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The United States and Viet Nam: Charting the Next 25 Years in Bilateral Security Relations



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PACIFIC FORUM
INTERNATIONAL



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About this Report

Pacific Forum, with support from the Defense Threat Reduction Agency (DTRA) and in collaboration with the Diplomatic Academy of Viet Nam (DAV), organized the inaugural Track 2 U.S.-Viet Nam Security Dialogue on May 18-20, 2021. Strategic thinkers from the United States and Viet Nam, including scholars, policy experts, and retired military and government officials, participated in the dialogue. This report contains the general summary of the discussions.

The recommendations contained in this report, unless otherwise specifically noted, were generated by the discussions as interpreted by the Principal Investigators. This is not a consensus document. Both the agenda and participant list are included in the appendix; all participants attended in their private capacity.

The statements made and views expressed in this publication do not necessarily reflect the views of the Pacific Forum, the project sponsors, or the dialogue participants' respective organizations and affiliations. For questions, please email jeffrey@pacforum.org.

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Key Findings and Recommendations

U.S.-Viet Nam Security Dialogue

Washington and Hanoi left behind their past as Cold War adversaries and upgraded their relations into a comprehensive partnership in 2013. The relationship has since flourished considerably and rapidly. The next logical step is to elevate the relationship into a strategic partnership, i.e., a deepened security engagement. That process has already begun, but more work is needed, and urgently, given the increasingly tense situation in the South China Sea. The region continues to face growing security challenges – from irredentist claims and blatant sidestepping of the rule of law in many of the region’s maritime spaces, to the threat of pandemics and cybersecurity. So far, most Track 2 U.S. engagements with Viet Nam have centered on issues pertaining to development, empowerment, and historical reconciliation. The time is now ripe for a security-focused dialogue involving the two countries’ top strategic thinkers to build on current gains, underscore opportunities for deeper defense cooperation, generate sound and actionable policy and operational recommendations, and highlight the importance of a tighter partnership to the peace and stability of Southeast Asia and the broader region.

To this end, Pacific Forum, with support from the Defense Threat Reduction Agency (DTRA) and in collaboration with the Diplomatic Academy of Viet Nam (DAV), organized the inaugural Track 2 U.S.-Viet Nam Security Dialogue on May 18-20, 2021. The dialogue was aimed at building a body of knowledge on U.S.-Viet Nam security relations that DTRA and other interested U.S. Government agencies could use to conduct better military engagements, and provide a more responsive and complementary capacity-building, with greater impact to improve deterrence.

Moreover, the organized panel sessions were aimed at increasing awareness and understanding in Viet Nam and in the United States of the two countries' post-Cold War security cooperation, and increasingly aligned strategic interests. Doing so would promote understanding of regional security issues with implications for bilateral relations through:

- Increased awareness and understanding in the United States about Vietnamese thinking related to regional security issues such as maritime security threats brought about by China's expansive claims and assertiveness, cybersecurity, nonproliferation, and economic security.
- Increased awareness among Vietnamese policy circles of U.S. security priorities related to the Indo-Pacific in general, and Viet Nam and Southeast Asia in particular.

In sum, these new expert insights and contextual recommendations advance the security relations of the two countries.

Strategic thinkers from the United States and Viet Nam, including scholars, policy experts, and retired military and government officials participated in the dialogue. The dialogue's agenda underwent extensive pre-dialogue "socialization" with key stakeholders from both the United States and Viet Nam to ensure that topics for discussions and eventual actionable recommendations generated are relevant to the national security interests and priorities of both countries.

The recommendations contained in this report, unless otherwise specifically noted, were generated by the discussions as interpreted by the Principal Investigators. Both the agenda and participant list are included in the appendix; all participants attended in their private capacity.

The following are the key findings and recommendations:

Finding: U.S.-Viet Nam strategic cooperation is underpinned by their shared interests in three major issues: (1) denial of China's bid for dominance in the South China Sea and Southeast Asia, (2) support for a rules-based international order, and (3) concerns over economic dependence on China.

Recommendations: The United States should formally offer to accelerate talks on upgrading the relationship into a strategic partnership; Washington and Hanoi should aim to conclude the talks within the next two years. A two-year timeframe would allow both sides to demonstrate progress on outstanding issues – building deeper trust while also providing enough room for the two governments to transition from COVID19-related priorities.

Finding: Americans and Vietnamese are in general agreement that China's gray zone activities in the South China Sea, in particular, the use of maritime militia and civilian maritime law enforcement vessels to operationalize illegal maritime claims, have radically upended the regional peacetime status quo. The totality of Chinese efforts – their numerical advantage, robust intelligence, surveillance, and reconnaissance (ISR) dominance, and willingness to increase collision risks give China considerable advantages.

Recommendations: U.S. maritime assistance to Viet Nam, while increasing, remains insufficient given the

Chinese level of effort. The Department of Defense can do more to build up and support Viet Nam's ISR capabilities by providing remote sensing technologies to make up for China's dominance in hull numbers and legacy ISR platforms. The Department of State can also help Viet Nam publicize and keep public records of Chinese illicit activities, and use these to impose diplomatic and economic costs on Beijing. Vietnamese participants suggested that Hanoi would welcome these actions.

Finding: Viet Nam's cooperation with the United States on military modernization and capacity building is determined by two policies: Viet Nam's longstanding "omnidirectional" foreign policy and its longstanding "Three Nos" defense policy (no military alliances, no aligning with one country against another, and no foreign military bases). The former means Hanoi often pairs its outreach to Washington with other major actors, usually Tokyo, Moscow, New Delhi, Canberra, and Beijing. The latter means Viet Nam will, whenever possible, avoid explicitly becoming a full partner in elements of Indo Pacific Strategy that are seen as anti-China. Viet Nam will, however, pursue military relationships that improve their independence, sovereignty, and security and will support strategic initiatives that promote the rule of law in the Indo-Pacific – specifically those that address actions of any country seeking to undermine international law. It is of clear mutual interest that Viet Nam possesses a strong defense capability.

