

# Tracking Chinese Perceptions of Vietnam's Relations with China and the United States

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## EXECUTIVE SUMMARY

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This article sheds light on trends in Chinese assessments of U.S.-Vietnam relations and security cooperation to discern patterns in the security dynamics between the three countries.

### MAIN ARGUMENT

Since the turn of the century, Chinese foreign policy experts have consistently assessed that while there will always be certain tensions in the China-Vietnam relationship, economic and geopolitical realities prevent Vietnam from aligning against China or collaborating with the U.S. to any significant extent. Although some Chinese experts began to question the durability of China-Vietnam ties following Beijing's expansive nine-dash-line claim over much of the South China Sea in 2009 and a series of standoffs over disputed waters starting in May 2014, the general Chinese assessment that Vietnam will not work too closely with the U.S. to counter China continues to prevail.

### POLICY IMPLICATIONS

- The consistency of Chinese analysts' perceptions strongly suggests that China is unprepared for major and abrupt shifts in Vietnamese hedging in the future. Chinese elites likely view the predictability of U.S.-Vietnam relations as favorable to their government's foreign policy and military strategy. Thus, any significant change in Hanoi's security cooperation with Washington would surprise and rattle Beijing.
- Although Vietnam is unlikely to oppose China outright, it is also unlikely to collaborate with Beijing on security issues. This dynamic appears irreversible, barring a wholesale revamping of Chinese security policy in the South China Sea that includes recognition of and respect for Vietnam's exclusive economic zone and territorial claims.
- China is unlikely to disrupt regional peace and stability over closer U.S.-Vietnam cooperation. Therefore, raising the U.S.-Vietnam partnership from "comprehensive" to "strategic" in Vietnamese parlance, as has been discussed in the past, would be unlikely to register much reaction from Beijing.

As great-power competition between the United States and China continues to heat up throughout the Indo-Pacific, observers have increasingly considered the positions of so-called middle powers, or “hedgers,” and whether they might align with Washington or Beijing.<sup>1</sup> In recent years, one of these middle powers and a traditional hedger, Vietnam, has felt growing pressure to choose between China and the United States. China is its much stronger northern neighbor that at various times has been its closest friend or most bitter enemy. The United States is a nation that offers the best support to offset challenges from China but with which Hanoi is still rebuilding trust after the Vietnam War. Although Vietnam is unlikely to exclusively side with either power due to its negative experience with alliances during the Cold War, as well as its own nonalignment policy, China’s assertiveness in the South China Sea has resulted in deepening U.S.-Vietnam security cooperation.<sup>2</sup>

China has certainly taken notice of this evolving dynamic. According to a piece published by Beijing’s hawkish and state-run tabloid *Global Times* on the 25th anniversary of the normalization of U.S.-Vietnam ties in July 2020, “Vietnam has long been a country the U.S. wants to take advantage of to geopolitically contain China.”<sup>3</sup> However, the author, Li Jiangang of the China Institutes of Contemporary International Relations, further opined that “once Vietnam and the U.S. have conflicts, the U.S. will not hesitate to wave its stick at it. Vietnam has been threatened by the U.S.’ trade sanctions many times.” Li was sure to include an unambiguous warning to Hanoi as well: “If the U.S. involvement in the South China Sea escalates regional tensions or breaks the balance between China, Vietnam, and the U.S., then the development of Vietnam will be disrupted. Vietnam’s losses will outweigh its gains.” Written in English and posted on the popular and intentionally provocative *Global Times* website, Li’s piece was clearly designed for broad consumption. Earlier in

<sup>1</sup> See, for example, Abraham Denmark, “Southeast Asia’s Balancing Act,” Wilson Center, April 23, 2018 [~ https://www.wilsoncenter.org/blog-post/southeast-asias-balancing-act](https://www.wilsoncenter.org/blog-post/southeast-asias-balancing-act); Jonathan Stromseth, “Don’t Make Us Choose: Southeast Asia in the Throes of U.S.-China Rivalry,” Brookings Institution, October 2019 [~ https://www.brookings.edu/wp-content/uploads/2019/10/FP\\_20191009\\_dont\\_make\\_us\\_choose.pdf](https://www.brookings.edu/wp-content/uploads/2019/10/FP_20191009_dont_make_us_choose.pdf); Sebastian Strangio, *In the Dragon’s Shadow: Southeast Asia in the Chinese Century* (New Haven: Yale University Press, 2020); Murray Hiebert, *Under Beijing’s Shadow: Southeast Asia’s China Challenge* (Lanham: Rowman and Littlefield, 2020); and Aaron Connelly et al., “Southeast Asian Perspectives on U.S.-China Competition,” Lowy Institute and Council on Foreign Relations, August 2017 [~ https://www.lowyinstitute.org/publications/southeast-asian-perspectives-us-china-competition](https://www.lowyinstitute.org/publications/southeast-asian-perspectives-us-china-competition). For a great-power competition perspective, see David Shambaugh, *Where Great Powers Meet: America and China in Southeast Asia* (New York: Oxford University Press, 2020).

<sup>2</sup> For more on Vietnam’s approach to U.S.-China competition, see Carlyle A. Thayer, “Vietnam’s Foreign Policy in an Era of Rising Sino-U.S. Competition and Increasing Domestic Political Influence,” *Asian Security* 13, no. 3 (2017): 1–17.

<sup>3</sup> Li Jiangang, “How Close Can U.S. and Vietnam Be?” *Global Times*, July 16, 2020 [~ https://www.globaltimes.cn/content/1194721.shtml](https://www.globaltimes.cn/content/1194721.shtml).

2020, following the USS *Theodore Roosevelt*'s port visit to Da Nang, Vietnam, Beijing had authorized the publication of other commentaries that attempted to discourage the notion that U.S.-Vietnam security cooperation might one day eclipse China-Vietnam cooperation.<sup>4</sup>

These commentaries are not merely propaganda or exaggerated accounts aimed at projecting confidence and strength in the face of new adversity. Chinese experts dating back to the mid-2000s have consistently described Vietnam in much the same way. While there have always been tensions in the bilateral relationship, economic and geopolitical realities have prevented Vietnam from aligning against China or extensively collaborating with the United States. To be sure, some Chinese experts began to question the durability of ties following Beijing's declaration of its expansive nine-dash-line claim to much of the South China Sea in 2009 and a series of standoffs over disputed waters starting in May 2014. But the general Chinese assessment that Vietnam would not work too much with the United States to counter China has remained consistent over time.

