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“Developing Synergies between India and Vietnam: A Sectoral Analysis”

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India and Vietnam both have strengths to draw upon for playing an increasingly important role in Southeast Asia. Based on shared historical understanding, pre-colonial and cultural linkages, the relationship has developed into a strategic partnership based on increasing convergence of interests on bilateral, regional and global issues. The emphasis placed by the new Government in India on strengthening ties with Vietnam and Southeast Asia have created new opportunities to reinvigorate bilateral ties and enhance cooperation under the comprehensive strategic partnership adopted in September 2016 during the visit of Prime Minister Narendra Modi to Vietnam.

Sectoral cooperation between countries helps to elevate existing partnerships and takes it to a qualitatively different level. It promotes economic growth and facilitates development of new and innovative technologies and products to address shared challenges. For India and Vietnam, cooperation in different sectors have highlighted the possibility of convergences not only in the fields such as defence, trade and economy but also in other fields like science and technology, education and training as well as culture and tourism which helps to consolidate the gains of the past and shape the future development paradigm. Though government-to-government contacts have been quite frequent and beneficial for the development of India-Vietnam ties, the need for greater people-to-people contact cannot be overemphasised. Cultural contacts and developing prospects of tourism, in this case, have been regarded as beneficial for the expansion of people-to-people contacts. Moreover, economic growth between countries cannot progress without skills development. In this regard, development of cooperation between the two countries in S & T, education and training enhances the presence of a strong, skilled force as well as paves the way for sustainable and balanced growth of bilateral relations. With this backdrop in mind, the paper sets out to trace the cooperation between the two countries on these aspects and seeks to explore and extend the scope of convergences in these fields.

Vietnam is one of the resource-rich countries in an economically dynamic Southeast Asia. Since the introduction of the *Doi Moi* reforms in Vietnam in 1986, the country

has been focussing on economic integration and opening up its markets to the world's developed economies. Vietnam was able to reach and sustain very high growth rate of around 7% for the period 1990-2012.¹ However, due to the global economic slowdown, Vietnam's growth rate has been reduced to roughly 6 per cent, being relatively high in comparison with regional average level. Despite substantial economic growth since the introduction of reforms, Vietnam lacks skilled labour and infrastructure to meet the requirements of sustained high growth in the future. The "Economic Outlook for Southeast Asia, China and India for 2014" prepared by OECD stated that "sustaining economic development will require increasingly sophisticated labour skills to enable industry to shift towards higher productivity and technology intensive activities. Viet Nam urgently needs to improve schooling and technical and vocational education and training (TVET) if it is to rectify the mismatch between skills supply and demand. Viet Nam needs to foster an equitable, stable business environment and to ensure a level playing field for non-state and state-owned enterprises. Only then will it be able to fully harness the essential and growing economic contributions of its SMEs."² The OECD Report clearly highlights the need for structural reforms as a key to realising Vietnam's long-term potential. This would not only help in accelerating a reform program to enable sustainable growth in Vietnam but also help to overcome the limits of future cooperation between India and Vietnam.

Sectoral convergence:

Resources, whether environmental, human or physical have been considered to be important economic assets that play a vital role in a country's economic development. It is through them that the production of goods and services in the economic processes are realised. Out of them the physical capital constitutes manmade goods which enable the production process like machinery, buildings, computers and other goods needed for the production process to run smoothly. Our understanding of the role of natural resources in economic development has advanced considerably in recent years.

The strategic partnership established with Vietnam in 2007 sought to steer multifaceted cooperation, along with enhancing cooperation on existing resources and capacities. One of the components of the development of India-Vietnam strategic relationship had been the investment in, and the implementation of measures to maximise the potential for Science and Technology cooperation and for research and education between the two countries. For instance, Indian corporations have expanded the scale of investment in high-tech agriculture in Vietnam. India on the other hand can learn rice production techniques like the System of Rice Intensification (SRI) from Vietnam, which increases yields, while using less seeds, water and fertilizers. Such kind of a collaborative efforts empowers the bilateral interactions and boosts the regional capacity to address common concerns.

Cooperation in Science and Technology: A brief overview

Globalisation and the increasing interconnectedness has given rise to a demand for sharing technologies. This is because technology development plays a key role in national competitiveness by giving a country competitive edge. In the 21st century, a growing technology demand from emerging economies has boosted the necessity of cross-border scientific cooperation and information exchange between individual researchers, institutions and governments. Cooperation in science and technology forms an important component in the gamut of bilateral relations of India and Vietnam. As a Southeast Asian economy, Vietnam is located in one of the most dynamic regions of the world. However, infrastructure deficiencies and lack of sophistication of innovation, production and less focus on R&D in Vietnam make it necessary to make a roadmap for mutual investment and cooperation in science and technology with emerging powers like India.