Recommendations: The United States should support the diversification of Vietnamese defense partnerships and cooperation. This can be done by coordinating with allies and partners on capacity-building programs to avoid unnecessary duplication and ensure interoperability, while not giving the impression that Hanoi has "sided with the United States." In step, the United States should build a more substantive relationship with Viet Nam featuring an expanded range of cooperative efforts – such as S&T and trade – equally important elements in building overall security.

Finding: Viet Nam and the United States each have domestic policy and political concerns impeding the transfer of lethal, high profile U.S. defense equipment. From the U.S. side, policy conditions related to civil liberties attached to arms export continue to constrain significant arms sales talks. From the Vietnamese side, concerns related to cost, system compatibility, steep learning curve, and sensitivity to potential negative reactions from Beijing are major issues.

Recommendations: Both governments should form two parallel working groups (one at track 1 and one at track 2) to study and discuss Hanoi's defense requirements and priorities, and explore options, including financing and navigating political and institutional constraints. The United States should increase FMF for Viet Nam and immediately grant CAATSA waiver. Pacific Forum could lead the track 2 effort to prepare for and then support its track 1 companion.

Finding: There are two reasons behind the trust deficit in bilateral relations. One reason cited by Vietnamese experts relates to public expression of concerns by some

American politicians and government agencies on human rights in Viet Nam; some political leaders see this as a threat to their governance. Another is the lack of more formal and visible recognition by the U.S. Government on the lingering health, safety and environmental impacts of agent orange, and unexploded ordnance. Despite these, bilateral dialogues, indirect assistance on addressing Viet Nam War legacies, and reciprocal senior leadership visits have been instrumental in advancing diplomatic and security relations. Building trust is essential – Vietnamese attendees repeatedly acknowledged that, “opportunities exceeded constraints” in the bilateral relationship.

Recommendations: Senior level visits (heads of state and ministerial level) and military-to-military contacts should increase in frequency to build personal relationships, communicate to Vietnamese leaders that “regime change” is not a U.S. goal, and begin discussions on innovative approaches to address sensitive matters. The United States should also continue to provide development assistance that addresses the impacts of dioxin and unexploded ordnance. Moreover, junior Vietnamese academics and think tank experts should be provided with more opportunities to visit and research in the United States; consideration should be given to the establishment of a fellowship at Pacific Forum.

Finding: Bilateral military-to-military defense cooperation categorized into three subsets - training, defense articles, and joint activities - has proven its utility in expanding Viet Nam’s capacity and advancing the security partnership. To be impactful in deterring security threats in the region, the Vietnamese side stressed the importance of simultaneously pursuing all three subsets.

Recommendations: The United States should: (1) expand funding and opportunities for junior officers of Viet Nam’s armed services to attend U.S. institutions; (2) offer more opportunities for bilateral and multilateral training exercises; (3) focus broadly on strengthening Viet Nam’s ability to defend itself (removing penalties for Hanoi’s pursuit of cost-efficient weaponry, and minimizing politicization where possible regarding defense cooperation and arms transfers); (4) aggressively pursue new “joint” initiatives such as: (a) completing negotiations for a General Security of Military Information Agreement (GSOMIA) before 2022, (b) consider an agreement relating husbanding services and ship repairs for U.S. Navy vessels in Vietnamese ports in the next five years, and (c) regular joint at-sea naval engagements between the two Navies, to include focus on familiarizing the use of the Code for Unplanned Encounters at Sea (CUES), general communications, and combined operations and maneuvering, among other activities in the coming years.

Finding: Viet Nam continues to see ASEAN and “multilateralism” as important in advancing its security interests. Hence, Hanoi wants to see Washington continue to enhance security cooperation with ASEAN, and to help Viet Nam and ASEAN member-states preserve the strategic autonomy of the region.

Recommendations: There are multiple platforms through which Washington can further engage Hanoi,

notably in multilateral settings. For instance, (1) co-chairing the Maritime Security Expert Working Group under the auspices of the ASEAN Defense Ministers Meeting (ADMM) Plus; (2) collaborating in shaping the agenda of the Southeast Asia Maritime Law Enforcement Initiative (SEAMLE); (3) doing more in regional track 2 organizations such as the ASEAN Institute of Strategic and International Studies (ASEAN ISIS) and the Council for Security Cooperation in the Asia Pacific (CSCAP); (4) increasing participation in multilateral exercises such as RIMPAC and those run by ASEAN and the QUAD.

Finding: English language training is a critical element in elevating and accelerating U.S.-Viet Nam security engagements at the operational level.

Recommendations: Short-term, the United States should provide opportunities for thousands of junior Vietnamese officers to study English, both in Viet Nam, through ad-hoc educational programs, and in the United States, through the provision of full scholarships. Long-term, the United States and Viet Nam should establish an English language training center in Viet Nam, specifically for military officers of non-English speaking ASEAN countries, such as Cambodia, Laos, Myanmar, Thailand, and Viet Nam.

Finding: While Viet Nam’s nuclear energy timetable has been pushed back to after 2030, Hanoi remains keen on cooperating with related U.S. government agencies and the private sector on nuclear technology research, human resource development, and nuclear policy. U.S. willingness to cooperate with Viet Nam and others in the region provides a counterweight to the often predatory and dubious safety practices of China’s (and Russia’s) state-subsidized nuclear power sectors.

Recommendations: The United States should remain as Viet Nam’s most important partner in nuclear energy development over the next decade through the new Nuclear Cooperation Memorandum of Understanding (NCMOU) and the U.S.-Viet Nam “123 Agreement,” related to new-generation small modular reactor (SMR) designs.

