

Center for Strategic and International Studies

TRANSCRIPT

CSIS-DAPA 2025 Conference
Welcoming Remarks and Keynote Addresses

DATE

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FEATURING

Admiral Harry B. Harris, USN (Ret.)

Former Ambassador of the United States to the Republic of Korea; 24th Commander, U.S. Indo-Pacific Command

Seok, Jong Gun

Minister, Defense Acquisition Program Administration (DAPA)

Yang, Oh-bong

President, Jeonbuk National University

CSIS EXPERTS

Jerry McGinn

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INTERNATIONAL STUDIES

Jerry McGinn: Welcome everyone. So for – if you want to use the translation device, the number – it's set on channel two, which is for English, and for – channel 10 is for Korean. So you can set your devices as you'd like.

So good morning. I'd like to welcome you to CSIS. I am not Dr. Hamre – (laughter) – as you can tell. Dr. Hamre is the CEO of CSIS. He's been so for many years. Unfortunately, he had an action last night so he cannot be here. And he is – this is an event that is very close to his heart. And he sends his sincere regrets that he's not able to be here. But, you know, the CSIS relationship with DAPA is one that goes back for a decade plus. And it's really, really important to Dr. Hamre and to CSIS in general.

So it's really an honor to have representatives from DAPA, as well as from other parts of the Korean government, and from industry as well. Because it's just a central part of what CSIS does. We have our Korea chair that focuses on that bilateral relationship and activities in that part of Asia. So it is very central to our work overall at CSIS. And we are honored to do many activities and events around the U.S.-Korean relationship. And this is our annual conference that we have with DAPA. And we're great to be here.

Now, who am I? So I am Dr. Jerry McGinn. And I am the director of the Center for the Industrial Base. And you're asking yourself, what the heck is that? That is a new organization within the Center for Strategic and International Studies, and that we – it build off the prior work of the Defense Industries Initiatives Group. And so the Center for the Industrial Base is focusing on reimagining how we cooperate, both with our – within the United States and with our U.S. international partners on industrial base matters. So it's important for government, for industry. And one of the key aspects of the work that we're going to be doing for the Center for the Industrial Base is on international industrial collaboration. And, you know, this is a hallmark example of that, the U.S.-Korean partnership. And so we look forward to the discussions today.

And we have a really tremendous crowd here. But more importantly, we've got – not more importantly, but more importantly than me – are the speakers that we're going to have for you today. But first, I'd like to introduce Dr. Yang Oh-bong, who's the president of Jeonbuk National University. He is the 19th president of JBN, and he has a distinguished career for nearly three decades. He has a degree from engineering and the Korea University and a master's and Ph.D. in similar studies. And he's worked at the U.S. National Renewable Energy Lab and did a postdoc here at the University of California-Davis. Beyond his role as university president, he's been a central figure in shaping Korea's educational innovation policies. He serves as chairman of the Korean Council for University Education, and co-chairman for both the

Council of University Presidents and for the advancement of medical colleges. And his influence extends to key national bodies as well.

So I'd like to welcome to the stage Dr. Yang to give some celebratory remarks.
(Applause.)

Yang Oh-bong: Thank you, Jerry.

(Speaks in Korean, then continues in English.) Good morning, ladies, gentlemen, and distinguished guests. I am Oh-bong Yang, who is the president of Jeonbuk National University, as he suggest me. And I currently serve in three minister level position as the chairman of the University Education Council, representing 197 four-year universities in Korea, and as a member of the National Education Commission on the Presidential Office too.

It is a great honor and privilege to join you today at the 2025 DAPA-CSIS Defense Cooperation Conference, co-hosted by Korea's Defense Acquisition Program Administration and the Center for Strategic and International Studies of the United States. First of all, I'd like to extend my deepest gratitude to Dr. John Hamre, president of CSIS, not today here, and DAPA Commissioner Seok Jong Gun for their dedicated effort in preparing this important event. I also wish to express my sincere appreciation to former U.S. Ambassador to Korea Harry Harris and Deputy Assistant Secretary Michael Vaccaro of the U.S. Department of State for graciously joining us, despite their busy schedules. Furthermore, I believe this conference has become all the more meaningful thanks to the presence of distinguished guests from both Korea and the United States, who have honored us with their participation today.

At the Korea-U.S. summit held on August 25th, our two presidents reaffirmed their commitment to strengthen our future-oriented, comprehensive strategic alliance. In particular, the agreement on MASGA cooperation represents a significant foundation for elevating our bilateral defense partnership into a true third generation of U.S.-ROK defense cooperation, moving beyond arms purchase and technologies transfers toward joint development cooperation and global market entry. At the time when the importance of Korea-U.S. defense cooperation is more critical than ever, today's conference is both timely and meaningful. I expect that the discussion here will generate practical alternative for advancing bilateral defense cooperation, whether in MASGA, advanced technologies, or supply chain resilience to an entirely new level.

Jeonbuk National University has also been striving to become Korea's leading hub for cultivating defense talent, in line with this global trend. Since 2023,

we have operated the Defense Industry Convergence Program and the Institute for Defense Industry. Over the past three years, we have signed MOUs with more than 20 major institution and companies, including DAPA, and Hanwha Aerospace, and other companies, being designated as an authorized University for the Defense Project Manager Certification Program, launched the contract-based master's program in advanced defense industry, and established the Hanwha Aerospace specialized research center on our campus.

Looking ahead, Jeonbuk National University will launch Korea's first undergraduate program in advanced defense industry studies in early 2026. In addition, we are preparing to establish a Graduate School of Defense Industry Convergence and a global online master's program in defense acquisition, so called MPA, not MBA. (Laughs.) Through these initiatives, our university will continue to grow as a true hub for educating global defense leaders. As president of Jeonbuk National University and chair of the Korean Council for University Education, I'd like to present two proposals today to further advance Korea-U.S. defense cooperation.

