The Role of China in American-Vietnamese Relations

Brantly Womack

Professor of Government and Foreign Affairs, University of Virginia

As a model, a resource, and a threat, China has been historically the looming presence of Vietnamese foreign relations. Colonialism and later the Cold War brought other relations to the forefront, but China remained a key factor in the Vietnam policies of France, the United States, and the Soviet Union, as well as a direct influence on Vietnamese nationalist and national revolutionary movements. It is not surprising that the end of Western domination returned the question of Vietnam’s relationship with China to center stage, though the hostility that quickly emerged was a surprise to all.

From the mid-1980s the conflict between Vietnam and China became first routinized and then reduced, resulting in the restoration of “normal” relations in November 1991. But there is no pattern for normal relations between the two. China certainly functions as a model for Vietnam, both politically as a relatively stable communist country and economically as a successful modernizer. China is also a resource, most prominently as a supplier of imports but also as a market and eventually as an investor. But China remains a threat to Vietnam. The threat is in part simply situational: regardless of China’s intentions, it will always be only a hundred miles from Hanoi. In part it results from a divergence of national interests and of regional roles. Vietnam’s disquiet about China increases its interest in better relations with the United States. At present and for the foreseeable future, however, conflict will be limited by the overwhelming interest of both countries in rapid economic development and by their commitments to foreign policies driven by international economic opportunities. But in the long term the mix of the relationship remains uncertain, a fact complicated by domestic uncertainties in both China and Vietnam. We know only that relations with China will be the main question of Vietnam’s foreign policy, and that it will affect Vietnam’s engagement with the rest of the world. Relations with Vietnam will be less important but still significant for China’s other foreign relations, especially in Southeast Asia. Likewise, the bilateral relation between Vietnam and China will affect the behavior of other countries in the region toward each.

The Vietnamese relationship with China has played an important role in American policy toward Vietnam. The strategic purpose of American military involvement was the containment of communism, and the reality of the domino threat was considered proven by Soviet and Chinese support for North Vietnam. Paradoxically, relations between the United States and China improved just as those between China and Vietnam soured, and Vietnam, having suffered twenty-five years for being “friend of our enemy,” spent the 1980s in the doghouse as “enemy of our friend.” The emerging normalized
relationship between Vietnam and China raises new questions concerning the regional parameters of our relation with Vietnam, and Vietnam appears to have been caught again in the revolving door of U.S.-China relations by moving closer to China at the same time as the United States is moving further away.

It is clear, then, that China has an important role in American-Vietnamese relations, and the policy questions to be addressed at the end of this essay highlight some of the practical dimensions of China's importance. But the relationship between China and Vietnam will be complex, and American policy has been misled in the past by overly simple assumptions of friendship and hostility between the two. Therefore the main task of the essay is to present and analyze the main structures and dynamics of the China-Vietnam-United States triangle, paying special attention to the relationship between Vietnam and China since that is the most intense of the three and the one least understood.

The Odd Triangle

Without question, China has played a role in United States-Vietnamese relations, Vietnam has played a role in U.S.-China relations, and the United States has played a role in Vietnamese-Chinese relations. Therefore the complete understanding of any of the three bilateral relations requires an understanding of the triangular relation.

But what sort of triangle? The natural image is one of an equilateral triangle, defined by dimensionless points. But the three countries do not have similar national capacities, and this fact is a fundamental influence on their interrelations and poten-

### TABLE ONE: U.S., VIETNAM, CHINA

**INDICATORS OF NATIONAL CAPACITY**

<table>
<thead>
<tr>
<th>Indicator</th>
<th>United States</th>
<th>Vietnam</th>
<th>China</th>
</tr>
</thead>
<tbody>
<tr>
<td>Population</td>
<td>6.0 (Thousand)</td>
<td>3.0</td>
<td>1.0</td>
</tr>
<tr>
<td>GDP (GDP)</td>
<td>5.0</td>
<td>5.0</td>
<td>4.0</td>
</tr>
<tr>
<td>Defense</td>
<td>4.0</td>
<td>4.0</td>
<td>3.0</td>
</tr>
</tbody>
</table>
tial interrelations. As the table below illustrates, the differences in national capacities related to foreign affairs are immense.