For India, extending cooperation to Vietnam in fields like science and technology gives an opportunity to deepen their exceptionally friendly and cordial relations with the country. India can avail advantages out of favourable demographics and good secondary education performance of Vietnam.³ Vietnam on the other hand can cooperate to take the best out of infrastructural expertise and developed

innovation and information base of India. In fact, science and technology cooperation has been a recognisable feature of bilateral cooperation.

The foundation of cooperation on science and technology between India and Vietnam was laid by the Agreement on Bilateral Cooperation in Science and Technology signed between them in 1978. This agreement provided the base for the establishment of Joint Science and Technology Committee in 1997. This was followed by the signing of the India-Vietnam Protocol on Information Technology in 1999.

In the ICT sector, India has set up the India-Vietnam Advanced Resource Centre in ICT in Hanoi at a cost of approximately 1.8 million US dollars (INR 100 million). India also provided a PARAM supercomputer to Vietnam at a cost of 8.3 million US dollars (INR 460 million). Further, Vietnam has been a key recipient of training programmes under Indian Technical and Economic Cooperation (ITEC) programme and other scholarship schemes. The Advanced Resource Centre in Information and Communications Technology (ARC-ICT) was inaugurated in September 2011 which trains students and government officials in various areas such as web designing, network systems, java, GIS applications and e-governance.⁴ The MoU for establishment of a Hi-Tech Crime laboratory was signed in November 2013. The work on establishing the Centre for Satellite Tracking and Data Reception and an Imaging facility in Vietnam is under progress and is expected to utilise data provided by Indian remote sensing satellites and harness it for multiple developmental applications.

The way ahead:

With regard to future cooperation between India and Vietnam, there are several joint ventures where both countries can cooperate. On defence technology, India and Vietnam can deepen cooperation by working jointly on developing short range missiles, landing guidance gear, beyond visual range radars, surveillance and control planes, coastal defence mechanisms and development of submarine fleet. Vietnam today is one of the world's biggest arms importers and seeks to boost its maritime defensive capability. For strengthening security and defence, the need for maritime

patrol aircraft, missile patrol boats, fifth generation fighter aircraft and multiple launch rocket system to build a defensive platform is essential. On the other hand, New Delhi intends to strengthen its combat preparedness through greater domestic R & D, procurement and joint production of defence equipment with its partners. India can become a beneficial partner for Vietnam as it is actively increasing its military capability and on this date has recognisable defence-related research and development performance.

In the civilian sector, there is need to enhance technical cooperation. The Cuu Long Delta Rice Research Institute (CLRRI) was established in 1977 with support from the Indian government. India helped establish the institute in the Mekong Delta, sending agricultural specialists and training its faculty in India. In rice production and management, India and Vietnam can extend their partnership to explore newer areas for incurring joint benefits. For instance, scientists of India and Vietnam can develop new high-yielding varieties of rice to increase rice production and meet demands of the future. Scientists can study alternative agricultural genetic improvement techniques and efficient irrigation systems to cultivate techniques of producing rice in low water situations. They can also work on small and medium tech engineering, cheap fabrication and software manufacturing of rugged computers, metallurgy and pharmaceuticals, sharing of best practices with regard to processed foods and cold chain management. With regard to industry, the need is for interactive joint projects through science and technology ministry, interaction between science institutes of the two countries and short term training programmes for Vietnam physicists in National Physical Laboratory. Moreover, pioneering research work need to be done by both countries with regard to application of cryogenics in pivotal sectors like agriculture, space science and manufacturing industry. The technology of cryogenics can be used to freeze essential food items and thus extend their shelf life. Both India and Vietnam have agriculture as the mainstay of their economy and as such maintaining and preserving quality food products can ensure reduced wastage and less dependency on imports from other countries as well.

In cooperation in exploration and use of outer space for peaceful purposes, in which India and Vietnam have already signed an agreement on September 3, 2016, application of cryogenics can support space transportation infrastructure and science missions in operations/post-operations.

Application of cryogenics in manufacturing operations such as grinding and rolling increases functional performance as well. By jointly working on the use of cryogens in the manufacturing sector, India and Vietnam can increase manufacturing quality and thus in the future present a better alternative to Chinese manufacturing processes.

