

VIETNAM'S DOMESTIC POLITICS AND SOUTH CHINA SEA POLICY

Katherine TSENG Hui-Yi

EAI Background Brief No. 1026

Date of Publication: 21 May 2015

Executive Summary

1. The Communist Party of Vietnam (CPV) sent an envoy to Beijing in late August 2014 for a party-to-party visit to thaw relations that were stalled after their clashes over the Paracel Islands in mid-May 2014. Both vowed to continue improving their relations.
2. Nevertheless, Vietnam has made efforts to forge closer relations with Japan after the latter provided six used patrol boats and guidance on maritime issues. The United States has welcomed Japan's participation in joint air patrol in the South China Sea.
3. Vietnam is also enhancing cooperation with the Philippines. The two are on the way to a strategic partnership agreement, with the main focus on situations in the South China Sea.
4. The move to thaw relations with China is apparently both economically and politically motivated. China is a crucial economic partner to Vietnam and a critical force that helps stabilise the CPV in power. Vietnam's economy has stagnated since 2008 in its push for economic reforms.
5. Politically, reforms bring along huge pressure for further liberalisation, causing dissent within the CPV. Hanoi has managed to stabilise the domestic situation by reducing its economic reliance on China, diversifying external relations, managing its political tussling and curbing domestic nationalistic sentiment.
6. Vietnam's South China Sea policy reveals that Hanoi has made decisions based more on strategic deliberations and economic necessities.
7. Its recent efforts to bring its law more in line with the Law of the Sea Convention show that it has learned to play the game more skilfully, namely, by putting its efforts in cultivating international support and projecting its image as a weak neighbour under great menace from its powerful counterpart, China.

8. The submission by Vietnam in mid-December 2014 to state its position to the Arbitral Tribunal, which is currently handling the China-Philippine arbitration case, has raised the issue without alienating Beijing in an extreme way.
9. China may have to deliberate if it does more harm than good to revive the secret party diplomacy in its effort to lessen this round of tension.
10. As the South China Sea issue is like a time bomb with no immediate solutions in sight, more rational thinking, re-consideration and clarification of real interests at stake are necessary for all involved.