Finding: Viet Nam has concerns over floating nuclear power plants being deployed in the South China Sea, especially if they impact the peace, stability, and safety of the sea, and violate international law.

Recommendations: The United States should collaborate with Viet Nam and ASEAN to address the emerging challenges of potential floating nuclear power plants in the context of safety and environmental security. The United States and Viet Nam can lead in developing regional consensus against the deployment of floating reactors in disputed waters and features. DTRA should sponsor regular bilateral and multilateral dialogues on nuclear energy and security in Southeast Asia. For instance, through DTRA’s support, Pacific Forum can regularly convene bilateral workshops with Viet Nam and other Southeast Asian states that have expressed interest in civil nuclear energy, and also organize a multilateral dialogue through CSCAP and ASEAN Regional Forum (ARF) study groups.

Finding: The common talking point about the region not wanting to choose sides between the United States

and China was discussed. Vietnamese participants clarified that while they would prefer not to “choose sides” (a reductionist and zero-sum path), Hanoi does take positions on important issues, based on international law, sovereignty, autonomy, and Viet Nam’s national interest.

Recommendations: The United States should continue to call out bad (and illegal) behavior, and do so in coordination with key partners and allies in Southeast Asia, including Viet Nam, to improve clarity, and articulate that Southeast Asian concerns are heard. This counters the pervasive Chinese narrative that “upholding international norms and law” is “anti-China” and replaces it instead with a narrative of universal advocacy benefiting all nations – large and small.

Finding: The dialogue was immensely successful. It did not require some warm-up time or effort to “break the ice.” There was no apparent need for the two sides to

feel each other’s pulse. Discussions were lively, rich, and substantive, unusually so for an inaugural dialogue with a non-ally country, even at the Track 2 level. This suggests that the U.S.-Viet Nam security relationship is ready to be expanded and deepened.

Recommendations: The dialogue should continue and build on that promising momentum, focusing on issue areas most relevant to the current and planned work at the Track 1 level. DTRA should sustain this effort and consider alternating venues between Hanoi and Washington, DC, should COVID19 travel restrictions ease. While meetings in Hanoi help U.S. participants understand Vietnamese institutions and strategic thinking better, meetings in Washington, DC can build goodwill among Vietnamese experts and expose them to U.S. institutions. Meetings in Washington, DC can also allow U.S. experts unable to travel to Hanoi to attend and contribute their expertise.

The United States and Viet Nam: Charting the Next 25 Years in Bilateral Security Relations

2020 marked the 25th anniversary of the normalization of diplomatic relations between the United States and the Socialist Republic of Viet Nam. The dialogue started by contextualizing the bilateral security relations to better understand the two countries' current priorities and goals, and to better generate actionable recommendations.

U.S.-Viet Nam Relations at 25: Comparative Regional Security Assessments of Priorities and Goals

Critical to advancing the security relations is understanding the determinants of U.S.-Viet Nam strategic cooperation. This is particularly vital given their markedly different political and governance systems. Both Washington and Hanoi share a strong interest and need each other on three important issues: 1) denial of Chinese dominance of the South China Sea and Southeast Asia; 2) defending a rules-based order in the region; and 3) restructuring the supply chains out of China to avoid excessive dependence on the Chinese market. The first issue underscores the importance of the South China Sea to the national interest of both countries.

Viet Nam, at the very least, wants the current status quo to remain in place, and to manage disputes with China in ways that do not lead to open hostilities. The United States, meanwhile, wants to keep the South China Sea free from Chinese (or any nation's) domination and control, and wants littoral states in Southeast Asia to enjoy their maritime entitlements as guaranteed under international law, free from Beijing's coercion. Hanoi also has a strong interest in reducing China's overwhelming influence in the Mekong and in strengthening the strategic autonomy of Association of Southeast Asian Nations (ASEAN) and Southeast Asia - all elements that the United States also supports. The second issue grounds cooperation on principled foreign policy positions. Participants from both sides recognize that stronger bilateral cooperation cannot (and should not) simply rest on the idea of "countering or containing China" amid prevailing competition - a narrative perpetuated by Beijing. Emphasis on adherence to international law provides a stronger, more universal rationale to security partnerships. The third issue highlights that economic issues are intrinsically linked to security. Both Vietnamese and U.S. participants are keenly aware that heavy economic dependence on China will provide Beijing with strategic levers through which to achieve political and security objectives.

Because open conflict is prohibitively costly, there is an expectation that the United States and China will compete below the threshold of armed conflict. This does not preclude the possibility, however, of miscalculation leading to direct, kinetic conflict. This competition is here to stay. Areas of friction may include arms races, proxy wars, local conventional war, and "war by other means," such as political warfare, psychological warfare, information warfare, economic warfare, and cyberwar. Viet Nam is on the frontline in all of these, making U.S. presence in the region both stabilizing and beneficial from a Vietnamese perspective.

Some U.S. experts, while recognizing that U.S.-Viet Nam relations have come a long way, have suggested that both sides move beyond admiring the past. They highlight the overarching reality in Asia - and the world - which is characterized by the rise of China, its enormous growing power, and its willingness to use that power to pursue regional domination. China appears to be pursuing its goals by isolating and coercing regional states to break apart any coalition. U.S. experts argue that Viet Nam might fall into Beijing's sights before long. Hence, the United States has an interest in aiding any state seeking to stand up to Beijing. They see Viet Nam as presenting an especially important case. It is a large economy, with a strong military, and occupies an important geographical position, vulnerable to China's growing military power and coercion. The United States benefits from a strong, independent, and influential Viet Nam that balances Chinese assertiveness in Southeast Asia.

