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EXPERTS TAKE

The Rise of South Korea's Defense Industry and Europe-Korea Industrial Defense Cooperation

An Interview with Lt. Gen. (ret) Chun In-bum

Lieutenant General (Ret.) Chun In-bum is a decorated three-star war general from the Republic of Korea (ROK) Army. He is a distinguished military fellow at ISDP, a Senior Fellow for the Association of the United States Army, President of the Society for Army Alliance-Korea and President of the Korea AI Security Association. General Chun previously served in Iraq's Multi-National Force, earning the Hwa-Rang Combat Medal and U.S. Bronze Star for supporting the first fair elections there in 2005. From November 2005, he directed U.S. Affairs at Korea's Ministry of National Defense, negotiating troop relocations and wartime control transition. He commanded the 27th Infantry Division and ROK Special Warfare Command and served on the UN Military Armistice Commission.



Introduction

By Nerea Alvarez Aríztegui

For nearly 80 years, the Republic of Korea (ROK, also known as South Korea) has technically been at war. The constant tension, paired with a delicate balance between superpowers and the escalating threat of nuclear weapons in the Democratic People's Republic of Korea (DPRK), has motivated the country to heavily invest in its defense industry. Starting as a defense importer, Seoul crowned itself as the world's fourth-largest exporter in 2025, rising six places in a year.¹

Yet, South Korea's growing defense investment in the last years is not just a reflection of global trend affecting the Western World as well. Unlike Seoul's stagnation in a continuum of armistice, where the thought of war has never left the country's mind, Europe has found itself unprepared after decades of de-escalation of military capabilities. In the wake of Russia's invasion of Ukraine, Europe was caught unawares, indecisive and without the means to properly defend itself. Since then, the defense sector has picked up, being reborn with the aim of rearmament.² Furthermore, as new fronts appear in the Middle East (Gaza and Iran), alliances have started to shake, and European allies are reluctant to depend solely on the United States (U.S.), creating a need for diversification

of arms imports in Europe, and prompting the search for new partners to fill the defense gap.

South Korea, now Europe's second largest arm exporter (8.6 percent) after the U.S. (58 percent), presents itself as an alternative defense partner with growing possibilities.³ Korean K9 howitzers, K2 tanks, FA-50 light attack jets, Chunmoo missiles and KSS-III submarines are already being purchased in mass by European nations. Poland, Norway, Finland and Estonia are drawn by the quality, interoperability, speed and competitive prices South Korea is able to bring to the table.⁴ However, the possibilities of cooperation could go beyond the transactional: with the rise of war, resilience should be a priority. Weapons are useful tools, but building effective industrial resilience can make the difference between winning and losing.

This Expert's Take explores Seoul's defense industry evolution, its position within a divided transatlantic alliance and future areas of cooperation and growth alongside Europe: not just in a mere buyer-seller relationship, but as co-developers of industrial resilience. Chun Inbum, a retired three-star general of the South Korean Army, offers an insightful look beyond the current contracts and toward a long-term restructuring of global defense.

- 1 SIPRI, "Can the Growth Trend in South Korea's Arms Industry Last?" December 10, 2025, <https://www.sipri.org/commentary/topical-background/2025/can-growth-trend-south-koreas-arms-industry-last>; "South Korea Surges to World's No. 4 Arms Exporter in 2025," *Hankyoreh*, April 14, 2026, https://english.hani.co.kr/arti/english_edition/e_national/1254201.html.
- 2 "ReArming Europe: What Is the Current State of Affairs?" KUNGL KRIGSVETENSKAPSAKADEMIEN, March 11, 2026. <https://kkrv.se/rearming-europe-what-is-the-current-state-of-affairs/>.
- 3 SIPRI, "Global Arms Flows Jump Nearly 10 per Cent as European Demand Soars," March 9, 2026, <https://www.sipri.org/media/press-release/2026/global-arms-flows-jump-nearly-10-cent-european-demand-soars>.
- 4 Chung Min Lee, "Are Long-Term NATO-South Korea Defense Ties Possible? Transitioning From an Arms Exporter to a Trusted Defense Partner," Carnegie Endowment for International Peace, February 18, 2026, <https://carnegieendowment.org/research/2026/02/are-long-term-nato-south-korea-defense-ties-possible-transitioning-from-an-arms-exporter-to-a-trusted-defense-partner>.

