India-Vietnam Bilateral Relations

What is the issue?

- President Ram Nath Kovind chose Vietnam as the first Southeast Asian country to visit in his capacity as the President.

It is essential, in this context, to assess the further prospects in India-Vietnam relations.

How has Vietnam's progress been?

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

How prospective is India-Vietnam relations?
One of the core areas of Mr. Kovind’s visit focussed on furthering cooperation in agriculture and innovation-based sectors. This is expected to further the potential for increasing bilateral trade to $15 billion by 2020.

Health - Vietnam has highlighted, in 2016, the importance of linking economic growth to universal health care. By this, 80% population would be covered by health insurance. India too, since 2011, has been focussing on the need to deliver accessible and affordable health insurance to weaker sections. Certainly, health care is an area of potential convergence for both Vietnam and India. Also, with India moving closer to signing the Regional Comprehensive Economic Partnership, it can get to the forefront of the services sector globally. So in this backdrop too, convergence in health care through joint public-private partnership agreements can be explored.

Foreign policy - Internationally, Vietnam’s foreign policy is characterised by ‘multidirectionalism’. It addresses regional asymmetries in power balance by engaging across a broad spectrum of states to achieve its interests. Increasingly, this asymmetrical power structure in the region counteracts the rise of China. In turn, by bringing regional and extra-regional states together to address the shifts, it offers scope for India too. Within this context, Vietnam even normalised relations with the U.S., its former opponent.
Security - Today, there is increasing commonality of security concerns between Vietnam and its ASEAN partners.

This applies with Australia, India, Japan and the U.S. as well.

This is particularly in the areas of maritime security and adherence to the United Nations Convention on the Law of the Sea.

In this context, Asian leaders have endorsed the idea of Indo-Asia-Pacific.


Regional concerns of ASEAN centrality can be addressed, as well as the diverse approaches to maintaining regional stability.

In pursuance of this, India and Vietnam have planned a bilateral level maritime security dialogue in early 2019.

Sub-regionalism - Vietnam has focussed on both sub-regionalism and regionalism as the core of its priorities.

This has helped mitigate fears of smaller members of ASEAN on centrifugal forces of China’s rise.

India too looks at both sub-regionalism and regionalism as priority avenues to pursue its foreign policy.

The India-Vietnam Joint Statement of March 2018 reiterates the focus given to sub-regionalism and the Mekong Ganga Cooperation framework.

However, another area is emerging, in the CLV (Cambodia-Laos-Vietnam) growth triangle sub-regional cooperation.

So India and Vietnam can jointly explore the potential for enhancing capacity building and providing technical assistance and training within this sub-regional grouping.

What lies ahead?
The major takeaway from Mr. Kovind’s visit is the reference to the ‘cooperation model’ India offers, providing choices and opportunities.

This reference highlights India’s willingness to address issues on which increasing synergies need to evolve.

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.

Both India and Vietnam possess the capacity to find compatibility in areas promoting defence cooperation and infrastructure.

Having progressed under the Look East and Act East Policies, the ties now need to factor in pragmatism for moving further.

Source: The Hindu