Recommendations

Strategic Partnership within two years

The United States should formally offer to accelerate talks on upgrading the relationship into a strategic partnership, with the aim of further elevating it

to a "Comprehensive Strategic Partnership" by the end of the decade. Although there is tacit understanding among Vietnamese and U.S. participants that the bilateral relationship is already a strategic partnership except in name, formalizing the partnership would perform three important tasks. First, it would signal a higher commitment on both sides and provide a framework for closer and more strategic cooperation between the two countries. Second, it would send a signal to China that Viet Nam and the United States are committed to a rules-based order and prepared to take action to defend it. Third, and most importantly, it would help balance Viet Nam's relations with the major powers, giving the country more options. Currently, Viet Nam maintains formal "comprehensive strategic partnerships" with China (since 2008), Russia (since 2012), and India (since 2016) and formal "strategic partnerships" with 14 other countries. As a strategic partner, and later, a comprehensive strategic partner, the United States can better help Viet Nam maintain, not just to enhance strategic autonomy but also to align policy that favors the rule of law.

“Critical to advancing the security relations is understanding the determinants of U.S.-Viet Nam strategic cooperation. This is particularly vital given their markedly different political and governance systems.”

Washington and Hanoi should aim to conclude strategic partnership talks within the next two years. A two-year timeframe would allow both sides to make progress on outstanding issues - building deeper trust while also providing enough room for the two governments to transition from COVID19-related priorities.

Multilateral Dialogues for the South China Sea and the Mekong

The United States should sponsor regular multilateral dialogues (tracks 1, 1.5, and 2) on upholding international law and a rules-based order, especially in the South China Sea that Viet Nam can participate in. A focus on rules-based order rather than "great-power competition" will keep U.S.-Viet Nam cooperation principled and compelling. A similar initiative focusing on securing a prosperous and open Mekong region through the Mekong-U.S. Partnership, in sync with Japan-Mekong cooperation, South Korea-Mekong cooperation, India-Mekong cooperation, Australia-Mekong cooperation, and EU-Mekong cooperation, should be initiated. This initiative would ensure that China's often disruptive behavior, especially its control of the Mekong upstream is made continuously transparent through international scrutiny and attention. Such initiatives would also help dilute excessive Chinese influence in other Mekong countries: in Laos, Cambodia, Thailand, and Myanmar. These dialogues would help generate joint activities - bilateral and multilateral, military, paramilitary and civilian - serving to isolate disruptive unilateral behavior.

Cooperation in Strengthening Deterrence and International Law in the South China Sea

Both U.S. and Vietnamese participants recognize the importance of maritime security to each other's national interests. The dialogue's panel session on the South China Sea began with a survey of the worsening strategic maritime environment. Over the last decade, there has been a steady increase in frequency and intensity of gray-zone pressures applied by Beijing against Hanoi in the South China Sea. Having completed most of the major infrastructure on its artificial island bases in the Spratlys by the end of 2017, China has been able to forward-deploy large numbers of navy, coast guard, and especially militia boats 800 miles from the Chinese coast. This has radically upended the peacetime status quo. China can now maintain persistent, large-scale patrols around fishing and oil and gas operations in Viet Nam's exclusive economic zones that fall within the so-called nine-dash lines.

China's numerical advantage, robust intelligence, surveillance, and reconnaissance (ISR) dominance, and willingness to increase the risk of collision give Beijing considerable advantages. The naval, law enforcement, and militia vessels of its neighbors, including Viet Nam, are unable to respond in kind, and number, to every Chinese deployment. This leaves Viet Nam and other Southeast Asian parties unable to guarantee the safety of civilian investors operating in their exclusive economic zones, leading to the slow but steady reduction of offshore industries -- most visible in Vietnam's offshore energy sector. The increasing presence of Chinese naval, law enforcement, and militia assets in Viet Nam's legitimate exclusive economic zone (EEZ) demonstrate how the nine-dash line claim has increasingly been operationalized, and how the enforcement of international law has weakened in maritime Southeast Asia.

As a comprehensive partner, the United States has focused mainly on modest assistance related to building Viet Nam's own maritime patrol and surveillance capabilities. It has also provided diplomatic support for Viet Nam and other Southeast Asian parties. These are useful, but insufficient, according to U.S. participants. Viet Nam, meanwhile, continues to rely on ASEAN to manage the worsening situation. Hanoi has been championing an effective, United Nations Convention on the Law of the Sea (UNCLOS)-compliant code of conduct in the South China Sea. This is critical in light of a Chinese proposal including a veto provision on joint military exercises conducted by non-ASEAN states in the South China Sea. Vietnamese experts have repeatedly stressed that U.S. presence and engagements in the region are stabilizing.

Recommendations

More maritime equipment and funding

The United States should do more to help Viet Nam build up its ISR capabilities, particularly by better incorporating remote sensing technologies that can help make up for China's dominance in hull numbers and legacy ISR platforms. The transfer of two U.S. Coast Guard cutters to Viet Nam Coast Guard was a step in the right direction but considering the enormity of the China challenge in the South China Sea, more needs to be done. U.S. participants underscored the need to match efforts to improve Viet Nam's maritime domain awareness with funding for equipment and surface assets that bolster Hanoi's presence in its vast EEZ. On the latter, however, concerns were raised by Vietnamese experts about the

challenge of extra manpower, noting that transfer of vessels will likely result in personnel-related problems (e.g., a lack of properly trained sailors; an issue with national policy on decreasing the number of armed service personnel).

