

Vietnam's Foreign Policy

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Presentation to

The Political Economy of Vietnam Short Course for the

Department of Agriculture and Water Resources

Coral Bell School of Asia Pacific Affairs

The Australian National University

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Outline

- Foreign Policy Overview
- Vietnam's Fraught History with China
- Role of Russian Economic and Political Power
- Vietnam and the United States Since the War
- ASEAN as a Platform for Vietnamese Ambitions
- Implications for Australian Engagement

Foreign Policy Overview

Đổi Mới – domestic renovation 1986

Priority on economic relations 1988

Multi-directional foreign policy 1991

Foreign Policy Priorities

Neighbouring countries and ASEAN states

Traditional friendly countries

Developed countries, economic centres

Foreign Policy Overview

Diversification and multilateralization 2001

Strategic partnerships 2001+

Partners of cooperation, objects of struggle 2003

Proactive and active international integration 2006

Vietnam's Major Trading Partners (2013, US \$billion)

Country	Exports to Vietnam	Imports from Vietnam	Total Trade Turnover	% Share of Total Trade	% Share of Total Trade/GDP
China	39.94	13.23	50.17	19	29.3
ASEAN	21.33	18.42	39.75	15	23.2
EU	9.46	24.32	33.78	12.8	19.7
USA	5.23	23.84	29.04	11	17
South Korea	20.71	6.62	27.33	10.4	16
Japan	11.61	13.63	25.24	9.6	14.7

Source: Le Hong Hiep, *Living Next to the Giant* (2017), 103.

Top Ten Sources of FDI (2013)

Country	Number of Projects	US \$million
Japan	2,186	35,180
Singapore	1,243	29,942
South Korea	3,611	29,653
Taiwan	2,290	28,020
British Virgin Islands	523	17,152
Hong Kong	772	12,524
United States	682	10,696
Malaysia	453	10,376
China	992	7,551
Thailand	339	6,401

Source: Source: Le Hong Hiep, *Living Next to the Giant* (2017), 115.



Trung Sisters Revolt Against China 39CE

Vietnam's Fraught History with China

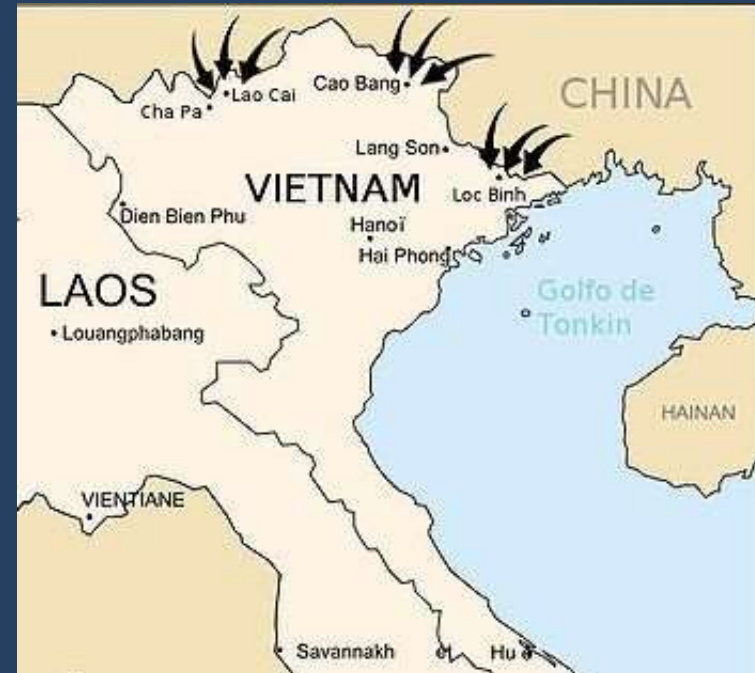
China-Vietnam Relations

Support for Independence



China Provided Assistance for the Battle of Dien Bien Phu

'Teach Vietnam a lesson'



1979 Border War

Contemporary Relations

1991

- Normalization of relations
- China's Law on Territorial Sea (1992)

1999

- Agreement on land border
- Demarcation Tonkin Gulf (2000)

