The Present Role and Position of the Socialist Republic of Vietnam in the International System, 1976-2015

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President Nguyen Minh Triet completes Vietnam's two-year term (2008-2009) as a non-permanent member and its role as the President of the United Nations Security Council in July and October, 2009.

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Introduction

This paper presents an analysis of the contemporary role of the Socialist Republic of Vietnam in the international system. The paper is divided into four's parts. Part 1 provides an overview of the key developments in Vietnam's foreign policy since the end of the conflict in Cambodia in 1991 until 2005. This part offers an evaluation of Vietnam's policy of 'multilateralizing and diversifying' its foreign policy adopted by the Seventh National Congress in 1991. Three broad themes are examined: Vietnam's normalization of relations with the resumption of development assistance by Japan and the European Union, and normalization of relations with China and the United States; Vietnam's membership in the Association of Southeast Asian Nations (ASEAN) and associated institutions such as the ASEAN Regional Forum and East Asia Summit; and Vietnam's strategic partnership with Russia.

Part 2 explores Vietnam's foreign policy goals and achievements during the period 2006-2010 with an emphasis on Vietnam's strategic partnership agreements with Japan, India, China, European states and comprehensive partnership with Australia and Vietnam's membership in multilateral institutions (WTO, UN Security Council, ASEAN Chair).

Part 3 discusses Vietnam's foreign policy from the Vietnam Communist Party's (VCP) Eleventh National Congress in 2011 to the present. It examines Vietnam's consolidation of relations with the major powers, new strategic partnerships, and the East Sea issue.

Part 4, the conclusion, argues that of all the goals and objectives set by the VCP's Eleventh National Congress the conduct of Vietnam's foreign policy was arguably the most successful. Vietnam has utilized foreign policy to maintain its independence, economic development promote regional security and make positive contributions to global security.

Part 1 Key developments in Vietnamese foreign policy, 1991-2005

The end of the Cambodian conflict, through a negotiated comprehensive political settlement, dramatically altered Vietnam's strategic landscape and opened new opportunities and challenges. Vietnam positioned itself to take advantage of this new situation prior to the final Paris Conference on Cambodia in October 1991.

Seventh National Party Congress. The Seventh National Congress of the Vietnam Communist Party met from June 24-27, 1991. The Seventh Congress adopted a new

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orientation in foreign policy. Vietnam would now 'diversify and multilateralize economic relations with all countries and economic organizations...' (Communist Party of Vietnam 1991:49-50; Vu Khoan 1995:75 and Thayer 1993:221). In short, 'Vietnam wants to become the friend of all countries in the world community, and struggle for peace, independence and development.' According to the Political Report, 'We stand for equal and mutually beneficial co-operation with all countries regardless of different sociopolitical systems and on the basis of the principle of peaceful co-existence' (Communist Party of Vietnam 1991, 134).

The Political Report, however, gave priority to relations with the Soviet Union, Laos, Cambodia, China, Cuba, other 'communist and workers' parties', the 'forces struggling for peace, national independence, democracy and social progress', India, and the Non-Aligned Movement. It was only at the end of this list that Vietnam's 'new friends' were mentioned:

To develop relations of friendship with other countries in South-East Asia and the Asia-Pacific region, and to strive for a South-East Asia of peace, friendship and co-operation. To expand equal and mutually beneficial co-operation with northern and Western European countries, Japan and other developed countries. To promote the process of normalization of relations with the United States (Communist Party of Vietnam 1991:135).

Vietnam reaped substantial foreign policy dividends following the Cambodian peace agreements. For example, both Japan and the European Union ended restrictions on development assistance, trade and investment in Vietnam. Vietnam also succeeded in diversifying its foreign relations by moving from dependency on the Soviet Union, now in a period of disintegration, to a more diverse and balanced set of external relations. In 1989, Vietnam had diplomatic relations with only twenty-three non-communist states; by 1995 this number had expanded to 163.

During this period Vietnam normalized its relations with all members of ASEAN, acceded to the 1976 ASEAN Treaty of Amity and Cooperation (July 1992), and in November 1991 normalized relations with China (Thayer 1996b and 1992:55-62). In November 1998 became a member of Asia Pacific Economic Cooperation (APEC).

Not all was smooth sailing however. In February 1992, China's National People's Congress passed the Law on Territorial Sea and Contiguous Zone that claimed all islands in the South China Sea, including the Paracel and Spratly archipelagoes. China's law now put it on a collision course with Vietnam regarding sovereignty claims in the South China Sea. This took the form of a series of maritime incidents in the 1990s precipitated by China's efforts to explore for oil in waters falling within Vietnam's Exclusive Economic Zone or EEZ (Thayer 1996a).

Mid-Term Party Conference. In January 1994, the VCP convened its first Mid-Term Party Conference. Secretary General Do Muoi delivered the Political Report. The Political Report reaffirmed Vietnam's commitment to the broad outlines of economic and political renovation that emerged since the Seventh Congress. The Political Report listed

eight essential tasks to be carried out including the expansion of Vietnam's external relations. ¹ The major policy theme to emerge from the Mid-Term Conference was the priority to be given industrialization and modernization and the crucial importance of mobilizing domestic and foreign capital.

After the conference the official Vietnamese media highlighted what it termed the challenges of 'four dangers' facing Vietnam: the danger of being left behind (*tut hau*) economically by regional countries; the danger of peaceful evolution against socialism; the danger of corruption; and the danger of the breakdown of social order and security.²

In the period between the 1994 Mid-term Conference and the convening of the Eighth National Congress in mid-1996 Vietnam continued to pursue an open door foreign policy designed 'to make friends with all countries' (Vo Van Kiet 1995). These efforts paid handsome dividends. In 1993-94, the United States ended its long-standing objections to the provision of developmental assistance to Vietnam by the World Bank and International Monetary Fund, and gradually lifted restrictions on trade and investment with Vietnam. Vietnam thus became eligible for a variety of aid, credits and commercial loans to finance its development plans.

