

Asia's odd couple: Vietnam and the U.S. find opposites attract

As China threat looms, Washington weighs up democracy with dominance in Pacific

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HO CHI MINH CITY -- The U.S. says it is competing for the 21st century against China, a single-party communist state that censors media, jails critics, enjoys a big trade surplus and embraces state-supported capitalism.

For help in this contest, the U.S. is turning to Vietnam, a single-party communist state that censors media, jails critics, enjoys a big trade surplus and embraces state-supported capitalism.

In an ideological struggle against authoritarianism in Eurasia -- a confrontation Washington sees as akin to a new Cold War -- the U.S. has assembled a tableau of like-minded liberal democracies. But, somewhat incongruously, another crucial partner in the U.S. crusade is Vietnam, a country that resembles China more than any other.

"That's what this is about: democracies versus autocracies," President Joe Biden said in May, on his only Asia trip so far during his term. His meeting with the leaders from other Asia Pacific democracies known as the Quad -- India, Australia and Japan -- aimed to paint a picture of democratic solidarity against authoritarian China and Russia. "We're Indo-Pacific powers," Biden declared. "As I said, 'We're going to stand with you, our close democratic partners. And we're going to stand for the shared values ... and the shared vision we all have.'"

Biden took office pledging to put democratic values back at the heart of diplomacy and shift away from the approach of his predecessor, Donald Trump, who had all but ignored human rights while trying to build better relations with dictators like North Korean leader Kim Jong Un and Russian President Vladimir Putin.



Australian Prime Minister Anthony Albanese, U.S. President Joe Biden, Japanese Prime Minister Fumio Kishida and Indian Prime Minister Narendra Modi meet in Tokyo, Japan, on May 24. © Reuters

But Vietnam marks a wobble in this new direction of "values based" foreign policy and adds to uncertainty about Washington's end game in Asia: Does it seek to preserve democracy or American dominance in the region?

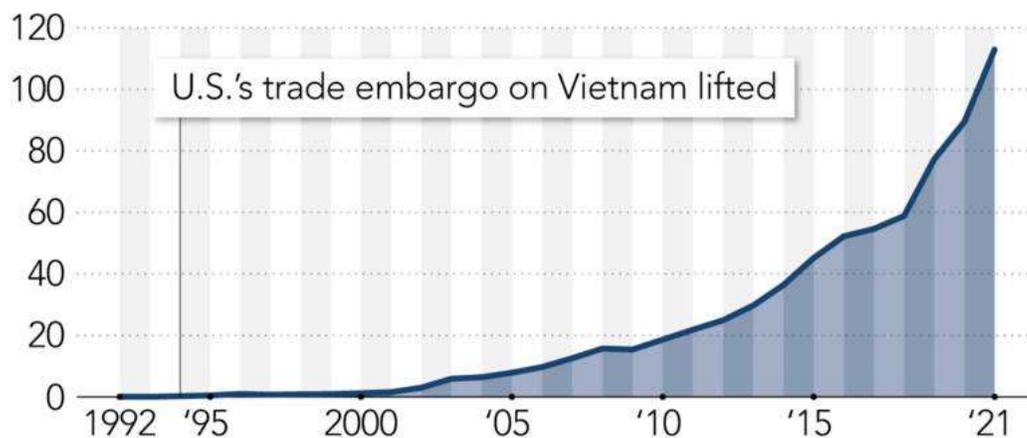
"U.S. foreign policy has always been filled with tension between strategic interests and liberal values," Andrew Yeo, senior fellow at the Brookings Institution, a social sciences think tank in Washington, told Nikkei Asia. "It's best when the two goals align, but when they do not, U.S. policymakers tend to prioritize the more immediate strategic interests, as is the case with Vietnam."

The Southeast Asian country draws an eclectic range of parallels with China, among them ethnic homogeneity, anti-graft campaigns, and cyber laws. Sometimes their parallels attract criticism but "for the most part," Yeo said, "the U.S. has learned to live with cognitive dissonance."

The U.S. relies on both China and Vietnam as vital links in global supply chains, while also pushing both states not to meddle in their respective economies.

Making up for lost time: U.S.-Vietnam trade

(Total annual trade between U.S. and Vietnam, in billions of dollars)



Source: United States Census Bureau

Some say the U.S. is right to take a different tack in each country, considering Beijing's might dwarfs Hanoi's, but others complain of inconsistency. "[Biden] reassured that America stands for these universal values," said Vi Tran, co-director of rights advocacy group Legal Initiatives for Vietnam, "I really hope he will mean what he said."