Our research dovetails with more recent work on so-called hedging strategies in Southeast Asia. As far back as 2007, Evelyn Goh argued that observers should eschew the overly simplistic balancing-bandwagoning binary and instead appreciate the various ways states in the Indo-Pacific might opt for an "omni-enmeshment" approach.<sup>5</sup> Cheng-Chwee Kuik similarly argues that members of the Association of Southeast Asian Nations (ASEAN) are purposely opting for "contradictory positioning"—developing foreign policy portfolios that create a certain internal tension yet avoid choosing a strategy purely defined by balancing or bandwagoning.<sup>6</sup> This largely resonates with David Shambaugh's observation that there is no way to clearly bisect Southeast

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<sup>4</sup> Three officially backed commentaries were published in China's media after the USS *Theodore Roosevelt* visit to Vietnam: Cheng Hanping, "U.S. Efforts to Cozy Up to Vietnam Won't Work," *Global Times*, March 8, 2020 ~ <https://www.globaltimes.cn/content/1181968.shtml>; Li Haidong, "U.S. Stirs Regional Conflict to Stem China's Rise," *Global Times*, March 11, 2020 ~ <https://www.globaltimes.cn/content/1182328.shtml>; and Li Haidong, "U.S. Efforts to Woo Vietnam Won't Reverse Hanoi-Beijing Ties," China Military Online, March 11, 2020 ~ [http://eng.chinamil.com.cn/view/2020-03/11/content\\_9766034.htm](http://eng.chinamil.com.cn/view/2020-03/11/content_9766034.htm). For an analysis of these commentaries, see Derek Grossman, "China Remains Unfazed by Warming U.S.-Vietnam Security Ties," *Diplomat*, March 19, 2020 ~ <https://thediplomat.com/2020/03/china-remains-unfazed-by-warming-us-vietnam-security-ties>. At the start of 2021, the *Global Times* further characterized Washington's strengthening ties to Hanoi as an attempt "to woo Hanoi to contain Beijing by ending its neutral stance on South China Sea maritime disputes." For more, see Li Kaisheng, "Can Biden Administration Rope in Vietnam to Counter China?" *Global Times*, January 5, 2021 ~ <https://www.globaltimes.cn/page/202101/1211917.shtml>.

<sup>5</sup> Evelyn Goh, "Great Powers and Hierarchical Order in Southeast Asia: Analyzing Regional Security Strategies," *International Security* 32, no. 3 (2007): 113–57.

<sup>6</sup> Cheng-Chwee Kuik, "How Do Weaker States Hedge? Unpacking ASEAN States' Alignment Behavior towards China," *Journal of Contemporary China* 25, no. 100 (2016): 500–514.

Asia into balancers and bandwagoners. With the exception of Cambodia, which Shambaugh sees as having largely capitulated to Chinese influence, Southeast Asian states have sought to engage with China economically while also working with other states to offset its coercion.<sup>7</sup>

This finding makes sense considering that China is a “comprehensive strategic cooperative partner” of Vietnam—the highest designation Hanoi bestows on diplomatic partners. By contrast, the United States is at the lowest rung, that of “comprehensive partner.” Although there have been signs since at least 2011 that Vietnam might one day elevate the United States to “strategic partner,” which is just beneath “comprehensive strategic partner” (but still a step down from China’s level), this has yet to come to fruition. Numerous Vietnamese interlocutors have made clear that elevating Washington’s status to that of strategic partner would signal to Beijing a major geostrategic shift in Hanoi’s policies toward China. Furthermore, Vietnam’s guiding defense policy—up until late 2019 known as the “three no’s” and now referred to as the “four no’s and one depend”—was probably formulated in 1998 with the goal of avoiding unnecessarily antagonizing China.<sup>8</sup> Overall, China clearly has the inside track on influence over Vietnam, and this is unlikely to change in the foreseeable future. Moving forward, interested parties would benefit from more closely tracking Chinese assessments of U.S.-Vietnam security cooperation to gauge whether China might pivot to a less hostile strategy or stay the course in ramping up pressure on Vietnam in the South China Sea.

This article sheds light on trends in Chinese assessments of Vietnam’s relations with both China and the United States, and by extension on the prospects for comprehensive U.S.-Vietnam security cooperation that could affect China. We rely primarily on annual reports published by the Chinese Academy of Social Sciences (CASS), which serves as the primary think tank attached to China’s State Council. CASS’s “blue book” manuals are collaborative works between prominent scholars and subject-matter experts. Not only do they represent the overall consensus in the Chinese scholarly community, but their research is conducted under the authority of the

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<sup>7</sup> David Shambaugh, “U.S.-China Rivalry in Southeast Asia: Power Shift or Competitive Coexistence?” *International Security* 42, no. 4 (2018): 85–127.

<sup>8</sup> Vietnam’s guiding principle on security cooperation, known as the “four no’s and one depend,” consists of “no military alliances, no siding with one country against another, no foreign military bases, and no using force or threatening to use force in international relations,” as well as now “depending on circumstances and specific conditions, considering developing necessary, appropriate defense and military relations with other countries.” See Nguyen The Phuong, “Vietnam’s 2019 Defense White Paper: Preparing for a Fragile Future,” Center for Strategic and International Studies, Asia Maritime Transparency Initiative, December 17, 2019 ~ <https://amti.csis.org/vietnams-2019-defense-white-paper-preparing-for-a-fragile-future>.

State Council. In other words, nothing in these reports should be considered beyond the pale of mainstream elite dialogue. CASS also publishes a new blue book manual on Vietnam every year, meaning that these reports serve as a reliable barometer to observe shifts in Vietnam-related research. This document makes it possible to track year-by-year changes in the ways China's top Vietnam experts perceive China-Vietnam relations.

The remainder of this article proceeds as follows:

- ≈ pp. 108–14 describe and analyze Chinese perceptions of U.S.-Vietnam security relations from 2005, when the CASS annual series began, until 2009.
- ≈ pp. 115–19 examine the period stretching from 2009 to 2013, following Beijing's announcement in 2009 of an expansive nine-dash-line sovereignty claim in the South China Sea that overlaps significantly with Vietnam's claims.
- ≈ pp. 119–24 assess the period from 2014 up to the present, which has featured the most serious flare-ups in recent China-Vietnam history.
- ≈ pp. 124–27 draw policy implications based on the preceding analysis.

#### 2005 TO 2009: VIETNAM STAYING PUT

From at least 2005 until 2009, China remained relatively optimistic that its influence with Vietnam far outweighed that of the United States for three major reasons. First, Chinese analysts perceived China-Vietnam tensions to be minor, and most believed that dialogues and exchanges might resolve issues surrounding both land border demarcation and maritime sovereignty. Second, Vietnam's political reform was clearly meant to foster economic growth, and while Chinese analysts noted increased cooperation between Vietnam and the United States, these efforts seemed predominantly economic in nature and meant to secure Vietnamese access to foreign markets and the World Trade Organization (WTO). Third, Chinese analysts observed that Vietnam had no interest in "containing" or "balancing" China. As Vietnamese diplomats worked to dissolve long-standing tensions with the United States and other Southeast Asian countries, Chinese analysts did not anticipate that Vietnam would side with any other nation, a strategy that had previously effectively tied its interests to those of the ultimately failed Soviet Union.

*Prospects for Cooperation*

Chinese analysts saw several reasons to believe that territorial disputes between China and Vietnam, while concerning, could also be peacefully resolved via bilateral negotiation. As noted in a 2005 joint statement, bilateral dialogues had already made great progress: “[O]n land border issues, the two governments have already reached an agreement, now the final stages of demarcation and marker erection [are] to be completed by 2008 at the latest. The two countries also have an agreement on the Gulf of Tonkin issue, which is in the midst of being implemented.”<sup>9</sup>

The smooth progress of the border demarcation project gave Chinese elites not only reason to believe that the two states could manage bilateral issues but also a sense that these issues could be handled in a regimented, predictable manner. China and Vietnam did in fact achieve their goal, which represented a comprehensive, eight-year effort to demarcate the 837-mile border, with representatives formally releasing a joint statement at the end of 2008 to mark their success.<sup>10</sup> Such improvements were not just symbolic—they were accompanied by enhanced efforts to integrate the two economies and foster economic development for both, known as the Two Corridors, One Belt initiative.