In July 1995, Vietnam made a major break though on the foreign policy front. Vietnam normalised relations with the United States, became ASEAN's seventh member, and signed a framework cooperation agreement with the European Union. For the first time, Vietnam had diplomatic relations with all five permanent members of the United Nations Security Council and, equally importantly, with the world's three major economic centres - Europe, North America and East Asia. In 2005 Vietnam became a founding member of the East Asia Summit.

Eighth National Party Congress. The next turning point in Vietnam's foreign policy came at the Eighth National Congress held from June 28 to July 1, 1996. For the first time delegates from Southeast Asia were included (representing ruling parties in Cambodia, Malaysia and Singapore).

The foreign policy section of the Political Report reflected the view of pragmatic policy practitioners. In the section headed 'the characteristics of the international system' the report noted that the 'scientific and technological revolution was developing at an increasingly rapid pace, thereby accelerating various production forces and the process of globalisation of the world economy and social life' (Dang Cong San Viet Nam 1996). According to Vu Khoan (2006), 'this was the first time we had spoken of globalisation and assessed that it was an objective trend.'

The Political Report also juxtaposed the potential for conflict arising from competition in the areas of economics, science and technology with the potential for cooperation arising from peaceful co-existence between 'socialist countries, communist and workers

¹ Nhan Dan, January 21, 1994

² Voice of Vietnam, January 22, 1994

³ And a member of the ASEAN Regional Forum as well.

parties and revolutionary and progressive forces' and 'nations under different political regimes'.

Earlier drafts of the Political Report that barely mentioned ASEAN were revised as a result of the intervention by ASEAN ambassadors in Hanoi. The final version of the Political Report read:

To strengthen our relations with neighbouring countries and ASEAN member countries, to constantly consolidate our ties with traditional friendly states, and attach importance to our relations with developed countries and political-economic centres in the world while at the same time upholding the spirit of solidarity and brotherliness with developing countries in Asia, Africa and Latin America, and with the Non-Aligned Movement.

Traditional Friends — Russia. In March 2001, Vietnam consolidated its ties with the Russian Federation, a 'traditional friendly state,' by signing its first strategic partnership agreement during the course of a visit by President Vladimir Putin to Hanoi (Thayer 2012a). This agreement set out broad-ranging cooperation in eight major areas: political-diplomatic, military equipment and technology, oil and gas cooperation, energy cooperation for hydro and nuclear power, trade and investment, science and technology, education and training, and culture and tourism.

Russian arms sales to Vietnam are the largest and most significant component of the strategic partnership.⁴ The Russian Federation is Vietnam's largest provider of military equipment and technology. This assistance assists Vietnam modernize its armed forces and enhances their capacity to defend Vietnam's sovereignty (Thayer 2011, 2012b, and 2013c).

Ninth National Congress. Between the VCs Eighth National Congress in 1996 and the Ninth National Congress in 2001, Vietnam and the United States painstakingly negotiated the terms of the Bilateral Trade Agreement (BTA). It was clear that Vietnam's policy elite was divided on the terms of the BTA and the risks of exposing Vietnam's economy to the forces of globalization.

In the end consensus was reached at the VCP's tenth plenum held in June-July 2000. The plenum decided that in order to achieve the objective of industrializing and modernizing Vietnam by 2020 Vietnam had no choice but to step up the rate of economic growth, encourage more foreign investment, and continue regional and global integration. The tenth plenum gave its approval for the new trade minister, Vu Khoan, to go to Washington to sign the BTA. For those seeking global economic integration, the BTA was a necessary step that Vietnam had to undertake in order to join the WTO.

Since 2000, Vietnam as pursued the objective of integrating Vietnam's economy with the global economy. At the Ninth National Congress held from April 19–23, 2001, the VCP reaffirmed that 'Vietnam wants to be a friend and a reliable partner to all nations'

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⁴ For background see Thayer 1997.

by diversifying and multilateralilzing its international relations (Thayer 2002a). Priority was placed on developing relations with 'socialist, neighboring and traditional friendly states.'⁵

The Ninth Congress set the goals of overcoming underdevelopment by the year 2010 and accelerating industrialization and modernization in order to become a modern industrialized state by 2020. According to Vu Khoan (2006), the Ninth Congress resolution identified two main measures to attain this goal, 'first, perfect the regime of a market economy with socialist characteristics, and second, integrate deeper and more fully into the various global economic regimes. Integration into the global economy will tie our economy into the regional and global economies on the basis of common rules of the game'. ⁶ In 2001 the United States granted Vietnam temporary normal trade relations status on a year-by-year basis.

Partners of Cooperation and Struggle. In mid-2003, the VCP Central Committee's eighth plenum provided an important interpretation of two ideological concepts — 'partners of cooperation' (doi tac) and 'objects of struggle' (doi tuong) in foreign relations. According to the eighth plenum's resolution, 'any force that plans and acts against the objectives we hold in the course of national construction and defense is the object of struggle.' And, 'anyone who respects our independence and sovereignty, establishes and expands friendly, equal, and mutually beneficial relations with Vietnam is our partner.'

The eighth plenum resolution argued for a more nuanced dialectical application of these concepts:

with the objects of struggle, we can find areas for cooperation; with the partners, there exist interests that are contradictory and different from those of ours. We should be aware of these, thus overcoming the two tendencies, namely lacking vigilance and showing rigidity in our perception, design, and implementation of specific policies.

The eighth plenum resolution thus provided the policy rationale for Vietnam to step up cooperative activities with the United States (Thayer 2005). After the plenum Vietnam advised the United States that it would accept a long-standing invitation for its Minister of National Defence to visit Washington. Vietnam also approved the first port call by a U.S. Navy warship since the Vietnam War.

⁵A Politburo resolution adopted in November 2001 sketched Vietnam's diplomatic strategy as follows: continue to strengthen relations with Vietnam's neighbours and countries that have been traditional friends; give importance to relations with big countries, developing countries, and the political and economic centers of the world; raise the level of solidarity with developing countries and the non-aligned movement; increase activities in international organizations; and develop relations with Communist and Workers' parties, with progressive forces, while at the same time expanding relations with ruling parties and other parties. Pay attention to 'people's diplomacy.' (Vu Duong Ninh, 2002:110).