First, strengthen research collaboration. Beginning with MASGA naval cooperation, our defense partnership must expand in advanced technologies and major weapon systems, involving third-generation defense cooperation through joint development, coproduction, and global market entry. To this end, DAPA, CSIS, and our university should pursue close research collaboration. Jeonbuk National University, together with DAPA and CSIS, will further promote studies on advanced technology defense policy and supply chains. In particular, through collaboration between our Institute for Defense Industry Studies and the CSIS Defense Industrial Initiative groups, we hope to serve as a bridge for bilateral policy, research, and educational cooperation. By jointly planning and researching the future direction of the defense industry, and by linking key outcomes to policy, I am confident that we can accelerate the realization of third-generation defense cooperation.

Second, cooperation in education and talent development. The demand for talent in advanced defense field is directly tied to national security. Jeonbuk National University centers on our Department of Advanced Defense Industry, and the Institute for Defense Industry Studies will operate global joint degree programs and training initiatives to teach the next generation of defense leaders. Moreover, at the Council for University Education, we will expand the defense-related education nationwide in fields such as physical AI, drones, space, and cyber, in partnership with other universities. Through close collaboration with DAPA and CSIS, we will actively develop and operate programs that meet the growing need of both our nations for advanced defense talent.

Finally, to institutionalize this effort, I propose that DAPA, CSIS, and Jeonbuk National University jointly operate regular forum and working groups. By doing so, we can establish virtuous cycle where policy, research, education, and talent development are organically concerned. Distinguished guests, once again I wish to express my heartfelt gratitude to all of you for your presence today. Jeonbuk National University will continue to devote itself as Korea's hope for defense talent cultivation, contributing to the further advancement of bilateral defense cooperation. I sincerely wish for the success of today's conference and for it to become a milestone in opening a new chapter in Korea-U.S. defense cooperation. Katchi Kapshida. Thank you very much. (Speaks Korean.) (Applause.)

Dr. McGinn:

Thank you very much, Dr. Yang. That was tremendous remarks. It's great to have you here. And there are several other representatives from the university. So it's great to be here.

So now we're going to move into our keynote addresses. And we have two tremendous individuals to give those keynote addresses. And if you want to ask a question, there's a QR code in the back of the room. You can scan that and submit your questions. We'll have some time for questions and answers after the remarks. But we're honored to have two distinguished guests for our keynotes.

First off, I'd like to introduce Admiral Harry Harris, Jr., or Ambassador Harry Harris, Jr., whichever you prefer. He was the commander of the Pacific Fleet, which is now Indo-Pacific Command. And then he retired from that role in 2018. And then he was our – the ambassador to Korea during the first Trump administration. So many – he's familiar to many of our guests that are here from Korea. He's a graduate of the U.S. Naval Academy and served as a naval flight officer, and conducted many operations in Operation Desert Storm, Southern Watch, Enduring Freedom, Iraqi Freedom, and the like. And he served in the Pentagon as well. He has over 4,400 flight hours, including 400 in combat. And then he's got a master's in public administration from the Harvard JFK School of Government, and a master's degree from security studies from Georgetown University.

Next to him, we have our minister from DAPA, the Defense Acquisition Program Administration, Seok Jong Gun. And he is responsible for overseeing DAPA's extensive portfolio of force improvement programs, procurement of military supplies, and promotion of the defense industry. He graduated from the Korean Military Academy and earned a master's degree in operations research at the Korean National Defense University. He served in major – he served in infantry role. Speaking as a former infantry officer, I appreciate that very much. Was a division commander and then retired as a two-star. And then – but the call to public service continued for him, and he's been a minister of DAPA since February of 2024.

So I'd like to now turn to – Minister, would you like to go first for your remarks? Yeah. So we'll have the minister speak, and then Ambassador Admiral Harris. And then we'll go into questions and answers. So thank you. (Applause.)

Minister Seok Jong Gun:

Honorable Dr. Jerry McGinn, thank you for your warm welcome. President Yang Oh-bong, thank you as well for your congratulatory remarks. I would like to extend special thanks to retired Admiral Harry Harris, former U.S. ambassador to Republic of Korea, for delivering the keynote address despite his busy schedule. I am equally grateful to all the distinguished guests here today, to everyone who has worked hard to prepare this event, and to those joining us online.

Since its inception in 2016, this conference, co-hosted by DAPA and CSIS, has become an important tradition in advancing defense industrial cooperation between the Republic of Korea and the United States. Especially for this year, as the importance of global security supply chains and technological competition is greater than ever. We gather under the theme of expanding U.S. defense industrial cooperation for advanced technology partnerships and supply chain resilience. I am confident that today's events will serve as a meaningful occasion to envision a future for our alliance.

The ROK-U.S. alliance was born in the gunfire of the Korean War as a security alliance. Since then, the United States has been a steadfast partner in Korea's path toward industrialization and economic growth. And our relationship deepened into an economic alliance. At the recent summit this August, our two presidents pledged to strengthen cooperation across security, the economy, and the defense industry. Not long ago, President Lee Jae-myung also addressed here at CSIS, presenting a new principle of pragmatic diplomacy centered on the national interests.

With this broader framework of the security, economic alliance, and pragmatic diplomacy, defense industry and the shipbuilding have emerged as new pillars of bilateral cooperation. In the defense industry, Korea has moved beyond its past reliance on the United States. Through independent technological innovation and the expansion of global exports, we have now established ourselves as a partner that advances together with the United States. In shipbuilding, leveraging our world-class construction and sustainment capabilities, Korea is emerging as a vital partner in achieving the United States' strategic goals of revitalizing its shipbuilding industry and strengthening naval power.

In particular, our ongoing discussions on cooperation in ship construction and MRO under the MASGA projects can be regarded as a representative case of building a cooperative model to realize our shared national interests in

defense and shipbuilding. Going forward, collaboration in Korea's defense and shipbuilding industries will remain a central pillar that underpins the ROK-U.S. alliance, playing a key role in strengthening the security and economies of both countries and advancing our national interests.

