

17100 Vietnam Treads Lightly between China and U.S.

James Hookway Wall Street Journal Tuesday 17 2017

Vietnam is using new security and trade partnerships to shore up its ties around Asia and beyond, as it seeks to avoid getting caught up in growing tensions between the US and China, which look set to intensify.

The maneuvering is a sign of how countries in Asia are having to adjust their policies on the sly following the collapse of President Barack Obama's Pacific trade deal and lack of clarity over the direction the U.S. will take toward the region. After visits from the leaders of France and India in recent months, Japanese Prime Minister Shinzo Abe met with top Vietnamese leaders on Monday to discuss business and security.

"I think the need to get serious about developing multiple strategic relationships was driven home by the election of Donald Trump," said an expert on Vietnam. "He's an unknown quantity."

Vietnamese officials say their strategy now is to place Hanoi at the center of as many trade pacts and security arrangements as feasible, while also smoothing over the country's relationship with China when possible. The two countries fought a brief border war in 1979 and continue to contest each other's claims to parts of the South China Sea along Vietnam's coastline.

"Vietnam will continue pursuing a policy of befriending all countries, multilateralizing and diversifying relations on the basis of independence, self-reliance and international law," said the Foreign Minister.

This need to find additional partners is especially acute for Vietnam. In recent decades, the communist-run state has reinvented itself as a trading nation and is heavily dependent on the free navigation of the South China Sea. Vietnam is a fast-growing economic partner and an important ally in ensuring that the busy shipping lanes off the Southeast Asian country's coast remain unimpeded by China's growing commercial and military influence.

In July 2015, the general secretary of the Communist Party of Vietnam was the first to visit the White House. In May 2016, Mr. Obama visited the country and dropped a decades-old arms embargo. Not long after, two U.S. Navy warships docked at the strategically placed South China Sea port for the first time since the end of the Vietnam War.

The incoming administration could take a more hawkish approach in its China policy, which might be a positive for Vietnam. But the new administration's stance on boosting domestic manufacturing could hurt the country. Vietnamese officials have privately said they are uncertain about what to expect.