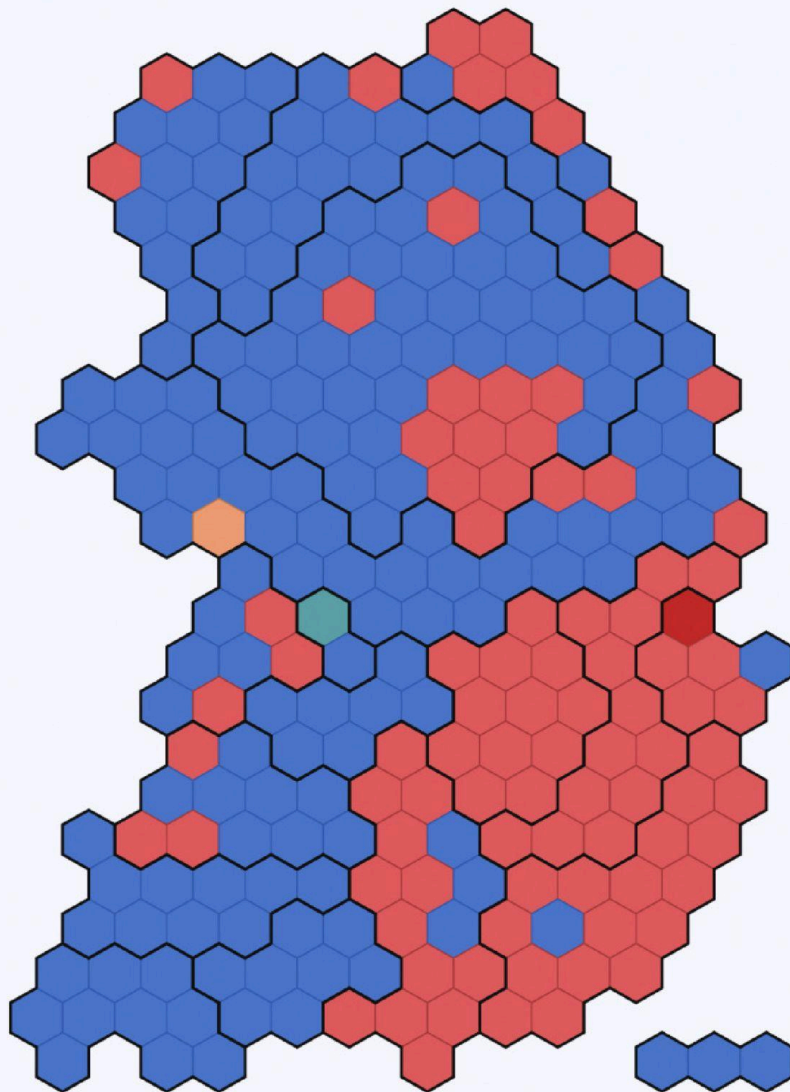


# 2024 South Korea General Election Results

On 10 April 2024, the general election to elect 300 members of the 22nd National Assembly of the Republic of Korea ended with a landslide victory for the opposition party. As a result, the Democratic Party of Korea has been the majority party in the National Assembly for three consecutive years after the 20th, 21st and 22nd elections. The Yoon Administration and the People Power Party, the minority party in the legislature, aimed to win the majority through this election, but ultimately failed. President Yoon has become the first president in the history of the constitution with a ruling party that has failed to secure a majority throughout the President's five-year term. There were several turning points during the campaigns, but these results were largely expected. In a democratic country, elections are an act that affirms that the sovereignty of the country lies with the people. The people express their will by choosing to vote and give instructions to the government and the National Assembly. We looked at the will of the people and the public opinion expressed through this election and summarized the future outlook and implications from political, economic and social change perspective after the election.