Power vs. principle

The thaw between Washington and Hanoi has been swift. A half-decade ago the U.S. still imposed an arms embargo on Vietnam, a legacy of the Vietnam war. That was repealed in 2016 amid a flurry of landmark visits, including that of Nguyen Phu Trong, the first trip by a Vietnamese Communist Party general secretary to the White House, in 2015.

Last August, Kamala Harris became the only sitting U.S. vice president ever to visit Hanoi, saying her country wants to donate a third U.S. Coast Guard cutter and send aircraft carriers for port visits to increase maritime security. Last year the U.S. Treasury Department removed

Vietnam from a list of global "currency manipulators." A U.S. official called this a gesture of goodwill from the new administration to reset foreign relations.

Then, when the U.S. issued an Interim National Security Strategic Guidance in 2021, it listed the usual democracies as key partners, along with one outlier: Vietnam.



U.S. Vice President Kamala Harris holds a news conference in Hanoi, Vietnam, on Aug. 26, 2021. © AP

"The United States and Vietnam are definitely closer than ever," said Ted Osius, a former U.S. ambassador in Hanoi and author of "Nothing Is Impossible: America's Reconciliation With Vietnam." He was on hand for Trong's trip to the Oval Office, where he recalled then-President Barack Obama touting human rights while accepting his guest's politics. "That is the kind of respectful exchange that two partners can have."

In February, after nearly a year's hiatus due to domestic politicking, the U.S. dispatched a new ambassador, Marc Knapper, to Vietnam, marking the next stage of relations with a complex country.



Marc Knapper, a former U.S. deputy assistant secretary for Korea and Japan, became the ambassador to Vietnam in January 2022. (Photo by Shihoko Nakaoka)

Analysts put the thaw partly down to strong trade and cultural ties: The U.S. is home to 2 million people of Vietnamese ancestry, the largest diaspora in the world. Vietnam is a top buyer of U.S. agricultural and other goods, as well as a leading producer of key exports, not least of them computer chips. It loves American culture and sends more students to the U.S. than all but five countries.

However, the main thing the two countries have in common is a rival.

The enemy of my enemy

Despite similarities to its big brother to the north, Vietnam is wary of China, which invaded its southern neighbor in 1979, withdrawing after it took heavy casualties from Vietnamese forces. The two remain locked in an increasingly irreconcilable conflict over the South China Sea, where they both claim the Spratly and Paracel island chains. Indeed, the last time either country fired shots in anger was during a battle over the South Johnson Reef, in 1988, when Chinese warships gunned down a detachment of Vietnamese marines, killing 64.



Propaganda posters and magnets that boast of US. aircraft shot down in the Vietnam War are now sold as souvenirs to tourists in Vietnam. (Photo by Lien Hoang)

But in deepening ties with Washington, Hanoi has had to repress bitter memories of a not much older and far more brutal conflict -- with the U.S.

The Vietnam War, which began in the 1950s between North Vietnam -- supported by China and the Soviet Union -- and South Vietnam -- supported by the U.S. and its allies -- ended in defeat for the South and a humiliating U.S. withdrawal in 1975. Millions of civilians lost their lives.

Cozying up: A timeline of U.S.-Vietnam relations



Photos by Getty Images, Reuters

Source: Nikkei Asia research

Though the two countries restored diplomatic relations in 1995, Vietnam still displays war vestiges, like what is left of a shot-down B-52 bomber in Hanoi, and photos of the My Lai Massacre at the War Remnants Museum in Ho Chi Minh City. The anti-U.S. rhetoric has been toned down, however. The museum's name was changed from "The Museum of Chinese and American War Crimes" in 1995.

While U.S.-Vietnam relations are on an upswing, the rapprochement has tracked a rapid deterioration in Washington's relationship with Beijing, as U.S. policymakers have become more concerned about Chinese expansionism over the last decade.

China's "nine-dash line" claim to virtually all of the South China Sea as well as its Belt and Road Initiative, launched in 2013 to increase Chinese commercial influence, created shared anxiety and an opening for Hanoi and Washington.



The wreckage of a downed U.S. B-52 is on display at the B-52 Victory Museum in Hanoi, Vietnam. (File photo by AFP/Jiji)

"Even though there are differences over political systems, Vietnam and the U.S. have common or shared interests in the region," said Nguyen Thanh Trung, a political scientist at Fulbright University Vietnam, adding the U.S. has become "more realistic" in accepting Vietnam's politics and eschewing regime change. "It's beneficial for the U.S. not to treat every country in the same way."