Nerea Alvarez Aríztegui: Could you walk us through the evolution of South Korea's defense industry – from a license-producer of American systems to a top-4 global exporter?

Chun In-bum: Until the early 1970s, South Korea could barely make a rifle. So, the Korean government at that time decided that the country needed to be able to make its own weapons; in short, that's how it started. In the early 1980s, instead of just relying on the United States for weaponry, Korea started buying from American arms dealers: F16s, F-5Fs, K1 tanks, Hughes MD500 helicopters... those were the main items, as well as a lot of subsystems, like radars and similar equipment, which were just bought from the United States.

In the early 1990s, there were allegations of corruption and bribes (which proved more true than false), so very strict arm purchase conditions were improvised. At the same time, weaponry bought from other countries became just too expensive, and so the concept of "Koreanizing" whatever we could became a primary task. There were also instances where the United States was unwilling to sell us the kind of weaponry that we needed, for instance, torpedoes. The United States was not willing to sell us torpedoes, so the Koreans developed their own. With other weaponry, as the United States (our closest ally) denied selling its products to us, a breakthrough occurred during

a period of improving relations with the Russians. So, the Russians borrowed, I believe, about a billion dollars, from us and then defaulted. Because they defaulted, what they proposed was providing weapon systems instead of money, so they exported T80 tanks to Korea. We have about 35 of them (which we no longer use operationally, but still use for training) and they also sent us BMPs, and other equipment. However, it was not very successful, we found that these tanks and APCs ran on different systems and their integration took a lot of modifications that just weren't worth the money and effort. Nevertheless, the Russians also provided missile technology: that's why the Korean Hyunmoo-5 really looks like the Iskander. This jumpstarted Korean rocketry.

At the same time, Koreans (surprising even to me) are very innovative. I mean, a case in point is the KF21. We're not there yet, but the KF-21 is a great aircraft as a starting point right now. It's great. Many countries, including great countries like India, have failed to reach where Korea is right now. But we did it within budget. It's amazing. So, whatever the critics say, they need to taper their criticism with a little grain of salt. Anyway, Koreans are able to make a system—maybe not as good as an American system—but usually at a third of the price, while delivering it within the time that we say we are going to deliver it.

Nerea: Why has South Korea's defense industry

“Becoming a major arms exporter will affect South Korea's strategic and diplomatic leverage. But South Korea will have to take a leap from its present condition and mindset. A case in point is Ukraine. Now, ideologically and value-wise, we should have supported the efforts of the Ukrainians to defend their country. We could have leveraged our arms industry to do so, but the Koreans, superficially, say “we don't want to challenge the Russians”.

shifted from an importer-dependent licensee to a top 10 global arms exporter, and what does this success mean for South Korea's strategic autonomy and diplomatic leverage?

Chun: Mainly because of cost and maintenance. And to be honest with you, I think the foreign companies, especially American companies, don't know how to deal with Koreans. They hurt our feelings and, our engineers thought "We don't have to take this". And of course, "Koreanization" was always considered the best option.

Now, two things. Number one: there are some core technologies that Korea is either incapable of or unwilling to develop. For instance, quantum computing. Can we do it now? No. Maybe not. Can we do it in the future? Probably. But do you want to spend all your money trying to build a quantum computer like, you know, the United States or whoever the leading quantum computer organization is? I don't think so.

So, it's a matter of how much, and how badly, you want that capability, and at what cost. Another thing is that it's cheaper to just import. A case in point is little motors. Can Korea make a little motor? Of course we can make a little motor. But it will cost us \$10 to make a motor. If we import it from Malaysia, it's \$1. So why should we make a motor that we can just import for one-tenth of the price.

Now, for logistical resilience and supply chain vulnerability, this is something that you need to think about. Here comes the reality of the world that we live in: nobody can do it on their own. The Chinese say that they can do it on their own. Maybe they can because China is such a huge country. But there are limits to everyone. It's just wiser to recognize that two heads are better than one.