Encouragingly, it appeared that these efforts were not wasted. In July 2010, officials from both states held a ceremony at the Tianbao border celebrating the effectiveness of their land boundary survey protocol, the land boundary management system agreement, and the border port and management system agreement, the products of several years of diplomatic efforts in the mid to late 2000s.<sup>11</sup> Chinese analysts noted that such connections were not just economically focused but also would help foster society-to-society ties, such as cross-cultural exchanges between China’s Yunnan Province and neighboring Vietnamese communities, and offer another way for the nations to build friendly, productive ties.<sup>12</sup>

Chinese experts further hoped that these productive bilateral exchanges could be leveraged to resolve disputes in the South China Sea. They proposed that China and Vietnam could work together to manage and patrol fisheries

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<sup>9</sup> Chinese Academy of Social Sciences (CASS), *2006 Yuenan guojiaqing baogao* [2006 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2006), 60.

<sup>10</sup> CASS, *2009 Yuenan guojiaqing baogao* [2009 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2009), 9.

<sup>11</sup> CASS, *2011 Yuenan guojiaqing baogao* [2011 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2011), 28.

<sup>12</sup> CASS, *2012 Yuenan guojiaqing baogao* [2012 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2012), 65.

in the Gulf of Tonkin. Perhaps more importantly, the 2006 CASS report on Vietnam notes that both sides wished to expand the institutions that had alleviated tensions in the gulf into the South China Sea more broadly.<sup>13</sup> In fact, it seemed that even potentially contentious issues like oil drilling might be resolved in a cordial, multilateral context—in March 2005, China, the Philippines, and Vietnam agreed to jointly explore resources in the South China Sea.<sup>14</sup> As talks continued in 2007, Beijing and Hanoi reached an agreement on jointly patrolling the Gulf of Tonkin.<sup>15</sup>

Even as the first decade of the 21st century was coming to a close, Chinese analysts remained optimistic that China-Vietnam challenges in the South China Sea might be resolved amicably. Indeed, these talks would eventually bear fruit, with China and Vietnam jointly patrolling the Gulf of Tonkin and carrying out a joint search-and-rescue exercise in 2010.<sup>16</sup> In sum, while it can be easy to dismiss Chinese optimism as the product of either ignorance or hubris, early successes in resolving land border demarcation and jurisdiction in the Gulf of Tonkin did set a positive tone for continued dispute resolutions, with bilateral frameworks already providing forward momentum.

### *U.S. Cooperation: Economic, Not Geopolitical*

Not only did Chinese analysts determine that China-Vietnam relations were improving, but they saw no reason to believe that improved U.S.-Vietnam ties would threaten Chinese interests. By 1986, Vietnam was seeking to open up to the outside world through a process known as *doi moi* (renovation), with parallels to China's reform and opening up in 1978 as well as the Soviet Union's glasnost and perestroika. While Vietnam did reach out to various extraregional powers, including the United States, Beijing viewed such overtures as being driven by economic interests rather than geopolitical calculations. In other words, despite rapid improvements in U.S.-Vietnam relations, there was no reason to believe that Hanoi was building security ties, and the prospect of robust anti-China cooperation remained low.

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<sup>13</sup> CASS, 2006 *Yuenan guojiaqing baogao*, 38–39.

<sup>14</sup> *Ibid.*

<sup>15</sup> CASS, 2008 *Yuenan guojiaqing baogao* [2008 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2008), 64.

<sup>16</sup> CASS, 2011 *Yuenan guojiaqing baogao*, 47.

Chinese analysts noted that Vietnam sought to open up to foreign markets and gain access to international organizations such as the WTO.<sup>17</sup> After concluding the Vietnam-U.S. Trade Agreement in 2001, Washington and Hanoi saw consistent growth in bilateral trade, and by the middle of the decade the United States had already established 240 investment projects with a total value between approximately \$20 million and \$100 million.<sup>18</sup> In a landmark event in 2005, Vietnamese leaders visited the United States for the first time since the Vietnam War ended 30 years earlier. Following these developments, in 2006, President George W. Bush upgraded the relationship to one of “permanent normal trade relations” (also known as “most favored nation” status).

However, the rapid expansion of U.S.-Vietnam trade was not particularly unusual. Just as importantly, Vietnamese trade with China was also expanding during this time. In 2005, the value of Chinese exports to Vietnam broke \$5 billion with an increase of approximately 32.5%. Though the shift was not as dramatic, Vietnamese exports to China similarly grew to \$2.5 billion the same year, an increase of 2.8%.<sup>19</sup> Perhaps even more significantly, Vietnam did not seem to be concerned about increased economic interdependence with China. In fact, policymakers were pushing for increased trade between the two states, with elites hoping to increase bilateral trade to \$10 billion by 2010.<sup>20</sup> Chinese and Vietnamese diplomats would not only achieve this goal but vastly outstrip it. By 2010, Chinese exports were valued at over \$20 billion, and Vietnamese exports reached \$7.7 billion. With issues at the border resolved, increased trade and economic integration promised to expand bilateral trade even further in the coming years. Observers overseas were also quick to notice this dynamic and attributed it to the realities of geography. Vietnam was in a situation familiar to many Southeast Asian states, which “can, at best, only modulate their economic relationships with China; they cannot escape their dependency.”<sup>21</sup> Given China’s breakneck economic growth and the potential for similar development in Vietnam, analysts within and outside China concluded that the opportunities presented by an expanded economic relationship with China were impossible for Hanoi to turn down.

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<sup>17</sup> CASS, 2005 *Yuenan guojiaqing baogao* [2005 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2005), 66. See also Jonathan Stromseth, “Reform and Response in Vietnam: State-Society Relations and the Changing Political Economy” (PhD diss., Columbia University, 1998).

<sup>18</sup> CASS, 2006 *Yuenan guojiaqing baogao*, 39.

<sup>19</sup> Ibid.

<sup>20</sup> Ibid.

<sup>21</sup> Shambaugh, “U.S.-China Rivalry in Southeast Asia,” 99.

Although the security relationship did not grow at the same rapid pace as the economic relationship, Chinese analysts noted a limited level of security cooperation between Vietnam and the United States. For example, Vietnamese officials visited the United States to discuss cooperation on counterterrorism, drug trafficking, money laundering, transnational crime, human trafficking, and other nontraditional security issues. Vietnamese elites also agreed to attend strategic dialogues in the United States to cooperate on law enforcement and security. In 2008 the United States for the first time invited Vietnam to conduct joint naval exercises as part of U.S. exercise CARAT (Cooperation Afloat Readiness and Training).<sup>22</sup>

Still, Chinese analysts saw little reason to believe that U.S.-Vietnam security ties were dramatically improving. The idea that Vietnam would abandon its “three no’s” defense policy—no alliances, no foreign basing in its territory, and no allying with a second country against a third—seemed unlikely. They concluded that Vietnam was working to improve relations with all major powers and would not take any action that might jeopardize its diplomatic and economic charm offensive. As one report noted, “Vietnam has learned from past experiences and lessons in handling relations with major powers, adjusted its diplomatic strategy and tactics, and changed its former diplomatic line of ‘leaning to one side’ towards the former Soviet Union in the 1970s and 1980s, instead adopting a policy of balanced exchanges with major powers.”<sup>23</sup> For Chinese observers, this showed that Vietnam’s motives were largely economic, and Hanoi was unwilling to become too dependent on any one major power.<sup>24</sup>

Furthermore, even as Chinese analysts noted rapid expansion of U.S.-Vietnam economic ties, they also observed that deep-seated ideological issues continued to plague bilateral ties between the former enemies. In July 2004, Congress responded to Vietnam’s mistreatment of the indigenous group the Montagnards (who are predominantly Christians) by passing the Vietnam Human Rights Act, freezing nonhumanitarian aid to Vietnam. Two months later, the U.S. Department of State labeled Vietnam a “country of particular concern” for religious freedom.<sup>25</sup> The Bush administration would remove this designation leading up to the 2006 visit to Hanoi, but a few years later the Department of State’s 2009 Report on Religious Freedom again criticized

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<sup>22</sup> CASS, 2009 *Yuenan guojiaqing baogao*, 77.