By population, Vietnam is 27 percent of the American population or 6 percent of China's. Since the American population is 22 percent of China's, Vietnam is proportionally as much smaller compared to the United States as we are compared to China. Although Vietnam has the largest population of mainland Southeast Asia, it is dealing with relative giants. The disparities in Gross National Product are even greater. Vietnam's GNP is 4 percent of China's, 0.28 percent of the U.S., China's is 8 percent of the U.S. To bring the disparity somewhat closer to earth, Vietnam's GNP is 13 percent of the State of Massachusetts (with eleven times the population). It is in the ballpark of the GNP of Alaska or Hawaii. In military budgets, Vietnam is almost 1 percent of the U.S. and 17 percent of China. China's estimated military expenditure is 5 percent of U.S. State comparisons are impossible on this item, but Vietnam's military budget is exceeded by that of the U.S. Air Force National Guard.

Lest we assume that the above comparisons imply that Vietnam is insignificant, it should be recalled that the Vietnamese military budget was smaller twenty-five years ago. Like China, Vietnam has played a larger role in world affairs than its resources might suggest, and with excellent growth prospects it deserves to be taken seriously. But its dimensions as an international actor are what they are, and therefore it desires better relations with China and the United States and perceives itself as vulnerable to China.

The differences between the national points of the triangle are complemented by differences in the lines of their relations. Vietnam and China are neighbors; on border questions they are indeed "as close as lips and teeth," closer in disputed spots. From the Vietnamese perspective, and especially from the Hanoi perspective, China is an overwhelming presence, whether as a threat, a resource, or both. Moreover, their shared Sinic cultural heritage, reinforced by the experience of rural communist revolutions and Leninist states, makes the relationship relatively transparent. The relationship is not nearly as important for China as it is for Vietnam, though it is a significant part of China's prospects in Southeast Asia.

China's relations with the United States are more important than its relations with Vietnam. In economic terms, China's trade with the United States is roughly half again of its trade with Southeast Asia, considerably less than its trade with Japan. So we are very important as a trading partner, but not dominant and, in the medium term, not irreplaceable. Trade with China is less significant for the United States, but China's size and rate of growth mark it as an unusually important economic prospect. The strong thread of the relationship, one that is held tightly by both sides, is strategic rather than economic. The continuing prosperity of the Pacific Rim requires a peaceful environment, and this rests most securely on a continuation of the non-threatening and relatively demilitarized weave of alliances, friendships and understandings that has emerged since Nixon's visit to China in 1972. A deterioration of relations between the United States and China would tear this fabric and lead to new tensions, arms races and alignments. It is not inconceivable that a diplomatic vicious circle could lead to such a deterioration, especially given the sensitivity of human rights issues, but for the foreseeable future neither side would find it desirable. What will actually happen is hard to predict. At the abstract, rational level the relationship may be motivated by shared strategic and economic interests, but the cultural and ideological gulf between the United States and China means that the actual political and diplomatic traffic drives at night and in the fog.

The American-Vietnamese relationship is even more thin and distant, and it is dominated by residual wartime hostility on the American side. Indeed, the American embargo and vetoes at the World Bank and Asian Development Bank define a current relationship of negative importance for Vietnam, one in which Vietnam would be better off if we did not exist. However, from 1989 to the present the trade restrictions have lost most of their multilateral effectiveness and all of their multilateral political support, while American businessmen and the Vietnamese are already looking beyond the present restrictions and toward normalization. Perhaps American policy is in a period of transition to a more forward-looking policy; in any case it has certainly been in a long process of policy decay, in which the previous policies based on hostility and isolation have been modified by degrees, usually in response
to Congressional pressure, but never rethought or 
rejustified. As a result, progress toward normaliza-
tion has been a process of infinite approximation, 
always halving the remaining distance, much like 
Zeno’s paradox of Achilles not being able to over-
take the tortoise. For Vietnam, normalization with 
the United States is important for a number of 
reasons. First, it will provide a green light for multi-
lateral economic relations and infrastructural im-
provements. Second, it will provide a political, eco-
monic and even cultural counterweight to China.

Third, despite the embargo, the United States is 
Vietnam’s preferred trading partner, because our 
resources are extensive but we are less likely than 
Japan to dominate their market. Despite Vietnam-
ese enthusiasm, the American side of the relation 
may remain rather thin and wobbly after normaliza-
tion because of limited investment opportunities 
and political friction related to overseas Vietnamese 
and human rights issues.

If we draw the above discussion of national ca-
capacities and relational lines back into a triangle, it 
might look like the one below. At least, it would look 
more like the one below than my straw man, the 
equilateral triangle.