⁶This was the first time the concept of 'market economy with socialist characteristics' was endorsed (Le Xuan Tung, 2004:17).

Part 2 Vietnam's foreign policy goals and achievements, 2006-2011

This section reviews Vietnam's foreign policy since the VCP's Tenth Congress with a focus on Vietnam's relations with major powers, East Asian states, European countries and ASEAN members, and Vietnam's membership in multilateral institutions.

Tenth National Congress. The VCP convened its Tenth National Congress in Hanoi from April 18-25, 2006 (Thayer 2007). According to the Political Report, Vietnam 'must strive to unswervingly carry out a foreign policy of... multilateral and diversified relationships while staying proactive in integrating into the world economic community and expanding international cooperation in other fields.'

The sub-sections below consider Vietnam's efforts to enhance its relations with the major powers, East Asian states, European countries and ASEAN members through strategic and comprehensive partnerships.

Major Powers

Japan: Strategic Partner. On October 19, 2006, Prime Ministers Shinzo Abe and Nguyen Tan Dung issued a Joint Statement entitled 'Toward a Strategic Partnership for Peace and Prosperity in Asia' (Thayer 2012a). This document called for frequent high-level visits and exchanges of views and the establishment of a ministerial-level Joint Cooperation Committee.

In November 2007, Nguyen Minh Triet became the first Vietnamese president to make an official visit to Japan. President Triet and Prime Minister Yasuo Fukuda issued a Joint Statement that included a forty-four point Agenda Toward a Strategic Partnership divided into seven substantive areas: exchanges, cooperation in policy dialogue, security and defence; comprehensive economic partnership; improvement of the legal system and administrative reforms; science and technology; climate change, environment, natural resources and technology; mutual understanding between the peoples of the two countries; and cooperation in the international arena.

Point four of the Agenda addressed defence cooperation including exchanges of military delegations, high-level defence officials' visits, and goodwill ship port calls by the Japan Maritime Self-Defense Force.

United States. In December 2006 Vietnam was granted Permanent Normal Trade Relations status by the United States.

India: A Strategic Partner. In July 2007, India and Vietnam adopted a 33-point Joint Declaration on Strategic Partnership that mapped out cooperation in five major areas: political, defence and security cooperation; closer economic cooperation and commercial engagement; science and technology cooperation, cultural and technical cooperation and multilateral and regional cooperation (Thayer 2012a).

The Joint Declaration on Strategic Partnership set out six areas for political, defence and security cooperation: (1) strategic dialogue at vice ministerial level; (2) defence supplies, joint projects, training cooperation and intelligence exchanges; (3) exchange visits between their defence and security establishments; (4) capacity building, technical

assistance and information sharing with particular attention to security of sea lanes, anti-piracy, prevention of pollution and search and rescue; (5) counter terrorism and cyber security; and (6) non-traditional security. Since 2007, defence cooperation has included high-level visits, an annual Defence Strategy Dialogue and naval port visits.

China: From Strategic Partnership. In June 2008, following a summit of party leaders in Beijing, China-Vietnam bilateral relations were officially raised to that of strategic partners (Thayer 2012a). A year later this was upgraded to a strategic cooperative partnership (later re-designated comprehensive strategic cooperative partnership). As strategic partners China and Vietnam have developed a dense network of party, state, defence and multilateral mechanisms to manage their bilateral relations including a Joint Steering Committee at deputy prime minister level.

China and Vietnam undertake defence cooperation in three areas: exchange of highlevel visits, strategic defence and security dialogues, and joint naval patrols and port visits.

East Asian States

Republic of Korea: Strategic Cooperative Partnership. In 2009, Presidents Nguyen Minh Triet and Lee Myung-bak met in Hanoi and agreed to raise their Comprehensive Partnership in the 21st Century to a Strategic Cooperative Partnership. Under this agreement the two sides agreed to cooperate in politics and security, judicial and consular relations, economics, trade, investment, development cooperation, science and technology, environment and culture and education. The two countries regularly exchange high-level visits. Like its other strategic partners, Vietnam and South Korea exchange high-level defence visits, hold annual strategic and national defence strategic dialogues and conduct naval port visits. In September 2013 Vietnam hosted a visit by South Korean President Park Geun-hye.

Australia: Comprehensive Partnership. In 2008, Vietnam reportedly approached Australia and suggested they formally raise their bilateral relationship to 'strategic partners.' The following year Australia's Prime Minister Kevin Rudd rejected the term 'strategic partners' as inappropriate for two reasons. First, Rudd did not favour an expression that he felt was merely symbolic; he wanted it to have practical connotations. Second, Rudd felt that the term 'strategic' should be reserved for close allies, such as the United States. In the end Australia and Vietnam agreed to a comprehensive partnership. This was announced during the visit of VCP Secretary General Nong Duc Manh to Canberra in September 2009. He was accompanied by Deputy Prime Minister and Minister of Foreign Affairs Pham Gia Khiem.

On September 7, Deputy Prime Minister Julia Gillard and Deputy Prime Minister Khiem signed a joint statement declaring their bilateral relations to be a Comprehensive

⁷ "Uc-Viet thuc day quan he doi tac," BBC Vietnamese, September 7, 2009.

Partnership. This statement highlighted six major areas of cooperation: political ties and public policy exchanges; economic growth and trade development; development assistance and technical cooperation; defence and security ties; people-to-people links; and global and regional agenda.

