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Shifting Global Order and the Korean Peninsula:

Challenges & Opportunities for Lee Jae-myung Administration's Pragmatic Diplomacy

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The emergence of a post-hegemonic multiplex order and the institutionalization of North Korea's nuclear deterrent together create a strategic environment in which South Korea must simultaneously manage external uncertainty and internal peninsula stability. The Lee Jae-myung administration's pragmatic diplomacy should therefore be understood as an attempt to navigate both challenges through a combination of deterrence, engagement, and strategic flexibility.

Changing Global Order

The international order is undergoing a profound transformation. The rules-based and liberal international order established under U.S. leadership after World War II is gradually giving way to a more fragmented and contested post-hegemonic era. This emerging environment is increasingly characterized by weakened international norms, growing geopolitical rivalry, and mounting challenges to multilateral cooperation and free trade.

Much of this transformation stems from changes in U.S. foreign policy and Washington's conception of its global role. The United States is no longer viewed universally as a benign hegemon committed to sustaining the international order. Instead, some observers describe it as an increasingly transactional power pursuing narrower national interests. President Donald Trump has frequently been portrayed as a political "demolition man" whose approach to foreign policy resembles "wrecking-ball diplomacy."

In the Indo-Pacific, the regional balance of power increasingly resembles a form of strategic bipolarity between the United States and China. Although the United States remains the world's sole superpower, China's growing economic and military influence has made the Indo-Pacific the principal arena of global strategic competition. For decades, regional stability rested on the assumption that the United States would remain the indispensable security provider while China's rise would be moderated by the resilience of the U.S.-led alliance network. During the second Trump administration, however, that assumption has become less certain.

Looking ahead to 2035, most Asia-Pacific countries do not anticipate a straightforward transition from American primacy to Chinese dominance. Instead, they expect a prolonged period of contested coexistence in which the United States remains militarily indispensable, China remains economically central, and middle powers exercise greater strategic agency. This vision closely resembles what Amitav Acharya has described as a "multiplex order," in which no single power dominates and regional actors shape outcomes through flexible coalitions and issue-based alignments.

This evolving regional landscape has important implications for defense and foreign policy. Rather than choosing between Washington and Beijing, many Asia-Pacific states are pursuing diversified hedging strategies. They seek to strengthen security cooperation with the United States while maintaining economic ties with China and simultaneously expanding minilateral and middle-power partnerships with countries such as Japan, Australia, India, and South Korea.

For the foreseeable future, countries other than the major powers must navigate the uncertainties of a 'G-minus' world—a system in which leading powers increasingly withdraw from, or actively undermine, multilateral institutions and international norms. As major powers themselves contribute to the erosion of the rules-based order, cooperation among middle powers becomes increasingly important for preserving international stability and sustaining effective global governance.

The Fading Prospect of Reconciliation on the Korean Peninsula

Against the backdrop of these fundamental shifts in the international order, North Korea is continuing to strengthen its nuclear and missile capabilities. Between 2024 and 2026, North Korea conducted numerous weapon tests encompassing tactical nuclear weapons, solid-fuel missiles, hypersonic and cruise missiles, as well as reconnaissance satellites and drones. The nuclear and missile threat posed by North Korea has evolved beyond 'strategic nuclear deterrence' to include tactical nuclear weapons and short-range precision strikes directly targeting the whole of South Korea.

There are three major changes in these developments. First, an increase in the number of nuclear warheads and production capacity. SIPRI has suggested that, as of 2025, North Korea had assembled approximately 50 nuclear warheads and may have possessed enough nuclear material for up to 40 additional warheads.

Second, the diversification of delivery systems targeting South Korea. Solid-fueled short-range missiles and large-caliber multiple rocket launchers, such as the KN-23, KN-24 and KN-25, make South Korea's missile defense system difficult to counter due to their mobile launch capabilities, short preparation times, and low-altitude, erratic maneuvers. CSIS also assesses that North Korea has been testing and deploying new solid-fueled short-range systems, such as the KN-23 and KN-25, since 2019.

Third, the lowering of the threshold for nuclear use. North Korea has institutionalized tactical nuclear weapons not only as a means of 'war deterrence' but also as a tool for pre-emptive, retaliatory and battlefield use in the event of a crisis, and has recently reinforced its stance of defining South Korea as a 'hostile separate state'. This implies that the threat of nuclear use can be mobilized more readily in times of crisis.

Direct threats against South Korea are highly likely to be concentrated on the capital region, military command centers, air force bases, ports and assembly points for reinforcements. North Korea is developing multi-layered strike capabilities by combining not only nuclear missiles but also long-range artillery, cruise missiles and potential sea-launched capabilities. Recently, there have been reports that North Korea could threaten the Seoul area with new self-propelled artillery pieces with a range of over 60 km.