<sup>23</sup> CASS, 2005 *Yuenan guojiaqing baogao*, 61.

<sup>24</sup> *Ibid.*, 62–63.

<sup>25</sup> *Ibid.*, 40.

violations of freedom of conscience in Vietnam. The report provoked a response from Vietnam's foreign affairs spokesperson, who decried it as incorrect.<sup>26</sup> Most concerning for Hanoi were U.S. attempts to effect "peaceful evolution" in Vietnam: the quiet import of Western values of democracy and human rights to destabilize the Vietnamese Communist Party regime. To Chinese analysts, the U.S. attempts to win over Vietnam in the first decade of the 2000s were hampered by the United States' desire to remake Vietnam in its own image.

These issues would remain consistent themes in Chinese analyses of U.S.-Vietnam relations, and the existence of constraints on the relationship would continue to assuage anxieties about a more comprehensive and meaningful "anti-China" partnership. For Chinese analysts, Washington's commitment to certain ideals and principles inherently limited how far U.S.-Vietnam cooperation could expand, and relations would be mostly confined to the economic sector.

### *Vietnam's Diversified Foreign Policy Portfolio*

Finally, Chinese analysts in this period did not observe any major Vietnamese attempts to brace for military competition with China. Rather, having already made major cuts in the late 1980s and early 1990s, Vietnam had been drastically reducing the size of its armed forces, shrinking them to approximately one-third of what it had traditionally maintained.<sup>27</sup> Moreover, Vietnam's decision to withdraw troops from Cambodia further signaled that Hanoi wished to repair contentious relations with China and Vietnam's Southeast Asian neighbors.<sup>28</sup>

Vietnam's de-emphasis on military modernization was coupled with attempts to rapidly integrate itself into international institutions, suggesting that Hanoi had abandoned what Chinese analysts viewed as its "lean to one side" strategy during the Cold War. Vietnamese elites, they concluded, had learned their lesson from favoring ties with the Soviet Union over China and had realized that the best policy was to simply maintain friendly relations with all nations. The country joined ASEAN in 1995, the Asia-Pacific Economic Cooperation (APEC) in 1997, and the WTO in 2007, among other multilateral organizations. By opening up to the world and allowing investors to enter

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<sup>26</sup> CASS, 2010 *Yuenan guojiaqing baogao* [2010 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2010), 33.

<sup>27</sup> CASS, 2005 *Yuenan guojiaqing baogao*, 30.

<sup>28</sup> *Ibid.*

Vietnam, Hanoi developed its foreign relations more than ever before. From the Chinese perspective, Vietnam would be wary of playing the “dangerous game” of geopolitics, particularly as doing so might sabotage its economic campaigns abroad.

As Chinese observers saw it, Vietnamese elites recognized that constant war had left Vietnam precariously underdeveloped and forced it to rely on capital inflows from abroad.<sup>29</sup> Now, however, China was Vietnam’s number-one trade partner, and in the mid-2000s there was no reason to believe this would change. Furthermore, they saw Vietnam’s strategic position as a conduit for China-ASEAN trade, meaning that Vietnamese elites would need to make major economic sacrifices if they dared to antagonize China. With Beijing and Hanoi’s joint statement on the Two Corridors, One Belt initiative (a project predating China’s Belt and Road Initiative), it appeared that Hanoi was willing to tie its economic fate to positive relations with China.<sup>30</sup>

Chinese perceptions were confirmed by the Vietnamese Communist Party’s 10th Party Congress, which marked a shift toward market reforms and an out-facing economy. President Tran Duc Luong traveled more than ever before, courting foreign favor and obtaining foreign market access, foreign investment, and entry into the WTO. Vietnamese political leaders sought to boost Vietnam’s reputation as a responsible, cooperative state by securing a nonpermanent seat on the UN Security Council.<sup>31</sup> Ultimately, Chinese analysts were optimistic about trends in China-Vietnam relations because they recognized a concerted attempt by Vietnam to cultivate friendly, or at least cordial, relations with all states. Even if its relations with the United States were developing relatively rapidly, Vietnamese relations with almost every major state saw significant steps forward, including China, Russia, Japan, and India.

During this period, rather than commit to a robust partnership with any major power, Vietnam instead was striving to become “the friend of all states of the world.”<sup>32</sup> To fuel economic growth, Vietnam would need to achieve a rapprochement with many former adversaries, open up its markets, and create an inviting environment for foreign investors. In this strategic calculus, there was no room for getting involved in great-power struggles.

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<sup>29</sup> CASS, 2005 *Yuenan guojiaqing baogao*, 30–32.

<sup>30</sup> CASS, 2007 *Yuenan guojiaqing baogao* [2007 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2007), 37.

<sup>31</sup> CASS, 2005 *Yuenan guojiaqing baogao*, 38.

<sup>32</sup> *Ibid.*, 30.

## 2009 TO 2013: CHINA RISKS ITS RELATIONSHIP WITH VIETNAM

The early 2010s saw two major developments that caused Chinese experts to rethink some of their strategic assumptions about Vietnam, if not their general assessment. First, the momentum that China-Vietnam dialogues had built by resolving territorial issues at the border and Gulf of Tonkin failed to carry over into territorial disputes in the South China Sea proper. This became particularly acute following Beijing's unilateral declaration in 2009 of its nine-dash line, which claimed a vast swath of the South China Sea based on historical rights rather than international law. Territorial disputes would not be adjudicated as easily as originally expected. Second, largely because of China's growing assertiveness in the region, the early 2010s saw Vietnam increase its purchases of military hardware, particularly in the wake of China's takeover of Scarborough Shoal from the Philippines in 2012. Vietnam began to increase its ability to monitor, patrol, and project power in the South China Sea.

### *Territorial Disputes: Not So Simple*

As the 2010s progressed, Chinese analysts recognized that disputes over the South China Sea had not dissipated. Originally, Chinese elites had hoped that bilateral dialogues on smaller features would serve as a logical bridge to resolving the larger maritime territorial disputes. After all, with both Vietnam and the Philippines indicating willingness to engage in joint exploration of maritime resources, it did not seem overly optimistic to project that these disputes could be handled bilaterally. Defying expectations, however, territorial disputes became more contentious, not less, and began spilling over into multilateral and international institutions.

