India-Vietnam Bilateral Relations

What is the issue?

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- President Ram Nath Kovind chose Vietnam as the first Southeast Asian country to visit in his capacity as the President.
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- It is essential, in this context, to assess the further prospects in India-Vietnam relations.
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How has Vietnam's progress been?

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- Since its Doi Moi policy (domestic political and economic renewal campaign) in 1986, Vietnam has made dramatic strides.
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- Today it is a rapidly growing, regional economic giant, showing dynamism and pragmatism.
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- Being an importer of agricultural products earlier, today it is a major exporter.
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- Agricultural competence has furthered its entry into the Comprehensive and Progressive Agreement for Trans-Pacific Partnership (CPTPP).
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- CPTPP accounts for nearly 14% of the global GDP and thus boosts Vietnam’s economic growth.
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How prospective is India-Vietnam relations?

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- One of the core areas of Mr. Kovind’s visit focussed on furthering cooperation in agriculture and innovation-based sectors.
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- This is expected to further the potential for increasing bilateral trade to $15 billion by 2020.
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- **Health** - Vietnam has highlighted, in 2016, the importance of linking economic growth to universal health care.
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- By this, 80% population would be covered by health insurance.
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- India too, since 2011, has been focussing on the need to deliver accessible and affordable health insurance to weaker sections.
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- Certainly, health care is an area of potential convergence for both Vietnam and India.
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- Also, with India moving closer to signing the Regional Comprehensive Economic Partnership, it can get to the forefront of the services sector globally.
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- So in this backdrop too, convergence in health care through joint public-private partnership agreements can be explored.
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- **Foreign policy** - Internationally, Vietnam’s foreign policy is characterised by ‘multidirectionalism’.
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- It addresses regional asymmetries in power balance by engaging across a broad spectrum of states to achieve its interests.
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- Increasingly, this asymmetrical power structure in the region counteracts the rise of China.
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- In turn, by bringing regional and extra-regional states together to address the shifts, it offers scope for India too.
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- Within this context, Vietnam even normalised relations with the U.S., its former opponent.
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- **Security** - Today, there is increasing commonality of security concerns between Vietnam and its ASEAN partners.
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- This applies with Australia, India, Japan and the U.S. as well.
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- This is particularly in the areas of maritime security and adherence to the United Nations Convention on the Law of the Sea.
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- In this context, Asian leaders have endorsed the idea of Indo-Asia-Pacific.
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- So finding compatibility between the 'Indo-Asia-Pacific' and the U.S. driven 'Indo-Pacific' necessitates a nuanced approach.
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- Regional concerns of ASEAN centrality can be addressed, as well as the diverse approaches to maintaining regional stability.
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- In pursuance of this, India and Vietnam have planned a bilateral level maritime security dialogue in early 2019.
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- **Sub-regionalism** - Vietnam has focussed on both sub-regionalism and regionalism as the core of its priorities.
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- This has helped mitigate fears of smaller members of ASEAN on centrifugal forces of China's rise.
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- India too looks at both sub-regionalism and regionalism as priority avenues to pursue its foreign policy.
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- The India-Vietnam Joint Statement of March 2018 reiterates the focus given to sub-regionalism and the Mekong Ganga Cooperation framework.
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- However, another area is emerging, in the CLV (Cambodia-Laos-Vietnam) growth triangle sub-regional cooperation.
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- So India and Vietnam can jointly explore the potential for enhancing capacity building and providing technical assistance and training within this sub-regional grouping.
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What lies ahead?

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- The major takeaway from Mr. Kovind’s visit is the reference to the ‘cooperation model’ India offers, providing choices and opportunities.
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- This reference highlights India’s willingness to address issues on which increasing synergies need to evolve.
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- One such area where convergence is likely, but has been held back due to individual preference, is the $500 million line of credit offered to Vietnam.
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- Both India and Vietnam possess the capacity to find compatibility in areas promoting defence cooperation and infrastructure.
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- Having progressed under the Look East and Act East Policies, the ties now need to factor in pragmatism for moving further.
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Source: The Hindu

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