Double standards

The thorniest part of the bilateral rapprochement has been human rights. The U.S. calls both China and Vietnam authoritarian, but in public, its rhetoric is harsh on the former and weak on the latter, says Tran, who believes the climate for activists has hit a new low.

Most civil society groups formed in Vietnam in the past 10 years have been dissolved, Tran noted, adding that she has lowered her expectations to a "ridiculous" level -- she just hopes that activists will not be jailed or lose their passports because of their writing.

Whenever questioned about its record, Vietnam says it enshrines civil liberties in the constitution while fighting misinformation from biased or reactionary sources, online or offline.

An article published by the Ministry of Public Security on the 75th Traditional Day of the People's Security Force last July claimed that the force has "effectively protected cyber security" and "prevented the formation of opposition political organizations at home as well as terrorism and sabotage."

Neither China nor Vietnam has much tolerance for dissent. Both governments are well-versed in surveillance and handling protests; they are adept at erecting physical blockades in the street and digital blockades that censor internet posts and text messages containing sensitive words.

These similarities force the U.S. to live with uncomfortable realities. Most dramatically, Vietnam was accused in 2017 of abducting a citizen from abroad, an ex-oil executive spirited out of Germany who later appeared on Vietnamese state television to say he had turned himself in ahead of a corruption trial. China has also been accused of extra-territorial kidnappings.

However, if judging by U.S. State Department fact sheets, Vietnam's human rights record appears much better than China's.

"The United States supports" a Vietnam that "respects human rights," and both sides hold regular dialogues about the topic, says a fact sheet on U.S.-Vietnam relations published by the department last year.

In contrast, the equivalent fact sheet on China reads: "The United States will" object when Chinese "authorities are violating human rights and fundamental freedoms."

"It's true that there are double standards," social activist Nguyen Thanh said. "In recent years U.S. criticism of Vietnam has decreased, they do not criticize in public as much. On human rights, anyone can see it's not a priority."



Then-U.S. President Barack Obama hosts Vietnamese Communist Party Secretary General Nguyen Phu Trong in the Oval Office of the White House, on Tuesday, July 7, 2015, in Washington, the U.S. © AP

On the economy, the U.S. State Department has blasted Beijing's "abusive, unfair, and illegal practices," including "market access restrictions, forced technology transfers, and weak

protection of intellectual property rights." With the exception of tech transfers, these practices also apply to Hanoi.

The U.S. says it is not shirking its responsibility to engage on sensitive topics. "As we said before publicly and privately, our partnership will reach its fullest potential when we see progress on human rights," a representative at the U.S. embassy in Hanoi told Nikkei, urging Vietnam to let people speak freely "without fear of retaliation."

When asked why the U.S. treats Vietnam and China differently, the representative said, "The United States regularly engages the government of Vietnam at all levels on issues of concern."

Many are unconvinced. "Vietnam is seen as one of the very important, necessary allies for the U.S. effort to push back on China, particularly in the South China Sea, and they are not going to allow human rights issues to overly complicate that," said Phil Robertson, director for Asia at Human Rights Watch, a U.S. human rights organization.

Roy Chowdhury, who writes widely about Asian politics, said the U.S. does not want to "say out loud" that its China project is about retaining dominance, not democracy.

"The ideological veneer of democracy in Biden's Asia strategy is so blatantly opportunistic that it's almost laughable," Chowdhury told Nikkei. "Vietnam's case actually makes the hypocrisy even starker."

Former ambassador Osius answers that diplomacy need not be loud to be effective. "During my time as ambassador," he said, "I relied mostly on quiet human rights diplomacy. There were also times when it was appropriate to speak out."

Osius added that a "careful mixture of these two approaches ... is likely to be most successful."

'Difficult conversations'

Charges of U.S. hypocrisy in selectively promoting democratic values -- while tolerating useful authoritarian regimes -- are not new.

Biden last week made headlines for fist-bumping Saudi Crown Prince Mohammed bin Salman, who U.S. intelligence said approved the murder of journalist Jamal Khashoggi in 2018, according to documents declassified by the White House in 2021.

In an editorial on May 8, the Washington Post warned that a summit with leaders of the Association of Southeast Asian Nations -- a bloc that includes Vietnam -- later that month would send mixed signals about Washington's commitment to democracy in Asia.

The return of global geopolitical competition among great powers, the Post said, "creates a risk that the architects of U.S. foreign policy will sacrifice the pursuit of democracy and human rights for the sake of good relations with repressive but strategically positioned regimes."