The utility of the above triangle is that it sug-
gests the actual asymmetries of the relations and of 
the participants. The “normalcy” of Vietnamese-
Chinese normalization is clear, as is the threat of 
dependency that the relationship poses for Vietnam.

Hence the utility of restored American ties (and of 
others left out of the picture), though “trading 
places” is not possible. Distance gives the United 
States more options in both of its relations, but at the 
cost of less intimate involvement. Lastly, it is appar-
ent that Vietnam and China might look quite alike 
from an American viewpoint, and how misleading 
such an identification would be. In order to under-
stand American-Vietnamese relations in context, 
then, the research task is to grasp the short, thick 
line between Vietnam and China.

VIETNAM AND CHINA, 1991–2000

The normalization of relations between Vietnam 
and China in November 1991 was slow in coming, 
and it is safe to say that the relationship will be 
fraught with crises and problems. Nevertheless, it is 
firmly rooted in three shared realities. First, both 
Vietnam and China learned the limits of their re-
spective power during their thirteen years of hostil-
ity. Vietnam learned that it could not prosper by 
relying on the Soviet Union and its own strength, 
while China learned that it could not force Vietnam 
into submission. Second, both countries are firmly 
committed to developing as “socialist commodity 
economies,” in which the communist party preserves
order and does not privatize core economic institutions, but does encourage domestic market forces and involvement in the world economy. Third, both countries want better political and economic relations with the rest of Southeast Asia, and continued hostility was counterproductive. Normalization thus is a bilateral policy, but it is also a part of both countries' regional strategies and their commitments to global economic openness. The relationship will be manipulated, it will be heated and cooled and bent, but it will not be broken lightly.

**Ideology**

The political and ideological relationship is the most misunderstood component. Vietnam and China are now the first and second largest communist countries, and since 1991 Vietnamese ideological statements have moved closer to the Chinese view. The leaders of both countries have a tremendous pride in their accomplishments, and they fear the disorder that might result from political pluralism. But Marxism-Leninism is dead as a guiding ideology, though it is preserved with great honor like the bodies of Mao Zedong and Ho Chi Minh. The successful economic development of both countries is founded on other principles, much to the delight of such capitalists as the World Bank. Normalization is not an exclusive socialist bonding, it is part of larger, market-oriented policies of international openness.

At some time in the 1990s, and probably sooner rather than later, Deng Xiaoping will make his final retirement from Chinese politics. It is impossible to know what will happen next, since for the first time the revolutionary generation will be out of power. But one of the possibilities, especially in the medium term, is greater political liberalization or even pluralization. If China democratized, Vietnam would not remain the world's largest communist country for long. It was more shaken than China was by the collapse of the Soviet Union, and it would not survive the transformation of its other classic model.

On the other hand, it is conceivable that Vietnam could liberalize and pluralize before China. If this happened, it should not greatly affect relations with China. China has shown considerable tolerance toward the post-communist states of Europe, the former Soviet Union, and Mongolia. The consideration sustaining Vietnamese communism is not China, however, but the example and patronage it might be. Even more than China, Vietnam faces the possibility of societal collapse and civil war if all political interests inside and outside the country operated without constraint. Moreover, the collapse of Vietnam would have disastrous consequences for the region. Both Vietnam and China wish to avoid the collapse into crisis that has occurred in European communism, since Europe had not yet demonstrated that post-communism works.

**Economics**

The role that China has begun to play in the Vietnamese economy is not a high-profile one of big projects and big investments. Nevertheless, the economic relationship is an important one for both countries, and it is one that is unique and not easily replaceable by other partners.

Northern Vietnam and southern China are very similar markets, and normalization has removed the barrier separating them. The most obvious effect is a flood of Chinese products into Vietnam, making a much greater variety of cheap goods available to consumers and competing with Vietnamese producers. Vietnam responded in October 1991 by banning a broad range of consumer imports, but smuggling reduces the effectiveness of protectionism. Basically, whatever is cheaper in China is bought there and brought back to Vietnam. Vietnamese exports include seafood, forest products, some manufactures, and rice when it is cheaper than Chinese rice. Smuggling exports include cars, and also opium and prostitutes, according to the Chinese.