Intelligence cooperation to counter Chinese narrative

The United States and other partners should assist by undertaking air and maritime patrols similar to those performed in East China and Yellow Seas, to photograph, document and disseminate evidence of DPRK ship-to-ship transfers. U.S. participants expressed support for Viet Nam's recent efforts to identify, document (by photographing on the water), and publicize Chinese maritime militia deployments to complement and supplement information provided by remote sensing tools. They suggested helping Viet Nam publicize Chinese illicit activities revealed by these ISR capabilities and using them to impose diplomatic and economic costs on Beijing. Evidence should be disseminated and discussed in ASEAN meetings to counter Chinese media narrative, including disinformation.

Ship-rider agreement and other operational arrangements

U.S. experts brought up the idea of creating one or more cooperation framework(s) for U.S. assets and personnel. An example of this is a Ship-Rider Agreement that would allow Viet Nam Coast Guard to cooperate with U.S. Coast Guard ships deployed to the South China Sea as well as U.S. Navy ships transiting the South China Sea. Vietnamese participants did not push back against these proposals. While the Chinese reaction can be an issue, a focus on international law, and forging similar arrangements with other powers like Japan, India, and Australia can help set broader international support, offsetting political sensitivities, especially among some in the Vietnamese government worried about Chinese reprisal.

Military Modernization and Capacity-building – The Role of the United States

The U.S. government has made countering Chinese challenges a top national security priority. The Biden Administration has been clear about this commitment, and there is strong bipartisan consensus in Congress. This is the driver behind America's interest in helping Viet Nam modernize its armed forces. Viet Nam was one of the recipient countries of the Defense Department's \$425 million, five-year Southeast Asia Maritime Security Initiative. The United States transferred to Viet Nam two decommissioned U.S. Coast Guard cutters, now Viet Nam's largest coast guard ships. Also provided were Scan Eagle Unmanned Aerial Vehicles (UAVs) and T-6 trainer aircraft.

Since 2016, Viet Nam has engaged in, and become more interoperable with, its neighbors through U.S.-led law enforcement and military exercises including the Southeast Asian Maritime Law Enforcement Initiative (SEAMLE), the ASEAN-U.S. Maritime Exercise, and the Rim of the Pacific Exercise (RIMPAC).

Vietnamese participants recognize the value of U.S. assistance and see additional roles for Washington in achieving the Viet Nam People's Armed Forces' goal of building a modernized military by 2030, focusing on credible naval and air forces.

But while China-related security concerns were the biggest drivers of U.S.-capacity-building initiatives for

Viet Nam's armed services, both American and Vietnamese participants identified China as the main brake. In particular, Vietnamese policymakers see their country's interests best served with a military relationship with the United States that does not overly disrupt Viet Nam's relations with China. Despite significant differences and tumultuous history, China remains Viet Nam's most important foreign relationship, in part because of geographic proximity. Viet Nam also does not want to take a side with the United States or be seen as taking side.

Given that China serves as both driver and a brake in the development of closer U.S.-Viet Nam security relations, participants identified that Viet Nam's two enduring policies would likely persist in determining cooperation with the United States on military modernization and capacity building: 1) Viet Nam's "omnidirectional" foreign policy; and 2) its "Three No's" defense policy (no military alliances, no aligning with one country against another, and no foreign military bases). The former means that Hanoi often will likely pair its outreach to Washington with other major actors, notably Tokyo, Moscow, New Delhi, Canberra, and Beijing. The latter means that Viet Nam will, whenever possible, avoid becoming a full partner in elements of the Indo-Pacific Strategy that are seen as being explicitly anti-China. Viet Nam, however, will pursue military relationships that improve their independence, sovereignty, and security and will support strategic initiatives that promote the rule of law – specifically those that address actions of any country seeking to undermine it.

The other significant constraints include U.S. policy of relating lethal arms exports to the state of human rights and civil liberties in recipient countries, U.S. law targeting recipients of Russian arms sales (i.e., Countering America's Adversaries Through Sanctions Act (CAATSA)), Viet Nam's limited capacity to absorb U.S. military technology, including cost, steep learning curve,

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interoperability with current systems (mostly Russian), and inadequate language capacity on both sides. Some Vietnamese participants cited “trust deficit” as an outstanding issue, especially when U.S. politicians bring up human rights concerns.

Recommendations

Coordination with likeminded states on capacity-building

The United States should support the diversification of Vietnamese defense partnerships and cooperation, while not giving the impression that Hanoi has “sided with the United States.” This can be done by coordinating with allies and partners on capacity-building

programs to avoid unnecessary duplication and ensure interoperability. Simultaneously, the United States should build a more substantive relationship with Viet Nam featuring an expanded range of cooperative efforts – such as those related to Science and Technology, and trade – equally important elements in building overall security.

CAATSA Waiver

Some U.S. experts argued that Washington should support Hanoi's acquisition of India's BrahMos cruise missiles as a quick and cost-effective means of boosting Viet Nam's cost-imposing deterrent capability. The fact that the BrahMos system has Russian propulsion requires a waiver from CAATSA. The United States should consider waiver options to hasten this significant capability improvement.

More Foreign Military Financing (FMF)

The United States should significantly increase foreign military financing for Viet Nam to allow Hanoi to access sophisticated U.S. military hardware over the long term. An increased FMF to Viet Nam (and Southeast Asia in general) will add more credibility to U.S. Indo-Pacific defense policy, presence, and operations. Many interlocutors continue to highlight the difference between U.S. rhetoric (Indo-Pacific as priority theater) and U.S. military aid (Middle Eastern countries continue to top the list of FMF recipients).

Level up discussions on constraints

Both governments should form two parallel working groups (one at track 1 and one at track 2) to study and discuss Hanoi's defense requirements and priorities, and explore options, including financing and navigating political and institutional constraints. A version of this dialogue could lead the track 2 effort to prepare for, and then support, a track 1 companion. Pacific Forum stands ready to support, should this path be pursued.