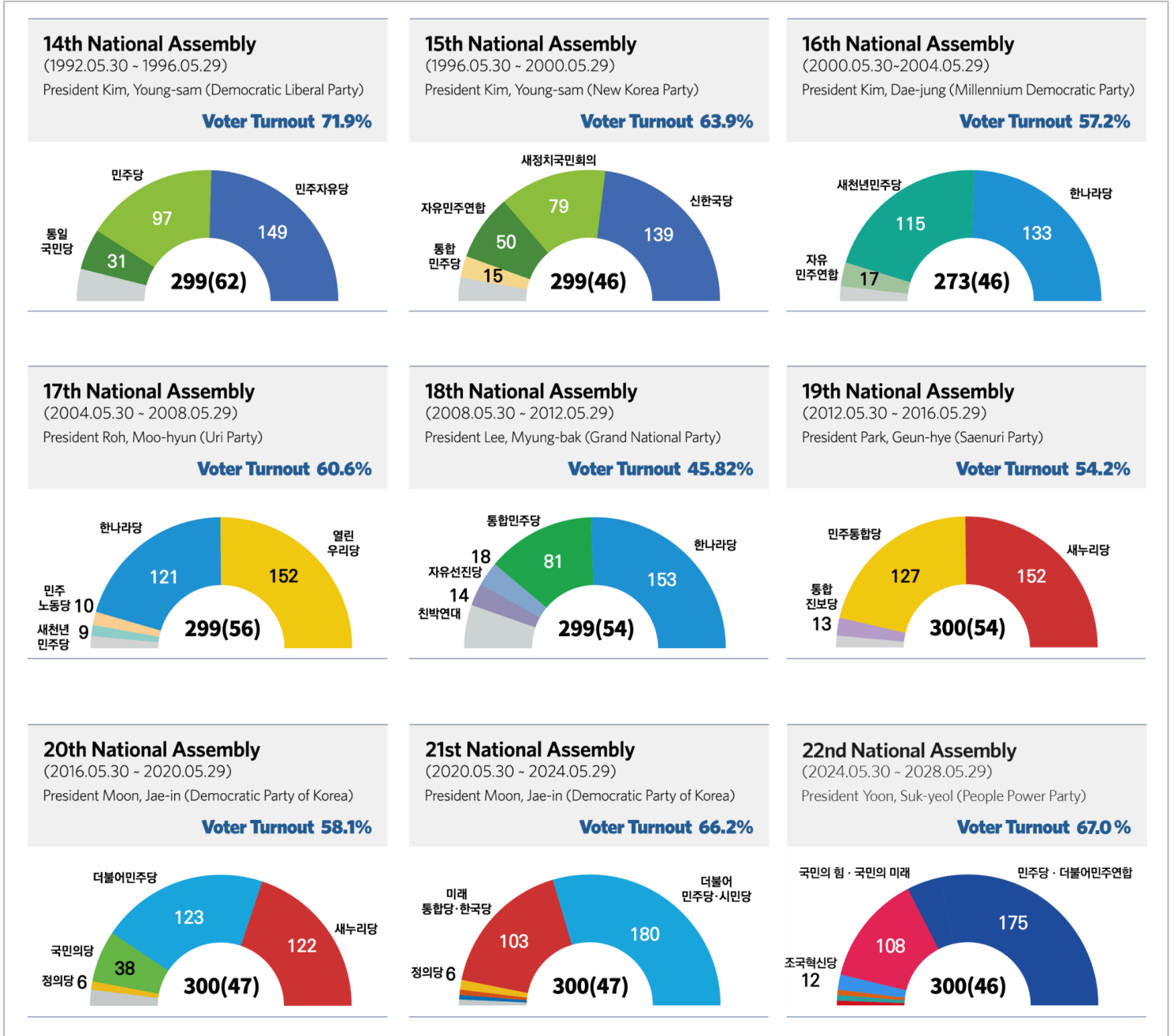
## 22nd General Election



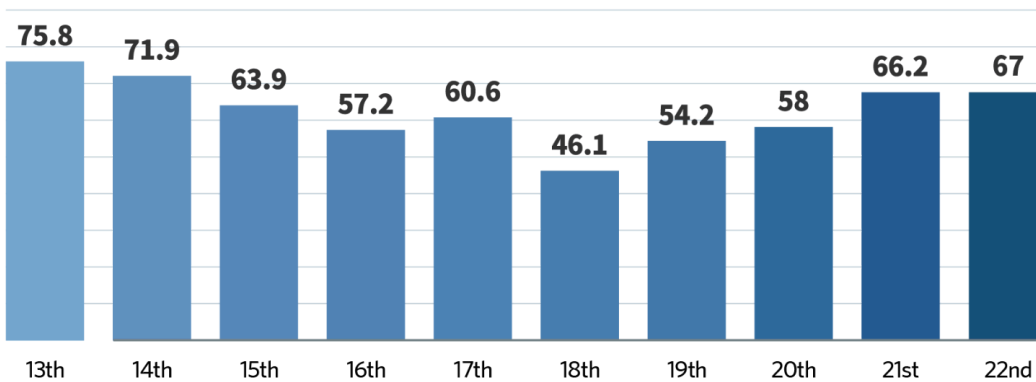
### 22nd General Election



# Number of Seats in National Assembly



# General Election Voter Turnout (in%)



(in %)



Source : National Election Commission

# 2024 Elections: Party Policy Platforms

FleishmanHillard Korea has analyzed the major platforms of the two main political parties leading up to the April 10 General Election, the Democratic Party of Korea and the People Power Party.