It is impossible to know the scale of trade from available statistics, because China has not cooperated with Vietnam in regulating border commerce. According to Chinese statistics total trade amounted to U.S. $32 million in 1991; according to Vietnam the trade at the province of Lang Son alone was $100 million in 1991. Everyone agrees that trade is mushrooming, with annual increases of 300 percent in 1991 and 1992. In addition, Vietnam estimates smuggling at 20 percent of retail trade, with one-third of the goods coming over the Chinese border (much of the rest are coming by ship to the Mekong delta). Given the length of Vietnam, Chinese goods have their greatest proportional impact in the north. Conversely, Vietnamese goods have their greatest impact in the neighboring provinces of Guangxi, Yunnan and Guangdong, though I have
seen conical Vietnamese hats (non) for sale at the Summer Palace in Beijing. A major area of trade that is only beginning to develop is Vietnamese entrepot trade of Western goods into interior Chinese provinces. The railroad between Haiphong and Kunming has not yet been reopened, but it could provide the most direct land access to the outside world for Yunnan. The expansion of border trade that has occurred so far has been without benefit of road and rail connections.

What does this mean for both economies in the coming decade? The daily economy of Vietnam will become more enmeshed with that of southern China, and the closer to the border, the greater the effect. Such activity will reshape and enliven both economies by increasing market scale. In general, China will have a comparative advantage because its producers are already competing in a large market. But the sky will be the limit for Vietnamese enterprises that can compete in China. There will be Chinese investment in Vietnam, but it will not rival Western investment. The kind of market expansion exemplified by the border trade does not transform an economy in the manner of large-scale foreign investments or production for export, but it expands and solidifies the existing economy. There will be many, if not daily, struggles over trade regulation, protection, smuggling and so on, but trade will thrive. Its natural limit is the buying power of Vietnamese consumers, and it will be relatively unaffected by fluctuations in the world economy.

**China, Vietnam, and Southeast Asia**

In principle, normal relations between Vietnam and China are positive for the region. The bilateral relation is now in line with the region’s general emphasis on economic development, and it is not a coalition against the others. In fact, it can be expected that Vietnam will oppose China on some regional issues, most obviously that of the Spratly Islands.

It is important to emphasize that for the foreseeable future Southeast Asia will be prosperous and remarkably free from international conflict. As the Chinese argue, there is not currently a power vacuum in the region, there is peace. Of course, peace is perpetual only for the dead, and the pullout of the Soviets from Vietnam and the Americans from the Philippines leaves China as the major military power in the region. Since Vietnam is the country most sensitive and vulnerable to Chinese domination, it might well play a leading role in articulating regional concerns vis-a-vis China.

The Spratly Islands are an important case in point. Six countries have conflicting claims. The islands themselves are insignificant: uninhabited and with a total land surface of less that 5 square kilometers. More significant is the possibility of oil in the area. But the most important worry is that China’s assertion of sovereignty portends a new nationalism that will seek to make its mark by throwing its weight around in Asia. In order to control the Spratlys, China will have to greatly increase the reach of its air force and navy. If it controls the Spratlys, it will control 80 percent of the South China Sea and vital sea lanes. The regional issue would become a Pacific issue, and perhaps a world issue.

China is faced with a policy dilemma. To the extent that it asserts sovereignty over the Spratlys, it will tend to isolate itself in Southeast Asia. Since China prides itself on opposing hegemonism and developing relations on the basis of the five principles of peaceful coexistence (which it first enunciated in Burma and Indonesia in the 1950s) it does not want to appear to be a threatening or overbearing aggressor. But in any country it is difficult domestically to compromise on issues of sovereignty, and China’s nationalism has a popular base. Moreover, China is a thriving country that would like to have a larger international presence and a powerful, modern military, and defending the Spratlys is an attractive mission. So far China has not chosen between negotiation and assertion, but has motioned in both directions. It is an important regional diplomatic task of the next few years to appeal to China’s peaceful instincts, acknowledge its importance and bring about a negotiated settlement. If the problem sharpens Vietnam is likely to continue to spearhead opposition to China, and it might bear increasingly severe costs. On the other hand, its opposition would tend to integrate it more fully with Indonesia, Malaysia and the Philippines.

In sum, there is no bottom line to the Chinese-Vietnamese relation in the 1990s because the lines between them are too complex. There will be political and ideological similarities, but also differ-
ences. The border traffic will become heavier and will generate problems. Normalization has contributed to regional peace, and yet Vietnam and China are likely to be the chief opponents on a major regional issue. The commitment to normal relations is strong, but normalcy will mean neither subordination nor harmony.

