GR Korea newsletter

President Lee hits the ground running

June 2025

Source: Office of the President

Since taking office on 4 June, President Lee Jae-myung has wasted no time signaling the direction of his new administration. In a clear demonstration of urgency and resolve, the President has launched a flurry of high-profile initiatives aimed at laying the foundation for his policy agenda both at home and abroad.

Among his first major undertakings were the launch of the State Affairs Planning Advisory Committee and the Emergency Economic Taskforce, participation in the G7 Summit, and the nomination of key cabinet members.

Judging from his early actions, President Lee appears to prioritize responding swiftly to the mounting domestic and international economic challenges to prevent a recession and revitalize the economy. At the same time, he seeks to restore global trust in Korea's leadership and strengthen its negotiating power in upcoming trade discussions, both of which have been shaken by the recent martial law and impeachment crisis.

First two weeks: fast-paced start with economic leadership

Source: Yonhap News

Source: Office of the President

Economy command center activated on day one

On the evening of inauguration day, President Lee signed the President's 1st executive order to launch the Emergency Economic Taskforce and immediately chaired its first meeting. The taskforce's title and swift launch reflect the administration's framing of economic stabilization as its top priority.

Vice ministers and senior officials from key economic policy agencies—including the Ministry of Economy and Finance (MOEF), Ministry of Trade, Industry and Energy (MOTIE), and the Financial Services Commission (FSC)—were in attendance. Key agenda items included U.S. trade relations, a supplementary fiscal package, and local currency initiatives. The second meeting followed on 9 June, just days after the first, underscoring the administration's focus on inflation and fiscal policy.

KRX visit and meeting with business leaders

On 11 June, President Lee's first external engagement was a visit to the Korea Exchange (KRX). He reiterated campaign pledges for shareholder-centered corporate reform and a one-strike-out rule for market manipulation, while declaring the start of the "KOSPI 5000" era, which is the Lee administration's self-proclaimed target of nearly doubling Korea's top stock market index. The stock market responded positively, with KOSPI surpassing 2,900 for the first time in over three years.

Just nine days after inauguration, on 13 June, he met with major business leaders—the fastest such meeting by any Korean president. Lee emphasized regulatory easing and cooperation with the private sector, stating that the government and private sector would act as "one team" in addressing trade challenges. He also pledged to represent Korean corporate interests at key diplomatic events, including the G7.

Source: Yonhap News

Diplomacy back on track

President Lee's approach embodies a pragmatic diplomacy rooted in national interest. His first summit call was with U.S. President Donald Trump, continuing Korea's longstanding alliance-centric diplomacy with the U.S and touching on trade matters such as tariffs. Defying earlier assumptions about his diplomatic leanings, he proceeded to prioritize a call with Japan before China. Additional calls with leaders of the Czech Republic, Vietnam, and Australia focused on economic cooperation such as high-speed rail, nuclear exports, defense, and critical minerals.

The G7 Summit served as President Lee's international debut, with Korea joining as an observer following the rapid appointment of three national security advisors. A Korea–U.S. summit, expected on the sidelines, did not materialize due to Trump's early departure amid Middle East tensions. Nonetheless, President Lee held bilateral talks with leaders from eight countries, including Japan, Canada, and India, and met with the UN Secretary-General to discuss economic partnerships. The Korea–Japan summit was seen as a symbolic start for President Lee's national interest-driven foreign policy, emphasizing practical cooperation and a partnership-first approach. Both leaders affirmed their commitment to shuttle diplomacy, trilateral coordination with the U.S., and economic cooperation.

A Korea–U.S. summit on the sidelines of the NATO summit in The Hague, beginning 24 June, is reportedly being arranged. While speculation grows over President Lee's attendance, the Office of the President has not ruled it out. Meanwhile, the administration invited Chinese President Xi Jinping to the APEC Summit in Gyeongju this November.

Source: Yonhap News

Shaping the state

With no transition team due to the early election, the National Policy Planning Committee was launched on 16 June led by Lee Han-joo, head of the Democratic Research Institute. The committee will define the five-year national agenda and set strategic KPIs for each ministry.

Appointments have begun, with trade and U.S.-facing negotiation teams deployed first—MOTIE and MOEF officials are already briefing the Office of the President. Ministerial nominations will follow, pending formal recommendation by the Prime Minister (PM), who must first be confirmed through a National Assembly (NA) hearing.

Kim Min-seok nominated as Prime Minister

On 4 June, President Lee made his first major personnel announcement under the new administration, nominating Kim Min-seok—a four-term lawmaker from the Democratic Party (DP)—as the candidate for PM.