In October 2010, Australia and Vietnam agreed to A Plan of Action to realize the Comprehensive Partnership for the years 2011-13 (Thayer 2015g). Although the Plan of Action has not been made public it reportedly touches on six major areas of cooperation:

- (1) political relations (public policy and governance issues);
- (2) economic cooperation (transparency, competitiveness, trade liberalization and assistance in the implementation of Vietnam's obligations under the ASEAN-Australia-New Zealand Free Trade Area and World Trade Organisation);
- (3) development assistance and technical cooperation (natural resources management, human resource development, clean and renewable energy, collaboration in science and technology, and radiation and nuclear safety);
- (4) defence and security cooperation (developing a credible regional security architecture; transnational crime human trafficking and people smuggling, narcotics, money laundering; counter-terrorism; maritime and aviation security; counter proliferation of weapons of mass destruction (WMD); and an agreement on the transfer of sentenced persons and a bilateral treaty on extradition and mutual legal assistance);
- (5) people-to-people linkages (short-term youth work and holiday arrangement; consular services; and culture, sports, tourism and people-to-people diplomacy); and
- (6) coordination on global and regional issues (global economic crisis, reform of global financial institutions, climate change, WMD proliferation, natural disasters, pandemics, food security, and reform of the United Nations and the UN Security Council).

European Countries

Between 2009 and 2010 Vietnam concluded strategic partnership agreements with two European countries.

Spain. The first agreement – entitled Forward Looking Strategic Partnership - was reached with Spain during the course of a state visit by President Nguyen Minh Triet in December 2009. In September the following year, Spain and Vietnam signed a MOU on defence cooperation between national defence industries and military education and

⁸ "Australia-Viet Nam Comprehensive partnership," September 7, 2009. http://www.dfat.gov.au/geo/vietnam/comprehensive partnership vietnam.html.

⁹ Vietnam News Agency, December 15, 2006. http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns091216101558.

training. Subsequently, it would appear that the Vietnam-Spain strategic partnership has languished due to Spain's economic woes.

United Kingdom. Vietnam's second strategic partnership with a European state was reached with the United Kingdom (UK) in September 2010. The agreement was signed in London by Foreign Secretary William Hague and Deputy Prime Minister and Foreign Minister Khiem.

This agreement included seven priority areas: political-diplomatic, regional and global issues, trade and investment, sustainable socio-economic development, education, training, science and technology, security and defence, and people-to-people exchange. Ministries from both countries were tasked with coordinating specific Action Plans for each priority area.

Vietnam and the United Kingdom held their first Strategic Dialogue in London on October 26, 2010. The following year Vietnam and the UK signed a MOU on defence cooperation covering three areas: political-defence cooperation, research, and military equipment supply. On March 28, 2012, Vietnam and the United Kingdom signed the 2012 Action Plan to further their Strategic Partnership. The Action Plan included a provision for stepping up defence cooperation in training, defence trade and peace support operations.

Multilateral Institutions

Vietnam's multi-year quest to become 'a reliable friend with all countries' achieved remarkable success. Former Foreign Minister Nguyen Dy Nien offered the assessment that Vietnam's foreign policy reached three peaks in 2006 – hosting APEC summit, gaining membership in the WTO (January 2007), and unanimous nomination by the Asia bloc for non-permanent membership on the United Nations Security Council.¹¹

Subsequently Vietnam was overwhelmingly elected by the UN General Assembly (183 votes out of 190) in 2007 a non-permanent member on the Security Council for a two-year period, 2008-09. In 2010 Vietnam served as ASEAN Chair and hosted the ASEAN Ministerial Meeting, ASEAN Summit and the inaugural meeting of the ASEAN Defence Ministers' Meeting Plus (ADMM Plus).

Part 3 Vietnam's foreign policy from 2011 to the present

This section reviews the major foreign policy and defence goals set by the Eleventh National congress and then discusses Vietnam's relations with the major powers, Vietnam's diplomatic handling of its territorial dispute with China, and pursuit of proactive integration through membership in the Trans-Pacific Partnership Agreement and the Regional Comprehensive Economic Partnership.

¹⁰ Vietnam News Agency, September 9, 2010. http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns100910150335.

¹¹ Vietnam Economy, November 14, 2006.

Eleventh National Congress. The VCP held its Eleventh National Congress in Hanoi from January 12-19, 2011. The final Resolution of the Congress set the following foreign policty goals for the 2011-15 period:

Overall goals set forth for the country in the next five years are... enhance external activities; firmly defend national independence, sovereignty and territorial integrity; thus creating a foundation for the nation to become a modern-oriented industrialised country by 2020. 12

With specific reference to the main tasks ahead, the final resolution of the Congress declared:

Intensifying the national defence and security strength and power; maintaining socio-political stability, independence, sovereignty, unity, territorial integrity, social order and security; preventing and foiling all schemes and plots of hostile forces; comprehensively and effectively carrying out external activities and proactively taking part in international integration {emphasis added}.

Major Powers

Japan: Extensive Strategic Partnership. In October 2011, the Japanese and Vietnamese defence ministers met in Tokyo and signed MOU that included defence exchanges at ministerial, chief of staff and service chief level; naval goodwill visits; annual defence policy dialogue at the deputy defence minister level; cooperation in military aviation, air defence, humanitarian assistance and disaster relief; and personnel training including scholarships for defence personnel to study and train in Japan.

In November 2011, Prime Minister Nguyen Tan Dung visited Japan to reaffirm nuclear cooperation and to initiate a defense dialogue. In January 2013 Vietnam hosted a reciprocal visit by Japanese Prime Minister Abe, his first overseas visit since taking office.

In March 2014, President Truong Tan Sang made a state visit to Japan where bilateral relations were raised to an Extensive Strategic Partnership. In August 2014, Japan offered to provide Vietnam 's Coast Guard with six maritime surveillance boats (Thayer 2014f).

India. In October 2011, President Truong Tan San made a state visit to India to solicit diplomatic support and military assistance (submarine training, pilot conversion training, modernization of Nha Trang port, and the transfer of medium-sized warships). During Sang's visit it was announced Vietnam had awarded an oil-exploration contract to an Indian company. In November 2013 VCP Secretary General Nguyen Phu Trong visited India (Thayer 2013f).