2009

- Strategic Partnership (2008) raised to
- Comprehensive Strategic Partnership

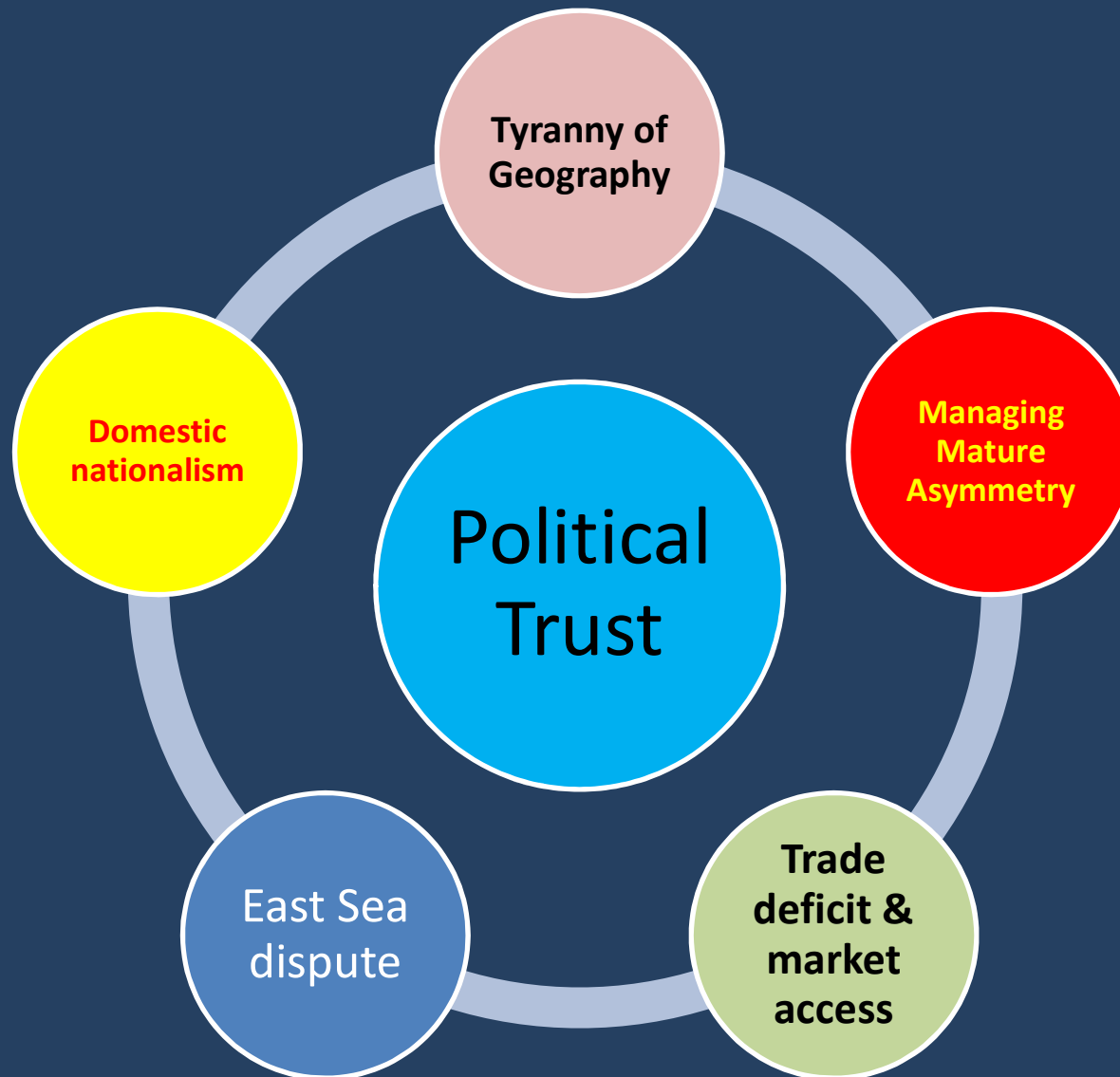
Comprehensive Strategic Cooperative Partnership 2013



May-July 2014 HD 981
Oil Rig Crisis and
Loss of strategic trust

- Resetting relations back to 2013
- Annual Friendly Border Exchange 2014+
- Joint development & waters forming the mouth of the Gulf of Tonkin
- High-level visits resumed