India-Vietnam Cooperation in Education and Training:

As of 2011, India offers 100 scholarships for graduate and post graduate study/training annually and this number is expected to increase to 150 in 2017. Under the ASEAN framework, the Vietnam-India Centre for English Language Training at the Diplomatic Academy of Vietnam was set up in July 2007 in Danang. Since June 2016, two English teachers from India have worked at the centre for six months. A similar Vietnam-India Centre for English Language and IT training has been running successfully at the Technical University in Nha Trang. Currently, 150 ITEC slots are being offered to Vietnam every year along with 16 scholarships under the General Cultural Scholarship Scheme (GCSS), 14 scholarships under the Educational Exchange Programme (EEP) and 10 scholarships under the Mekong Ganga Cooperation Scholarship Scheme (MGCSS). The establishment of the Centre for Excellence in Software Development and Training in Ho Chi Minh City will add to capacity-building and boost learning, innovation and job creation.

Ensuring future progress:

On education and training, progress in cooperative ventures in the following grounds can ensure qualitative results.

- Deployment of Vietnamese sea police and Indian coast guards in each others' training institutes would be helpful.

- Training with regard to satellite and terrestrial up linking technology and a young scientist award to be instituted to promote specific areas of research can be undertaken.
- In terms of education, the twinning programmes between universities of two countries can provide effective support for educational initiatives.
- Highly cost affective financial management and training in Security and Exchange Board of India (SEBI) would provide greater understanding regarding fundamentals of equity markets.

A youthful population and a growing economy continue to fuel Vietnam's status as one of the most important emerging education markets in Asia. But higher education capacity is another key factor driving demand for study abroad in the country, one that led as many as 125, 000 Vietnamese students to pursue studies overseas in 2013.⁵ Vietnamese higher education is now struggling with a range of structural and systemic challenges. More exchange programmes involving scholars, teachers, experts and students between India and Vietnam can bring positive outcomes for uplifting the traditional friendship to a new height. It is noteworthy to mention that Australia and the US have been serving as the most desired destination for Vietnamese students for the purpose of pursuing higher education. Among the top ten destinations for Vietnamese students, India does not figure in the list, despite the fact that India can offer a substantive combination of quality and affordability.⁶ Incentives in the form of scholarships to Vietnamese students, attractive packages to cover living costs of Vietnamese students studying in India and provision of English language training can attract more students who want to pursue higher education in India. A University Network that strengthens connectivity and synergies among institutes of higher learning in both countries can be established to promote regional awareness and human resource development. Students and faculties from the Network can meet annually in educational forums to boost collaborative research that can work towards supporting economic innovation and competitiveness.

Cooperation in culture and tourism:

The sectors in which the interests of India and Vietnam have converged include the ones in which cooperation has acquired salience over the years. These include political, defence, trade, investment and economy, science and technology, education and training. However, cooperation between countries must also be extended to platforms which directly impact the people. It is in this case that the aspect of culture comes in.

Culture, in fact, must be included as an inevitable part of development cooperation agenda, making it as an important developmental tool. Culture creates the fundamental building blocks in the ties that link us to communities and nations. Material indicators like economic growth, military expansion or demographic evolution are not the only ones which determine India's emergence as a major actor in the global arena. India's strength also lies in developing and projecting its soft power credentials by using the attractiveness of Indian culture, values and policies. In this case, promotion of yoga, traditional medicine, music, television soaps, dances and films have a considerable role to play. Indian films with Vietnamese subtitles could help portray Indian society, culture and lifestyle.⁷ India can set up a centre for traditional medicine in the Indian embassy to reclaim its centuries-old legacy of Ayurveda and Yoga. A special budget allocated only for the purpose of strengthening cultural cooperation between India and Vietnam can go a long way towards promoting mutual understanding among parties.

