
- Policy measures intended to spark recovery in key export industries likely
- Focus on supply chain security, onshoring likely to persist in wake of geopolitical conflict/tariff threat

New government's priorities : Trump's tariff response

Flat tariff on Korea

25 %

Reciprocal tariffs

U.S. President Trump referred to Korea as one of **"allies treating us worse than enemies"**, citing Korea's **non-tariff trade barriers** as a primary reason for imposing reciprocal tariffs, namely Korea's strict regulations on the big tech companies, mostly based in the U.S.

Sector-specific tariffs

Meanwhile, **more than 50%** of Korea's U.S. goods/commodities exports are subject to sector-specific tariffs, requiring Korea to actively join the multilateral response

- **Steel, aluminum, autos, parts:** 25%
- **Copper, pharmaceuticals, semiconductors, lumber:** TBD

Responding without a head of state

Internal Subsidization & export diversification

Industry-specific - automobiles

- Allocated additional 2t KRW (1.38b USD) in emergency liquidity
- Delay corporate tax deadlines for up to 1 year
- Increase consumer EV subsidies from 20-40% to 30-80%

Player-specific - SMEs

- Expand export vouchers, trade insurance, emergency funding
- Operates a "tariff hotline", answering SMEs' questions on tariffs
- Support SMEs' exports to emerging markets (Global South)

External High-level delegation for negotiation

2+2 Trade Consultation begins



Delegation - Will Trump also participate?

ROK government

- Minister of Economy & Finance (Deputy PM)
- Minister of Trade, Industry, and Energy

US government

- Secretary of Treasury (Scott Bessent)
- Chief Trade Policy Advisor at USTR

ROK government's approach

- 1 Minimal action** until the election
- 2 Separation of trade & security issues**
- 3 More efforts to eliminate non-tariff barriers**
- 4 Shipbuilding, Alaska LNG, & aircraft purchases**

Leading presidential candidates' stances



Acting President

Han Duck-soo – Early negotiation

"Korea will not consider retaliatory tariffs – willing to negotiate tariff with a trade deal."

"Korea and the U.S. will establish a negotiation framework across all sectors and begin talks very soon to produce concrete outcomes in a timely manner."



Democratic Party

Lee Jae-myung – Comprehensive negotiation

"I prefer not to speak on this issue spontaneously."

"Trump's strategy is very bold, often referred to 'madman theory'. So we must not fixate on a single issue he raises, as we have many intertwined issues – Alaska LNG, defense cost-sharing, and shipbuilding"



People Power Party

Hong Joon-pyo – Proactive negotiation

"If we redirect half of the 140 billion USD worth of crude oil and natural gas we imported last year to purchases from the U.S., it would help ease the dissatisfaction of President Trump."

"To release tension, our trade deal should help save face for Trump – he has entrepreneur background."

CONTACT

GR Korea – Seoul

Level 22, 83 Uisadang-daero
Yeongdeungpo-gu, Seoul, 07325

T +82-2-556-4205

GR Japan – Tokyo

Juzen Bldg. 101, 2-9-6 Nagatacho,
Chiyoda-ku, Tokyo, 100-0014

T +81-3-6205-4205

F +81-3-6205-4206

GR Taiwan – Taipei

Room A606, 6F, No.59,
Guanqian Rd, Zhongzheng Dist.,
Taipei City 100, Taiwan

T +886-975-420-517

The GR Company – Washington D.C.

1300 I Street, NW,
Washington D.C., 20005

T +1-202-725-6273

The GR Company – London

25 Wilton Road Victoria,
London, SW1V 1LW

T +44-77-3066-6918

The GR Company – Singapore

Level 35, The Gateway West,
150 Beach Road, Singapore, 189720

T +65-6727-4640

Annex: Two major parties' policy direction

A strong **political reset** may reshape Korea's policy agenda—united on industry, divided on diplomacy and domestic welfare issues.



PPP

Sectors

Common ground



DP

Strengthen trilateral alliance (U.S.–ROK–Japan), resist DPRK engagement through pressure-based diplomacy. Maintain a cautious stance toward China

Foreign Affairs & Security

Maintain the U.S.–ROK alliance as a strategic foundation of national security

Promote inter-Korean and U.S.–DPRK talks, while addressing historical tensions with Japan. Pursue balanced diplomacy between China and the U.S.

Align with U.S.-led economic blocs to mitigate trade risk and reinforce alliance-based growth

Economy & Trade

Encourage domestic industrial innovation and international expansion

Diversify trade channels beyond U.S. alignment, pursue international legal remedies against tariff if needed

Cuts excessive insurance coverage to ensure fiscal sustainability

Healthcare

Respond to rising drug shortages by supporting reforms in pharmaceutical supply and reimbursement systems

Expands national health insurance coverage and integrates caregiving costs into public reimbursement

Advocates flexible working hour reforms and seeks to ease SAPA*'s burden on small businesses

Labor

Explore sector-based flexibility in working hours, especially for strategic industries

Defends the 52-hour workweek as a labor safeguard and enforces strict employer liability under SAPA*

Annex: Two major parties' policy direction



PPP

Sectors

Common ground



DP

Platforms

Maintain regulatory flexibility through minor legal adjustments

Regulate platforms to ensure market fairness and foster digital innovation

Introduce robust compliance standards to regulate dominant platforms

Focuses on strengthening AI infrastructure and industrial competitiveness from the producer's perspective.

AI
Agree on the need for state-backed AI investment and ethical safeguards

launch a "People's AI" initiative, ensuring free access to advanced AI tools for all citizens, addressing risks and inequality

Leverage chip cooperation to reinforce geopolitical and economic alliances

Semiconductors
Promote Korea's global chip competitiveness as a strategic objective

Avoid excessive dependence on U.S. supply chains and seek balanced autonomy

Empower industry-led growth through deregulation and investment

Biopharma
Increase national support for biopharma R&D and sector growth

Lead biopharma advancement through government-led initiatives

Actively expand nuclear power as a core energy and export industry

Energy
Acknowledge climate adaptation and secure energy supply as shared goals

Scale up renewables and apply nuclear energy selectively

Advance regulatory reform to balance growth and systemic risk

Virtual Assets
Establish the legal framework, enhancing market transparency and investor protection

Shift from previous caution to support a more dynamic virtual asset environment