In September 2014, India's President visited Vietnam and offered a U.S. \$100 million line of credit for defense purchases. The following month Prime Minister Dung met his counterpart in New Delhi where it was announced that India would give priority to modernizing Vietnam's armed forces. India also offered a U.S. \$300 million line of credit

¹² 'Resolution of the 11th Party National Congress,' *Communist Party of Vietnam Online Newspaper*, January 23, 2011. http://www.cpv.org.vn/cpv/Modules/Preview/PrintPreview_En.aspx?co_id-30180.

for Vietnam to purchase Indian goods. ONGC Videsh, India's state-owned oil company, took up Vietnam's offer of an additional oil exploration block in the South China Sea (Thayer 2014b and 2014h).

China. In June 2013, President Truong Tan Sang visited China. Sang and Xi Jinping agreed to double the size of their joint development area in the Gulf of Tonkin and extend cooperation between their national oil companies until 2016.

In October 2013, Premier Li Keqiang visited Hanoi (Thayer 2014a). According to the Joint Statement issued by Prime Minister Dung and Premier Li on October 15, the two leaders discussed three major areas of cooperation. The first area was onshore cooperation and included economic issues, transport and communication connectivity, and management of the China-Vietnam land border. Two-way trade was valued at U.S. \$41.2 billion in 2012 with China enjoying a surplus of U.S. \$16.4 billion. Prime Minister Dung pressed Premier Li for a more balanced trade by easing the conditions under which Vietnamese companies could trade in China. According to the Joint Statement issued after their discussions:

The Chinese side encourages Chinese businesses to expand imports of Viet Nam's competitive goods and supports Chinese firms investing in Viet Nam while being ready to create more favorable conditions for Vietnamese businesses to expand their markets in China.¹⁴

The two leaders set the goal of raising two-way trade to U.S. \$60 billion by 2015 if not earlier. They also discussed how to improve transport and communications connectivity. They agreed on a list of key cooperation projects and the establishment up of a working group on infrastructure cooperation to plan and implement these plans. Prime Minister Dung and Premier Li endorsed the continuing role of joint land border committees and their annual work plans.

As for the second area of cooperation, the two leaders agreed to establish a joint working group on monetary cooperation. However, they only made general commitments to boosting financial transactions and encouraged their financial organisations to provide financial services to promote bilateral trade and investment. They also called for more research into using domestic currencies for payment.

On the third area of cooperation, on maritime issues, Dung and Li agreed to 'stringently implement' the 2011 Agreement on Basic Principles Guiding the Settlement of Maritime-Related Issues and to pursue maritime cooperation following the principles of the 'easy-first, difficult-later' and 'step by step'. They reaffirmed the role of the existing government-level mechanism on boundary and territory negotiations and agreed to pursue 'mutually acceptable fundamental solutions that do not affect each side's stance and policy, which will include studies and discussions pertaining to cooperation for

¹³ Vietnam Government Portal, 'VN, China issue joint statement,' Ministry of Foreign Affairs, October 15, 2013

¹⁴ Vietnam Government Portal, 'VN, China issue joint statement.'

mutual development.' They therefore agreed to instruct the Working Group on the Waters off the Mouth of the Gulf of Tonkin and the expert-level Working Group on Cooperation on Less Sensitive Issues at Sea to step up their consultations and negotiations. They also agreed to establish a joint Working Group on Cooperation for Mutual Development at Sea under the existing government-level mechanism on boundary and territory negotiations.

With respect to their territorial disputes in the South China Sea the two leaders reaffirmed existing agreement to implement the 2002 Declaration on Conduct of Parties in the South China Sea and 'based on mutual consensus, both sides will do more for the adoption of a Code of Conduct' in the South China Sea. The two leaders also agreed 'to exercise tight control of maritime disputes and not to make any move that can further complicate or expand disputes.' In this regard both sides vowed to make use of hot lines established between their ministries of foreign affairs and ministries of agriculture.

At the conclusion of their talks Prime Minister Dung and Premier Li witnessed the signing of several agreements including:

- Agreement on the reciprocal opening of trade promotion agencies
- Agreement on the establishment of a Confucius Institute at Hanoi University
- Agreement on the construction of the Ta Lung-Shui Kou island bridge 2 (plus an attached protocol)
- MOU on building a cross-border economic cooperation zone
- MOU on establishing a joint working group to support projects supported by Chinese businesses in Vietnam

Subsequent developments are discussed under the heading South China Sea below.

Russia: Comprehensive Strategic Partnership. In July 2012, Vietnam and Russia raised their strategic partnership to a comprehensive strategic partnership on the occasion of a state visit by President Truong Tan Sang (Thayer 2012c). President Sang met his counterpart Vladimir Putin. President Putin paid a return visit to Vietnam in November 2013 (Thayer 2013e).

Prime Minister Dmitry Medvedev visited Vietnam from April 5-7, 2015. During his visit Vietnam and Russia signed eight cooperation agreements in the fields of energy (oil, gas, and nuclear), investment, banking (use of national currencies to promote bilateral trade), health care, transport (aviation and rail) and agriculture. ¹⁵ Russia's Gazprom Neft signed

¹⁵ Tran Van Minh, 'Medvedev: Vietnam Close to Deal with Russian-Led Trade Area,' Associated Press, April 6, 2015; Truong Son, 'Vietnam, Russia set to enhance cooperation in all fields,' *Thanh Nien Daily*, April 7, 2015; 'Vietnam, Russia agree to deepen all-around ties, especially in trade, energy,' *Tuoi Tre News*, April 7, 2015; 'Medvedev Says Time for Russia, Vietnam to Use National Currencies in Trade,' *Sputnik*, April 7, 2015; Paddy Harris, 'Gazprom Neft and Petrovietnam ink upstream and downstream collaboration,' *Oil & Gas Technology*, April 7, 2015; Andrew Tully, 'Russia Reaches Oil and Gas Agreement With Vietnam,' *Oil Price*, April 7, 2015; Yury Slyusar, 'Vietnam Is a Launch Pad to Enter the Aviation Market in South-East Asia,' *BAviation*, April 7, 2015; Prensa Latina, "Russian Prime Minister concludes visit to Vietnam,' April 7, 2015; and Vietnam News Agency, 'Russian PM advocates advancing bilateral ties,' *VietnamNet*, April 8, 2015.

a framework agreement to purchase 49 percent of shares in Binh Son Refining and Petrochemical's Dung Quat refinery in central Vietnam. Gazprom Neft and PetroVietnam (Vietnam National Oil and Gas Group) also signed a MOU on exploration and exploitation of oil and gas on Vietnam's continental shelf. Agreement was reached to proceed with the construction of the Ninh Thuan 1 Nuclear Power Plant with Russian participation. Vietnam also committed itself to joining the Eurasian Economic Union comprising Armenia, Belarus, Kazakhstan and Russia by mid-year. ¹⁶

President Sang is scheduled to visit Moscow on May 9, 2015 to participate in activities commemorating 70th anniversary of the end of World War II.