Today, we are facing a global security environment marked by greater uncertainty and rising threats than ever before. The war in Ukraine and conflicts in the Middle East pose severe challenges to global security, while in the Indo-Pacific North Korea's nuclear and missile threats and China's military expansion are heightening tensions in the Taiwan Strait and the South China Sea. In this environment, global demand for defense products is rapidly increasing, and countries are steadily expanding defense spending as a share of GDP. However, the supply capacity of the defense industries has not kept pace with demand, making the establishment of a stable and resilient supply chains an urgent task for the international community.

The U.S. response to these challenges is the Regional Sustainment Framework through the RSF, the U.S. intends to disperse sustainment capacity to local facilities to ensure timely maintenance and resupply for weapon systems. It also aims to diversify production among multiple allies and partners, which was once reliant on certain reasons or limited supply. For RSF to succeed in cooperation with allies and partners possessing strong defense industrial capabilities is essential. No single country can meet our requirements alone.

Therefore, industrial bases and their technological strengths must be shared. This is where Korea's role stands out. In pursuit of peace on the Korean Peninsula, Korea has achieved remarkable advances in its defense industry. As a result, Korea now possesses broader production and sustainment capacity – not only for major platforms such as ships, aircraft and tanks, but also for subsystems and critical components. Looking ahead, Korea's will further deepen cooperation with the United States and its allies. We will expand our collaboration beyond maintenance and resupply to include joint production, complementary industrial bases, and the establishment of MRO hubs, thereby making tangible contributions to peace and security in the Indo-Pacific region.

The integration of advanced technologies into the battlefield is no longer a matter of the future. It is already the reality of today. AI now analyzes vast amounts of data in real time to support target identification and operational decision making. Unmanned systems have served as core assets for reconnaissance and precision strikes in the wars in Ukraine and the Middle East. Space capabilities, through satellites and communications networks, has become as the eyes and nervous system of command and control, reshaping the nature of warfare.

For these reasons, the ROK and the U.S. must move beyond traditional arms sales and technology transfer, to deep cooperation as a true technology alliance. This is not simply about acquiring new equipment. It's the way to secure both the military strength and technological superiority of our alliance. For example, in the United States development of a collaborative combat aircraft, Korea can contribute its strengths in airframe design, engines, avionics, unmanned control, and composite materials.

In the field of unmanned surface vessels, collaboration is already underway, combining the platform production capacity of Korean shipyards with American expertise in AI and mission autonomy systems. Together, the two countries will expand the joint research and development and personnel exchanges, thereby building innovative combined forces that prepare for the future battlefield and maintain overwhelming superiority.

Distinguished guests, today we will discuss the challenges and opportunities facing the ROK-U.S. alliance. Supply chain crisis, technological competition, and the rapidly changing dynamics of warfare are challenges that no single nation can overcome alone. Yet, I am confident if Korea and the United States stand together, we can turn these challenges into opportunities and open a new future. The growing ROK-U.S. cooperation in shipbuilding and defense industry will go beyond the simple acts of producing weapons. It will serve as the cornerstone of a strategic alliance that links security, economy, technology, and industry.

At the recent ROK-U.S. summit, President Lee Jae-myung stated that if the United States becomes the peacemaker, then Korea will serve as the pacemaker, and accompany their path to the very end. I believe this reflects a promise that our two countries will keep in step as we advance toward peace and prosperity. I hope that today's event will mark the starting point of that new leap forward. Once again, I thank all for joining us. And I wish for the enduring strength and prosperity of the ROK-U.S. alliance. Thank you. (Applause.)

Dr. McGinn: Very powerful. (Applause.)

Admiral Harry B. Harris (Ret.): Well, that was a tough act to follow, General. Terrific, powerful remarks. Thanks, Dr. McGinn, for that introduction. And good morning, everyone. I'm honored to be your keynote speaker today. Well, technically, I'm honored to be Plan B after your Plan A fell through. (Laughs.) But I'm delighted to be here, nonetheless. Let me also take a moment to acknowledge Dr. Hamre. I'm sorry that he couldn't be here today. Wish him a speedy recovery. And I'll just note that John Hamre would do anything not to have to listen to me give another speech. The honorable Seok Jong Gun, minister of Defense Acquisition Program Administration, or DAPA, again, just wonderful remarks.

Thank you. And Dr. Yang Oh-bong, president of Jeonbuk National University, thank you for those inspiring congratulatory remarks.

Ladies and gentlemen, my thanks to CSIS and DAPA for putting this event together. I commend Dr. Hamre and Minister Seok, and your teams for the important work you're doing to inspire our defense, diplomatic, and industrial leaders, and for your constant vigilance on security matters. From my time as ambassador and in my current work, I've seen firsthand how important DAPA is in fostering Seoul's national defense industry, procuring the right military equipment for your own defense, and developing South Korea's impressive defense industrial base. Seoul's stated aspiration is to become the world's fourth-largest weapons provider by 2027. And thanks to Minister Seok and DAPA, I believe you're well on your way to do that.

Now, I don't want to spend a lot of time in preamble. I want to finish this and get to your questions. So my job is to do the talking and your job is to do the listening. If you finish your job before I finish mine, just raise your hands and I'll stop right there. (Laughter.) So let's get to it.

I believe, in 2025, that we are at an inflection point in history. We're certainly not near anything resembling the end of history. We're seeing tectonic shifts in the global world order. Freedom, justice, and the rules-based system hang in the balance. And the scale won't tip of its own accord simply because of wishful thinking. If we are to tip that scale in our favor, now more than ever the U.S.-South Korea alliance matters. In fact, I believe that America's single greatest asymmetric strength is our network of alliances and partnerships. As I testified before the U.S. Senate last year, we face a security environment more complex and volatile than any that I've experienced. Today more than ever, diplomats and diplomacy matter, alliances and allies matter.