Whether you are a Korean company, a global company operating in Korea, or a global company considering entering the Korean market, we hope that this will enhance your understanding of the potential impact of the two parties' platforms on your business and your communications strategies to help you formulate a successful policy response strategy.

We show the campaign pledges below, most of which will require legislation or amendments of current laws. Now, with its election victory, the pledges of the Democratic Party are more likely to be implemented through legislation.

	 더불어민주당 DEMOCRATIC PARTY OF KOREA	 국민의힘 PEOPLE POWER PARTY
<b>Industry Development</b>	Both parties are focused on increasing investments and expanding support for high-tech industries, including semiconductors and AI. PPP differs in that it emphasizes the need for more deregulation.	
	<ul style="list-style-type: none"> <li>• 5% of national budget secured for R&amp;D</li> <li>• <b>Intensive support for high-tech strategic industries such as semiconductors, future mobility, secondary batteries, renewable energy, displays, AI, bio, intelligent robots, and hydrogen</b></li> <li>• <b>Establishment of a comprehensive semiconductor ecosystem hub</b></li> <li>• <b>Fostering the information security industry as a national strategic industry</b></li> <li>• Support for creation of content ecosystem and copyright protection</li> <li>• Significant expansion of funds to achieve venture investment of 20 trillion won</li> </ul>	<ul style="list-style-type: none"> <li>• <b>National support for the semiconductor industry</b></li> <li>• <b>Intensive investments in future strategic industries such as bio and AI</b></li> <li>• <b>Establishment of new “regulatory zero box” for new industries</b></li> <li>• <b>Complete review of local land regulations</b></li> <li>• <b>Concentrated support for K-contents (webtoon, video content, etc.)</b></li> <li>• Strengthening the flexibility of foreign employment limits</li> <li>• Creation of ‘Space-K’ startup hub for global youth communication exchange</li> </ul>
<b>Support for small and medium sized enterprises (SMEs)</b>	DPK focuses on expanding R&D support for SMEs and venture startups, and strengthening fair trade protections for SMEs. PPP focuses more on easing the economic burdens on small businesses and the self-employed.	
	<ul style="list-style-type: none"> <li>• <b>Significant expansion of R&amp;D budget exclusively for small and medium-sized venture startups</b></li> <li>• Establishment of safety net for small and medium-sized businesses by guaranteeing joint bargaining rights and strengthening the unfair trade damage relief</li> <li>• <b>Introduction of Korean-style discovery system</b></li> <li>• Expansion of budget to support SME employees to receive supplemental benefits through government supported platform</li> <li>• <b>Revision of the Electronic Financial Transactions Act and establishment of laws reflecting the unique characteristics of online platforms</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Increased delivery costs such as energy expenses and raw materials</b></li> <li>• Small business credit guarantee and financial support funding targets doubled</li> <li>• <b>Reduce the burden on small business owners by accepting payment services</b></li> <li>• Support for the business recovery of small business owners and the self-employed</li> <li>• Support for environmental improvement and management innovation in traditional markets</li> </ul>
<b>Labor</b>	DPK has pushed for legislation to restrict working hours, improve working conditions, and strengthen worker rights. PPP is more focused on expanding worker benefits and strengthening childcare support for families.	
	<ul style="list-style-type: none"> <li>• <b>Support for the introduction of a 4-day (4.5-day) work-week system (Reduction of working hours below OECD average by 2030)</b></li> <li>• <b>Prohibition of inclusive wage system is stipulated in the Labor Standards Act</b></li> <li>• <b>Step-by-step implementation universal application of ‘National Industrial Accident Insurance System’</b></li> <li>• <b>Reorganize the Occupational Safety and Health Act into a ‘legal system that protects all workers’</b></li> <li>• <b>Legislation of equal pay and treatment for equal work</b></li> <li>• Prohibition of discrimination based on employment type</li> <li>• Elimination of discrimination against non-regular workers, special workers, and platform workers</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Paid national holidays off made applicable to employers with less than five employees</b></li> <li>• Paid paternity leave for spouses</li> <li>• Increased pay during parental leave</li> <li>• Implement paid time-off for childcare employees with children up to grade 3 in primary school</li> <li>• Childcare allowance for small and medium-sized enterprises</li> <li>• Enforcement of internship periods and prohibition of indiscriminate extensions</li> </ul>