Advancing Military-to-Military Relationship

During discussions on advancing military-to-military relations, two major issues were discussed: a lingering trust deficit and ways to deepen military engagements.

Both Vietnamese and American participants discussed trust at length. While both countries have overcome many of their Viet Nam War-related historical and political animosities, there remains a significant trust deficit.

U.S. participants suggested that

Washington can continue to build and reinforce trust with Hanoi through a series of confidence-building measures (CBMs). CBMs, including summits, ministerial meetings, track 2 dialogues, and military exchanges, provide an opportunity for the United States and Viet Nam to listen to each other and build habits of cooperation, thereby helping enhance trust.

Vietnamese participants, likewise, see trust as an essential prerequisite to closer military ties. They cite U.S. government reports and statements by American politicians related to human rights in Viet Nam as key factors eroding trust. For some Vietnamese political leaders, the West's focus on human rights is tantamount to

calling for regime change, something that American participants denied.

Persistent trust issues aside, however, participants cited the 2021 Institute of Southeast Asian Studies (ISEAS) poll showing that among the elites in Southeast Asia, the Vietnamese are the most optimistic about the United States. Could this mean that the United States and Viet Nam can overcome trust issues and “move up the value chain” of military-to-military relations? U.S. participants noted that while advancing, U.S.-Viet Nam military relations remain at a “lower level” involving the easiest types of cooperation: humanitarian assistance and disaster relief, counterterrorism, and search and rescue. One significant hurdle is the language barrier. Competency in English remains an issue for the Vietnamese armed forces, while the United States possesses few personnel able to converse in Vietnamese.

In addition, opportunities for Vietnamese military officers to attend U.S. institutions need both expansion and incentives. Currently, it is mostly senior Vietnamese colonels who attend U.S. War Colleges. Unfortunately, they typically retire shortly thereafter, limiting the impact of their U.S. training on their institutions. Also, while there is currently a first Vietnamese cadet at the U.S. Air Force Academy, no cadet is attending the U.S. Military Academy, even though these institutions have offered slots for them over the past five years. Still, overall Vietnamese participants recognize the value of sending officers to U.S. institutions, and U.S. participants made clear that education and training exercises set the foundation for Viet Nam to get a good grip on Western-style security institutions and military modernization.

Recommendations

The U.S. side put forward numerous recommendations focused on small initiatives rather than complex power projection operations. The idea was that, with time, these initiatives could add up and address both the trust deficit and the need for the Vietnamese military to achieve institutional maturity, modernization, and a credible defense posture.

Bilateral Military Engagements

Both sides agree that they should pursue several bilateral security arrangements. These include joint at-sea naval engagements between the two Navies focusing on the Code of Unplanned Encounters at Sea (CUES), general communications, formations, joint engagement activities between the U.S. Marine Corps and Viet Nam Naval Infantry focusing on non-traditional security threats, and a bilateral agreement on a Ship-Rider Program.

The General Security of Military Information Agreement (GSOMIA), currently in the final negotiation stage, should be completed this year. GSOMIA sets the conditions for classified information sharing, and it will also help Hanoi acquire sophisticated U.S.-made defense articles.

To address lingering trust issues, U.S. and Vietnamese participants suggested increasing the frequency and quality of bilateral dialogues and visits among senior military level leaders to build personal relationships and to introduce new arrangements for discussion. Viet Nam should also consider sending junior officers (captain and below, in addition to their more senior counterparts to U.S. educational and training institutions to maximize impact. The Department of Defense should set up a mechanism for cohorts of

Vietnamese officers to be sent to U.S. military engineering or signal schools for those in the technical fields, and to the Infantry or Armor schools for combat arms officers. Sustained efforts to address Viet Nam War legacies, such as the lingering impact of Agent Orange, were also mentioned as essential to address the trust deficit.

Address language barriers and trust issues

Addressing language barriers requires both short-term and long-term solutions. Short-term, the United States should provide opportunities for thousands of junior Vietnamese officers to study English, both in Viet Nam, through ad-hoc educational programs, and in the United States, through the provision of full scholarships. Long-term, the United States and Viet Nam should establish an in-country English language training center, specifically for military officers of non-English speaking ASEAN countries, such as Cambodia, Laos, Myanmar, Thailand, and Viet Nam.

To help address trust issues, the United States should continue to provide development assistance that mitigates the impacts of Agent Orange and unexploded ordnance. USAID and the U.S. Mission in Viet Nam should sustain current efforts that focus on impacted civilian populations but with closer coordination with Vietnamese authorities.

Multilateral Military Engagements

In terms of multilateral arrangements, the U.S. side recommended that Washington, in coordination with Tokyo, New Delhi, and Canberra, formally invite Vietnamese officials to join Quad exercises as “observers” (Quad Plus), while also suggesting that the United States be more involved in Southeast Asia-focused regional security mechanisms.

Vietnamese experts in attendance welcomed these suggestions. On the latter, U.S. participants proposed that the United States and Viet Nam co-chair the ASEAN Defense Ministers Meeting (ADMM) Plus Maritime Security Expert Working Group. While a potentially sensitive area, it would send a powerful message to the region and to the ADMM Plus as an organization about the aligned U.S. and Vietnamese interests. Some participants also suggested that Washington and Hanoi coordinate better to shape the agenda of the Southeast Asia Maritime Law Enforcement Initiative (SEAMLE); SEAMLE is a coast guard forum funded by the U.S. Departments of Defense and State, and Viet Nam was one of the original founding members.

Nuclear Energy Plans and Nonproliferation Cooperation

Noting growing energy demands in Viet Nam and recent indications that Hanoi is again considering acquiring a nuclear power generation capacity, both U.S. and Vietnamese participants see an excellent opportunity for bilateral cooperation in civil nuclear technology.