Today we live in an interconnected world of shared spaces – the oceans, the air, outer space, and now cyberspace. These spaces enable the free flow of goods, services, and ideas. They are the connective tissue that binds together the global economy and, importantly, the civil society. From the seabed to outer space, access to these thoroughfares is at risk in the 21st century. Sovereignty itself has become a pawn in the new great game. President Reagan once said that we cannot play innocents abroad in a world that's not innocent. This statement is as true today as it was in 1941, on the 25th of June 1950, when North Korea invaded the South, throughout the first Cold War, on 9/11, on the 24th of February 2022, when Russia invaded Ukraine, and on the 7th of October 2023, when Hamas attacked Israel. The world remains a dangerous place.

The unipolar moment following the end of the first Cold War is over. In this multipolar world, national borders and economic sovereignty are no longer givens. Systemwide shocks, such as climate change, the pandemic, Russia's

invasion of Ukraine, and Iran's unleashing of its proxies, have disrupted global order. By the way, I'll just note that Reagan set out to win the first Cold War, not to reach an accommodation with the Soviets. The U.S. has enduring interests in the Indo-Pacific, a region at a precarious crossroad where tangible opportunity meets significant challenge.

So, while our opportunities remain abundant, the path ahead is burdened by several considerable challenges, including an aggressive North Korea, a revisionist China, a revanchist Russia, and now a dangerous and growing alignment between these three countries and Iran. In fact, since the beginning of this century the global situation has worsened in almost every geostrategic measure.

Consider that Taiwan is under siege, Israel finds itself fighting once again for its very existence, Ukraine is ablaze, Europe is under threat, and Iran is trying its best to develop a nuclear weapon. Consider that North Korea is testing nuclear weapons and a means to deliver them globally, and especially to our shores. Consider that Russia is attempting to realize its fantasy of returning to what it views as a glorious imperial past. And consider that China not only claims the entirety of the South China Sea and is increasingly willing to use force to exert its claims there, it's turned weaponization of debt into a national strategy.

What's happening in the South China Sea has been called, quote, "the most dangerous conflict no one is talking about," unquote. Despite the 2016 international tribunal on the Law of the Sea, which ruled the China's nine-dash line claim has no basis in law, China continues its preposterous claims to the contrary and is now taking concrete actions to underscore its position by altering facts on the ground. We see this play out daily in clashes with the Philippine Coast Guard. Now I needn't remind this audience that the Philippines is a treaty ally of the U.S. China is playing a dangerous game here as it tries to drive the Philippines from Manila's own EEZ, or exclusive economic zone.

The Philippines is not alone, though, in feeling territorial pressures from China. So too are Japan, India, Malaysia, Indonesia, and Vietnam. So too is South Korea, as China turns its attention to the Yellow Sea, or West Sea, to encroach into the Provisional Measure Zone, or PMZ, disregarding the 2001 agreement between Beijing and Seoul. Washington-based publication 19FortyFive rightly asks if we are, quote, "seeing South China Sea 2.0," unquote, in the West Sea. So when I commanded USPACOM I began to think broadly about commerce and trade, especially with China becoming a more aggressive, more belligerent, more capable, and, frankly, a more coercive economic force. Because of how interconnected we are, I believe that robust trade and investment are necessary conditions for global prosperity and

security. But we're not just in a trade war with China. As Matt Pottinger recently wrote, we're in a battle for the 21st century.

Folks, I believe that President Trump recognizes that the United States is a Pacific power and a Pacific nation, and that the U.S. faces one of the most dangerous strategic environments in our nation's history – including a vulnerable homeland, China's unprecedented military buildup and the direct threat that it poses to our security and economy, and a range of other persistent threats – including Russia, Iran, North Korea, and terrorist organizations. Now I haven't seen the administration's interim National Defense Strategic Guidance because it's classified. However, according to the Office of the Secretary of Defense – well, Secretary of War – this guidance prioritizes defense of the homeland, emphasizes the centrality of the China challenge, reorients the U.S. military away from Europe and toward the Indo-Pacific, and calls for increased burden sharing from our allies.

Now, since I was a U.S. Ambassador to South Korea, let me spend just a few minutes on the U.S.-South Korea alliance. I visited Korea twice this year already. Congratulations to new president Lee Jae-myung on winning the presidency in June. Despite some pre-election drama, we saw free and open elections and a peaceful assumption of power. This demonstrated to me the fundamental strength of Korean democracy. Last month's summit in Washington between President Lee and President Trump went extremely well, in my opinion. According to CSIS' own Henry Haggard, quote, "President Lee emphasized the importance of the alliance, underscored the need for continued cooperation against China, and highlighted the shared goal of denuclearizing North Korea," unquote.

Folks, the U.S.-South Korea alliance, 72 years strong this year, was forged during a devastating conflict and has stood the test of time. It's mindboggling to consider how much has changed in the world in general, Northeast Asia in particular, and the Korean Peninsula especially, since 1953. Some changes have been for the better, such as South Korea's miraculous growth into an economic and cultural powerhouse, a vibrant democracy, a high-tech innovation nation, and now a world-class weapons builder. Other changes, though, have been for the worst. Why is North Korea, so far away in Northeast Asia, a challenge for the entire world? The answer is simple. Kim Jong-un's missiles point in every direction.

North Korea is ruled by a brutal dictator who values power and prosperity over the welfare – who values power over the prosperity and welfare of his own people. The North's unrelenting pursuit of nuclear weapons, the means to deliver them, and this unmitigated aggression towards America and South Korea should concern us all. Now, I've long believed that KJU wants four things – sanctions relief, to keep his nukes, to split the alliance, and to dominate the peninsula. KJU stated unequivocally that he'd never give up his

nukes and that North Korea's status as a nuclear weapons state is irreversible. By declaring the North would no longer seek peaceful reunification with the South, he abandoned a foundational doctrine of the communist regime. And now KJU is trading troops and low-cost weapons for advanced Russian technology. Why am I not surprised?