I definitely think that becoming a major arms exporter will affect South Korea's strategic and diplomatic leverage. But South Korea, I think, will

have to take a leap from its present condition and mindset. A case in point is Ukraine. Now, ideologically and value-wise, we should have supported the efforts of the Ukrainians to defend their country. We could have leveraged our arms industry to do so, but the Koreans, superficially, say "we don't want to challenge the Russians". However, a bigger issue is that we are not yet willing to use arms exports as a diplomatic tool. If the Koreans had thought that this could be a diplomatic tool, the logical situation would be: okay, we're going to export defensive missiles, or non-lethal equipment, and then use that as a basis to negotiate with both Ukraine, the Russians, and the United States. But instead, we're not doing that.

Nerea: Many countries are defense product exporters, but South Korea's defense industry seems to have succeeded where others have struggled. In your view, what makes the Korean defense industry fundamentally different from, say, European, American, Chinese, Japanese or Israeli models?

Chun: Well, I think Western culture has a definite advantage in innovation and thinking out-of-the-box. In general, Koreans are very hierarchical people, so they have a comfort zone they like to stay in. Within that comfort zone, they are more than willing to achieve their goals as though their life depended on it. So that kind of drive and value system (although diluted a great deal) still exists in the Korean psyche. Culturally, a hardworking and educated population has always been the only true resource of the Korean people, and I think that's the main reason why we're able to do these things.

Nerea: Europe is rearming, but its own industrial capacity is limited and expensive. The United States is increasingly seen as a transactional ally. South Korean equipment is

already measured against NATO requirements, and it is the second biggest arms importer to European NATO members, followed by Israel. Arms are delivered faster, at lower cost, and with proven interoperability. Given this unique moment (especially with the war in Gaza and Iran), could South Korea become a bigger partner for NATO defense equipment delivery?

Chun: Absolutely. That's a certainty; there is a lot of potential. NATO will increase its capacity to be more self-sufficient in its own weapons manufacturing. But it's like the motor example before: if you can buy from the Koreans, we are a reliable ally, and the system is one-third to one-tenth of the price. You can already make it here in Europe, but why would you want to? It would be much more prudent to import it from Korea and integrate it with the weapons system that you already have. And vice versa, by importing a certain part of a weapon system that can both be used in NATO and in Northeast Asia, it's like an offset deal. There are a lot of opportunities. Right now, there is this gap between what the United States is willing to provide and what NATO is able to produce. There is a gap.

That is where the Koreans are right now. The gap is going to be reduced, right, as NATO's capabilities increase. But even then, South Korean industries can be an integral part of NATO's defense capabilities,

and vice versa. So, again, I give you the wristband of a watch, and I will import the watch. Win-win for both of us.

Nerea: Where do you see South Korea's defense industry heading over the next five to ten years and how could the EU and its European NATO members realistically become part of that future?

Chun: In the next five to ten years, I can foresee a huge leap in the Korean arms industry. Right now, our main sellers are the K9 self-propelled artillery, the Hyunmoo a surface-to-surface missile, the Chunmoo multiple launch rocket system (MLRS), and the associated apparatus radars sensors and software.

But the real jewel is in shipbuilding. Korean shipbuilding can build the hull, install the engine, and handle the mechanics of the ship. That overall floating ship can be either sent to Europe, or to the United States where the integration of weapon systems, sensors, command and control, and other advanced systems is conducted—the real brain work. This will accelerate production and create win-win situations for both countries.

Like I said, I believe that the arms industry has great potential in cooperation. Nobody can do it alone. Somebody can do it alone, but it's going to cost a lot more. And why would you want to do that,

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when you can have a reliable ally who will not only sell you reliable products, but also buy from you as well? So, I think shipbuilding has great potential.

Another item that is overlooked by a lot of countries is the KT-50 aircraft. It is by far the best trainer in the world, and with a few modifications it can also be a pretty good ground-attack aircraft. Maybe it is not the kind of weapon that Europe needs, but it is definitely, in my view, a training aircraft that Europe needs to train its pilots. This aircraft has a lot of technology from the United States as well. So again, it is a great product.