In summary, the nature of the North Korean threat lies in the combination of conventional threats such as turning Seoul into a sea of fire, the operational deployment of tactical nuclear weapons, and strategic nuclear weapons targeting the US mainland. From South Korea's perspective, simply expanding its defense network is insufficient; it must also strengthen the reliability of the Kill Chain, missile defense and massive retaliatory strikes, as well as ROK-US extended deterrence, civil defense and resilience, and crisis management channels. The most dangerous scenario is not a full-scale nuclear war, but rather a situation during a localized conflict where North Korea attempts to split the responses of South Korea and the US by threatening limited nuclear use.

North Korea's 9th Congress of the Workers' Party of Korea (held in February 2026) signaled continuity rather than radical change: consolidated Kim Jong-un's personal rule, stronger nuclear deterrence, tighter ideological control, deeper authoritarian consolidation under Kim Jong-un, and cautious economic modernization without abandoning state control.

The constitutional amendment enacted in March 2026 can be seen as the legal culmination of the strategic trajectory of the anti-enemy struggle and the 'two states' argument that North Korea has consistently pursued since the collapse of the Hanoi summit.

North Korea's constitutional amendment signifies the completion of the institutionalization of 'nuclear deterrence'. It established and explicitly stipulated the Chairman of the State Affairs Commission's authority to command the nuclear forces, and enshrined in the Constitution the delegation of such authority to the State Nuclear Forces Organization. By establishing a chain of command that allows for nuclear retaliation even in the event of a threat to the leader's life, it combines 'the survivability of nuclear command' with 'the automatic nature of retaliation.'

Given these recent developments, it is highly likely that the situation on the Korean Peninsula will remain one of 'cold peace' for the time being. Cold peace means that North Korea will neither fight a war nor engage with the South. It can be argued that North Korea's declaration of 'two hostile states' places the emphasis not so much on 'hostility' itself, but rather on 'creating an environment of non-aggression' based on deterrence, the 'reduction of North Korean-style threats' achieved through this, and 'coexistence' as a means of managing relations with the United States.

While the prospects for near-term reconciliation have diminished significantly, this does not necessarily mean that the long-term possibility of Korean unification has disappeared. Rather, stable coexistence and effective deterrence may become necessary conditions for preserving future opportunities for peaceful reunification.

Challenges for the Lee Jae-myung Administration

The Lee Jae-myung administration's North Korea policy can be summarized as 'peaceful coexistence backed by strong deterrence' rather than either unconditional engagement or maximum pressure. The policy differs significantly from the previous Yoon Suk-yeol government's approach.

President Lee has repeatedly argued that the immediate goal should be managing tensions and preventing conflict rather than expecting rapid reunification or immediate denuclearization. This reflects recognition that peace management and risk reduction are prerequisites for maintaining the long-term prospect of peaceful unification. Consistent with this approach, his government has adopted three principles: respect North Korea's political system, reject unification through absorption, and avoid hostile actions aimed at regime change. These principles are intended to reduce North Korea's security concerns and create conditions more conducive to dialogue and peaceful coexistence, while preserving South Korea's long-term commitment to peaceful unification.

President Lee also proposed the END (Exchange, Normalization, Denuclearization) policy as a solution to the North Korean nuclear issue. It consists of three stage approach: reopen exchanges and communication channels; normalize inter-Korean relations and reduce military tensions; and pursue denuclearization gradually. Rather than demanding complete denuclearization upfront, Seoul is reportedly advocating a phased approach consisting of nuclear freeze, reduction of capabilities, and eventual dismantlement.

The principal constraint on the administration's North Korea policy is not Seoul's willingness to engage but Pyongyang's strategic decision to avoid inter-Korean dialogue. Since 2024, North Korea has increasingly defined South Korea as a separate hostile state and has prioritized relations with Russia and China. Kim Jong-un has accelerated nuclear expansion and shown little interest in reopening inter-Korean dialogue. Consequently, many analysts argue that Lee's policy is currently producing only limited results because North Korea sees little value in talks with Seoul absent U.S.–DPRK negotiations. Pyongyang also believes its strategic position has improved due to closer ties with Moscow and Beijing.

From an international-relations perspective, the policy represents a shift from "pressure-induced change" to "stable coexistence under deterrence." The administration's near-term objective is not reunification or rapid denuclearization, but preventing military crises and creating conditions under which future diplomacy may become possible.

The challenge facing South Korea is to strike an appropriate balance between the two pillars of its North Korea policy—'Peace First' and 'Security First'—while firmly upholding both. Ultimately, the success of the Lee administration's North Korea policy will depend on its ability to reconcile two competing imperatives: maintaining credible deterrence against an increasingly sophisticated North Korean nuclear threat while preserving diplomatic space for long-term coexistence and eventual reconciliation. At the same time, Seoul must ensure that coexistence does not evolve into a permanent acceptance of division. Preserving the possibility of future unification, even under unfavorable conditions, remains an important long-term strategic objective for South Korea. In an era of geopolitical uncertainty and entrenched division on the Korean Peninsula, strategic patience, policy consistency, alliance credibility, and sustained preparation for eventual reunification will remain essential.