None of this sounds to me like he's going to get rid of his nuclear ambitions anytime soon. In fact, he's telling us precisely the opposite. Let's not sugarcoat his words. Let's take them at face value. The American poet Maya Angelou once said, "When someone shows you who they are, believe them the first time." Ladies and gentlemen, time and time again KJU has shown us who he is. And shame on us if we fail to believe it. Now, while I believe that he'll never give up his nuclear weapons program, I have been wrong before. I can and do hope that diplomacy with North Korea will be successful. However, I recognize that hope alone is not an effective course of action. The quest for dialogue with the North must never be made at the expense of the ability to respond to threats from the North. Dialogue and military readiness must go hand in hand. Idealism must be rooted in realism.

Now, folks, I'd like to spend some time talking about Japan, the Quad, the AUKUS, Ukraine, Taiwan, Iran and its proxies, but my time is limited. So let me close with this observation. All the things that I've just talked about spell opportunity for South Korea and American industry. How do you spell opportunity? I spell it shipbuilding, advanced airborne fighter intelligence and early warning systems, space, cyber, chips, and missile defense, especially in hypersonics. If the U.S. is to meet the congressionally mandated goal of a 355 ship Navy, or the Navy's own 2015 shipbuilding plan of 381 manned and 134 unmanned battle force ships, I believe that capable international shipbuilders like South Korea must be part of the solution. Make America Shipbuilding great again, indeed. Getting the U.S.-Korea reciprocal defense procurement MOU signed is also very important, and would send a powerful signal to our adversaries that this alliance is much more than just troops on the ground.

Ladies and gentlemen, a strong industrial base in both the U.S. and South Korea benefits both countries. This is not a zero-sum game. As Washington and Seoul strengthen defense spending, modernize the alliance, we must expand defense industrial based cooperation and collaboration to ensure interoperability, resilience, and deterrence.

So let us meet the great strategic challenges of the 21st century together. Katchi kapshida. (Speaks in Korean, then continues in English.) Thank you very much. (Applause.)

Dr. McGinn:

Thank you, Ambassador Harris. And thank you, Minister, for your very, very powerful remarks. Harry, yours were a bit sobering, but also kind of

reinforced – you both reinforced the incredible power of the U.S.-Republic of Korea partnership, that has been going for so many years and in so many dimensions. So I'd like to start – your president – you both referred to the visiting of President Lee, who was here at CSIS, actually, right after he was in the White House recently. And he was, again, talking about the make America's shipbuilding great again agreement. And you both referred to that briefly in your marks. So I'd love to get your thoughts more on how you see the opportunities with shipbuilding as a partnership between the U.S. and Korea going forward. So you want to start, Minister, with your – with you?

Min. Seok:

(Note: Min. Seok's remarks from this point forward are made through an interpreter.)

Yes. As Ambassador Harris also mentioned, in the Indo-Pacific area right now in order to have dominance in the naval power we need to strengthen the naval force in this area. And within the United States, for its domestic power, it is very limited to build its ships within the short amount of time. Korea has the world-class capability to construct naval ships. And through our alliance with the U.S., we can enable this and we can satisfy the U.S. needs. This will be great opportunities. And since the Korean War, we've received a lot of support from the United States. And we can give it back to U.S.

Strengthening U.S. naval power doesn't just mean U.S. military forces enhancement. It is also directly related to Korean security, and Indo-Pacific area's security is directly related to the global security. So we will tap into our capabilities to contribute to the situation and cooperate so that we can help the revival of the shipbuilding industry in the U.S. and naval power strengthening. And to materialize that at the government to government level and business to business level, we have detailed cooperation projects ongoing. And we will keep pushing forward. And if we can do that, we will be able to materialize the Indo-Pacific strategy. And this MASGA project will become a centerpiece model in the ROK-U.S. alliance.

Adm. Harris:

Yeah. Thanks for the question. Back to the summit, I think the summit went extremely well. Not only did both leaders appear to get along well, they achieved some important agreements and promises to do more. I think the summit went very well for both countries and for the alliance. So I think that answers that. And I want to echo what the minister said about shipbuilding, and how that could become a centerpiece example for industrial base cooperation between countries, between allies. I visited Hanwha Aerospace earlier this year. That's the entity that bought the Philadelphia shipyard and a large stake in Austal. And they are all in. They are committed. We have some hurdles internal to our government to overcome, but because they now have a shipyard footprint in the United States, they are positioned well, I believe.

Hyundai Shipbuilding is also looking at establishing a market and a capability and a position in the U.S. So this is just indicative, I think, of the front of the wave of opportunities for Korean shipbuilders. A world-class shipbuilding industry exists in Korea already. That can help in the United States, I believe.

Dr. McGinn: That's great. Yeah, and President Lee, I think he went to the Philly shipyard after here. So we have this investment by Korean companies in the U.S. So there seems to be significant opportunities there. One of the questions we've gotten from Dong-hyun with Yonhap News, he asks about, you know, going a little further beyond the summit itself, but some of the practical things, Ambassador, that you brought out. There are some barriers to – some practical barriers to shipbuilding cooperation, you know, that some talk about, such as the Jones Act and Title 10. Have we found – has the government found, a way through to address these issues?

Adm. Harris: Well, the Jones Act deals with merchant shipping. And there's another act, I can't remember the name of it, but it's an amendment that deals with warships. And they have a – they have a carveout in there for national security, if the president certifies that. So there is a way out of it. But I believe that, more importantly, there are people in the administration and in Congress that recognizes the limitations of these laws and amendments. The Jones Act came out of the 1920s, I believe. And that we are in a new place now in the 21st Century. And so they're working, I think, to figure out ways through this.

But also, countries like South Korea and companies like Hanwha and Hyundai are buying factories – shipbuilding plants in the United States, just as Austal did several years ago, as Fincantieri is doing now. And so, you know, that's important too, because those are products that are made in the United States.