United States: Comprehensive Partnership. In July 2010, Secretary of State Hillary Clinton visited Hanoi and reportedly proposed that bilateral relations be raised to a strategic partnership. The following year Vietnam-United States signed their first MOU on defence cooperation (Thayer 2013d); but negotiations on a strategic partnership became bogged down by human rights and other issues.

In 2013, Vietnam and the United States reached consensus to raise their bilateral relations to that of a Comprehensive Partnership. This agreement was announced in July during the state visit by President Truong Tan Sang to the United States (Thayer 2013a and 2013b). The Comprehensive Partnership Agreement included nine major points most of which reiterated existing areas of and mechanisms for cooperation. These included: the Trade and Investment Framework Agreement Council; the Joint Committee for Scientific and Technological Cooperation; the Defense Policy Dialogue; and the Political, Security, and Defense Dialogue. Nonetheless, the Comprehensive Partnership created a new political and diplomatic dialogue mechanism between the U.S. Secretary of State and Vietnam's Minister of Foreign Affairs.

The Comprehensive Partnership Agreement made no mention of a Plan of Action that accompanied many of Vietnam's strategic partnership agreements. Instead, the Joint Statement noted that the two governments would create new mechanisms for each of the nine areas of cooperation: political and diplomatic relations, trade and economic ties, science and technology, education and training, environment and health, war legacy issues, defence and security, protection and promotion of human rights, and culture, sports, and tourism.

In other words, the Comprehensive Partnership Agreement will advance bilateral cooperation on trade and economic issues, including the conclusion of negotiations on the Trans-Pacific Partnership free trade agreement, and institutionalize a regular dialogue at ministerial level between the two countries.

Maritime security issues featured prominently in Vietnam-U.S. relations, particularly as a result of tensions arising from China's deployment of the HD-981 oil platform in Vietnam's EEZ (Thayer 2014c). In short order, in October 2013, Vietnam and the United States reached agreement on cooperation between the two Coast Guards and

¹⁶On the Eurasian Economic Union see: http://www.eaeunion.org/?lang=en#about.

cooperation on the use of nuclear energy for peaceful purposes (Thayer 2013d). In December 2013, Secretary of State John Kerry announced that the U.S. would provide Vietnam with U.S. \$18 million to assist Vietnam enhance the capacity of its Coast Guard to conduct search and rescue, disaster and other maritime security missions.

In July 2014, Vietnam dispatched Politburo member Pham Quang Nghi to Washington for discussions with senior Obama Administration officials. He was followed in October by Foreign Minister Pham Binh Minh who conferred with Secretary of State John Kerry. During Minh's visit Kerry announced that the United States had lifted the restriction on the sale of lethal weapons to Vietnam on a case-by-case basis to assist in maritime domain awareness and maritime security capabilities (Thayer 2014e). In March 2015, Minister for Public Security and Politburo member, Tran Dai Quang met with a range of senior officials in the Obama Administration. Both sides are now preparing for the forthcoming visit by Nguyen Phu Trong, in mid-year, the first visit by the Secretary General of the VCP.

Australia, Europe and ASEAN Members

Australia: Enhancing the Comprehensive Partnership. There was a hiatus in Vietnam-Australia relations during 2013 and 2014. In 2013 the Labor Government changed prime ministers three times; and in September the Liberal-National Coalition won government. In February 2014, the new Foreign Minister, Julie Bishop, visited Hanoi to meet with her counterpart Pham Binh Minh. The two ministers announced that the joint Plan of Action for 2010-13 had been implemented and that they would 'quickly finalize the Plan of Action for 2015-16. Later that year Australia hosted the G20 Summit and despite diplomatic efforts to arrange a formal meeting between Prime Ministers Tony Abbott and Nguyen Tan Dung, the visit was rescheduled for the following year.

Prime Minister Nguyen Tan Dung made an official visit to Australia from March 16-18, 2015 (Thayer 2015f). According to the official joint communiqué, Prime Ministers Abbott and Dung witnessed the signing of the Declaration on Enhancing the Australia-Vietnam Comprehensive Partnership and agreed to establish a Strategic Partnership in the future. ¹⁷

The Declaration on Enhancing the Comprehensive Partnership was divided into five sections after the preamble. Australia and Vietnam pledged to step up cooperation in five areas: (1) bilateral political and diplomatic relations; (2) regional and international Cooperation; (3) economic growth, trade and industry development; (4) development assistance and (5) defense, law enforcement and security ties.

European States: New Strategic Partnerships. Vietnam's third strategic partnership with a European country was reached with Germany in October 2011 during the state visit to Vietnam by Chancellor Angela Merkel. 18 The two sides agreed to increase the exchange

¹⁷ For the text see: http://www.vietnam.embassy.gov.au/hnoi/150318.html.

¹⁸ Vietnam News Agency, October 12, 2011. http://www.mofa.gov.vn/en/nr040807104143/ns111013130417.

of high-ranking delegations including government and parliamentary agencies, political parties and scientific and strategic research institutes. Germany and Vietnam hold regular political consultations.

Vietnam's fourth strategic partnership with a European country was reached with Italy during the course of a visit buy VCP Secretary General Nguyen Phu Trong in January 2013. ¹⁹ The strategic partnership agreement contained six areas of cooperation: political-diplomatic; global and regional issues; economic relations; development assistance; cultural, education and training, scientific and technological cooperation; and defence and security.

