Vietnam-North Korea: Communism Could not Unite Them, Can Capitalism?

By Huong Le Thu

Vietnam and North Korea were once considered ‘two of a kind’; divided countries, sharing a border with China and determined to unify their countries under the chosen ideology of communism. After the Cold War, the two took very different paths. Today, the relationship may have an opportunity for a new chapter – one that is based not on a common ideology, but by a desire for economic growth and development.

North Korea and then-North Vietnam had long-standing relations. In fact, the DPRK was the third country after the People’s Republic of China and the Soviet Union that the Socialist Republic of Vietnam established formal relations with in the same month of January 1950 – the year that the Korean War began. The 1950s and 1960s was marked by North Vietnam-North Korea comradeship, with extensive cooperation on almost all fronts, ranging from scientific and industrial connections, to cultural and student exchange.

At the time, Vietnam was DPRK’s biggest food donor. During the Vietnam War, the two established a “rice-for-weapon” program whereby North Korea sent arms to Hanoi and Vietnam supplied the DPRK with rice. This barter trade continued even after the end of the Vietnam War in 1975. After the war Hanoi continued to supply approximately 5000 tons of rice to the DPRK each year either on the basis of aid or trade. According to a Vietnamese source, DPRK has not fulfilled all of its payments and there is an overdue amount of $18 million for 200,000 tons of rice the DPRK ‘purchased’ in the wake of famine from 1994-1998.

Between the start of the Vietnam conflict and 1995, Vietnam and the DPRK’s solidarity was also based on what they perceived as a common enemy in an imperialist aggressor – the United States. Pyongyang’s military and economic assistance to North Vietnam was not solely driven by solidarity, however, but also by strategic considerations. For Pyongyang, the more and the longer the United States was “stuck” in Vietnam, the less energy, attention and resources Washington would have for the Korean Peninsula. The Vietnamese were allegedly unhappy with Pyongyang’s ‘selfish’ attitude, but tolerated it for a long time. After the American withdrawal from Vietnam, Kim Il Song reportedly demanded that Vietnam now give back aid to North Korea.

Despite initial ideological affinity and a similar experience of internal division due to geopolitics and ideology during the Cold War, Vietnam-North Korea solidarity regularly was tested by a divergence of strategic outlook—and not just on Pyongyang’s “use” of Vietnam to divert the US. Another strategic disconnect was that Pyongyang once supported the idea of creating a group of all Asian communist countries (China, DPRK, North Vietnam, Cambodia, and Laos). But Vietnam had a much broader outlook with its close relations with the USRR and the Eastern European countries. In any case the DPRK’s concept never materialized due to growing divergence of ambitions not just between Vietnam and DPRK but among these countries. In the wake of the Sino-Soviet split after 1967, North Vietnam increasingly leaned toward the Soviet Union, while the DPRK was loyal to China and became a vocal critic when, the already united, Vietnam intervened against the China-backed Khmer Rouge genocide in Cambodia in 1979. In a publicized telegram from 1979, it was observed that the DPRK regime acted with open hostility, supporting China’s aggression against Vietnam and defending the remnants of the Pol Pot
regime in Cambodia against the Vietnam-backed Hun Sun leadership. Pyongyang even made diplomatic efforts to isolate Vietnam in the non-alignment movement. Diplomatic relations continued to sour through the 1970s.

Since Vietnam’s economic reforms and opening under the Doi Moi policies began in 1986, the gap between Hanoi and Pyongyang kept widening. While Hanoi has adopted the foreign policy of “friends with everyone”, while Pyongyang went in the opposite direction. The DPRK’s insistence on juche – self-reliance in foreign policy, ideological “orthodoxy” and continued personality cults around its dynastic leaders, drew it into isolationism. Vietnamese socialism kept liberalizing and internationalizing, and deliberately avoided one-person rule through institutionalized collective leadership. However, both countries have maintained strong one-party dominance; even if the party is not the most important governing institution.

During the 1990s, with a new international outlook and opening economy, Vietnam started to foster closer ties with the Asian tigers – the newly industrialized economies (NIEs) that included South Korea. After Hanoi established formal ties with the Republic of Korea in 1992, the DPRK further distanced itself from Hanoi in protest, and allegedly even refused Vietnamese rice. Today, the ROK is Vietnam’s biggest investor, second largest source of tourists, second largest ODA donor, and third largest trade partner, and plays a role in modernizing and digitizing the Vietnamese economy. In December 2018, the two parties inked an MOU lifting two-way trade, currently valued around $62 billion to $100 billion by 2020.

South Korea has been harboring hopes that Vietnam could one day help open North Korea. Despite the cooling of ties with Pyongyang, Hanoi has deliberately never completely shut-down assistance to North Korea and the diplomatic missions in both countries remain active. Since 2010, Hanoi has developed training and technology transfer for North Korea in areas of agriculture, fisheries, energy, hydropower, horticulture, and factories. It also played a supportive role in including the DPRK into the ASEAN Regional Forum (ARF) in 2000. In 2012 Kim Jong Un ordered a visit to Vietnam to learn the experience of reforms and market-oriented socialism. Kim Yong Il - head of its Central Committee for International Affairs - who led the visit was particularly impressed by the Vietnamese economy’s performance, in particular the volume of agricultural production.

But Vietnam has been critical of DPRK’s nuclear pursuits, with the Vietnamese Ministry of Foreign Affairs condemned Kim Jong Un’s nuclear tests as posing global threat and “a grave violation of UN Security Council (UNSC) resolution”. The policy of responsible membership of the international community has been the key principle of Vietnamese foreign policy, and Hanoi has been campaigning to become a non-permanent member of the UNSC for 2020. Aside from nuclear issues, another bilateral strain has been the assassination of Kim Jong Nam in 2017 at the Kuala Lumpur airport, when a Vietnamese national, Doan Thi Huong, was found to be involved. In his recent visit to Hanoi, DPRK’s foreign minister apologized for this unfortunate involvement.

In July 2018, US Secretary of State Mike Pompeo traveled to Pyongyang without being able to see Kim. Instead, he stopped in Hanoi and in his speech he encouraged Pyongyang to adopt the “Vietnam model”. This has revived hopes that Vietnam can become an example for North Korea’s transformation. The differences in time and circumstances will make North Korea’s potential path very different than Vietnam’s Doi Moi reforms. Hanoi sees this as an opportunity to display its diplomatic role, to validate its reforms’ successes, and hence to legitimise its regime. Hosting a summit can display an “ASEAN style” of neutrality, following Singapore’s example, of providing ‘safe ground’ for peaceful negotiation, and therefore contributing to global peace and stability. More importantly, Vietnam also sees this as an opportunity to be a contributing partner to both the United States – with whom it has its highest trade surplus, and the ROK – its largest investor. For the United States, it would be a perfect opportunity to showcase how the relationship with former enemy Vietnam has developed dynamically and positively, and possibly set an example for North Korea.

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