Dr. McGinn: Minister, you have any comments on that, or?

Min. Seok: Yes. As Ambassador Harris mentioned, if we want the cooperation between the two countries for shipbuilding we have some legal barriers, such as Byrnes-Tollefson Amendment is one of the acts. That's the U.S. domestic law. So for these barriers, we are working with U.S. Department of the Navy and DOD. And this afternoon we will meet with one of the DOD high-level official. And also we will talk with the Department of Navy. So we need to think about this more progressively. And U.S. leadership needs to see this more progressively as well to resolve this issue in a short amount of time.

Overall, Hanwha, and Hyundai Heavy Industry, and other Korean companies are very actively making effort for cooperation. And in reality, as we talked about Philly shipyard by Hanwha, and et cetera, we need more than just one

of these companies to overcome the barriers within the United States. So we are proposing a variety of measures to overcome this. So Korea has world-class shipbuilding parts. So we can provide that. And we can manufacture the ships by block. And then we can assemble it in the U.S. And except for the combat systems, et cetera, we can at least make the ship so that it can sail. Then we can kind of skip the security-sensitive issues at that time. And U.S. can do the system integration itself. Or we can completely build a ship in Korea and just send it to the U.S.

To make a ship we need time to build infrastructure related to that. So for these options proposed by the U.S., the U.S. needs to work on those – how to cooperate and coordinate with the U.S. But, as I mentioned earlier, we need to get those legal barriers taken away. And we will need some high-level decision making to have that happen. And we will keep continuing to talk about it with U.S. And we don't have a lot of time so we need to make a quick decision.

Dr. McGinn:

That's great to hear. It's great to hear you're meeting with Navy officials. And one of the things that's really impressed me is – about the current administration and the Korean government – is they're really leaning forward, not just talking about these issues but actually working through the practical problems. What are some of the legal challenges? What are the some of the cultural challenges? And addressing them. So that's tremendous to hear. And the investment by Korean companies has been significant. And look forward to that – more of that.

I wonder if we could shift a little bit and talk about what you brought up in your remarks, Minister. In the Indo-Pacific theater, or in Northeast Asia, outside of Korea, you have – you mentioned the Regional Sustainment Framework, which is an idea of, you know, the challenge of significant supply lines from the United States to the Indo-Pacific theater. You know, has led to discussions between the U.S. and partners such as Korea in that region to say, how could we sustain forces in the event of national security needs? And there seems to be lots of opportunities there for shipbuilding, you had mentioned MRO, or maintenance, repair, and overhaul, as well as some repair and overhaul of not just ships, but of aircraft and the like. So I'm wondering if you – how are those discussions going? And where do you see opportunities for Korean and U.S. industry?

Min. Seok:

Well, currently, we are doing some MRO initiatives this year. There were two MRO projects on U.S. vessels completed, and two are in progress. And recently I was in the United States. I talked with DOD. So we talked about let's not just stop at vessels. Maybe we can also do aircraft and also ground equipment for helicopters as well. We've discussed that also for F-16, it's used both by Korean and U.S. forces. So we can do that as well. And also there are U.S. equipment in Korea and Japan that we do have some maintenance

capabilities for that. So maybe we can continuously expand the MRO on such area. Then, like you know, from U.S. perspective, rather than coming back to the United States for maintenance there can be time saving, cost saving, and also in terms of the readiness there's a great contribution potential. So, like I said, RSF is very important.

Well, now with U.S. capabilities only it is impossible to cover all of that. So, with allies and partners and leveraging the capabilities that the allies and partners have, we can combine them together so that we can customize that to the U.S. needs. I think that's very important. And also, to this end, RDPA should be signed as soon as possible.

So, ultimately, RSF or RDPA, when they are all established, I think that will be for U.S. and also Korea, as well as maybe Japan, like, the friendly countries, we can leverage the capabilities of these countries as much as possible. And when we can combine all those capabilities together, the allies and partners will be able to also contribute to the national security overall. So I think such cooperation should be reinforced going forward.

Adm. Harris:

And to add to that, I did, as I mentioned, visit Hanwha earlier this year, and they are serious about their approach to developing a greater, expanded MRO capability to help the United States overseas. But the biggest – you know, I mean, clearly, one of the biggest challenges that faces the INDOPACOM commander is this concept of contested logistics across the vast distances across the Pacific in the case of a future conflict somewhere in Asia. So MRO is part of that and all the rest.

Dr. McGinn:

One of the things you alluded to – you specifically mentioned, Minister, was the importance of kind of partnerships across the region in areas such as MRO or, you know, shipbuilding or other kind of – addressing contested logistics. And one of the – that was sort of the motivation behind establishing the regional security framework – the RSF, but also the Pacific – the Partnership for Indo-Pacific Industrial Resilience, or PIPIR, this set of bilateral kind of – or, umbrella of agreement or statement of principles been established to help accelerate kind of the development and deployment of capabilities. How have you seen – it seems like your remarks overall underscored the need for more of that kind of partnership going forward. Bilateral is critical, but it's also kind of working across the region. So, any thoughts on that?

Min. Seok:

Well, actually, Korea and U.S. one on one, this bilateral cooperation, is of course important, but Korea doesn't have everything that U.S. needs. So, like, Japan, Singapore, or other countries - neighboring countries, their capabilities can be shared as well. And there should be a system that can

combine and coordinate such capabilities. I think the initiation point for that can be PIPIR.

And also, in the end it's about how we can leverage the strength of each country. And then to do that we need to share the knowledge and we also need to have policy, institutional backbone, for that as well. I think this part is under discussion.

Well, anyway, North Korea, Russia, or China, them having this close cooperation just like that in Atlantic as well as in the Indo-Pacific area centering around U.S., also NATO and other countries like Korea, we all need to have close cooperation in order to be able to have the readiness to respond to such threats. So bilateral allies partnership is important, but multilateral ones are also now getting more important. And it's very important to see how we are going to be able to leverage and combine the capabilities of these partners.