In 2012, Chinese analysts noted a number of worrisome developments in the South China Sea. In April, Vietnam sent six monks to the Spratly Islands to repair temples and serve there as abbots. In June, Hanoi dispatched two Su-27s to patrol the Spratly Islands. Later that same month, Vietnam passed a bill stating that the Paracel and Spratly Islands were part of its territory. When Vietnamese leaders observed China consolidating control over Scarborough Shoal, thereby undermining Philippine claims to the feature, they determined that Vietnam should shore up and signal its presence

around its own occupied features.<sup>33</sup> Importantly, these moves occurred at a time when both Chinese academic discourse and public opinion were shifting on the South China Sea. Although Chinese analysts had previously believed that most states were unwilling to challenge Beijing's positions, it was becoming increasingly clear that Southeast Asian states were indeed unwilling to acquiesce to Chinese claims.

These efforts were not confined to the domestic political arena. On June 23, 2012, China National Offshore Oil Corporation announced that nine oil blocks were open to bids in a disputed part of the South China Sea that overlaps with Vietnam's claim.<sup>34</sup> At the 19th ASEAN Foreign Ministers' Meeting in July 2012, Vietnam and the Philippines brought up the issue, and Chinese analysts took notice. Clearly, China-Vietnam territorial tensions would not be confined to bilateral settings. Tellingly, on the same day that Vietnam passed its Maritime Law, China accorded the status of a municipality to Sansha and assigned it administrative responsibility for the Paracels and Spratlys.

Chinese analysts also noted that frustrations with perceived Chinese encroachments were not limited to Vietnamese elites. Indeed, in reaction to these developments, there were five large-scale protests in Vietnam, signaling widespread anti-China sentiment.<sup>35</sup> The 2013 CASS report, in fact, described the region as one of a growing power play:

Due to the sovereignty dispute between Vietnam and China in the South China Sea, in order to safeguard its interests in the South China Sea, Vietnam will continue to use foreign powers to increase its bargaining chips. In 2013, the situation in the world and Southeast Asia is still complex and changeable. Many major powers led by the United States will continue to play games in Southeast Asia, mainly the United States and Japan. This competition will have an adverse impact on Sino-Vietnamese relations.<sup>36</sup>

At this point, it was impossible not to recognize that the territorial disputes were becoming international flashpoints.<sup>37</sup>

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<sup>33</sup> CASS, *2013 Yuenan guojiaqing baogao* [2013 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2013), 47.

<sup>34</sup> *Ibid.*

<sup>35</sup> *Ibid.*, 48.

<sup>36</sup> *Ibid.*, 48–49.

<sup>37</sup> *Ibid.*, 49.

### *Expanded Military Capabilities*

While the 1990s and early 2000s were marked by a major drawdown in Vietnamese military capabilities, by the latter half of the 2000s and the early 2010s Chinese analysts noted that Vietnam's armed forces were nonetheless procuring increasingly modern military equipment, notably aircraft, seafaring vessels, and other platforms and weapons systems to increase power-projection capabilities in the South China Sea.<sup>38</sup> These activities seemed even more pointed given that many of the acquisitions occurred in the wake of the Scarborough Shoal standoff in 2012 and a flare-up in the Japan-China Senkaku Islands dispute.<sup>39</sup> Not only were disputes with Vietnam unlikely to disappear, it appeared Hanoi was willing to invest in costly modern military hardware to defend its maritime interests.

During this period, China became concerned that Vietnam was focusing on expanding its maritime capabilities, procuring surface combatants, submarines, drones, and patrol boats potentially to offset Chinese military capabilities and prepare for small-scale conflict.<sup>40</sup> In 2013, in the wake of the Scarborough Shoal crisis and East China Sea dispute, Vietnam's military budget reached \$3.8 billion, an increase of approximately 15% from the year prior. Acquisitions focused on boosting maritime capabilities, with Vietnam seeking to possess a modern navy by 2050 and taking major steps to increase the effective range of its patrols and combat capabilities. The 2014 CASS report specifically noted that these activities were designed to prepare for a "low-intensity conflict in the region." In the long term, the report observed that Vietnam wanted to establish the capabilities to act farther outside its littoral areas:

Vietnam's long-term goal is to build a fully independent, blue water naval force capable of combining offshore, sea, and air operations by 2050. In addition to possessing attack submarines and further improving its ability to provide maritime supplies and fuels, Vietnam continues to enrich its maritime and air patrol and reconnaissance forces, strengthen its monitoring of the South China Sea, especially the airspace in the South China Sea, and further consolidate Vietnam's local maritime and air superiority in the South China Sea.<sup>41</sup>

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<sup>38</sup> Derek Grossman, "Can Vietnam's Military Stand Up to China in the South China Sea?" *Asia Policy* 13, no. 1 (2018): 113–34.

<sup>39</sup> Zhicheng Wu and Yiyi Chen, "Meiguo zai Huangyandao yu Diaoyudao wenti shang de lichangyuan he bu tong?" [What Is the Difference between the U.S. Position on Huangyan Island and the Diaoyu Islands Issue in the Long Run?], *Xiandai Guoji Guanxi* 2013, no. 4 (2013).

<sup>40</sup> Grossman, "Can Vietnam's Military Stand Up to China in the South China Sea?"

<sup>41</sup> CASS, 2014 *Yuenan guojiaqing baogao*, 96.

To this end, Vietnam began procuring modern military equipment from a number of partners: guided-missile destroyers from Russia, CASA C-212 aircraft from Spain that improved its ability to monitor both surface and underwater activity, and the Twin Otter from Canada that improved the navy's surveillance, intelligence, and reconnaissance capabilities.<sup>42</sup> CASS analysts noted that Vietnam's acquisitions "will enable the Vietnamese army to basically have the three-dimensional combat capability in its offshore waters, especially improving its anti-submarine capability, and making the Vietnamese navy's patrol range cover the entire South China Sea, and its offensive capability expanding from 100 kilometers to 150–300 kilometers."<sup>43</sup>

Most importantly, Chinese analysts did not see this shift as merely an attempt to modernize Vietnamese forces. Rather, they saw these acquisitions as a fundamental shift in Vietnam's military strategy toward a more active defense-oriented policy: "The procurement of these series of advanced weapons and equipment will enable the Vietnamese army, especially the navy and air force, to achieve a leap from weak to strong, reflecting a trend in Vietnam's regional defense strategy, gradually shifting from passive defense to active defense."<sup>44</sup> It had become increasingly clear in the early 2010s that Hanoi did not mean to hollow out the nation's defense capabilities, and Vietnam's 2009 defense white paper specifically noted increased tensions regarding territorial waters in the region.<sup>45</sup> In particular, analysts noted specific military procurements that hinted at Vietnam's intention of contesting Chinese actions in the South China Sea: "Looking to the near- and long-term preparations the military must make to adjust its strategy, Vietnam has continuously increased its defense budget and military expenditures, particularly naval expenditures, so as to meet the needs of low-intensity conflicts in the South China Sea."<sup>46</sup>

Chinese analysts were now entertaining the idea that Vietnam could risk low-intensity kinetic action to uphold its maritime interests, even if it could not realistically balance China. While China-Vietnam relations were simultaneously cooperative and competitive, the same remained true for U.S.-Vietnam relations as well. Even as the United States increased security cooperation with Vietnam, fundamental contradictions in U.S. and Vietnamese political culture still limited such cooperation. In the wake of Secretary of State Hillary Clinton's trip to Hanoi in 2010, Chinese observers

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<sup>42</sup> CASS, 2014 *Yuenan guojiaqing baogao*, 98–99.

