



Prime Minister Modi's Visit to Vietnam: An Assessment

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The recent visit of Indian Prime Minister to Vietnam carried with it significant expectations in upgrading the strategic and defence cooperation to a comprehensive one, strengthening people to people contact and bolstering India's Act East Policy. The visit assumes importance in view of the fact that the fact that Prime Minister Narendra Modi visited Hanoi before attending the G-20 Summit at Hangzhou, China.

In the process of enhancing strategic cooperation to Vietnam, PM Modi congratulated the Cuu Long Delta Rice Research Institute, in his banquet speech, pointing out the effects of Indo-Vietnam joint cooperation, which assisted Vietnam in becoming the world's third largest rice exporter. While narrating the two-thousand-year-old civilizational linkages between India and Vietnam, he applauded the Vietnamese leadership's support for upgrading India-Vietnam relationship to a "Comprehensive Strategic Partnership". While strengthening the trait of religion diplomacy, the Prime Minister recalled the historical Buddhist and Hindu roots, inviting Vietnamese to India, the land of Buddha, and particularly to his parliamentary constituency, Varanasi.

Among the various discussions and agreements, twelve MoUs are significant in strengthening the relations between the two nations. Within the Joint Agreement on enhancing cooperative federalism, both leaders agreed to establish relations between

provincial/state governments on both sides, which can be beneficial for the north-eastern states of India. However, if there is no serious initiative being taken by the Government of India, along with multiple business houses, the task of achieving the bilateral trade target of US\$15 billion within four years seems difficult (while trade volume crossed US\$ 9 billion in FY 2014-15 with India, the target of US\$ 15 billion by 2020 seems difficult at this point of time). There is a need for Vietnam to woo Indian investors as well as India to facilitate such investments from getting realised (presently, Indian investment in Vietnam is around US\$ 1 billion), as Vietnam's steady growth and political stability should make its domestic market attractive than most of the Southeast Asian nations.

Having a recognised standard system between the Bureau of Indian Standards (BIS) and the Directorate for Standards, Metrology and Quality of Vietnam (STAMEQ), was a step that would create a better understanding between the two economies, further strengthening the trade atmosphere between the two nations. Reinforcing the protocol that was amended for the avoidance of double taxation between India and Vietnam (which came into force on February 02, 1995) will bring in more transparency in trade between India and Vietnam as well as for third parties, and to minimize the opportunity for tax evasion in either or both of the countries. The Protocol provides for internationally accepted standards for effective exchange of information on tax matters including bank information and information without domestic tax interest. It is further provided that the information received from Vietnam in respect of a resident of India can be shared with other law enforcement agencies with authorisation of the competent authority of Vietnam and vice versa.

The agreement on sharing white-shipping information is one of the many avenues that would provide a strategic depth to the bilateral relations between the two nations, as it is a major instrument for checking maritime piracy, increasing the scope of having maritime surveillance on the entire region. Similarly, space technological cooperation is another untapped area of cooperation which can strengthen the region, strategically as well as in the fields of communication and maritime security. Especially, both the

countries can envisage developing a GIS mapping programme of its own, while strengthening nano- and micro-satellite technologies.

Providing a US\$500-million line of credit in the defence sector remain strategically significant in nature, as Vietnam envisages utilising this LOC for major defence purchases along with upgradation of its existing defence equipments and infrastructure. If the credit line is non-lapsable in nature, then it will open up multiple avenues for procuring significant defence assets for Vietnam, securing its maritime interests. The grant of US\$5 million for the construction of an Army Software Park at the Telecommunications University in Nha Trang is also important as such a grant would enable to pool in the technological expertise and provide skill enhancement to Vietnamese professionals.

Though there was an expectation within the strategic community in regard to the sale of the BrahMos missiles to the Vietnamese defence forces, but the deal was perhaps kept out of unnecessary media attention. Modi also emphasised that the two countries need to clearly forge further ties on regional and international issues of common concern. Though the specifics were not mentioned. On the issue of the SCS in the recent past, India had clearly stated her standpoint in the South China Sea supporting freedom of navigation, overflight and unimpeded commerce (in the Joint Statements with the USA in September 2014 and Japan in December 2015) which was hailed by the Communist Party General Secretary Nguyen Phu Trong. The Vietnamese leadership in this regard sought further participation from India in oil and gas sectors of Vietnam.

The recent Sidharth Sengupta's and Pradeep Yadav's directorial Balika Vadhu (Indian television soap opera that lasted from 2008 till 2016) that took Vietnamese people by storm, making the principal protagonist Anandi, a household name, are avenues that remain to be nurtured, where such cultural diplomacy could be built up. It could be a large market for Indian films with Vietnamese sub-titles, as the cultural and societal similarities would make the films more acceptable to the general masses than the Western films. This can be a popular medium which could correctly portray Indian society, culture and lifestyle within the Vietnamese populace, bringing an end to various

misgivings that it has on India regarding women safety and societal norms. To strengthen the cultural ties between the two nations, a special budget allocation for the purpose of furthering cultural cooperation can be created. This should include sponsoring Hindi language courses in select universities of Vietnam.

Similarly, the Memorandum of Understanding between Vietnamese Academy of Social Science and Indian Council of World Affairs can turn into a major platform for sharing thoughts, ideas and interaction of intelligentsia and academics from both the countries. It should be pursued with vigour to have a better understanding of each other. The creation of Indian Cultural Centre in Ho Chi Minh City and Hanoi remain long overdue, and should be carried out at the earliest. While establishing Indian Language Centre, there should also be the scope of learning Vietnamese language in the Schools of Languages in Indian Universities. One wonders, despite having close historical linkages of religion and culture, why there is so less people to people contact, a small Indian diaspora of around 2,500, mostly in and around Ho Chi Minh City.

Apart from the traditional sectors of cooperation, the bilateral meeting did not emphasise on the hitherto neglected areas of cooperation like promoting tourism between the two countries. Tourism in Vietnam remains a neglected sector that grew out of the misconceptions developed around media circles that the country lacks attractive tourist destinations. More people to people contacts can help to create avenues which can alter the general misconceptions about tourism in Vietnam. Tourist hotspots can also be created in collaboration with Indian partners in and around famous lakes like the Nui Coc Lake in Thai Nguyen Province, which can simultaneously also add to the infrastructural development of the province. Given the fact that there are more than 10 lakes in the country, lake tourism can form an important component of tourism in Vietnam. Vietnam needs to tap into a segment of travel involving young travellers who look for adventure and sports destinations. Destinations such as Phuket and Pattaya in Thailand entice young couples because of their direct flights and low-cost travelling and accommodation. Vietnam can also tap into such a strategy.

PM Modi visiting Vietnam before attending the G20 Summit in Hangzhou, China laid out the manner in which India prioritised Vietnam in its strategic vision. Indian PM's stress on Indo-Vietnam relations being 'sensitive to each other's strategic interests' will underline the dialogue during the G20 Summit as well as the forthcoming 8th BRICS Summit on October 15-16. It has been made clear by the Indian leadership that the Asian growth trajectory is possible with the growth of all nations in the continent, along with China and India. Growth and development will not be durable and sustainable in the environment of mistrust and muscle flexing on smaller neighbours.

When nations are interested in right earnest to improve relations, regional and international developments strengthens the will of the leadership to come closer. There still remain multiple areas of convergence of interests that can be developed and strengthened in the near future. It is the determination of the two governments that can forge closeness between the two nations, and thereby set an example for others to follow.

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