I think maybe the U.S. needs to take the lead in leveraging those capabilities, sharing them, and establishing the foundation to have policy – institutional foundation to have those policy together. So I think that's where the United States needs to take the lead, in strengthening the cooperation. If that happens, I think we will be able to have more readiness toward the potential risk in the Indo-Pacific area.

Adm. Harris: I'll just add that the so-called Axis of Upheaval – China, Russia, North Korea, and Iran – could actually drive us toward greater defense cooperation across all sectors amongst allies and partners. And especially when you consider the common weapons systems that are deployed globally not only in the Indo-Pacific but also in Europe – the JSF, F-35; you know, the P-8 Poseidon aircraft; the Aegis weapons systems, and many other high-end warfighting systems – it makes sense that we have a regional approach to MRO and not a – not a bilateral or even a one-on-one approach because of all the common systems that are being fielded, primarily American in origin but because that's where we are today. Things like PIPIR is like – things like PIPIR matter, and I think it resonates.

Dr. McGinn: Yeah. You both discussed the RDP MOU, and I'll just take a step back for the audience. So the Reciprocal Defense Procurement Memorandum of Understanding is a bilateral agreement that has been – there's been 28 countries that have established these agreements with the United States. And what they do is they enable U.S. industry and the foreign country's industry to have a level playing field. It says that we recognize your procurement rules, they're fair, they're – and it's a sign of mutual respect and cooperation. And it enables kind of that collaboration. We have 28 countries that have that now. And Korea is on the cusp of completing that, so want to get your

thoughts on how – you know, how do you see that playing out in, you know, the – in the coming months.

Min Seok: Well, currently if I give you just an overview, at the congressional level in the United States I heard that there are some procedures to go through remaining. So when we go over that, I think the two countries will be able to sign RDPA in a short period of time. I don't think there will be a big challenge on that.

If I add a little more to what I have talked about in my speech, as I talked about the MRO in the region, I talked about how that will reinforce the military readiness in the region. Well, as you see in the Ukraine war, in other wars, you can see that it's not really the military force that will decide the win or failure of the battle; well, actually, what's more important is actually economic power. It's like all-out war, right?

So, in the Asia-Indo-Pacific region, well, maintaining the military readiness is the default that we need to have. But at the same time, we need to have the economic support for that – so not only the economic power of the United States, but also the economic power of the Indo-Pacific region countries. So maintaining their economic power is also very important in this region.

So this RDPA can be a tool to improve defense cooperation. But based on that, I hope we can have more economic cooperation in more areas so that we can have allies' and partners' economies improve to reach certain level. Then I think we can have more containment power. So we should not stop just at thinking about the military power; we also need to think about the more, like, economic power. And when we have the RDPA, I think we need to have more expanded horizon of thought on that.

Adm. Harris: The ball is in our court to finish the final steps of the RDPA MOU, so.

Dr. McGinn: OK.

We talked a lot about shipbuilding, but another you mentioned in your remarks, Minister – and you did as well, Ambassador – was around aircraft or, you know, the – such as the Air Force's collaborative combat aircraft, the unmanned systems that are being developed to support some of the – to help achieve kind of more affordable mass. Do you see – where do you see kind of opportunities for bilateral or regional cooperation with the area of either unmanned air systems or unmanned underwater systems?

Adm. Harris: Well, there's no limit to the – sorry – there's no limit to the opportunities when you're talking unmanned. You know, we see the example of what's going on in Ukraine and all the ingenuity and innovation that's happening

there. We desperately need it, I believe, not only unmanned aircraft but seaborne and undersea systems.

I know the Navy is deeply involved with the U.S. defense industry on developing underwater systems as well as surface unmanned systems. I think there's a lot of opportunity there. If Korea has that capability in development, then we could learn from them as well. But this ought to be, in my view, allies working together to achieve a common end state here.

Dr. McGinn: It's a real opportunity for PIPIR. Do you have any thoughts there, Minister?

Min. Seok: Well, actually, like Ambassador Harris just mentioned, recently there was, like, drone – like, there are new platforms different from existing platforms. We can see that they are playing the role of gamechanger in new battlefields. So not only the United States, but also many other countries are looking at AI unmanned systems and so on, and we're seeing innovative efforts going on in those areas.

Before coming here, I actually also met someone, and also tomorrow – I'm going to visit Palantir tomorrow. So, because it is hard to leverage the capabilities that they have in the military area, so, like, in the ground, or seaborne, or airborne, we need to accelerate our efforts to establish a system to maximize our forces there. And that will, I think, be the decisive factor in winning or failure in the battlefield.

But like you know, U.S. does have the advanced technology and has made this such weapons system applying such advanced technology. Then, later on, when allies join in with the operation, U.S. will have advanced systems, and partners and allies might end up having some sort of, like, more archaic system. That will drive down the efficiency in their warfighting. So those advanced technologies of the United States might have been, like, transferred to allies and partners so that allies and partners can have a certain level of technologies and capabilities so that we are not driving down the overall level of quality of the combat or warfighting.

So in terms of export control and all that, U.S. might think that having all this to yourself might be better. But if you're thinking about the overall Indo-Pacific strategy and the overall picture, having your allies and partners have those capabilities will be very important for the United States as well. So manned and unmanned systems and other new weapons system development should be experiencing more cooperation. Especially in the initial stage, U.S. should think about transferring technologies and cooperate with allies and partners as well.

Korea, which has a very good productiveness, we might be able to help produce these in a more efficient manner. And one day or another, Korea will

have its own independent manufacturing capability. So stronger Korea's military strength will eventually contribute to the U.S., and it'll be helpful for the overall Indo-Pacific strategy as well.

Dr. McGinn:

Yeah. So there's sort of kind of two threads of that, I think both really important. One is the kind of the ability to kind of technology – collaboration of technology, which just kind of gets at some of the technology transfer or export control issues which, obviously, need attention. And the other one is sort of the advanced technologies – the Palantirs of the world – where a lot of that is kind of commercially oriented and the like.