IMPLICATIONS FOR THE AMERICA AND VIETNAM

Now the context has been set for addressing the practical questions concerning the role of China and its effect on American-Vietnamese relations.

• Is a strengthened Asian Communist alliance a particular concern to the U.S.?
The basic answer is clearly no. Vietnam and China are not involved in an exclusive ideological alliance. On the contrary, Vietnam's concerns about becoming too dependent on China have created an opportunity for the U.S. to serve as a counterweight.

• Does Vietnam look to China as a model of economic reform and political stability?
Yes. Vietnam does not simply copy China, but they have many similar problems and China's success is impressive. There are many differences in detail between their political and economic policies and structures, but the larger similarities are clearly present.

• Has China replaced the Soviet Union as the dominant concern of Vietnam's foreign policy?
Yes. I have not discussed Russia in this essay because it has dropped out of the picture. The new relationship between Vietnam and European post-communism is not hostile, but it is no longer strategic and it has lost nine-tenths of its economic significance.

• What role will the dispute over the Spratly Islands have on Vietnamese relations with China?
Both sides will find it extremely difficult to abandon their conflicting claims, but they, along with the rest of Southeast Asia, will have good reasons to avoid hostility and to negotiate.

• Do the principles of U.S. diplomatic and economic engagement with China have any application regarding Vietnam?
Because the political and economic structures are similar, many of the same principles apply. It should be kept in mind, however, that Vietnam is a poorer country and does not have China's internal market or resources.

• How do U.S. policy issues such as trade, human rights, and democratization apply in both cases?
On trade issues, the differences in national capacities should be recalled. Also, Vietnamese oil exports will play a much larger role in its external trade.

Human rights will be a delicate issue. There is significant repression in Vietnam, especially in the south, although violence is avoided. It can be expected that dissidents will play to the cameras, and that some Americans will call for downgrading of relations with every instance. However, if the U.S. re-isolates itself from Vietnam, no one will follow our lead and we will not be able to reimpose multilateral sanctions. A strategic and economic opportunity would be lost. Moreover, if the goal of human rights policy is effectiveness in promoting human rights, there might be more effective measures than public sanctions by the United States. On the other side, it is to the interest of Vietnam (and China) to institutionalize foreign concern about such matters rather than have their relationship to the United States be subjected to unpredictable and ill-informed trials by media. Perhaps a bilateral or multilateral human rights commission could be formed.

Democratization is not a well thought out issue in the United States. Wanting people to be free, prosperous and like ourselves is quite appealing. But societies are fragile, and their collapse produces chaos rather than happiness. Certainly the leaders of Vietnam and China serve their own interests by prolonging authoritarianism. But the concerns they have about avoiding societal collapse
are real, and the European communist countries were more developed economically. A more practical goal for American diplomacy might be that of not discouraging liberalization.

- **Will the proposed Radio Free Asia affect U.S. relations with China and Vietnam?**
  Radio Free Asia is a bad idea, because propaganda and political interference tend to be counterproductive. For instance, pluralist forces patronized by RFA might be attacked as foreign stooges, or they might imagine that they have more effective foreign support than they actually do. Its negative effect will be more pronounced in China, because China is more allergic to foreign interference. It probably would not make much difference for Vietnam because the Vietnam language program of VOA is already propagandistic enough. BBC World Service is more influential because it is more accurate and even handed.

**IN CONCLUSION**

A reasonable and forward-looking American policy toward Vietnam requires an understanding of the role of relations between Vietnam and China, but that relation should encourage our involvement with both countries, not deter it. American foreign policy has two "vision" problems in the post-Cold War era. One is the big picture, the general reorientation required by a post-communist world. Asia is also post-communist in an ideological sense, and it does not threaten the United States, so it would be a costly error of political and intellectual laziness to treat relations with Vietnam and China as a kind of Cold War mopping-up exercise. The commitment of both countries to peaceful foreign relations and international economic openness is proven, and it deserves to be reciprocated and thereby encouraged.

The second vision problem is the micro one of visual acuity. We have become habituated during the Cold War to perceiving foreign relations with individual countries primarily in terms of their global strategic relationship to the superpowers. Blinded by the big game, we failed to perceive smaller political and economic opportunities. But the post-war world and its economy will be an aggregate of tens and hundreds of small-scale opportunities and problems. In Asia, we need to learn from countries like Australia and Japan about how to look for opportunities, foster economic relations, encourage markets for American producers, and so on. Otherwise we will continue to lose export market share and potential American jobs.