Vietnam's fifth strategic partnership with a European country was reached with France during the official visit of Prime Minister Nguyen Tan Dung to Paris in September 2013. This agreement provided for cooperation in the following areas: diplomacy; national defence and security; economic relations, trade and investment; development assistance; and culture, education and training, scientific research, and law and justice.

During 2013 Vietnam negotiated strategic partnership agreements with three ASEAN members: Singapore, Thailand, Indonesia. Vietnam is currently negotiation a strategic partnership agreement with the Philippines.

Thailand. In June 2013, Vietnam and Thailand agreed to elevate bilateral relations to a strategic partnership following a meeting between Prime Minister Yingluck Shinwatra and VCP Secretary General Nguyen Phu Trong. ²¹ This marked Vietnam's first strategic partnership with an ASEAN member.

The agreement included the following five areas: political cooperation (high-level visits and strategic political dialogues); defence and security cooperation (traditional and non-traditional security challenges and consular affairs); economic cooperation (trade, investment, agriculture, energy, telecommunications, information technology and transport); social, cultural, people-to-people cooperation; and regional and international cooperation (particularly ASEAN centrality, ASEAN Community, and the Mekong Forum). Vietnam and Thailand agreed on a Plan of Action to implement the strategic partnership; the first meeting of their Joint Commission was held in November 2013.

Indonesia. Immediately after Secretary General Trong's visit to Thailand, President Truong Tan Sang made a state visit to Indonesia for discussions with President Susilo Bambang Yudhoyono. The two leaders agreed to raise bilateral relations to a strategic

http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns130122165135.

http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns130926175651.

http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns130627171726.

¹⁹ Vietnam News Agency, January 22, 2013.

²⁰ VietnamPlus, December 26, 2013.

²¹ Vietnam Plus, June 26, 2013.

partnership²² and to exchange high-level visits and cooperate in the following areas: defence and security; trade and investment; sustainable food and energy; fisheries and aquaculture; people-to-people links; ASEAN Community-building and the peaceful resolution of South China Sea disputes.

In late 2014 two Vietnam People's Army Navy frigates paid their first goodwill port visit to Indonesia (Thayer 2014i). The following year the advent of President Joko Widodo to office resulted in a momentary strain in relations when the new president ordered the burning of Vietnamese fishing boats caught poaching in Indonesian waters. This action violated the spirit of the strategic partnership agreement that called for cooperation not unilateral action in dealing with illegal fishing (Thayer 2014I).

Singapore. The Vietnam-Singapore strategic partnership agreement was signed in Hanoi in September 2013 during the course of an official visit by Prime Minister Lee Hisen Loong. The agreement covers five major areas: deepening mutual trust in political relations; boosting economic cooperation; increasing cooperation in security-defence; promoting bilateral ties in education, law, health, culture, art and sports; and intensifying cooperation at regional and international forums.

The Philippines. In May 2014, Prime Minister Nguyen Tan Dung made an official visit to Manila for discussions with President Benigno Aquino. The two leaders agreed to set up a Joint Working Committee charged with drawing up a road map for an agreement on a strategic partnership. Their respective foreign ministers were assigned to co-chair this committee (See: Thayer 2014d, 2014i, 2015b and 2015d).

In November 2014, when Presidents Aquino and Sang met on the sidelines of the 22nd APEC Leaders' Summit in Beijing they agreed to convene the first meeting of the Joint Commission on Concluding a Strategic Partnership. The inaugural meeting of the Joint Commission was held on January 30 the following year between the Secretary of Foreign Affairs Albert del Rosario and his Vietnamese counterpart Foreign Minister Pham Binh Minh in Manila. According to the Joint Statement issued after the talks, the two ministers agreed 'on the basis of amity, equality, mutual respect and cooperation... to elevate the level and intensity of bilateral exchanges between the two countries.' Discussions are currently underway and are expected to be completed before the end of 2015. President Aquino is scheduled to visit Vietnam in the third week of April this year.²⁴

South China Sea

Joint Statement between the Socialist Republic of Viet Nam and the Republic of Indonesia, Jakarta, June 27, 2013. http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns130628184132.

²³ Joint Statement on the Establishment of a Strategic Partnership between the Socialist Republic of Viet Nam and the Republic of Singapore, Ministry of Foreign Affairs, September 11, 2013. http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns130912052949.

²⁴ See: 'Foreign Ministry Spokesperson Hong Lei's Regular Press Conference on April 14, 2015,' http://www.fmprc.gov.cn/mfa_eng/xwfw_665399/s2510_6654/t1254585.shtml.

A major maritime confrontation erupted between China and Vietnam from May 2 to July 16, 2014 when China deployed a mega oil exploration platform, Hai Yang Shi You 981 (HD 981), in Vietnam's EEZ. Bilateral relations plunged to their lowest level since the 1979 border war. Throughout May all Vietnamese attempts to make contact with their counterparts in China, either through hot lines or direct contact by the agencies concerned, were rebuffed.

The VCP Central Committee convened its ninth plenum from May 8-14, 2014 and resolved to closely monitor the maritime standoff and also called for a peaceful resolution of the dispute. On June 18, 2014 China's dispatched State Councilor Yang Jiechi to Hanoi for testy consultations with Deputy Prime Minister and Foreign Minister Pham Binh Minh at a 'leaders meeting' of the Joint Steering Committee on Bilateral Cooperation.

In early July 2014, the VCP Politburo reportedly voted overwhelmingly to hold a meeting of the Central Committee in August to endorse international legal action against China; but before it could do so China brought an abrupt end to the crisis by withdrawing the HD 981. Nonetheless, on July 28 sixty-one leading Vietnamese personalities signed an open letter criticizing the government for it's handling of relations with Beijing and called for legal action and a lessening of Vietnam's dependence on China.