Foreign Policy and Trade	<p>DPK is focused on re-orienting the current foreign policy approach and resetting the relationship with Japan in light of the understanding of historical issues.</p> <p>PPP is more focused on strengthening the U.S.-ROK alliance and North Korea-related issues.</p>	
	<ul style="list-style-type: none"> <li>• <b>Reset foreign policies for the U.S. China, Japan and Russia</b></li> <li>• Diplomacy based on universal values</li> <li>• <b>Pursue diplomacy with Japan based on understanding of historical issues.</b></li> <li>• Stop creating military tensions and promote an atmosphere of peace</li> <li>• <b>Streamline testing and evaluation of weapons system</b></li> </ul>	<ul style="list-style-type: none"> <li>• <b>Strengthening the U.S.-ROK Alliance as a Deterrent to North Korea's Expansion</b></li> <li>• <b>Cut off financing for North Korea's nuclear and missile programs</b></li> <li>• Better support for North Korean defectors</li> <li>• Respond better to the suffering of separated and abducted families (North Korea)</li> <li>• Prepare for reunification in accordance with constitutional values</li> <li>• Substantial improvement of human rights measures in North Korea</li> </ul>
Energy and Environment	<p>DPK focuses on expanding renewable energy and enacting carbon-neutral legislation.</p> <p>PPP emphasizes expanding climate crisis response funds, fostering businesses in the energy sector, and balancing of nuclear and renewable energy.</p>	
	<ul style="list-style-type: none"> <li>• <b>Fulfill COP28 commitments (Triple renewable energy by 2030)</b></li> <li>• <b>Enact the Net-Zero Industry Act (Korea equivalent of Inflation Reduction Act)</b></li> <li>• Improve systematic support for companies to implement RE100</li> <li>• <b>Plans to eliminate plastic use (expand the use of recycled plastic)</b></li> <li>• Foster rural areas as bases for the renewable energy industry</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Double the size of Climate Crisis Response Fund</b></li> <li>• <b>Increase funding, focus on GHG reduction, climate industry and technology development</b></li> <li>• <b>Balanced expansion of nuclear and renewable energy</b></li> <li>• Enactment of a special law to lend support for regions that will retire coal-fired power plants</li> <li>• Raise GHG emission reduction targets and expand the allocation of cap-and-trade credits</li> <li>• Foster regional-based climate technology industries</li> <li>• Foster specialized digital carbon-neutral solution companies</li> <li>• Revitalize carbon dioxide capture, utilization, and storage industry</li> <li>• Lighten plastic products and use renewable raw materials</li> </ul>
Investment Market and Shareholder Protection	<p>Both parties are proposing a range of policies to appeal to investors, and there is a common ground regarding enhancing the benefits of Individual Savings Accounts (ISAs). However, there are differences on specific policies related to financial investment income tax schemes and virtual assets.</p>	
	<ul style="list-style-type: none"> <li>• <b>Enhance benefits for Individual Savings Accounts (ISAs)</b></li> <li>• Eliminate ISA tax exemption limit</li> <li>• Allow Bitcoin-based ETFs to be issued and traded on the market</li> </ul>	<ul style="list-style-type: none"> <li>• <b>Eliminate financial investment income tax</b></li> <li>• Increase ISA tax exemption limit (2m won to 5m won)</li> <li>• <b>Virtual Asset Legislation</b> (establishing government virtual asset committee and public disclosure on the exchange)</li> <li>• Moratorium on virtual asset investment income tax</li> </ul>
Others	<ul style="list-style-type: none"> <li>• 4-year presidential term, allowing for re-election and incorporating a run-off system</li> <li>• <b>Lowering the barrier for citizen-initiated legislative proposals</b></li> <li>• <b>New support organizations within the National Assembly standing committees to facilitate the legislative process</b></li> <li>• Legislative reforms to restrict government power over broadcast networks to ensure political independence and freedom</li> </ul>	<ul style="list-style-type: none"> <li>• Implementation of no work, no pay for members of the National Assembly</li> <li>• Strengthening the quality of National Assembly legislation (introduction of pre- and post-regulatory impact analysis/evaluation)</li> <li>• Enactment of the Fair Trade Integrated Dispute Resolution Act (Strengthening effectiveness of damage relief)</li> <li>• Thorough investigation of the cause of product accidents (Expansion of product range and relaxation of additional defect requirements)</li> <li>• Building a user-friendly gaming and e-sports environment</li> </ul>

\*Source: Excerpts from policy announcement publications of both parties and press reports related to major policies promoted by each party, etc.