<sup>43</sup> CASS, 2011 *Yuenan guojiaqing baogao*, 45.

<sup>44</sup> *Ibid.*, 45–46.

<sup>45</sup> CASS, 2010 *Yuenan guojiaqing baogao*, 64.

<sup>46</sup> CASS, 2014 *Yuenan guojiaqing baogao*, 96.

noted that continued U.S. pressure regarding democratic reforms and human rights violations, combined with various leftover issues from the Vietnam War, restrained Vietnam from turning significantly toward the United States even as China-Vietnam tensions escalated.<sup>47</sup>

#### 2014 TO 2021: VIETNAM FACES OFF AGAINST CHINA IN THE SOUTH CHINA SEA

Starting in 2014 and continuing until the present day, China's analyses of Vietnam's foreign policy orientation have been driven by two overarching observations. The oil rig crisis and ensuing riots of 2014 were perhaps the most salient turning point in the bilateral relationship and represented the first undeniable sign that Vietnam was willing to incur diplomatic and economic costs to contest Chinese actions in the South China Sea. Second, Vietnam continued to procure modern military equipment, much of it clearly meant to increase its ability to surveil and operate in the sea. Contrary to Beijing's optimistic appraisals in the 2000s, Vietnamese diplomacy was not simply a means to an economic end. Vietnam was also reaching out to states to increase security cooperation and secure training and equipment for its military modernization.<sup>48</sup> Taken together, however, Chinese analysts determined that economic realities and the gap between Vietnamese and Chinese capabilities would continue to deter Vietnam from directly challenging or balancing against China. Bilateral trade in 2015 was valued at over \$66 billion and by 2020 would break \$100 billion, with Vietnamese manufacturing particularly reliant on Chinese equipment and machinery.<sup>49</sup> Yet Chinese analysts recognized that Vietnam was actively collaborating with other states to reduce Chinese influence in the South China Sea, meaning encroachments on Vietnamese interests would not go unanswered.

#### *Vietnamese Resolve Becomes Apparent*

In May 2014, state-owned China National Offshore Oil Corporation dispatched its Haiyang Shiyou 981 oil platform to hydrocarbon blocks 142

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<sup>47</sup> CASS, 2011 *Yuenan guojiaqing baogao*, 31.

<sup>48</sup> Scott W. Harold et al., *The Thickening Web of Asian Security Cooperation: Deepening Defense Ties among U.S. Allies and Partners in the Indo-Pacific* (Santa Monica: RAND Corporation, 2019) ~ [https://www.rand.org/pubs/research\\_reports/RR3125.html](https://www.rand.org/pubs/research_reports/RR3125.html).

<sup>49</sup> Dat Nguyen, "China-Vietnam Trade Soars Past \$100 Billion," *VnExpress International*, November 20, 2020 ~ <https://e.vnexpress.net/news/business/economy/china-vietnam-trade-soars-past-100-bln-4194048.html>.

and 143, previously designated by Vietnam for offshore oil development. The Chinese oil rig was operating on Vietnam's claimed continental shelf, seventeen miles off of Triton Island (the most southwestern land feature in the Paracel Islands, controlled by China, yet claimed by Vietnam as well). To Vietnamese observers, this seemed yet another provocative move by China—the type of action that Southeast Asian states had come to anticipate, even if they had not come to accept such activities.

While Chinese elites may have anticipated some pushback from Vietnam, the violent anti-China protests across the country likely surpassed their expectations. Previously, Chinese leaders had stoked nationalist sentiments to signal their displeasure with Hanoi.<sup>50</sup> But this time around, Chinese-owned businesses were vandalized, looted, and burned in Vietnam; over three thousand Chinese nationals were evacuated, with sixteen requiring medical evacuations; and two people were killed in the wake of hostilities. For Beijing, which is presumed to have tacitly supported, or at least tolerated, the anti-Japan protests of 2012, it must have been a rude awakening to observe Vietnamese elites allow similar, controlled violence to occur to Chinese businesses.

The violent anti-China protests were so salient for Chinese observers because Vietnam, as a fellow authoritarian state with many of the same government organs and mechanisms for maintaining public order, functions in a way that Chinese leaders understand. Indeed, Chinese analysts frequently view Vietnam as a smaller, delayed version of China—a formerly (and still formally) Communist state undertaking economic reforms while maintaining strict, one-party rule. When Vietnam risked social stability for the sake of signaling displeasure and resolve over the South China Sea, it was a message that China understood on a visceral level. The Vietnamese Communist Party's willingness to “ride the tiger” of destabilizing nationalist protests (which did indeed turn on the party in its later moments) shocked those in China who viewed Vietnam as unwilling to jeopardize its economic relations with China. In the wake of the protests, China could not carelessly pressure Vietnam on territorial issues in the South China Sea.

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<sup>50</sup> Jessica Chen Weiss, *Powerful Patriots: Nationalist Protest in China's Foreign Relations* (New York: Oxford University Press, 2014); and Jeremy L. Wallace and Jessica Chen Weiss, “The Political Geography of Nationalist Protest in China: Cities and the 2012 Anti-Japanese Protests,” *China Quarterly*, no. 222 (2015): 403–29.

### *Cooperation Expands from Economics to Security*

In the aftermath of the 2014 crisis, Chinese analysts still believed that there was a definite ceiling on U.S.-Vietnam security ties, even if China-Vietnam tensions were likely to prove more problematic than previously anticipated. Compared to their previously optimistic appraisals of bilateral institutions, they now assumed Vietnam would indeed contest Chinese claims in the South China Sea, and offering joint development of resources would not be enough to ameliorate bilateral disputes over sovereignty claims.

Compared to the early 2000s, when Chinese analysts had focused on how much Vietnam had slimmed down its military, CASS researchers now noted that it was producing modern cutters and fishery surveillance vessels for its maritime forces.<sup>51</sup> Such capabilities were bolstered even more when the United States partially lifted its ban on the sale of weapons to Vietnam in 2016.<sup>52</sup> The United States subsequently provided Vietnam with an \$18 million loan to purchase U.S.-made patrol boats, with U.S. company Metal Shark constructing a high-speed patrol vessel for the Vietnam Coast Guard.<sup>53</sup> In total, the United States agreed to provide Vietnam with eighteen iron-hull vessels, with the first being transferred in 2017.<sup>54</sup> In addition, the coast guard received U.S. equipment valued at approximately \$20 million as well as another patrol boat from Japan. By 2017, Vietnam's coast guard and Directorate of Fisheries together possessed eight DN 2000 patrol boats (with displacement of 2,500 tons) and over one hundred ships with displacement between 200 and 600 tons. These acquisitions led Chinese analysts to view Vietnam's coast guard as the strongest among Southeast Asian states. While U.S. access to the naval base at Cam Ranh Bay remained unrealistic, analysts did note a steady increase in U.S.-Vietnam military ties. On October 2, 2017, the USS *John S. McCain* and USS *Frank Cable* docked at Cam Ranh Bay international port, marking a new high point in naval cooperation between the two nations.<sup>55</sup>

By 2017, Russia had fulfilled Vietnam's order of six Kilo-class attack submarines, yet the submarines already in service at the time were due for

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<sup>51</sup> CASS, *2016 Yuenan guojiaqing baogao* [2016 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2016), 70.

