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India-Vietnam Ties: The Stamp of ‘Modi Doctrine’

The elevation of the India-Vietnam Strategic Partnership to Comprehensive Strategic Partnership in September 2016 can be helpful in promoting stability and economic prosperity in the Indo-Pacific region. Stronger ties between India and Vietnam would reflect India’s increasing presence in the region and could keep Southeast Asia free from the exclusive influence of a dominant power.

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India-Vietnam ties have been on the upswing in recent years. India’s Prime Minister Narendra Modi and his Vietnamese counterpart Nguyen Xuan Phuc have agreed to upgrade the Delhi-Hanoi ‘strategic partnership’ to a ‘comprehensive strategic partnership’² during their talks in Hanoi on 3 September 2016. Modi’s recent official visit to Vietnam was a remarkable stop-over, and it hints at his commitment to inject vitality into his ‘Act East’ policy. Indeed, he wanted to give a new direction, momentum and substance to the India-Vietnam relations. In his press statement during his visit to Vietnam, Modi remarked, ‘Our decision to upgrade our

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² Although, Vietnam has never clarified what the criteria are for these partnerships, in general, it considers comprehensive strategic partners as the most important, followed by strategic ones and comprehensive ones. These countries generally fall into one or more of four major categories – political powers, economic powerhouses, military powers and countries that play significant roles in the management of the South China Sea disputes. See Lee Hong Hiep, ‘Vietnam’s Hedging Strategy against China since Normalization’, *Contemporary Southeast Asia: A Journal of International and Strategic Affairs*, Vol.35, Number 3, December 2013, pp.333-368.

strategic partnership to a Comprehensive Strategic Partnership *captures the intent and path of our future cooperation*. It will *provide a new direction, momentum and substance* to our bilateral cooperation. Our common efforts *will also contribute to stability, security and prosperity in this region*' (emphasis added).³

Thus, Modi makes it very clear why India and Vietnam have upgraded their relationship. First, Modi has shown zeal and vigour in engaging India's partners at the highest political level, which could be seen as an effort to build political connectivity. The previous Indian government under the leadership of Manmohan Singh was unable to put forward an overarching political framework to engage important partners. Modi's visit to Vietnam is the first bilateral one by an Indian prime minister since Atal Bihari Vajpayee in 2001, and he understands that political relations are as important as economic initiatives. The Indian government under his leadership is consciously making efforts to improve political connectivity along with economic and other aspects. In doing so, New Delhi is also actively engaging state governments within India in foreign-policy moves and encouraging them to engage in a meaningful way. Modi emphasised the need for 'intensifying the exchanges among states of India and provinces of Vietnam'.⁴ While, there were consultations with state governments in the past, centralised foreign-policy making is facing resistance from various state governments. Hence, Modi's approach is to develop a political framework – external and domestic and also federalisation of Indian foreign policy.

Second, Modi had announced to step up India's engagement with the countries towards its east by changing the discourse of 'Look East' into 'Act East'.⁵ His Hanoi sojourn reaffirms sincerity in engaging India's partners eastwards. While the leaders of both these countries agreed to

³ Ministry of External Affairs, Government of India, 'Press Statement by Prime Minister during his visit to Vietnam', 03 September 2016, available at http://www.mea.gov.in/Speeches-Statements.htm?dtl/27363/Press_Statement_by_Prime_Minister_during_his_visit_to_Vietnam_September_03_2016.

⁴ Ministry of External Affairs, Government of India, 'Joint Statement between India and Vietnam during the visit of Prime Minister to Vietnam', 03 September 2016, available at http://www.mea.gov.in/bilateral-documents.htm?dtl/27362/Joint_Statement_between_India_and_Vietnam_during_the_visit_of_Prime_Minister_to_Vietnam.

