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Constants and Changes in Vietnam's Political Scene: What Will the New Term Bring?

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Huong Le Thu, Researcher at the Institute of Southeast Asian Studies (ISEAS), Singapore, explains that “Economic and social policies are of utmost priority [for Vietnam's new leadership] and with an increasingly informed, educated, and connected society, the expectations for delivery from the leadership will continue to rise.”

The appointment of Nguyen Xuan Phuc as Prime Minister to succeed Nguyen Tan Dung earlier this week and the appointment of the former minister of public security, Tran Dai Quang, as head of state completes the process of naming the four pillars of Vietnam's political structure that began with Vietnam's 12th Communist Party Congress, held January 21-28. The Congress was closely watched for a number of reasons. It marked the 30th anniversary of the Congress that introduced the ground-breaking *Doi Moi* reforms, and it displayed an intense power struggle between two contestants with diverging political views – the then prime minister, Nguyen Tan Dung, and the incumbent Party chief, Nguyen Phu Trong. This internal competition was viewed as an important factor in Vietnam's future political orientation, including its foreign policy vis-à-vis China and the United States. The outcome of the heated Party Congress – a second term for Trong – was surprising to some. But it proved that Vietnamese politics is relatively stable by regional standards. It is also important to realize that the continuity has less to do with ideological faithfulness, and more with an insistence that the Party's political monopoly is maintained.

Vietnam's system is based on collective leadership – the four pillars of Vietnam's politics being Secretary General (Party), president (state), prime minister (government), and chairman (National Assembly). On the 31st of March, Nguyen Thi Kim Ngan was sworn in as Vietnam's first woman chairperson of the *constitutionally* highest organ, the National Assembly – she was a deputy chairperson this term. Formal appointments of the two other key positions – president and prime minister – have just taken place in the first days of April. Should relations between these four positions be more agreeable in the new term than in the last, the Vietnamese political scene may experience a further consolidation of power.

Trong's reappointment raises some questions about relations with Beijing and Washington. Trong has been viewed by some as more accommodating towards China, at least when juxtaposed with former Prime Minister Dung. However, Beijing's growing assertiveness and militarization in the South China Sea does not leave Hanoi much room for accommodating China, even if there is ideological affinity among key leaders.

Vietnam's stance on the claims and its principle of resolving disputes peacefully and in accordance with international law mean that the new leadership will not be able to diverge significantly from previous positions. Rather, the change could manifest itself in the manner of interacting with China. Trong's reputation as closer to China could, paradoxically, be more effective in a more low-key style of communication with Beijing. As the perception deepens of a great power rivalry between China and the US, the new leadership will need to display some nimble diplomatic footwork. While making efforts to rebuild trust with its northern neighbor, Hanoi should work to keep the balance stable.

Whether there will be an acceleration or a slow-down in relations with Washington will also depend on the outcomes of the US presidential elections. The increasingly tense

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regional security environment is a strong incentive for Hanoi to seek diplomatic and defense support from the US. The Trans-Pacific Partnership (TPP) is also a key focus for this term. Vietnam’s new leadership places a lot of hope on a US electoral outcome that favors security cooperation and supports the TPP. From Hanoi’s perspective, the TPP would not only give a major stimulus to the economy, but it would also serve to tighten Vietnam-US relations. Even a socialist ideologue, as Trong is, has recognized the importance of a market economy and global integration. Expecting that the TPP could boost the nation’s GDP as much as by 11 percent, the commitment to this trans-regional trade agreement has consensus among policymakers in Vietnam. They believe that access to the TPP members’ markets will provide a geo-economic alternative to counter-balance the country’s dependence on China’s supply chain and market. While high returns are expected, fulfilling the TPP requirements will require a range of serious structural reforms. Economic and diplomatic incentives from TPP may also result in some liberalization of the domestic political sphere, which could further factor into Hanoi’s diplomatic balancing act between the US and China.

In the new 5-year plan for 2016-2020, adopted at the Congress in January, the new concept of “a modern market economy” emerged, replacing the current “market economy with socialist orientation”. What this actually means, both in theory and practice, is still to be developed, though even the concept of the market economy with socialist orientation remains confusing to this day. But it already suggests, at least rhetorically, another step towards a full “market economy” and another step back from “socialism”. Among numerous challenges that the new leadership vows to address are macroeconomic stability, restructuring State Owned Enterprises, curbing corruption, and reducing bad debts. Among the targets for this term are to keep the growth rate at 5.5-6 percent, boosting average income per capita to US\$3,200-3,500 by 2020, and reducing the low-skill labor proportion in favor of skilled labor. None of this will be easy. But achieving these goals is essential in modernizing the economy, which also would enhance the gains from integration with the global economy.

While not much change is expected on the foreign policy front, with the continuous role of the incumbent minister of foreign affairs, Pham Binh Minh, more changes could be seen domestically. Held behind tightly closed doors, the domestic decision process and political maneuvers remain secretive. But unlike previous Congresses, this one not only received international media focus, but also extensive domestic attention. The Internet has certainly assisted in providing an alternative channel for citizens’ expression. After the Party Congress, a number of independents launched their own campaigns for seats in the National Assembly, the first time on such a scale – in Hanoi alone, there are currently around 50 independent candidates. Some of them are political activists, some former Party members, others with no prior political experiences. What unites them is interest in the socio-political fate of the nation, as well as the use of social media portals – their main platform of communication. This is a rare and significant phenomenon as it signals some active initiatives questioning the one-party system.

Vietnam’s new leadership team will have a challenging term. Domestic opposition initiatives are picking up, creating more pressure for the leadership to be accountable. Economic and social policies are of utmost priority and with an increasingly informed, educated, and connected society, the expectations for delivery from the leadership will continue to rise. In foreign policy, sustaining a balance of equidistance between the great powers seems a comfortable status quo, but the very turbulent environment of regional security will demand hard work and sophisticated responses from Hanoi. Apart from threats in the maritime domain, the environmental and economic sustainability challenges as a result of China’s hydropower projects in the Mekong add to the priority agenda for the new leadership. All in all, while the internal power struggle has been solved, the Communist Party of Vietnam needs to work out some strong strategies to meet societal and international challenges.

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