## Reading the minds of the voters revealed by this election

### 1. Judgment rendered against the current government

The key word in this election was 'judgment.' The ruling party and the opposition party clashed over which party deserved to face judgment by the voters, and it ended in a landslide victory for the opposition party.

The opposition had its share of problems. The controversy over the 'massacres' erupted as many political veterans failed to secure party nominations. Several candidates were mired in personal scandals. But the dislike of the government and the ruling party determined the final outcome. Why did the ruling party, which had won the presidential and local elections for the past two years, suffer such a crushing defeat? Firstly, policy troubles in managing consumer prices led to people's sense of economic difficulties. Scandals involving first lady Kim Kun-hee, Korean ambassador to Australia

Lee Jong-seop and senior secretary Hwang Sang-moo added fuel to the fire. Above all, Yoon Administration's hostility to the opposition party and the refusal to admit mistakes in various areas including personnel appointments were seen as arrogance.

## **2. The country belongs to the people**

This election has clearly shown that the people are in control, making their 'judgment' in anger.

We saw a proof of this in the highest rate of early voting in the history of general elections (31.3%) and the highest total voter turnout in 32 years (67%). The commitment of the people to the election was not only about bringing judgment to the government and the ruling party, but also the opposition party. The opposition party should not forget that this result came about not because it did well, but because the ruling party did poorly. The elected officials must understand the uncomfortable truth about voter sentiments and the heavy hearts of the voters who chose what they perceived as the lesser evil because they had no other choices. This voter sentiment in this election should be taken as a lesson not only by the defeated ruling party but also by the victorious opposition party.

## **3. From division and conflict to integration and cooperation**

The proportional representation ballot paper for this general election was 51.7 cm long, the longest in history, as no less than 38 political parties registered for the election. The emergence of so many political parties also means that there is a lot to be said about the existing political state. Since many feel that the existing political parties did not represent them properly, they are creating their own parties and entering politics. However, only two parties, the People Power Party and the Democratic Party of Korea, were able to win more than 20 seats. This is probably the result of voters feeling that they do not want their votes to be wasted on smaller third parties.

The campaigns have been unusually negative, with the parties criticizing each other heavily, and an unprecedented number of unrealistic promises being made in return for votes. However, the mission that the voters gave to this 22nd National Assembly was "integration and cooperation." This mandate must be implemented, starting with the leadership of the ruling and opposition parties. It seems that the President has no choice but to agree to meetings between the leaders of the ruling and opposition parties, which has never happened since his inauguration two years ago. The legislative and executive branches must walk towards a new path of cooperation through dialogue and compromise. Additionally, the citizens' role in participation, monitoring and supporting of the political process will become ever more crucial.

President Yoon Seok-yeol has announced that he would begin to reform the current state affairs in accordance with the will of the people. In addition to the official statement that "the president's intention is to establish close cooperation and communication with the opposition party," Prime Minister Han Duk-soo and Chief of Presidential Staff Lee Kwan-seop, also tendered their resignations. The hope is that this major personnel reshuffle will lead to a successful reset.

Bills that have not been processed by the 21st National Assembly will be automatically discarded on 30 May. Of the 223 bills on regulatory innovation, 98 have not been processed. With about a month left before the end of the 21st National Assembly's term. There is no time to waste.

# **Outlook on Political, Economic, and Social changes following the Election**

## **1. Extreme confrontation and heated political conflict between the ruling and opposition parties**

The Democratic Party, which holds the majority of total 300 seats in the National Assembly, will seek to exercise its legislative power. Naturally, the position of Speaker of the National Assembly belongs to the Democratic Party, and the greater the difference between the ruling and opposition parties, the greater the role of the Speaker. Various agendas can be submitted during the plenary session under the speaker's authority, and it is also the speaker's responsibility to determine whether or not to hold the plenary session and the schedule. Most of the standing committee chairs will also be occupied by the majority party. All bills and budget proposals proposed by the government, as well as appointments to key public officials (Prime Minister, Constitutional Court Justice, Supreme Court Justice, Board of Audit and Inspection, etc.) must obtain the majority consent of the National Assembly, and the Democratic Party will exercise decisive control in personnel confirmations. As legislative power is transferred to the opposition party, the Democratic Party, the power of the government and the ruling party to run state affairs will be significantly weakened. Since Cho Kuk's Rebuilding Korea Party, which caused a media sensation, secured more than 10 seats, the opposition coalition's offensive against the government is expected to become even more heated. In particular, as the opposition coalition exceeds 180 seats, the so-called fast track (designation of agenda for rapid bill processing) has become possible, and the filibuster (unlimited debate) of the minority ruling party could also be neutralized (forced termination within 24 hours).