⁵ Over the years, there has been steady and substantial progress in India's overall engagement with its East Asian neighbours under the rubric of 'Look East' policy'. The LEP has shaped India's engagement with the Asia-Pacific for over two decades, substantially deepening India's economic, institutional, and security relations with the region. Initially intended to develop India's economic ties with Southeast Asia, India's engagement with its eastern neighbours has since shifted to include Northeast Asia, Australia and New Zealand. For more insights and details on India's LEP, see Amar Nath Ram (ed.), *Two Decades of India's Look East Policy: Partnership for Peace, Progress and Prosperity*, New Delhi: Manohar & ICWA, 2012; Amar Nath Ram (ed.), *India's Asia-Pacific Engagement: Impulses and Imperatives*, New Delhi: Manohar and ICWA, 2015.

upgrade their cooperation, they assigned the foreign ministries the task of serving as the nodal points, in collaboration with other ministries and agencies, to formulate the action plan to implement the 'Comprehensive Strategic Partnership'. Thus, a plan of action and follow-through will provide direction and substance to India-Vietnam relationship.

India, whose importance to Asia cannot be under-estimated, is repositioning itself in the evolving dynamics towards its East. As a resurgent global force, India is willing to assume greater responsibility and Modi wants to see India 'from being a balancer to becoming a leader, from following rules to making rules and setting agendas'.⁶ Hence, the third reason of elevating Indo-Vietnamese ties is to become a responsible stakeholder and to contribute to stability, security and prosperity of the region. Modi is 'viewing the world in terms of possibilities rather than risks' and his approach to global affairs is based on linking India's foreign policy to domestic transformation.⁷

Foreign Policy *Panchamrit*

Modi's visit to Vietnam is also significant in terms Bharatiya Janata Party's (BJP) foreign policy framework. In its resolution on foreign policy, the BJP underlined the *Panchamrit*, the five new pillars of Indian foreign policy namely, *Samman* (dignity and honour), *Samvad* (greater engagement and dialogue), *Samriddhi* (shared prosperity), *Suraksha* (regional and global security) and *Sanskriti evam Sabhyata* (cultural and civilizational linkages).⁸ His visit was a step in the right direction and confirms a pattern and consistency in his approach.

First, India and Vietnam have enjoyed a strong sense of mutual trust for decades. Vietnam, which fought devastating wars with the United States and China to achieve its independence, sovereignty and unity, underlines the need of 'deepening mutual trust' with them. But Vietnam's partnership with India is based on strong trust.⁹ India did not have any conflict with

⁶ Arun Jaitley, 'Foreword' in Anirban Ganguly, Vijay Chauthaiwale and Uttam Kumar Sinha (eds.), *The Modi Doctrine: New Paradigms in India's Foreign Policy*, New Delhi: Wisdom Tree, 2016, p. xi.

⁷ Anirban Ganguly, Vijay Chauthaiwale and Uttam Kumar Sinha (eds.), *The Modi Doctrine: New Paradigms in India's Foreign Policy*, New Delhi: Wisdom Tree, 2016, p.xvi.

⁸ Resolution on Foreign Policy Passed in BJP National Executive Meeting at Bengaluru (Karnataka), Friday, 03 April 2015, available at: <http://www.bjp.org/en/media-resources/press-releases/resolution-on-foreign-policy-passed-in-bjp-national-executive-meeting-at-bengaluru-karnataka>.

⁹ Vo Xuan Vinh, 'India's Strategic Partnership: A Perspective from Vietnam' in Namrata Goswami (ed.), *India's Approach to Asia: Strategy, Geopolitics and Responsibility*, New Delhi: Pentagon Press and IDSA, 2016, p.117.

Vietnam in the past, and both Indian and Vietnamese leaders feel totally at ease and completely trust each other.¹⁰ In his banquet speech Modi remarked that Delhi-Hanoi bilateral ties are based on ‘*strong mutual trust, and understanding, and convergence of views on various regional and international issues*’ (emphasis added).¹¹ Vietnam is an important pillar of India’s Act East policy and Hanoi reaffirmed its support for India’s Act East policy. In fact, Vietnam ‘treasures the time tested friendship with India’¹² and is looking to leverage its friendship with India to offset the rising Chinese influence. India is a vibrant economy and is optimistic under the Modi government. There are high hopes and expectations within India and among major countries from Modi. Hence, ‘in order to meet the expectation of the leaders and people of the two countries’ and to become a responsible stakeholder, the India-Vietnam relationship is very important, explaining the upgrading of these ties.