Kim was involved in student activism and was elected to the NA at just 31 years old—the youngest at the time—and later ran for Seoul mayor. After his departure from the DP for a couple of years, he returned in 2016. By raising early warnings about a potential martial law declaration, he quickly demonstrated his capabilities and gained renewed trust within the party. His political resurgence was solidified when he was elected as the top Supreme Council member at the party convention during Lee Jae-myung's second term as the DP leader.

In presenting the nomination, President Lee emphasized Kim's qualifications: "With his extensive legislative experience, strong policy acumen in addressing livelihood issues, international sensibility, and capacity to unite across political lines, Kim Min-seok is the ideal figure to lead the country through ongoing crises and economic recovery."

In sum, Kim's nomination signals a bid for stability, reconciliation, and policy continuity—but with a reformist edge. Whether he can garner bipartisan support remains a pivotal question as confirmation proceedings begin.

Kim Min-seok
PM nominee

Relevant background:

- Member of the 15th, 16th, 21st, and 22nd NA
- Supreme Council Member, DP
- Supreme Council Member, United Democratic Party
- Co-Leader, DP
- Party Leader, DP
- President, Institute for Democracy
- Chairperson, Policy Committee, DP
- Head, General Election Planning Committee, DP (22nd General Election)
- Chief, General Situation Room, Election Committee, DP (22nd General Election)
- Senior Supreme Council Member, DP
- Standing Co-Chairperson, "Real Korea" Election Campaign Committee

Key personnel appointments

Unlike ministerial appointments, personnel for the Office of the President does not require a confirmation hearing process. Moreover, vice ministers of ministries do not require PM approval, allowing for a more expedited appointment process. Consequently, key figures in the Office of the President and vice ministers across major ministries have already been named—ensuring continuity and immediate administrative functionality during the early days of the new government.

Office of the President *(key positions)*

Kim Yong-bum
Chief of policy office

- Administrator, Office of the Secretary for Economic Policy, Presidential Secretariat
- Secretary-General, Secretariat of the Public Fund Oversight Committee, Financial Services Commission
- 7th Vice Chairman, Financial Services Commission

Ha Joon-kyung
Senior secretary for economic growth

- Manager, Bank of Korea Institute for Monetary and Economic Research
- Research fellow, Korea Institute of Finance
- Professor, Hanyang University, Department of Economics, School of Business and Economics

Oh Hyun-joo
National security office (third deputy)

- Director-General for Development Cooperation, MOFA
- Deputy Permanent Representative of the ROK, United Nations
- Plenipotentiary, Embassy of the ROK to Holy See (Yoon administration)

Ha Jeong-woo
Senior advisor for AI future strategy **New**

- Head of AI Innovation Center, Naver Cloud
- Team lead, Presidential Committee on Digital Platform Government Task Force (Yoon administration)
- Co-chair, Citizens' Coalition for Responsible Science and Technology

Ministries *(key positions)*

Yeo Han-koo
MOTIE Trade Minister

- Senior Fellow, Peterson Institute for International Economics
- Trade Minister (Moon administration)
- Director-General for Trade Policy

Moon Shin-hak
MOTIE 1st Vice Minister

- Director, MOTIE Public Engagement Task Force on Energy Transition
- Director-General, MOTIE Nuclear Power Industry Policy
- Policy Advisor to the MOTIE Minister (Moon administration)

In Korea, confirmation hearings serve as a vital institutional mechanism for the NA to hold the executive branch accountable when the president nominates individuals to senior government positions. Through these hearings, lawmakers question nominees to assess their competence, ethical integrity, and suitability for public service.

Once the government submits a request for appointment approval to the NA, the legislative body is required to complete the review process within 20 days. A Special Committee on Personnel Hearings, composed of 13 members of the NA, must conduct and conclude the hearing within 15 days of the proposal's referral. The actual hearing itself is limited to a maximum of 3 days. The appointment motion is passed in the NA if a majority of all members are present and a majority of those present vote in favor.

Following a dispute over its duration, the confirmation hearing for PM nominee Kim will proceed on 24-25 June. The DP pushed for two days, while the People Power Party (PPP) initially demanded three. The deadlock broke after the PPP agreed—contingent on receiving complete documentation from the DP.

As of now, a detailed timetable for other confirmation hearings has not been announced. However, political sources expect the proceedings to take place sometime between late June and July. Upcoming ministerial confirmation hearings and appointments will be critical, and will need to be closely monitored to understand the policy direction of key ministries.

Upcoming confirmation hearings

Source: EDAILY

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