At one point in the early hours of the vote count, as the exit poll results came out, there was speculation that the opposing coalition could win more than 200 seats. If a party secures more than 200 seats, it can push for constitutional amendments, impeach the president, and even expel fellow lawmakers. If the government and the ruling party, which has barely managed to maintain enough seats to prevent constitutional revision, takes a strong stance by using their executive power as a weapon, conflicts and confrontations may be even more intense than those of the past four years of the 21st National Assembly, when the ruling and opposition parties clashed with each other.

## **2. Discussions on constitutional reform and relocation of the National Assembly to Sejong City in full swing**

Korea's current political system of the non-renewable five-year presidential term and the renewable four-year tenure for the National Assembly members is the result of the 1987 democratization movement. The one-term presidential system was introduced to prevent dictatorships, but it has exposed a number of problems, such as the inconsistency between the terms of office of the president and that of lawmakers. The single member district voting has also been criticized for its winner-take-all system and the inability to reflect diverse public opinion, and the mixed-member proportional representation system, which was also used in this election, failed to work properly due to maneuvering by the two major political parties. With many people and major political parties calling for a change in the 1987 system, the 22nd National Assembly is expected to discuss the

constitutional revision. Additionally, the relocation of the National Assembly will also be seriously discussed. In the final days of the election, PPP interim party leader Han Dong-hoon pledged to "fully relocate the National Assembly to Sejong City", which was criticized by the opposition parties. However, the relocation of the National Assembly to Sejong City was originally promised by the Democratic Party of Korea's presidential candidate Roh Moo-hyun in 2002 and has been a promise by the opposition party in the past. There are many practical obstacles still, and it remains to be seen how the discussion will progress.

### **3. Emergence of enforcement decree politics**

With the return of the ruling and opposition parties to the National Assembly, bills proposed by the government and the ruling party in the 22nd National Assembly will be prevented from passing the National Assembly if the major opposition party opposes them. On the other hand, since the number of seats for the opposing coalition is less than 200, it is impossible to completely neutralize the president's right to request reconsideration. Therefore, there is a growing possibility that the process of bills proposed by the government and the ruling party will be defeated in the National Assembly, and bills pushed through by the opposition party will be ultimately rejected due to the President exercising his veto power, and this could be repeated in the 22nd National Assembly.

In the end, it seems difficult to enact or revise a new law unless there is a major agreement between the ruling and opposition parties. Enforcement decrees can be implemented by a presidential order and revised even without the consent of the National Assembly. However, because the scope of what can be done by an enforcement decree is limited, cooperation between the ruling and opposition parties must be achieved in order to smoothly perform the functions of the National Assembly. In particular, the ruling party, having lost the election, must consider the next steps forward in self-reflection.

### **4. Increasing political uncertainties**

If the opposition party, which has won the election resoundingly, intensifies its offensive against the government, and the government takes a hard line to avoid a lame duck session, things could go astray. If the ruling and opposition clash in major policy areas such as labor, environment, and public welfare at the National Assembly, politics may overwhelm economic reasoning. While each party attacks the other, the private sector may become a "shrimp in a whale fight," stuck between political powers. Potential attendance request at contentious government hearings as witnesses is one possibility. If the direction of national governance is determined by who has the most power in a situation where the legislature and the executive are competing, uncertainty will be greatly increased, and the private sector may not know which tune to dance to. This uncertainty will have a negative impact on companies' operations, financial management and strategic direction.

Major business organizations such as the Federation of Korean Industries issued statements, saying, "The economy is in a dire state. We ask the National Assembly to boost economic vitality and enhance the lives of the people through regulatory reforms." This year, in particular, is known as the "Year of Global Elections," with elections being held in more than 70 countries around the world. The U.S. presidential election in November is important. In an outward-looking country like Korea, which relies on exports, elections in foreign countries are not a "fire across the river." Since we cannot control the outcome of the election, we have no choice but to watch closely and respond preemptively.

### **5. Managing risks that determine sustainability**

Risk management is essential to anticipate and minimize the potential impact of changes in the political landscape on your business. There are three main areas of risk and the first is policy change risk. You need to monitor the impact of new policies led by opposition parties on your business environment, particularly in the areas of tax, labor, the environment, and business regulations. The second is market volatility risk. Political changes can lead to volatility in markets, including securing of investments, consumer preferences, market demands and international terms of trade. The third is social perception and reputational risk, which involves understanding and managing the impact of a changing political climate on the public perception of the company and its reputation. For companies, it's all about having a feel for their environment. If a company or organization does something wrong, the blame and punishment are likely to be much harsher than in the past. This requires preventive, preemptive, and proactive risk management. It also requires securing the cooperation and support of various stakeholders, while serving and looking after its employees, suppliers and customers. Managing your reputation through sensitive and strategic communication will help you navigate the new environment.