U.S. experts described Viet Nam’s work in adopting global “best practices” in nonproliferation and in reaching a civil-nuclear cooperation agreement (a.k.a. “123 Agreement”) with the United States several years ago as big successes. They argued that those efforts laid a strong foundation for cooperation.

U.S. participants highlighted the considerable history of safety, reliability, and security advantages of U.S. nuclear technology compared to Chinese and Russian

nuclear suppliers. In addition, new, Small Modular Reactor (SMR) designs are approaching certification in the United States. They could soon allow countries, including Viet Nam, to have more affordable, rapidly deployable, grid-appropriate, and nonproliferation-responsible nuclear power generation options.

To advance bilateral cooperation, U.S. participants highlighted that Washington had developed new mechanisms, such as the Nuclear Cooperation Memoranda of Understanding (NCMOUs), which link and engage various nuclear technology-related sectors. These NCMOUs are extremely valuable in building relationships and capacities between the industrial, regulatory, and scientific communities in partner countries, something that Viet Nam would find useful if Washington forged one with Hanoi.

There was also a discussion of the strategic risks associated with the entanglement with the Russian or Chinese civil-nuclear sectors, which U.S. participants stressed are not genuinely commercial operations but, rather, “mechanisms of the state” that open their foreign partners to financial, political, and strategic manipulation. For instance, U.S. participants highlighted that the Chinese nuclear sector is working closely with Chinese military authorities on naval nuclear propulsion plants for aircraft

cooperation and establish stronger ties between their industrial, regulatory, and scientific sectors – not simply on potential nuclear power generation projects but also other peaceful applications of nuclear technology.

Civil Nuclear Capacity-building

In parallel, Vietnamese officials and U.S. officials from the Departments of Energy and State should meet to discuss cooperative opportunities in capacity-building programs to help better prepare Vietnamese regulators and other experts for effective management, oversight, and stewardship of a possible nuclear power generation program.

Avoid Second-Rate or Manipulative Partners

It is in the interest of Viet Nam and the United States that Hanoi avoid Russian or Chinese civil-nuclear relationships. For Viet Nam, two potential disadvantages were cited: 1) Chinese and Russian supplies do not offer technology that is safe, reliable, secure; and 2) those suppliers have a history of using such relationships for political and strategic manipulation. Hence reducing Viet Nam’s strategic autonomy. The United States should double-down on efforts to keep Viet Nam from engaging with both China and Russia in these sectors.

“...entanglement with the Russian or Chinese civil-nuclear sectors, which... are not genuinely commercial operations but, rather, “mechanisms of the state”... open their foreign partners to financial, political, and strategic manipulation.”

carriers and submarines that will present a military threat to Viet Nam and others. China is also working on Floating Nuclear Power Plants (FNPPs) to support China’s presence in the South China Sea. Hence, partnering with Beijing (and Moscow) in the nuclear power sector risks creating linkages to other nuclear-related Chinese (and Russian) efforts.

Vietnamese participants, meanwhile, made it clear that they see cooperation with the United States on civil nuclear energy as extremely beneficial. Nevertheless, more than just a supplier, Hanoi wants partnership with Washington. Vietnamese participants expressed interest in moving beyond a supplier-client relationship by establishing mechanisms to cooperate on nuclear technology research, human resource development, and nuclear energy-related legislation and institutions.

Vietnamese participants emphasized that Viet Nam supports all regional and global efforts related to nuclear disarmament and nonproliferation, and that Viet Nam would consider the deployment of floating nuclear power plants in disputed areas of the South China Sea a threat to regional peace, stability, and safety.

Lastly, U.S. participants stressed that nuclear power cooperation creates close strategic relationships that can last many decades, making this an important area for Hanoi to focus on, to solidify its partnership with Washington over the long term.

Recommendations

Sign a bilateral NCMOU

Vietnamese officials and U.S. State Department officials should negotiate an NCMOU to symbolize the two countries’ commitment to deepening peaceful nuclear

Work with the IAEA

Vietnamese officials and U.S. State Department and Energy Department officials should work with the International Atomic Energy Agency (IAEA) to showcase Viet Nam as a nonproliferation model. In particular, the Agency should use the Viet Nam example to help promote the universalization of the Additional Protocol.

More active U.S. diplomacy in Southeast Asia

The United States should collaborate with Viet Nam and ASEAN to address the emerging challenges of potential floating nuclear power plants. The United States and Viet Nam can lead in developing regional consensus against deployment of floating reactors in disputed waters and features.

Potential role for DTRA to shape regional nuclear governance

The United States, through DTRA, can help develop regional consensus on floating reactors, as well as on civil nuclear energy technology standards and governance, including those related to safety and nonproliferation. To this end, DTRA should sponsor regular track 1.5 workshops and dialogues on nuclear energy and security. For instance, Pacific Forum can lead sustained bilateral workshops with Viet Nam and other Southeast Asian states that have expressed interest in civil nuclear energy. Additionally, there should be at least one track 1.5 or 2 regional dialogue on nuclear energy and security that can feed into track 1 ASEAN-related meetings. Pacific Forum, with DTRA’s support, can also organize a Council for Security Cooperation in the Asia Pacific (CSCAP) regional dialogue or study group on nuclear

energy and security, which will not only consolidate findings from bilateral workshops but also focus on sustained efforts to achieve regional consensus on contentious issues. CSCAP, a network of government and private think tanks throughout the Indo-Pacific, is an ideal platform to discuss regional efforts and impact policy.

Towards a Strategic Partnership—Identifying Synergy in U.S.-Viet Nam Strategic Interests

Participants agreed that the national security interests of the United States and Viet Nam largely align. These aligned interests include: 1) a willingness to promote a strong, independent Viet Nam; 2) a commitment to a rules-based international order; and 3) enduring U.S. presence in the region.