Contemporary Issues



The Role of Russian Economic and Political Power

Strategic Partnership (2001): Areas of Cooperation

1. Political-diplomatic
2. *Military equipment and technology*
3. *Oil and gas cooperation*
4. Energy cooperation for hydro and nuclear power
5. Trade and investment
6. Science and technology
7. Education and training, and
8. Culture and tourism

Arms Procurements from Russia



Svetlyak-class Fast Attack Craft



Project 1241 Molniya Corvette

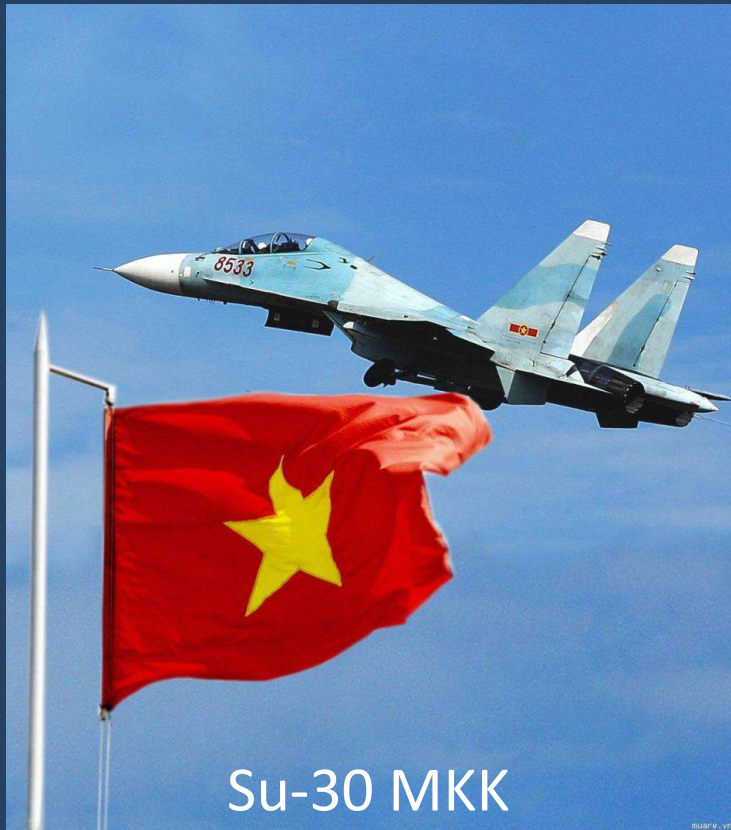


S-300 PMU1 (SA-10 Grumble)



Gepard Guided
Missile Frigate

Arms Procurements from Russia



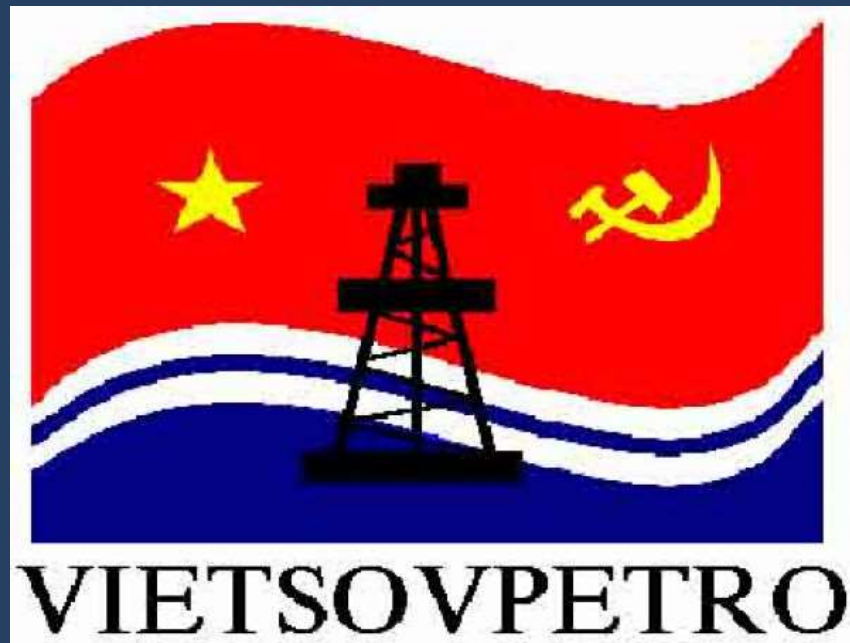
Arms Procurements from Russia

Vietnam has taken delivery of six Enhanced Kilo-class submarines: HQ 182 *Hanoi*, HQ 183 *Ho Chi Minh City*, HQ 184 *Hai Phong*, HQ 185 *Khanh Hoa* and HQ 186 *Da Nang*; and HQ 187 *Vung Tau Ba Ria*.