## **Inside the Mind of Voters**

### ***Do voters really tell the truth?***

After the announcement of the election results, there have been criticisms about the reliability of exit polls and opinion polls.

The exit polls conducted by the three major broadcasters, which had predicted around '200 seats' for the opposition coalition, were incorrect as it won a total of 187 seats. Additionally, the opinion polls of party support and voting intentions conducted until March differed significantly from the actual results.

The reasons for this include the high rate of early voting not reflected in the exit polls and the varying response rates in opinion polls depending on individual political expressions. Many people also refuse to participate in exit polls or provide false (contrary) responses in both exit polls and opinion polls. In fact, on local online communities, some posts are asking whether it is okay to respond falsely to exit polls or opinion polls.

With technological advancements, there are now many ways for both voters and businesses to understand the true feelings of customers, employees, etc. However, whether these surveys can truly capture the 'real' feelings of the target audience requires further research and consideration. In particular, for businesses, it is important to engage more closely and authentically with important stakeholders such as customers, employees, and investors.

## ***Like the lesser of two evils***

This election has also been labeled as a “lesser of two evils” election. Rather than choosing out of preference, it's an election where voters opt for the less disliked option. Throughout the election process, negative campaigning persisted, and numerous allegations were raised. Instead of sincere explanations, the media and public discourse were heated with even harsher attacks against the opposing side.

Even a slight misstep led to expressions of disappointment from the public, turning support for one party against another and dividing voters.

This phenomenon is not confined to the political arena alone. Consumers have clear preferences and do not hesitate to act both online and offline. Fandom for brands reinforces this behavior. It is always essential in business operations to monitor risks and proactively enhance preparedness, rather than just recovering a damaged reputation once it has been tarnished.

## ***The function of real estate prices and election results***

It appears that real estate prices have influenced election results in Seoul. In neighborhoods with high housing prices such as Gangnam A, B, and C, Seocho A and B, and Songpa A and B, the voting rates for candidates of the ruling party were generally higher. For example, despite the opposition party candidate winning in Yeongdeungpo B, in Yeouido-dong, one of the areas with high real estate prices, the ruling party received approximately 12,500 out of the 18,000 votes cast, accounting for 70% of the total vote."

However, the opposition party's share of the vote was much higher in Shingil-dong and Daerim-dong, where housing prices are relatively low. Similarly, in Yangcheon A, in neighborhoods with many apartment complexes like Mok 1 and 5-dong, the voting rate for conservative candidates was high, but in areas with fewer apartments like Mok 2, 3, and 4-dong, the opposition party candidates had a significant lead. In Yongsan, voters in Ichon 1-dong and Hannam-dong supported the ruling party candidates.

It is not surprising that voters consider personal benefits (especially property) when voting. However, it is noteworthy that housing prices have been considered more important compared to various tax policies, economic and industrial revitalization policies, and national governance.

## **Communication Leadership Insight!**

Concluding the report on the 22nd General Election of the Republic of Korea, we want to share three insights with those who are leaders or aspire to be a successful leader.

### **1. Authentic Intelligence**

Leaders need to listen sincerely to the wishes and expectations of members of the organization and their stakeholders. To achieve the organization's goals, it is necessary to understand the internal and external realities and conditions from a three-dimensional perspective, and to be aware that errors of judgment can occur.

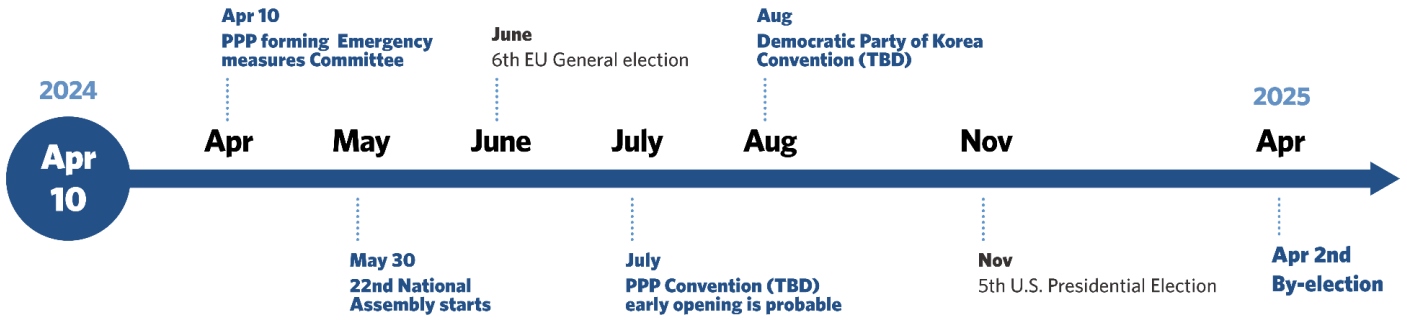
### **2. Kindness in Business and Life**