Both countries share an interest in ensuring that Viet Nam's armed forces are increasingly modern and capable of self-defense. For the United States, a strong and capable partner helps deter and protect against coercive Chinese behavior. Washington and Hanoi also share an interest in a rules-based order that stands against unilateral changes to the status quo, coercion, and the use of force. By jointly advocating for adherence to international law, and grounding bilateral and multilateral security cooperation on the rule of law, U.S.-Viet Nam security relations can be principled and attractive for both countries' domestic audience. It means that closer security relations should be built on a set of principles and shared ideals, and not merely on the idea of countering China as a by-product of competition between great powers. It also means strengthening regional institutions to defend international rules and norms better. Third, the United States sees its presence in the region as critical for the defense of regional and global shared interests, and Viet Nam is not hostile to that presence. As mentioned, many Vietnamese elites deem such U.S. presence stabilizing.

The common talking point about the region not wanting to choose sides between the United States and

China is here to stay. That said, Vietnamese participants clarified that while they would prefer not to "choose sides" (a reductionist and zero-sum path), Hanoi does take positions on important issues, notably on the basis of international law and Viet Nam's national interest. The United States, then, should continue to call out bad (and illegal) behavior, and do so in coordination with key partners and allies in Southeast Asia. This is important because it helps counter the pervasive Chinese narrative that "upholding international norms and law" is "anti-China" and, instead, replaces it with a narrative of universal advocacy benefiting all nations - large and small.

Overall, the dialogue was immensely successful. Warm-up time or efforts to "break the ice" were unnecessary. There was no apparent need for Vietnamese and U.S. participants to feel each other's pulse. Discussions were lively, frank but cordial, and substantive, unusually so for an inaugural dialogue with a non-ally country, even at the Track 2 level. This suggests that the U.S.-Viet Nam security relationship is ready to expand and deepen, and future dialogues can explore even more sensitive but important topics.

To build on this promising momentum, DTRA should sustain the dialogue by focusing on issue areas most relevant to the current and planned work at the Track 1 level, identified during pre-dialogue coordination meetings with key stakeholders. As this effort transitions into an annual in-person dialogue, alternating venues between Hanoi and Washington, DC should be considered. While meetings in Hanoi help U.S. participants understand Vietnamese institutions and strategic thinking better, meetings in Washington, DC can build goodwill among Vietnamese experts and expose them to U.S. institutions. Meetings in Washington, DC can also allow U.S. experts unable to travel to Hanoi to attend and contribute their expertise.

ABOUT THE PRINCIPAL INVESTIGATORS

Robert Girrier (RADM, USN, Ret.) is former President of the Pacific Forum. He currently sits as member of the Forum's Board of Directors. A naval leader with over thirty years' maritime experience and extensive operations throughout the Indo-Asia-Pacific, Europe and Middle East, he commanded two carrier strike groups, a destroyer squadron, destroyer, and a mine countermeasures ship. His operational assignments culminated as Deputy Commander Pacific Fleet and as the Director of Operations for U.S. Pacific Command. Efforts focused on directing theater-wide operations and day-to-day engagement; building high-level allied and partner relationships & capacity; developing strategy, planning for contingencies and executing crisis response. He led the stand-up of the Navy Staff's first-ever office of Unmanned Warfare Systems. In that position he built organizational momentum and made value case for unmanned & manned systems working in collaboration - and more capably - across increasingly connected environments.

Dr. Jeffrey Ordaniel is is non-resident Adjunct Fellow and Director for Maritime Security at the Pacific Forum. Concurrently, he is also Assistant Professor of International Security Studies at Tokyo International University (TIU) in Japan. He holds a Ph.D. in International Relations and specializes in the study of offshore territorial and maritime entitlement disputes in Asia. His teaching and research revolve around maritime security and ocean governance, ASEAN regionalism, and broadly, U.S. alliances and engagements in the Indo-Pacific. From 2016 to 2019, he was based in Honolulu and was the holder of the endowed Admiral Joe Vasey Fellowship at the Pacific Forum. Since 2019, Dr. Ordaniel has been convening the Indo-Pacific Maritime Security Expert Working Group, an informal network of select experts and scholars from Japan, Southeast Asia, Australia and North America, with the aim of generating sound, pragmatic and actionable policy prescriptions for the region. His current research on maritime security in Asia is funded by the Japan Society for the Promotion of Science (JSPS), 2020-2022.

Dr. David Santoro is President of the Pacific Forum. He specializes in strategic deterrence, arms control, and nonproliferation. Santoro's current interests focus on great-power dynamics and US alliances, particularly the role of China in an era of nuclear multipolarity. His new volume *U.S.-China Nuclear Relations - The Impact of Strategic Triangles* was published by Lynne Rienner in May 2021. Santoro also leads several of the Forum's track-1.5 and track-2 strategic dialogues. Before joining the Pacific Forum, Santoro worked on nuclear policy issues in France, Australia, Canada, and the United Kingdom. In the spring of 2010, he was also a Visiting Fellow at New York University's Center on International Cooperation and, in 2010-2011, he was a Stanton Nuclear Security Fellow at the International Institute for Strategic Studies in London. Santoro is co-editor, with Tanya Ogilvie-White, of *Slaying the Nuclear Dragon* (University of Georgia Press, 2012) and author of *Treating Weapons Proliferation* (Palgrave, 2010). His essays have been published in several foreign policy monograph series and journals, including *The Nonproliferation Review*, *Proliferation Papers*, *Survival*, and *The Washington Quarterly*, and his op-eds have appeared in *The Bangkok Post*, *The Bulletin of the Atomic Scientists*, *The Japan Times*, *PacNet*, *The Sydney Morning Herald*, and the *Wall Street Journal*, among others.

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