



## With Eye on China, Obama Strengthens Ties With Vietnam

The US lifts an arms embargo for once nemesis Vietnam, but the latter does not want China to worry

Murray Hiebert

*The United States and Vietnam are rapidly building a partnership based on trade and security agreements. US President Obama visited Vietnam on his way to the G7 meeting in Japan. During the visit, Obama lifted a ban on the sale of weapons to the country of 90 million and Vietnam will welcome US Peace Corps volunteers who teach English. Vietnam values the relationship more for trade than security purposes, and China should not worry much about the closer ties. "Vietnam is sensitive to how China might react to Hanoi moving too quickly to deepen security ties with Washington," concludes Murray Hiebert, a senior fellow and deputy director of the Sumitro Chair for Southeast Asian Studies at the Center for Strategic and International Studies in Washington. "Vietnam does not see itself as becoming an ally of the United States, but rather as executing a fine-tuned balancing act between Washington and its giant northern neighbor.... Obama's visit marks yet another delicate dance performed by Vietnam with an eye to its 2,000 years of often-troubled history with China." – YaleGlobal*

*Security vs human rights: On his first visit to Vietnam, US President Obama underlines support for human rights by meeting civil-society representatives, top; accompanying the welcome are worries about China's expansionism, including use of a water canon on a Vietnamese vessel approaching a giant drilling rig (Top photo: Reuters)*

WASHINGTON: US President Barack Obama had the ambitious goal of laying the foundation for a new stage in bilateral relations with Vietnam while visiting the country for the first time May 23-25. He took another step to complete reconciliation between former battlefield foes by lifting a ban on the sale of weapons to Vietnam as it faces growing pressure from an assertive China in the South China Sea.

Obama timed his visit just before he headed to Japan for the G7 summit, and that meant he was the first head of state to meet the new leadership of Vietnam anointed at the Communist Party congress early this year. It also comes just before a ruling is expected from the arbitral tribunal in The Hague on the Philippines case brought against China's nine-dash line claim in the South China Sea. And Obama landed the day after four Indian naval warships entered the disputed sea for a two-month deployment that includes the well-known Malabar exercise with the Japanese and American navies.

Hanoi had long called for the lifting of the arms ban, which it viewed as a remaining legacy of the war, but Washington had kept the embargo as leverage to press Vietnam to improve its human rights record. Obama said he adjusted US policy to help Vietnam defend itself, clear reference to China that over the past 18 months has been busy building landing strips capable of receiving military planes on reclaimed islands near features claimed by Vietnam, the Philippines and other claimants.

Few countries have deepened their ties with Washington faster than Vietnam under Obama's rebalance to Asia policy launched in 2011. Last year, Communist Party chief Nguyen Phu Trong visited the White House, after he couldn't get the Chinese party leadership to answer his phone calls when Beijing placed, and later removed, a mammoth oil-exploration rig off the coast of Vietnam in 2014. Two years earlier, the country's president had visited Washington and agreed to establish a comprehensive partnership with the United States. In 2015, the two countries signed a joint vision statement promoting bilateral defense ties and agreed to begin Coast Guard cooperation.

Hanoi late last year completed negotiations with the United States and 10 other countries to establish the Trans-Pacific Partnership trade agreement. Vietnam in recent years has emerged as the biggest Southeast Asian exporter to the United States, ahead of dynamos like Singapore and Thailand. Vietnam's economy is estimated to get a 10 percent boost from the TPP over the next decade, and its exports of garments and sports shoes will increase



roughly 40 percent by 2025. As a sign of more business to come, Vietnam's budget airline VietJet announced a deal to buy 100 Boeing passenger planes worth \$11.3 billion while Obama was in Hanoi.

Vietnamese officials see economic ties with the United States as more important than defense cooperation for ensuring the country's long-term security. Hanoi joined the TPP as a hedge against its heavy dependence on China, the source of the largest share of Vietnamese imports. Chinese companies provide much of the electricity in northern Vietnam, most of the key inputs for its garment exports, and the fertilizer and seeds for its agricultural production. Officials also looked to the TPP to force domestic economic reform, particularly restructuring of its inefficient and costly state-owned enterprises.

To join the TPP, Hanoi accepted stringent domestic labor reforms, a significant step to boost the country's human rights environment. Vietnam agreed to allow freedom of association and collective bargaining rights for its workers as outlined in International Labor Organization principles instead of insisting they remain under the umbrella trade union controlled by the Communist Party.

Vietnam's agreement to this labor reform has prompted some US officials to dub the TPP a "human rights" initiative. To demonstrate the priority of human rights for his administration, Obama met civil society leaders in Hanoi, including some who had been barred from running as independent candidates in National Assembly elections that ended hours before he landed, though a few were blocked from the meeting. Although the country's human rights situation has improved dramatically over the past decade, the US Embassy in Hanoi estimates that Vietnam detains roughly 100 political prisoners, mainly bloggers and democracy activists.

Hundreds of Vietnamese protestors took to the streets on several successive weekends before Obama arrived to demonstrate against what they considered the government's failure to address an environmental calamity that killed huge quantities of fish over a wide area off the coast of central Vietnam. The protestors suspect the fish deaths are linked to waste discharge from a Taiwan-owned steel plant in the region. The government cracked down by briefly detaining protestors and temporarily shutting down Facebook, creating heartburn for US officials ahead of the president's visit.

In a sign of deepening bilateral ties beyond security cooperation and trade and investment, Vietnam agreed during Obama's visit to open the country to Peace Corps English language teachers. The US president and his counterpart also celebrated the upcoming opening in Ho Chi Minh City of Fulbright University, the first college in Vietnam to have an independent board and freedom to choose its curriculum. The US Congress provided almost \$19 million to fund the university.

Some analysts in Vietnam say lifting the arms ban will be a confidence-building measure that will remove one of the last remaining vestiges of distrust continuing from the war. In an effort to address the war's remaining legacies, Obama announced the United States would soon begin painstaking remediation efforts to rehabilitate soil contaminated by dioxin or Agent Orange at the former US airbase in Bien Hoa, northeast of Ho Chi Minh City. Similar efforts have nearly been completed at the Danang air base in central Vietnam.

Obama's lifting of the arms ban is more symbolic than economically significant. Even though Vietnam has stepped up modernization of its military in the face of China's expansion – it was the planet's eighth largest importer of arms in the five years to 2015 – Hanoi is not expected to turn to US suppliers in the near term. After the United States partially lifted the ban two years ago allowing Hanoi to buy equipment such as radar and boats for maritime domain awareness, Vietnam did little more than window-shop.

Analysts wonder whether Vietnam will agree to step up its cautious military engagements with the United States with the weapons ban lifted. The Vietnamese military limits visits by US ships to about three a year and the US Navy would be interested in more joint exercises. Vietnam will open the strategically located, US-built Cam Ranh Bay to visits by US vessels, but it won't grant them exclusive use. The facility was recently converted into an international port, which the US Navy will share with others. Vessels from Singapore and Japan were the first to visit.

For Hanoi, Russian equipment is cheaper. Also, Washington's rigorous approval process, which includes human rights criteria, is time-consuming and onerous. Beyond that Vietnam is sensitive to how China might react to Hanoi moving too quickly to deepen security ties with Washington. Vietnam does not see itself as becoming an ally of the United States, but rather as executing a fine-tuned balancing act between Washington and its giant northern neighbor and fellow communist state with which it shares a complex array of economic and political relations. However rich in symbolism, Obama's visit marks yet another delicate dance performed by Vietnam with an eye to its 2,000 years of often-troubled history with China.

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