One of the questions that we got that relates to that is from Joel House with Integrated Solutions for Systems, is, you know, how do you see kind of machine learning and AI being – kind of playing a role in some of this collaboration? Is that an area of big focus in Korean industry? And do you see collaboration there? And what potential do you see in the future?

Min. Seok:

I'm going to talk about why we need this new weapons system. I will say this: In the battle-fighting field, we need to drive up the efficiency of warfighting. And what matters the most is the lives of the people, human rights, especially Korea has very low birthrate so we have to cut down on our military force. Then, with a very limited number of people, we still have to meet the or carry out the missions. Then we will need those Fourth Industrial Revolution sort of technologies in our battlefield.

So we need this AI and new and innovative weapons system, and adapted for the center of the military technology. And all these AI and models and computings and all of these need to be already ready, but it's not. Right now they're still emerging.

And President Lee said that we are trying to be the number three – one of the number-three countries in the world in terms of AI and new technologies. In this aspect, especially for military aspect, U.S.' prestigious companies need to cooperate. And that'll be very helpful for the Korean military. And with that help, we will be able to achieve our goal, the common goal, within the short amount of time.

We already have an MOU with Anduril, and many of the Korean companies are cooperating with Anduril in a variety of different sectors. What this means is that Korean defense companies are cooperating with U.S. companies, but other Indo-Pacific countries can cooperate with the United States this way. That will mean that we'll have better military readiness in the region and we'll be able to enjoy more closer economic collaboration. That means we will be able to better deter those potential threats in the region.

Dr. McGinn: I want to address – thank you very much, Minister – a question from one of my colleagues here, Tao-Hung Chang from CSIS. He asks: As first island chain partners form a collective defense strategy against rising Chinese security challenges, do you think it is possible to form defense industrial cooperation and alliances between Taiwan and the Republic of Korea to promote capabilities and resilient logistic support to regional partners? So, you know, could Taiwan be potentially involved in PIPIR or informally in the region? And have you had any thoughts on that? Harry, you have any general –

Adm. Harris: Yeah. Taiwan, in my view, is a global force for good. They have a great capacity. TSMC chips, there's none like – none like them. But whether countries – other countries would support Taiwan being in a collective grouping, whether it's PIPIR or anything else, that's an individual decision that these countries will have to make. And far be it for me to suggest one way or the other in that regard.

Dr. McGinn: Any thoughts, Minister?

Min Seok: Well, for me as well, just like Ambassador Harris said, I agree. Regarding Taiwan, how do we cooperate against Chinese threats, et cetera? I do not have much information to talk about it, or my position is very limited. So I think I agree with what Ambassador Harris said.

Dr. McGinn: And then one more kind of practical question, then we're going to move to closing kind of statements. So Kwan Lee from Northrop Grumman asks: How do the Korean offset requirements figure into the RDP MOU discussions?

Min. Seok: Regarding offset trade, I'm sure most of the countries have a similar system. And from the U.S. perspective, this offset trade sort of works like a little bit of barrier for us and some of the other countries. So we've been asking for some changes to the offset system. And based on that request, we're trying to turn that into means of cooperation, not just a barrier. So we are trying to think about how to work on this internally. If we can make this happen, defense industrial cooperation between the two countries will go one level higher. Thank you.

Adm. Harris: Yeah. I think you ought to ask the fellow whose place I took on the podium to answer that question. I'm not qualified to answer it. (Laughter.)

Dr. McGinn: OK.

Now, there's clearly a lot going on in the U.S.-ROK relationship, and it's all to the good. I mean, we're having tremendous, you know, industrial investment in the United States. There are tremendous U.S. interests in capabilities of shipbuilders and others in Korean industry. Lots of discussion and action around the regional sustainment framework as well as PIPIR. You know, but

what – I want to get kind of your thoughts as we – as we close here. Where do you see, and where would you like to see, the U.S.-ROK industrial partnership go in the future? So, Minister, can we start with you?

Min. Seok: Well, in fact, I can only talk about this defense cooperation and I can only talk about that. So I think I should be focusing on that.

However, the U.S. trade volume with Korea and its economic size, we two need each other very desperately. So last time when President Lee was here for the summit we talked about the tariff negotiation. We confirmed what we need from each other – not just this tariff negotiation, but we need a relationship where we can support each other in terms of what the other party wants. Then we'll be able to enjoy industrial cooperation and prosperity for both countries.

And the summit was successful, as everybody admitted. And as a follow up, implementation sort of measures for the summit, we can keep working on the economic cooperation just like we have a very strong military relationship between the two countries. And we can keep strengthening those relations, and we're very optimistic about the future. And that's the way we need to go.

Adm. Harris: I'll just add to that and say that things like this, this conference, are important because it sort of sets that high tone for – at the ideological level for collaboration downstream where it matters. I think we have to keep in mind when we work to improve our defense industrial base cooperation that we keep interoperability in mind. We have to be interoperable. Our weapons systems, whether they're made by American manufacturers or Korean manufacturers or some combination, they have to be interoperable because our forces are going to have to fight together against the threat downstream. So we have to keep interoperability, I think, in mind. And things like this I think are instrumental and key to that.

Dr. McGinn: And I think, yeah, the importance of that collaboration, then, because, ultimately, you know, as the Ambassador explicitly said, the U.S. and Korea have gone to war together. We've partnered together. We operate together. And that is where the rubber meets the road in terms of national security. So the more we can collaborate on defense cooperation and economic cooperation, it's more to the better for our bilateral relationship, for our individual countries, and for the overall region.

So I want to thank our keynote speakers. And please join me in thanking Ambassador Harris and the minister for a wonderful conversation.
(Applause.)

So we have a break until 11:15, when we'll have our panel. So there's coffee and pastries outside. Thanks again to our keynotes.

(END.)