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MANOHAR PARRIKAR INSTITUTE FOR
DEFENCE STUDIES AND ANALYSES

मनोहर पर्रिकर रक्षा अध्ययन एवं विश्लेषण संस्थान

South Korea Elects New President

On June 3, 2025, South Korea went for a poll to [elect](#) its new president after the impeachment of the former President Yoon Suk Yeol was approved by the Constitutional Court of the country in April this year. A total of 14,295 polling stations were [established](#) and votes were polled from 6.00 AM to 8.00 PM on the day of election. It was reported that this presidential election was [significant](#) for the South Korean people in order to save the democratic system in the country. This presidential election ended the six months of political [turmoil](#) in South Korea caused due to the imposition of the martial law in December 2024. It was also reported that the new South Korean president could face major [challenges](#) due to the economic and political problems in the country. On June 4, Lee Jae Myung was [declared](#) the winner of the presidential election by the Election Commission of South Korea, and Lee began his presidential tenure on the same day. Lee Jae Myung became the 14th president of South Korea and he [pledged](#) for the well-being of the people and reinstate the democracy in the country. Notably, the Indian Ambassador to South Korea, Amit Kumar expressed his [desire](#) to deepen India-South Korea relations under the new South Korean administration. However, the United States raised apprehensions over the “[Chinese influence](#)” in democratic countries after Lee Jae Myung won the presidential election.

South Korean Economy under President Lee Jae Myung

In June, the revival of the South Korean economy was reported to be the main [priority](#) for President Lee Jae Myung. According to the South Korean media report, the economy of the country was in a “[deep trouble](#)”. The declining exports, increasing household debts and weakening consumer spending are some of the indicators signaling economic problems in South Korea. The prominent South Korean business associations also requested President Lee for the economic [recovery](#) of the country due to the challenges thrown by the American tariffs and advancement of new technologies in the world. Reportedly, the new administration of Lee Jae Myung could [implement](#) “emergency economic response” to support the economy of the country. It was reported that the Lee administration also needed to forge a trade deal with the United States to [overcome](#) the possible 25 percent American “reciprocal tariffs” after July 8, 2025. Notably, President Lee Jae Myung [criticised](#) the tariffs imposed by the United States as a “threat to the survival of South Korea”. On the other hand, President Lee’s [pro-labour](#) policies, such as increase in the retirement age and 4.5-day workweek have raised concerns among the South Korean business groups as they may reduce productivity and enhance labour costs. Also, according to a survey by Hankook Research in June, about 34 percent of the respondents believed that [reviving](#) the economy was the priority of the new South Korean government.

North Korea's Strained Relationship with the US

Despite the aspiration of second Donald Trump administration to [improve](#) relationship between the United States and North Korea, it continued to remain strained. In June 2025, the North Korean foreign ministry came out with a press statement which was highly [critical](#) about a report by the United States-led multilateral sanctions monitoring team (MSMT) regarding the military collaboration between Pyongyang and Moscow. In another report by the North Korean state media, the 21st Conference of the World Federation of Democratic Youth (WFDY) which was organised in Namibia demanded for the [discontinuation](#) of the military exercises by the United States against North Korea and complete removal of American “nuclear strategic assets” from the Northeast Asian region. According to an article in *Rodong Sinmun* in June, the threat to the regional peace from the United States is “[ever-increasing](#)”. Another article in the *KCNA* [criticised](#) the idea of expansion of the United States led-North Atlantic Treaty Organization (NATO) in the Asia-Pacific region on the pretext North Korea's involvement in the ongoing Russia-Ukraine war. According to an American expert, the reported withdrawal of about 4500 United States' troops from South Korea may give way to “[miscalculation](#)” by the North Korean regime against South Korea. Also, Pyongyang criticised the American military [strike](#) on Iran. On June 25, North Korea [marked](#) the 75th anniversary of the eruption of Korean War and raised anti-American sentiment in the country.

Inter-Korean Relations

The relationship between South and North Korea got strained under the previous Yoon Suk Yeol (2022-2025) administration, and Pyongyang named Seoul as an “enemy state”. Last year, North Korea also sent thousands of trash-carrying balloons towards the South Korean territory. However, there was optimism that the relations between Seoul and Pyongyang may [improve](#) under the new administration in South Korea. Even before the June 3 South Korean presidential election, “The 2025 Korean Dream Unification Resolution Rally” was [organised](#) in South Korea to promote national reunification. During his campaign in May 2025 as the presidential candidate, Lee Jae Myung had [pledged](#) to improve relations with North Korea, and restore the hotline between the two states. After being elected as the South Korean President, Lee called for a “[pragmatic diplomacy](#)” which raised hopes for better inter-Korean relations during his tenure. President Lee also said that, “peace is [cheaper](#) than war” during his remarks on North Korea. Later, on June 5, the North Korean state media [reported](#) about the election of Lee Jae Myung as the new president of South Korea. Also, both Koreas [suspended](#) propaganda broadcasts against each other along the inter-Korean border. This would possibly reduce tensions on the Korean Peninsula. On the other hand, President Lee Jae Myung also [urged](#) to maintain military readiness against North Korea during his phone call to the Joint Chiefs of Staff (JCS) Chairman Adm. Kim Myung-soo.