The second pillar of Modi’s foreign policy approach is greater engagement and dialogue. Already, there is a noticeable convergence of views on various bilateral and international issues between Delhi and Hanoi. Several two-way high profile visits have taken place between these two countries since Modi assumed office. To strengthen it further, both sides have agreed to ‘increase the exchange of high-level and other visits, *step up relations between political parties and legislative institutions of both sides, establish relations between provincial/state governments on both sides, uphold [and] establish bilateral cooperation mechanisms, and effectively implement the agreements signed between two countries*’ (emphasis added).¹³

Third, to enhance shared prosperity, both countries have agreed on several measures. Both the leaders have emphasised that ‘enhancing bilateral economic engagement is a strategic objective’. Currently, India is among the leading trade partners of Vietnam. In recent years, the trade turnover between the two countries has had relatively high growth rates, at an average of

¹⁰ Xuan Loc Doan, ‘Why India, Vietnam upgraded their ties’, Asia Times News & Features, 10 September 2016, available at <http://atimes.com/2016/09/why-india-vietnam-upgraded-their-ties/>.

¹¹ Ministry of External Affairs, Government of India, ‘Banquet Speech by Prime Minister during his visit to Vietnam’, 03 September 2016, available at http://www.mea.gov.in/Speeches-Statements.htm?dtl/27364/Banquet_Speech_by_Prime_Minister_during_his_visit_to_Vietnam_September_03_2016.

¹² Vietnam News Agency, ‘Vietnam-India ties upgraded to comprehensive strategic partnership’, 03 September 2016, available at <http://en.vietnamplus.vn/vietnamindia-ties-upgraded-to-comprehensive-strategic-partnership/98537.vnp>.

¹³ Ministry of External Affairs, Government of India, ‘Joint Statement between India and Vietnam during the visit of Prime Minister to Vietnam’, 03 September 2016.

20 percent per year.¹⁴ According to the Government of India data, the trade volume crossed USD 9 billion in FY 2014-15, achieving the target of USD 7 billion by 2015 well in advance. Both sides have agreed on a new trade target of US\$ 15 billion by 2020. Indian investments in Vietnam have remained constant at around US\$ 1 billion but are expected to rise in the coming years.¹⁵ There are many areas, where Vietnam and India can share experiences and benefit through bilateral cooperation. Vietnam has many natural resources, advantages in processing and manufacturing sectors.¹⁶ Within manufacturing, expansion of intra-industry trade in the textile sector could be a huge win-win for both countries. Vietnam could import fabric and yarn from India and then export back its lower-priced garments to the expanding Indian market.¹⁷

Indeed, Vietnam has several advantages due to its geostrategic location. The country is a gateway to the Pacific, connects the pivotal route between the Indian Ocean and the Pacific Ocean and lies along the important corridors to various potential markets in India's east. Vietnam is a member of various regional and international cooperation initiatives, which could be of a great advantage for Indian investors and business community. Besides, Vietnam has abundant natural resources that is a natural attraction to Indian investors. More importantly, India has a vital interest in the South China Sea. India's maritime strategic interests in the region are well-established, including the fact that almost 55 per cent of India's trade with the Asia Pacific region passes through the SCS.¹⁸

Fourth, promoting regional and global security is one of the top priorities of India-Vietnam relations. In October 2014, Modi remarked in a press statement during the then Vietnamese Prime Minister's visit to India that 'our defense cooperation with Vietnam is among our most important ones'.¹⁹ Further, India and Vietnam signed a 'Joint Vision Statement on Defence

¹⁴ Ngo Xuan Binh, 'Vietnam-India Economic Ties: Challenges and Opportunities since 2007', *China report*, Volume 52, no.2, 2016, pp.115-116.

¹⁵ See Embassy of India, Hanoi, Vietnam, 'India-Vietnam Relations', <http://indembassy.com.vn/cms.php?id=8>.

¹⁶ Nguyen Huy Hoang, "India-Mekong Cooperation: Vietnam Perspective", pp. 212-215, 221.

¹⁷ Rajiv Kumar, 'India and Vietnam must preserve the ties of trade and friendship', *Mail Online India*, 29 October 2014, available at <http://www.dailymail.co.uk/indiahome/indianews/article-2812002/India-Vietnam-preserve-ties-trade-friendship.html>.

¹⁸ Rajeev Ranjan Chaturvedy, "South China Sea: India's Maritime Gateway to the Pacific", *Strategic Analysis*, Vol.39, No.4, pp.360-377.