The KF-21, our new 4.5 generation aircraft, has just started development, but it already has a lot of European technology built into it. So, this is another option that Europe might want to consider. In fact, I think there's a lot of potential for cooperation in this aircraft. The Koreans can benefit from sensors, software, and those kinds of technologies. Those are some of the weaknesses that the Korean systems still need to address. I think that's where we need a lot of help.

But there are other areas as well: there's a huge challenge from cyber threats to chemical and biological threats from our adversaries. We're nearly helpless, especially when it comes to protecting the population from chemical and biological attacks by state actors or terrorist organizations.

Nerea: Industrial resilience has become a buzzword after the war in Ukraine. Ammunition shortages, long lead times, and single points of failure have plagued both Russia and the West. What are your top two or three concrete recommendations for building defense industrial resilience: not only for South Korea, but for Europe and Korea working together?

Chun: So, this is the greatest weakness of Korea. Not because we lack the technology or the will, but

Korea is a small country. It is one-tenth the size of Sweden, so a lot of our industry is concentrated and it's very difficult to defend. I think that's why we need cooperation with—number one—Japan, for resilience's sake, and with Europe as well. Since our factories and storage areas are so close to the enemy (only about 500 kilometers away), we're all within missile and drone range.

That's why I think it's important to have Korean arms factories in Europe, with the understanding that if something happens on the Korean Peninsula, these factories will be making weapons to help defend the country. The same applies to cooperation with the Japanese in terms of storage arrangements, where we can use Japanese space and capabilities. For Korea to have a robust relationship with Europe and its neighbors is critical for its defense, and especially for resilience. Because again, we have the technology, we have the know-how, and we have money. But we just don't have the space.

Nerea: More broadly, if you were advising both Korean and European defense planners today, what would you say is the single most under-exploited opportunity in Korea-Europe defense cooperation and its main obstacles?

Chun: So, Korean and European industries are bound by the fact that they must make a profit. And in most cases, the leadership of both countries, especially those in executive positions, must deliver good turnouts during their term. Because of this, the goal of profit, they're very limited in what they are willing to do.

They cannot do something that will result in a decline in profit. This is especially true in Korea because we have a legal clause that's called "*bae-im*" (배임죄) or "breach of trust". I don't know the English word, but if you cause a decline to your company, even by accident, you can be charged with "*bae-im*".

This is where I feel that the government must step in for the public good. It should either guarantee projects or actively support united efforts to solve critical weaknesses. Obviously chips is one of them, as are propellants. To launch a rocket you need solid fuel; to detonate a missile, you need explosive materials. They

all come from the same basic ingredients: magnesium, tungsten, and similar materials.

I think this is the area where the government must become an active participant and make sure that private companies are protected and that the nation that they serve is protected as well.

Afterword

By Nerea Alvarez Aríztegui

Lt Gen (ret) Chun's insights offer more than a sweeping overview of South Korea's defense rise. His diagnosis, grounded in experience and expertise, provides a clear image of where the industry stands and what it will take to move forward toward a win-win cooperation with Europe.

We are guided through South Korea's humble beginnings to its current position as the world's fourth-largest arm exporter. Necessity, self-reliance, and unreliable partnerships jump-started Korean rocketry, making it one of the most successful industries in the world today. Yet, the General remains objective, understanding the industry's limitations. Vulnerabilities loom large: South Korea's industrial base is concentrated, limited by its geographical reality, within missile range from the North, while its domestic legal culture tends to discourage risk-taking and long-term investment.

Collaboration emerges in the conversation as the key to a successful European-Korea partnership: it is not about buying and selling but about co-developing and co-producing. Korea's current mindset must change, letting go of the idea that arms exports should remain a purely economic tool, and instead embracing the strategic and diplomatic opportunities they may bring with them. South Korea should understand that arms export power must be paired with a firmer stand in international conflicts too, where it may become a force to be reckoned with in peace processes.

The interview's quietest and most profound insight points to a cultural realization: Korea's hierarchical, comfort-zone society produces astonishing results, but may also be restricted by those same characteristics. For Europe and NATO, the implication is clear: South Korea is not just an alternative supplier but also an opportunity for growth in defense and industrial resilience. Whether Europe and Korea realize this potential and seize the opportunity depends less on capability and more on their willingness to move beyond traditional patterns of transactional procurement into genuine industrial interdependence.