Cultural exchange between the two countries was institutionalised through a cultural cooperative programme inked in 2011, with a proposal to build an Indian cultural centre in Vietnam in 2014. In this regard, it must be mentioned that the Indian Council for Cultural Relations (ICCR) which oversees the establishment of India's composite cultural heritage abroad, need to expedite its work on establishing the cultural centre in Hanoi to project a composite picture of the Indian heritage. During the latest high-level bilateral visit in 2016, PM Modi urged for early establishment and opening of the Cultural Centre in Hanoi. The ICCR can host musical festivals, film

screenings and art and photography exhibitions which can promote and popularise Indian culture in Vietnam. Apart from this, the translation of literary, cultural and historical works from Hindi and other Indian languages to Vietnamese and vice versa will help to embrace and learn about the history, culture and civilization of respective countries. An Indian foundation can also be set up to promote and strengthen cultural exchange, undertake various forms of activities such as personnel exchanges (dispatching Indian scholars, artists, professionals, sports instructors, and other individuals to Vietnam and inviting Vietnamese scholars, artists, and others to India, exchange of visiting faculties etc.), exhibitions of Indian art works, Indian stage and musical performances, promotion of Indian history, and cooperation and assistance for the diffusion of English language education to expand cooperation in the cultural sector. Vietnamese students can come with grants from the ICCR to study Hindi, Punjabi, Urdu and other Indian languages. Indian philosophical and religious teachings, for example those of Aurobindo Ghosh, Rabindranath Tagore, Vivekananda, Vedas and Upanishads can also be attractive for students and eager learners from Vietnam.

Tourism development between the two countries can lead to creation of favourable conditions for strengthening the traditional partnership. 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 entrepreneurial partners in and around famous lakes like the Nui Coc Lake in Thai Nguyen Province and the Ba Be lake in Bac Kan Province, which can simultaneously also add to the infrastructural development of the respective provinces. Given the fact that there are more than 10 lakes in Vietnam, lake tourism can form an important component of tourism in Vietnam.⁸ Development of pisciculture, along with tourism and recreation are the industries, which if developed can bring potential benefits for local and regional development.

Conclusion:

Both India and Vietnam represent forces for peace, security, stability and economic development, bilaterally and as well as in the regional context. As such, deepening

sectoral convergence is essential to keep the special partnership on track. Undoubtedly, the most rewarding examples of joint cooperation have been the successful partnerships that have been developed over the years in the political, defence, economy and investment sectors. However, to keep the special bond diversified and dynamic, India-Vietnam cooperation in S & T, education and training and culture and tourism remains essential and perhaps inevitable. Cooperation in these sectors will provide a political warmth and strategic depth to bilateral relations. The complementarities of the countries can well be used to create a promising and reliable partnership that can stand the test of time. Both India and Vietnam have demonstrated increasing interest in going the extra mile to take the relationship forward and an expanded cooperation goes a long way in stimulating resilience in the face of regional challenges that may appear.

Endnotes:

¹ “Achievements of Vietnam Doi Moi Policy”, Vietnam Trade Promotion Agency, December 11, 2014, http://www.vietrade.gov.vn/en/index.php?option=com_content&id=2256:achievements-of-viet-nam-doi-moi-policy-&Itemid=287 accessed February 2, 2017.

² “The Economic Outlook of Southeast Asia, China and India: Beyond the Middle Income Trap”, *OECD and ASEAN Secretariat*, 2013, <https://www.oecd.org/site/seao/Pocket%20Edition%20SAEO2014.pdf> accessed February 7, 2017.

³ Almost 21 per cent of all government expenditure in 2010 was devoted to education - a larger proportion than seen in any OECD country (Schleicher, Andreas, “Vietnam’s Stunning Rise in School Standards”, *BBC News*, June 17, 2015, <http://www.bbc.com/news/business-33047924> accessed February 9, 2017). The World Bank in 2012 stated that Vietnam allocated the highest percentage of GDP on education at 6.3 per cent.

⁴ Embassy of India, Hanoi, Vietnam, September 2016, http://indembassy.com.vn/India_viet_nam_relations.php?id=8 accessed February 7, 2017.

⁵ “Challenges in Vietnamese higher education contributing to demand for studying abroad”, *ICEF Monitor*, September 5, 2015, <http://monitor.icef.com/2015/09/challenges-in-vietnamese-higher-education-contributing-to-demand-for-study-abroad/> accessed February 8, 2017.

⁶ According to a survey by the Association of Indian Universities in 2016, only 2087 students came from Southeast Asia in 2013-2014 out of a total of 23,350 students from Asia. Out of 2087 students, 1206 were from Malaysia itself. The approximate figure of number of Vietnamese students studying during this time was not available.

⁷ “Bhattacharya, Dhrubajyoti and Sanghamitra Sarma, “Prime Minister Modi’s Visit to Vietnam: An Assessment”, September 15, 2016, <http://www.icwa.in/pdfs/VP/2014/PMModisVisittoVietnamVP15092016.pdf> accessed February 8, 2017.

⁸ Ibid.