¹⁹ Press Information Bureau, Government of India, Prime Minister's Office, "English Rendering of the Prime Minister's Media Statement during the visit of Prime Minister of Vietnam to India", 28 October 2014, available at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=110863>.

Cooperation’ for the period 2015-2020 in New Delhi in May 2015.²⁰ Modi has reaffirmed India’s significant interest in promoting defence-industry cooperation between the two sides and announced a new Defence Line of Credit for Vietnam of USD 500 million for facilitating deeper defence cooperation.²¹ He also announced a grant of USD 5 million for the construction of an Army Software Park at the Telecommunication University in Nha Trang. Both countries signed agreements on cooperation in the peaceful use of nuclear energy, exploration of outer space for peaceful purpose, establishment of Tracking and Data Reception Station and Data Processing Facility and the MoU on cyber security. While India is willing to deepen defence cooperation with Vietnam as a measure to broaden its strategic reach and to counter-balance China’s growing weight in the region, Vietnam also views its deepening ties with India as being consistent with its overall foreign policy of “diversification and multilateralization”, and a helpful means to improve its strategic position vis-à-vis China, especially against the backdrop of intensifying tensions in the South China Sea.²²

Fifth, Modi displayed cultural and civilizational dimension of his foreign policy during his Vietnam visit. He underlined the connections between Buddhism and the monuments of the Hindu Cham civilization and also visited the Quan Su Pagoda and offered prayers at the Sanctum Sanctorum. Interacting with the monks, Modi said that ‘while some came to make war, *India had come with the message of peace* – the message of Buddha, which has endured’ (emphasis added) and he received a rousing reception.²³ Further, India announced the offer of special annual scholarships for Vietnamese students for advanced Buddhist studies and annual scholarships of one-year duration for study of Sanskrit in Indian Institutes for the members of the Buddhist Sangha in Vietnam.²⁴

²⁰ Press Information Bureau, Ministry of Defence, Government of India, ‘India and Vietnam sign a Joint Vision Statement on Defence Cooperation’, 26 May 2016, available at <http://pib.nic.in/newsite/PrintRelease.aspx?relid=122033>.

²¹ Ministry of External Affairs, Government of India, ‘Press Statement by Prime Minister during his visit to Vietnam’, 03 September 2016.

²² For Vietnam’s foreign policy reforms, see Le Hong Hiep, “Vietnam’s Domestic-Foreign Policy Nexus: *Doi Moi*, Foreign Policy Reform, and Sino-Vietnamese Normalisation”, *Asian Politics and Policy*, Volume 5, No.3, 2013, pp. 387-406. Also see, Le Hong Hiep, “Vietnam’s Hedging Strategy against China since Normalization”, *Contemporary Southeast Asia: A Journal of International and Strategic Affairs*, Volume 35, No.3, December 2013, pp.333-368.

²³ ‘PM visits Quan Su Pagoda in Hanoi, interacts with monks’, 03 September 2016, available at <http://www.narendramodi.in/pm-visits-quan-su-pagoda-in-hanoi-interacts-with-monks--522171>.

²⁴ Ministry of External Affairs, Government of India, ‘Joint Statement between India and Vietnam during the visit of Prime Minister to Vietnam’, 03 September 2016.

Conclusion

Under the Modi Government, ties between India and Vietnam are beginning to achieve new dynamism. While Vietnam sees India as a natural ally, for India, too, Vietnam has emerged as one of its strongest, trusted and privileged partners. Modi's visit to Vietnam was a pragmatic step to foster durable ties between these two countries. Given India's broadening economic and strategic interests, and Vietnam's desire for strategic autonomy in its foreign-policy making, the leadership in both these countries seem to recognize that multifaceted partnerships could promise considerable mutual benefits. As we see from the *Panchamrit* aspect of Modi's foreign-policy approach, elevating the current India-Vietnam Strategic Partnership to Comprehensive Strategic Partnership is a commendable step forward and could be helpful in promoting stability and economic prosperity in the Indo-Pacific region. Stronger ties between India and Vietnam would help India's increasing presence in the region and thus, could keep South East Asia free from the exclusive influence of a dominant power.

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