<sup>52</sup> CASS, *2015 Yuenan guojiaqing baogao* [2015 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2015), 37.

<sup>53</sup> CASS, *2016 Yuenan guojiaqing baogao*, 34–35.

<sup>54</sup> CASS, *2018 Yuenan guojiaqing baogao* [2018 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2018), 44.

<sup>55</sup> CASS, *2017 Yuenan guojiaqing baogao* [2017 Report on Vietnam's Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2017), 67.

scheduled maintenance. If Vietnam wished to sustain its capabilities, it would need to expand the size of its submarine fleet, to which Russia expressed interest in serving as a supplier. Vietnam also considered acquiring the S-400 system to further bolster its air-defense capabilities.<sup>56</sup> Even Japan, whose relationship with Vietnam was primarily premised on trade, began to expand bilateral cooperation into the security realm. While Japan continued to contribute investment and official development assistance, it also transferred six vessels to Vietnam—two Fisheries Agency ships and four civilian fishing vessels.<sup>57</sup> In 2015, Vietnam and Japan held security dialogues at the deputy-minister level, with the two states stressing the importance of peace and safety in maritime and air navigation.<sup>58</sup> Chinese analysts also noted that in 2017 Prime Minister Shinzo Abe announced during a trip to Hanoi that Japan would manufacture patrol boats for Vietnam, while Minister of Defense Inada Tomomi announced that Japan would join Southeast Asian states in joint military exercises.<sup>59</sup> It was obvious to Chinese analysts which country was pulling the strings:

In recent years, Japan and Vietnam have cooperated with each other on the East China Sea and South China Sea issues, and the American influence behind this is obvious. The strategic power balance in East Asia and changes in the strategic environment have provided a favorable background for the development of Japan-Vietnam relations. The development of the strategic partnership between Japan and Vietnam will affect China's peripheral diplomatic structure, geopolitical strategy, and geopolitical relations to a certain extent.<sup>60</sup>

Perhaps even more telling than Chinese analysts' appraisals of Vietnamese security ties with geopolitical competitors are their appraisals, or lack thereof, regarding China-Vietnam security ties. While previous iterations of the CASS annual report on Vietnam contained such assessments, and there was typically a chapter specifically dedicated to developments in China-Vietnam ties, the 2018 chapter on Vietnamese military developments instead focused on platforms and technologies procured by Vietnamese armed forces. In fact, the following two sentences represent the entirety of CASS's appraisal of China-Vietnam security ties in 2018:

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<sup>56</sup> CASS, 2018 *Yuenan guojiaqing baogao*, 45–49.

<sup>57</sup> CASS, 2015 *Yuenan guojiaqing baogao*, 45.

<sup>58</sup> CASS, 2016 *Yuenan guojiaqing baogao*, 72.

<sup>59</sup> CASS, 2017 *Yuenan guojiaqing baogao*, 68.

<sup>60</sup> CASS, 2015 *Yuenan guojiaqing baogao*, 233.

The two militaries continue to conduct bilateral exchanges and cooperation in accordance with the “Statement of a Shared Vision for National Defense Cooperation Before 2025,” the Ministry of National Defense hotline, border defense high-level meetings, and defense and security consultations through multi-layer mechanisms. The two militaries conduct annual exchanges of visits between the navies of the two countries and the joint patrol of the Gulf of Tonkin by the maritime police, as well as exchanges of party affairs between the two militaries and exchanges of UN peacekeeping experience and other activities.<sup>61</sup>

This assessment of Vietnamese actions is framed, to some extent, against a backdrop of what Chinese analysts termed the Trump administration’s “disruptive” Indo-Pacific strategy.<sup>62</sup> Observers at China’s National Institute for South China Sea Studies noted that the Indo-Pacific strategy was “not a security strategy in the traditional sense,” in that it sought to connect economics, domestic politics, and security.<sup>63</sup> This would imply that Chinese experts perceived that U.S. strategists, after watching China expand its economic influence in the region, were finally realizing that U.S.-China competition could not be constrained to the traditional military domain. Still, these experts assessed that this new U.S. strategy to challenge Chinese power would largely resemble previous policies, particularly in its focus on traditional allies in the region, such as Japan and Australia, and use joint military exercises to signal resolve, including inviting the United Kingdom, France, and ASEAN states to join in activities in the South China Sea.<sup>64</sup>

By now, Chinese analysts are more resigned to the fact that Vietnam will continue to balance its relationships with the United States and China against each other. They recognize that the nature of the territorial disputes in the South China Sea will compel Vietnam to reach out to both regional partners and the United States. Moreover, these ties will expand past the economic realm and into the security realm. That said, Chinese analysts maintain that Vietnam’s fundamental geopolitical situation has remained unchanged. As noted succinctly by CASS analysts:

Overall, for the foreseeable period in the future, U.S.-Vietnam relations will continue to become closer. However, due to economic and geopolitical reasons, Vietnam cannot ignore the importance of Chinese trade and investment. Moreover, the United States will

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<sup>61</sup> CASS, *2018 Yuenan guojiaqing baogao*, 52.

<sup>62</sup> National Institute for South China Sea Studies, “The U.S. Military Presence in the Asia-Pacific 2020,” June 23, 2020, 12.

<sup>63</sup> *Ibid.*

<sup>64</sup> *2019 nian: Quanqiu zhengzhi yu anquan baogao* [2019 Annual Report on International Politics and Security] (Beijing: Shehui Kexue Wenxian Chubanshe, 2019).

not place Vietnam at the center of its “Rebalance to Asia” strategy, and Vietnam’s position and role in the United States’ Asia-Pacific strategy will be limited. In general, for the foreseeable future, the relationship between the United States and Vietnam is unlikely to undergo fundamental changes.<sup>65</sup>

This assessment seems to have been echoed in appraisals of the U.S. Indo-Pacific strategy. Discussing opportunities and challenges in the region, CASS analysts accept that the United States, assisted by its allies, has increased its presence in the Indo-Pacific and believe that the key to China’s access to oceans would be to break through this “blockade.” While the report notes that China’s naval capabilities have indeed increased, it also assesses that economic cooperation is vital to winning over these states and integrating them into Chinese trade and infrastructure networks.<sup>66</sup>

Analysts noted that Vietnam’s foreign policy still prioritized economic growth. Even with the U.S. withdrawal from the Trans-Pacific Partnership, Hanoi and its partners would continue to develop economic ties without Washington; focus on ratifying the agreement’s replacement, the Comprehensive and Progressive Agreement for Trans-Pacific Partnership; further integrate trade and finance with ASEAN members; and deepen economic cooperation in the Mekong Delta.<sup>67</sup> To underscore how this has continued to affect Chinese impressions, during Secretary of State Mike Pompeo’s surprise visit to Vietnam in late October 2020, a *Global Times* article opined: “China’s long-standing friendship with Asian countries will not be upset by a single visit from Pompeo, nor will Vietnam be willing to act as cannon fodder for the U.S.”<sup>68</sup>

## CONCLUDING THOUGHTS AND POLICY IMPLICATIONS

This analysis of the CASS annual reports clearly demonstrates that Chinese views of China-Vietnam relations, and of security relations in particular, have remained relatively constant since 2005. To be sure, Beijing in recent years has become increasingly anxious after Chinese actions

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<sup>65</sup> CASS, 2015 *Yuenan guojiaqing baogao*, 231.