Joint Oil and Gas Exploration

Rusvietpetro, Gazpromviet and Vietgazprom



Russian investment in Vietnam's energy sector –
thermal, hydro, and nuclear power

Vietnam and the United States Since the War

1995

- Normalization
- War Legacy issues

2001

- Bilateral Trade Agreement
- PNTR and WTO membership

2003

- Defence Ministers Exchange Visits
- MOU Defence Cooperation 2011



Presidents Truong Tan Sang and Barack Obama

Vietnam-United States Joint Statement on
Comprehensive Partnership issued July 25, 2013

Comprehensive Partnership

1. Political and Diplomatic relations
2. Trade and Economics
3. Science and Technology
4. Education and Training
5. Environment and Health
6. War Legacy issues
7. Defence and Security
8. Protection and Promotion of Human Rights
9. Culture, Sports and Tourism



Nguyen Phu Trong and Barack Obama

Secretary General of Vietnam Communist Party
meets President of the United States in The White
House, July, 7, 2015 issue Joint Vision Statement

**\$32.3
billion
deficit with
China**



**\$30.9
billion
surplus
with the US**

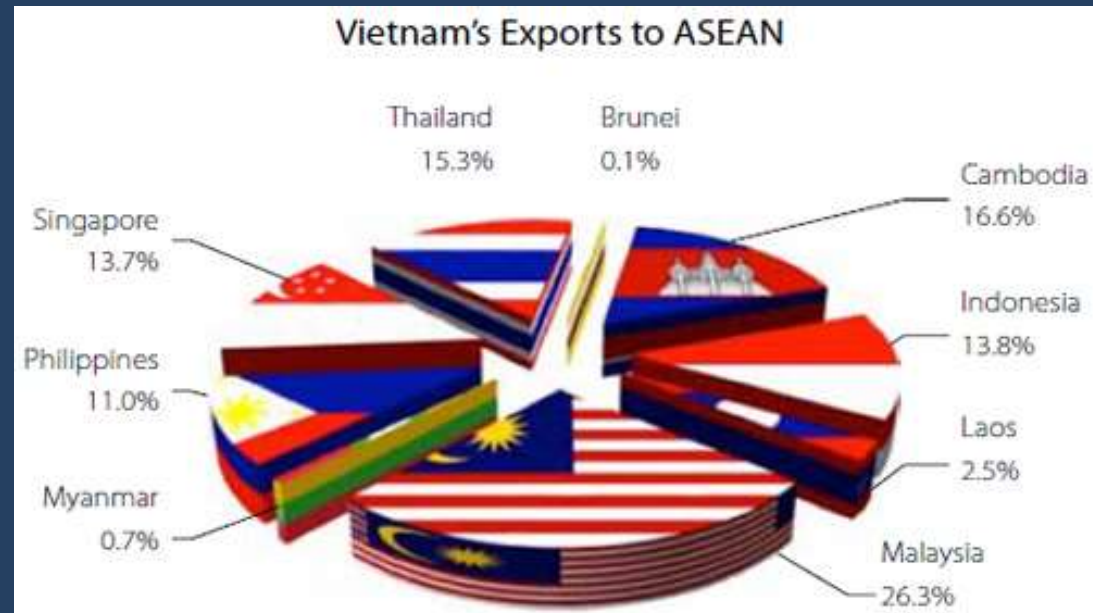


**Viet Nam
China – US
Trade
Relations
2015**

Contemporary Issues



ASEAN as a Platform for Vietnamese Ambitions

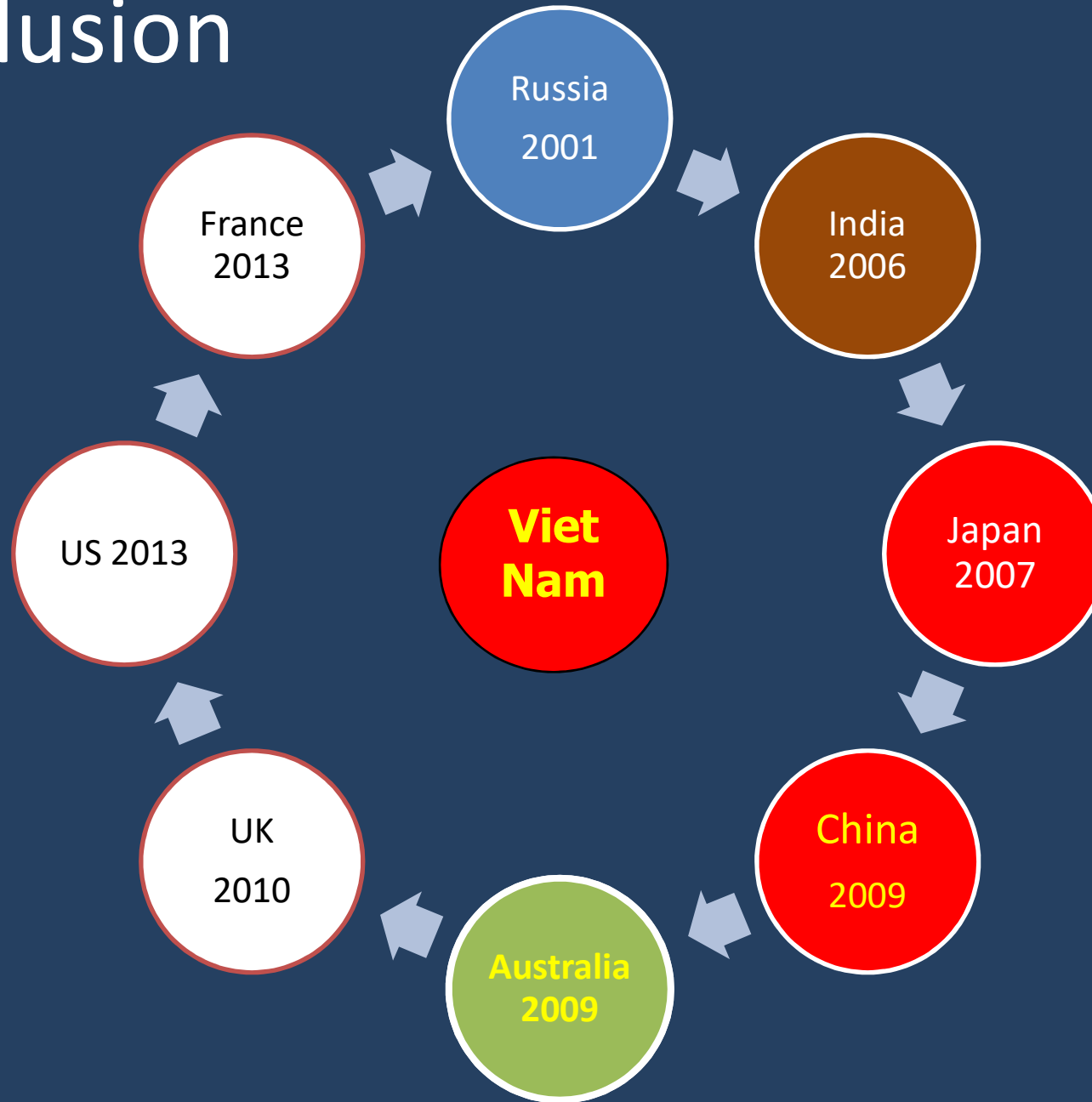


Implications for Australian Engagement



Foreign Ministers Julie Bishop and Pham Binh Minh sign the Australia-Vietnam Plan of Action 2016-19

Conclusion



10 Strategic and 15 Comprehensive Partnerships

Multilateralization and Diversification of Relations

Cam Ranh Bay International Port hosted visits by naval ships from Singapore, Japan, France, India, United States, China, and Australia



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