There is a saying that kind people are the wisest people. Kindness is an action. The positive energy of a leader who meets people halfway and takes small actions with a kind heart is contagious. It is our hope that you will become a leader who manages anger with kindness – for yourself, at work, and at home. (I recommend the [Red Helicopter: Lead Change with Kindness Plus a Little Math](#) by James Rhee published in April.)

### **3. Communication leadership**

Communication leadership can effectively drive change, innovation and the value of an organization. Leaders need to communicate a strategic vision that members of organization and audiences can resonate to, encouraging participation and helping them to become inspired. We recommend that you actively seek help from a team with expertise in organizing and communicating your thoughts. (You may also wish to read [Say It Well: Find Your Voice, Speak Your Mind, Inspire any Audience](#) by Former President Obama's speechwriter Terry Szuplat, to be published in September, 2024).

## Future Timeline



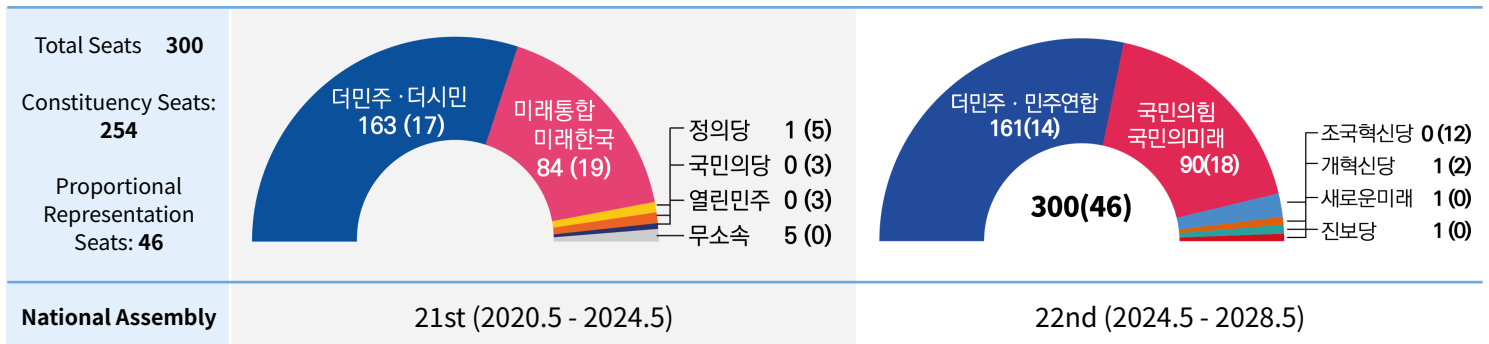
## 21st - 22nd General Election Results

### Overall Summary

	21st	22nd
National Assembly	21st (2020.5 - 2024.5)	22nd (2024.5 - 2028.5)
President	Moon, Jae-in (19th, 2017.5 - 2022.5)	Yoon, Suk-yeol (20th, 2022.5 - 2027.5)
Ruling Party	Democratic Party of Korea (Liberal)	People Power Party (Conservative)



### National Assembly Seats by Party



### Voter Turnout

Overall Turnout	66.2%	67.0%
Early Voting Rate	26.69% / 40.3%	31.28% / 46.7%



Voter Distribution by Age	Population Ration	Turnout Rate	Population Ratio	Turnout Rate
18	1.2	67.4	Unreleased	
19	1.4	68.0		
20	15.3	58.7		
30	15.9	57.1		
40	18.8	63.5		
50	19.5	71.2		
60	14.8	80.0		
70	8.5	78.5		
80+	4.6	51.0		

### National Assembly Member Distribution by Terms

First Term	50.7%	44%
More than Two Terms	49.3%	56%

### National Assembly Member Distribution by Age

20-30	4.3%	4.7%
40	12.7%	9.7%
50	<b>59.0%</b>	50.3%
60	23.0%	33.3%
70+	1.0%	2.0%

### National Assembly Member Distribution by Gender

% of Female Members	19.0%	18.6%
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