<sup>66</sup> Yiming Jia, 21 *Shiji Haishang Sichou zhi Lu Yanjiu Baogao (2018–2019)* [Research Report on 21st-Century Maritime Silk Road (2018–2019)] (Beijing: Shehui Kexue Wenxian Chubanshe, 2019), 208–10.

<sup>67</sup> CASS, 2019 *Yuenan guojiaqing baogao* [2019 Report on Vietnam’s Conditions] (Beijing: Shehui Kexue Wenxian Chubanshe, 2019), 118.

<sup>68</sup> “Pompeo’s Bid to Bring Vietnam into ‘Asian NATO’ Will Not Succeed,” *Global Times*, October 29, 2020, <https://www.globaltimes.cn/content/1205118.shtml>.

in the South China Sea prompted Hanoi to seek closer security ties with Washington. Nevertheless, Chinese analysts continue to assess that there is a definite ceiling to U.S.-Vietnam cooperation due to geopolitical realities and the lack of shared ideology and values. For them, Vietnam's economic relationship with China is simply too valuable for Hanoi to risk a fundamental rupture in bilateral ties,<sup>69</sup> and there is no way to escape the geographic reality that the two states share a border.<sup>70</sup> With Vietnamese trade with China having eclipsed trade with the United States, and with no reason to believe that this trend might shift, China is likely to continue playing an increasingly significant role in Vietnamese economic policy. As also noted by foreign observers, it is difficult to imagine a Vietnam that is not economically reliant on China.<sup>71</sup>

Chinese elites likely view the predictability of U.S.-Vietnam relations as comforting to their government's foreign policy and military strategy. After all, if Vietnam would never directly oppose China by forging an alliance with the United States or by participating in a U.S.-led coalition, then why worry about Hanoi's exact calculations? The problem, however, is that the consistency of Chinese perceptions strongly suggests that Beijing is unprepared for major and abrupt shifts in Vietnamese hedging in the future. Indeed, if Chinese assertiveness in the South China Sea were to ramp up significantly, or if Beijing harms Vietnamese security interests elsewhere, such as by damming the Mekong River, then Hanoi could decide it has had enough of balancing. In this scenario, China's relatively Pollyannish view of Vietnamese security policy would suddenly become a liability that could result in miscalculation or even strategic failure.

Moreover, China's consistent views of U.S.-Vietnam relations tell another important story: over the last fifteen years, China-Vietnam ties have at best stagnated (or even perhaps worsened) as Hanoi increasingly seeks to counter Beijing's assertiveness in the South China Sea by bolstering security ties with the United States and other nations. While Vietnam is unlikely to join explicitly in any effort to hedge against China, it is also unlikely to collaborate with Beijing on security issues. This dynamic appears irreversible barring a wholesale revamping of Chinese security policy in the South China Sea,

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<sup>69</sup> CASS, 2015 *Yuenan guojiaqing baogao*, 231.

<sup>70</sup> This conclusion is consistent with recent analysis one of the authors conducted comparing U.S.-China competition for influence in Vietnam. In the final assessment, Chinese economic influence was dominant over U.S. influence, which had advantages in both the political and security domains. For more, see Derek Grossman, *Regional Responses to U.S.-China Competition in the Indo-Pacific: Vietnam* (Santa Monica: RAND Corporation, 2020).

<sup>71</sup> Shambaugh, "U.S.-China Rivalry in Southeast Asia," 99.

including recognition of and respect for Vietnam's exclusive economic zone and territorial claims. Meanwhile, Vietnamese participation in the Belt and Road Initiative is also unlikely to improve bilateral relations as Hanoi seeks to avoid economic overdependence on any one country, especially on its larger northern neighbor.

The preceding analysis holds important implications for Vietnam and the United States. The fact that Chinese perspectives of the U.S.-Vietnam relationship have not changed much over the last fifteen years strongly suggests that any major change in Hanoi's security cooperation with Washington would be quite surprising to Beijing. This could produce both positive and negative results. On the positive side, surprising Beijing might prompt Chinese leaders to revisit key assumptions and assessments about the limits of U.S.-Vietnam security cooperation and to recognize that Beijing's own behavior is pushing Hanoi into Washington's waiting arms. However, on the negative side, this could be viewed by Chinese leaders as a monumental betrayal of comradery, prompting China to double down on its threatening behavior and to take punitive and vengeful actions against Vietnam. The latter is what Hanoi fears the most and is why it has acted to largely uphold Beijing's analysis of Vietnamese strategic calculus over decades. However, this negative scenario is probably the less likely of the outcomes because, as we have argued, Beijing does not seem to believe that improvements in U.S.-Vietnam security ties will actually matter in its relationship with Vietnam.

Finally, our analysis also presents opportunities and challenges for U.S. policymakers. The consistency of Chinese views of U.S.-Vietnam security cooperation suggests that Beijing will remain unfazed by Washington and Hanoi achieving new heights in their partnership. In other words, Beijing is unlikely to disrupt regional peace and stability over closer U.S.-Vietnam security cooperation. Therefore, raising the U.S.-Vietnam partnership from "comprehensive" to "strategic," as has been discussed in the past, probably would not register much of a reaction from Beijing. This is not to say China would remain quiet in response to any U.S.-Vietnam collaboration. One can easily envision that China would be quite alarmed at Vietnam joining the Quad, which consists of the United States, Australia, India, and Japan. Vietnam has already participated in Quad Plus meetings with South Korea, New Zealand, and others, which have been held virtually to address the coronavirus pandemic and economic recovery. While it is highly unlikely that Vietnam would seek to join the Quad and risk unnecessarily antagonizing China, the prospect is not entirely unthinkable and would certainly be met with Chinese resistance.

China's consistent take on U.S.-Vietnam security cooperation will also make it difficult for Washington to change Beijing's behavior in the South China Sea by bolstering security relations with Hanoi. Indeed, the perception that Washington is seeking more from Hanoi—and not the other way around—is detrimental to deterring Beijing because it reinforces the Chinese narrative that the United States, not Vietnam, wants to advance the relationship in a provocative direction. In the future, U.S. regional strategy should avoid strengthening ties in the Indo-Pacific based on single-issue drivers, such as competition against China. Rather, Washington should adopt a more multifaceted strategy that encompasses diplomatic, economic, and security cooperation that is set apart from any one challenge. Doing so would provide hedging and balancing states in Southeast Asia, including Vietnam, a way to cooperate with the United States free of officially choosing between either great power.

Alternatively, if China perceives that Vietnam is the one making overtures for enhanced security cooperation, then that would likely give Beijing greater pause. The problem for the United States is that this process must unfold organically: Vietnam needs to come to its own conclusions about the state of its external security environment and decide on its next steps. There is likely little more Washington can, or should, do to influence Hanoi's decision-making in this regard. In the end, a strictly Vietnamese decision to upgrade security cooperation with the United States will send a much stronger message to Beijing that will shake its confidence and perhaps encourage China to modify its behavior in the future. 