Other analysts say charges of hypocrisy are misplaced: There is nothing inconsistent in opposing Chinese expansion and supporting Vietnam, which does not seek regional hegemony, said Bich Tran, an adjunct fellow at the Washington-based Center for Strategic and International Studies.

China is an emergent nuclear superpower with global ambitions that is striving to export its political model. In contrast, Vietnam's political system is mostly a domestic issue, Tran told Nikkei. "Vietnam is also a country led by a communist party but in international affairs it doesn't have revisionist actions like China. It doesn't bully other countries and doesn't try to undermine the international order," she said.

In 2017, Trump's Hanoi visit ended with a statement centered on trade and security, with just one line about Vietnam and the U.S. "promoting human rights."



Children bid farewell to former U.S. President Donald Trump as he leaves Hanoi following a visit to Vietnam in November 2017. © Reuters

Biden has signaled a greater focus on rights. Knapper, his ambassador to Vietnam, highlighted the "harassment" and "unjust" imprisonment of journalists and activists in confirmation testimony.

But Harris' trip, the administration's biggest delegation to Vietnam yet, did not follow the same script. The vice president made a point to invite civil society leaders to the villa of a top U.S. diplomat, but her speech to them stressed empowering women, the disabled and transgender people, which is far less likely to irk Vietnam than issues like the right to protest and to free speech.

Later, a journalist asked her at a briefing, "Given that Vietnam and China have very similar political systems, what makes Vietnam a key U.S. partner and China a threat to the region?"

Harris noted that she discussed with Vietnamese officials the need for freedom of navigation as well as human rights.

"We're not going to shy away from difficult conversations," she said.

Hanoi has opened up recently, from saying it would allow labor unions outside the ruling party, to making multiple concessions on farm imports. In this regard, Harris said tariffs on U.S. corn, wheat and pork are expected to fall.

The U.S. is the top buyer of Vietnamese exports

(Top destinations of Vietnamese exports in 2020;
by percentage of total exports)

	Country/region	Percentage of total exports
1	U.S.	25.60
2	China	16.50
3	Japan	6.79
4	South Korea	6.54
5	Hong Kong	4.60
6	Germany	2.73

Source: Observatory of Economic Complexity

Over the years, the U.S. also used its weight to convince Vietnam to scuttle import bans on animal feed and glyphosate, a potential carcinogen in Monsanto's herbicide, as well as to crack down on pirated goods and illegally-transshipped Chinese products.

On the other side of the equation, Washington budged in June by waiving tariffs on solar panels from Vietnam and nearby countries, though its motive was to meet renewable-energy goals.

Picking winners

In the Pacific, Biden says he is keen to refute autocrats and show "democracy still works." China, on the other hand, emphasizes prosperity, central control and not prying into other sovereigns' state affairs, all of which might appeal to Vietnam.

As the U.S. courts China's neighbors, it has few ideal open societies from which to choose. In Thailand (a U.S. treaty ally), the military has tightened its grip on politics. In Indonesia (Asia's second-biggest democracy), the anti-graft agency has been decimated. Moreover, these two nations show little interest in helping the U.S. challenge China, according to an analysis from the Sydney-based United States Studies Center.

Vietnam remains an attractive partner to the U.S. due to its geostrategic location, which could be helpful for border intelligence, the CSIS' Tran said. The big concern is not on land, though. It is in the South China Sea, where Washington rejects Beijing's claims but has no shoreline.

The U.S. objection to China would be strengthened if territories with competing claims -- Vietnam, the Philippines, Malaysia, Taiwan and Brunei -- all rowed together. But none have been as vehement or consistent in challenging Beijing on the high seas as Hanoi, making it a valuable partner to Washington.

"Helping Vietnam with maritime capabilities would be in the U.S. interest," Tran said.

Many in Vietnam bristle at the constant comparison to the giant next door, which analysts find reductive and which the public finds unfavorable, given the anti-Chinese sentiment. In rare moments when Vietnamese have taken to the streets, their biggest gripes were against China,

including 2014 riots over the South China Sea and 2018 protests over Chinese-linked economic zones.

"Even though there's the same political system," Trung, the political scientist said, "Vietnam is easier to work with than China."

He added that if Washington were to take too hard a line on Hanoi, it would give ideologues more reason to turn to Beijing.