In August 2014, Xi Jinping and other high-level Chinese leaders received Le Hong Anh, a special envoy of the VCP Secretary General and member of the Politburo. Anh presented an invitation for Secretary General/President Xi to visit Vietnam. The following month a high-powered Vietnamese military delegation led by Minister of National Defence and member of the Politburo General Phung Quang Thanh visited Beijing (Thayer 2014g). Shortly after these visits Councilor Yang returned to Vietnam to co-chair the seventh Joint Steering Committee on Bilateral Cooperation where both sides agreed to reset their relations (Thayer 2014h). In December 2014, Vietnam filed a statement of interest with the Permanent Court of Arbitration in The Hague requesting that Vietnam's interests be taken into account during deliberations by the Arbitral Tribunal on the case brought by the Philippines against China (Thayer 2014k).

On April 7, 2015, Secretary General Nguyen Phu Trong journeyed to Beijing to meet with General Secretary Xi Jinping and other high-level Chinese leaders. After the Xi-Trong meeting a joint communiqué stated that the leaders 'reached broad common perceptions on intensifying ties between the two Parties and countries in the new context.' The joint communiqué further stated:

They [China and Vietnam] need to consistently respect each other, hold sincere consultations and manage differences; As political trust is a foundation for the healthy and stable development of bilateral ties, both sides need to increase visits and exchanges, from the strategic heights, carrying the bilateral ties forward; winwin cooperation between Vietnam and China brings practical benefits to people in

both countries and contributing to peace, development and prosperity in the region, which should be enhanced and deepened across sectors²⁵

On the vexed issue of the South China Sea dispute, the two leaders reset the clock back to October 2013 and understandings reached during the visit of Premier Le Keqiang to Hanoi (Thayer 2014a). Xi and Trong agreed to comply with and seriously implement the 'Agreement on Basic Principles Guiding the Settlement of Vietnam-China sea-related issues' through the already established government-level negotiation mechanism on Vietnam-China boundary and territorial issues. The leaders further agreed to 'manage disputes at sea' and 'fully and effectively' implement the 2002 Declaration on Conduct of Parties in the South China Sea and to reach agreement on a Code of Conduct in the South China Sea.

Of all the goals and objectives set by the VCP's Eleventh National Congress in 2011, the conduct of Vietnam's foreign policy is arguably the most successful. Vietnam has utilized foreign policy to maintain its independence and sovereignty, and promote regional security. Vietnam also entered into continuing negotiations to join the Trans Pacific Partnership (TPP) and the Regional Comprehensive Economic Partnership (RCEP).

Conclusion

This paper analysed Vietnamese foreign policy over the last quarter century. For purposes of discussion this analysis divided Vietnam's foreign policy into three periods.

In the first period, 1991-2006, Vietnam multilateralized and diversified its foreign relations by developing economic links and political relations with major powers in Asia, America, Europe and Southeast Asia, and joined ASEAN and other multilateral institutions.

In the second period, 2006-2011, Vietnam consolidated its international role by forging strategic partnerships with major world and Asian powers and pursued a policy of proactive international integration. Vietnam hosted the APEC summit, joined the WTO, served on the UN Security Council, served as ASEAN Chair and hosted the inaugural meeting of the ADMM Plus.

In the third period, 2011-2015, Vietnam further developed and consolidated its relations with the major powers by forging strategic partnerships or upgrading existing strategic partnerships with Japan, India, China, Russia, the United States, Australia, Germany, Italy and France. Vietnam experienced a crisis in its relations with China over the South China Sea. The two sides have since reduced tensions and reset relations back to where they were in October 2013.

In conclusion, the analysis is this paper demonstrates that Vietnam has been able to make successful strategic adjustments in its foreign policy to safeguard its sovereignty and national independence. This is evidenced by the wide-ranging strategic partnerships

²⁵ Vietnam News Agency, "Viet Nam, China issue joint communiqué," Beijing, April 8, 2015, Ministry of Foreign Affairs, Hanoi, http://www.mofa.gov.vn/en/nr040807104143/nr040807105001/ns150409005752.

that it has negotiated with the major powers and European, East Asian and Southeast Asian states.

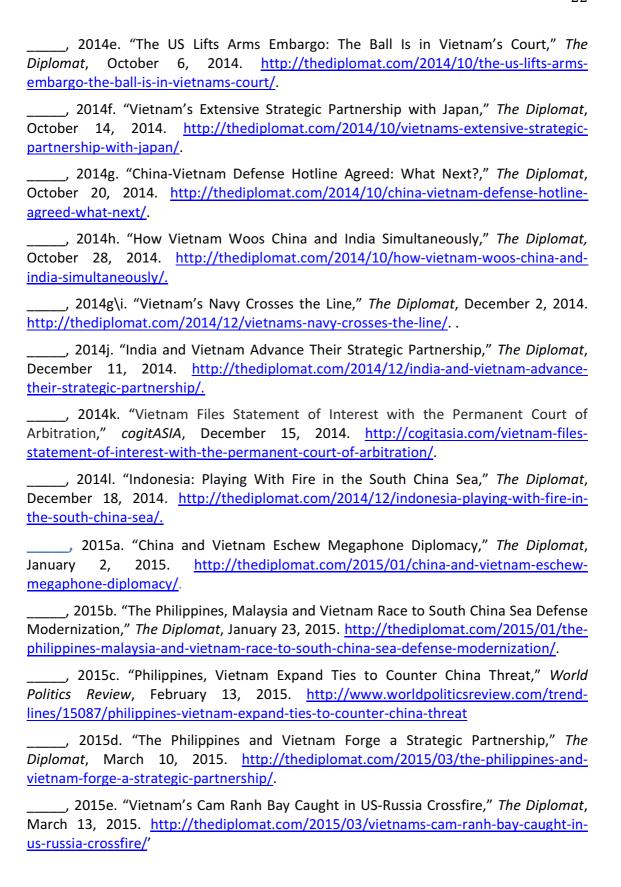
Vietnam's international role has been enhanced by its successful hosting APEC and ASEAN summit meetings and non-permanent membership on the UN Security Council.

Throughout the period under review Vietnamese foreign policy also has contributed both to national development and international integration by opening Vietnam to trade and foreign investment. Vietnam joined the WTO and subsequently been involved in negotiations for enhanced economic integration through the TPP and RCEP.

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