The neighbors share a lot more than a border. By many measures, what is said of one can be said of the other. Both are ruled by communist parties that came to power after grinding civil wars. Citizens on either side of the border are under constant surveillance, and any criticism of one-party rule is scrubbed from the internet. Each nation had its planned economy give way to private enterprise in the 1980s, when the Cold War and the Soviet Union were on their last legs.

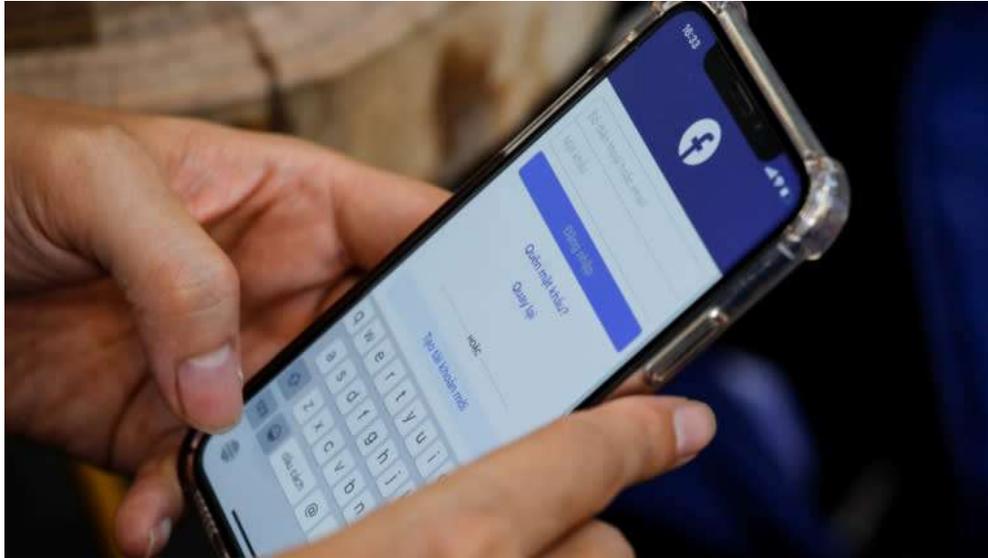
Large swathes of both populations were lifted out of poverty by factory-of-the-world policies that led to waves of phone and garment exports. In each, more than 80% of the people come from the same ethnic group, buttressing much-prized stability. A variety of faiths are practiced, led by Buddhism and ancestor worship, in otherwise secular societies.



The Hung Viet garment export factory, in Hung Yen Province, Vietnam. Becoming a factory to the world helped lift many Vietnamese out of poverty. © Reuters

After largely ditching central planning, Vietnam and China revved up their export engines in the 1990s, joined the World Trade Organization in the 2000s and became production powerhouses with rising consumerism in the 2010s.

The governments still pick winners and losers in their political economies and restrict market access for foreign companies. China mandates tech transfers and joint ventures, while Vietnam has investment constraints on sectors from retail chains to rice distribution.



A Facebook user logs in on his mobile at a cafe in Hanoi, Vietnam, in 2020. Vietnam has tried and failed to block the social media site. © Reuters

Both countries began reforming their droves of bloated state-owned enterprises, though these perestroika initiatives have stalled in recent years. SOEs still receive preferential treatment on everything from loans to land rights, leaving the private sector to make less headway than predicted.

The tech sector is a more recent and acute example of the limits to the free market. In its current tech crackdown, Beijing is getting embedded more intimately in business' activities, such as its bid to form a financial SOE by stripping out user data from Alipay.

Hanoi has introduced rules to Hoover up the data of users, from livestreamers to online merchants, building on a trend. In 2019, Vietnam enacted a cyber law that, as in China, requires tech companies to block content that offends the state and store data on domestic servers. Another law forces businesses to route digital payments through a state clearinghouse, much to the chagrin of Visa and Mastercard. U.S. officials lobbied aggressively against both laws, to little avail.



Members of Vietnam's parliament vote to approve cybersecurity legislation in Hanoi on June 12, 2018. The law requires service providers such as Google to remove critical posts within 24 hours. © EPA/Jiji

Of all the industries in which Vietnam's ruling party gets involved, it is the tech sector that has rights activists particularly concerned. The party is becoming more skilled at and prolific in restricting the internet, and the U.S. has not done enough to censure the censors, Tran of Legal Initiatives for Vietnam said on an encrypted line.

She had a message for U.S. leaders: "Don't be afraid. Vietnamese people love the U.S."

She added that, if Americans were seen specifically and more forcefully defending civil liberties, "I think [the Vietnamese] would love them more."

Additional reporting by Dominic Faulder in Bangkok.