

## **ASEAN - HANOI'S NEW "CORNERSTONE"?**

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At the fifth national congress of the Communist Party of Vietnam (CPV), in December 1981, Le Duan, the secretary general of the Party, proclaimed that "full solidarity and cooperation" with the Soviet Union would be "the cornerstone" of the foreign policy of the Party and the country. This principle was publicly reiterated with vigour by all leaders of the CPV in the following years. They accepted Le Duan's explanation that the firm pursuit of such a policy would guarantee Vietnams' national security, the building of socialism in Vietnam, and "the consolidation of socialism on the Indochinese Peninsula".

The explanation was quite logical, for in the next few years, Vietnam was to face conflict with China, war with a Cambodia backed by China, confrontation with ASEAN, economic blockade led by the United States, as well as a disastrous economic situation at home.

In order to cope with such enormous problems, the CPV leadership moved further and further into the orbit of the Soviet Union, joining Comecon in June 1978, then signing a treaty of friendship and collaboration with Moscow, in November. In return Vietnam received full economic, diplomatic and military backing from the Soviets. For the next 12 years, Soviet economic and military aid was substantial, with an average of US \$ 2 billion per a year; Vietnam's huge military establishment (over 1.2 million regular troops) and its costly military operations in Cambodia were fully underwritten by the Soviets; and Soviet unfettered diplomatic support gave Vietnam protection from a possible large scale attack by China.

With firm Soviet support, the CPV leadership felt it could pursue a hard line, internally and externally. At home it pursued with great determination a policy of "socialist transformation" of the country. Abroad, it did not shrink from confrontation with China, either in regard to the problem of the "hoa" (Vietnamese of Chinese origin), or full domination of Laos, and especially, of Cambodia, which China had warned it would oppose; nor from confrontation with ASEAN over the division of Southeast Asia into two "blocs", ASEAN, and an "Indochinese bloc" led by Vietnam; nor, finally, from a confrontational attitude towards the United States, especially over Cambodia.

In the eyes of the CPV leadership. Vietnam's victory in 1975 had tipped the world balance of power in favour of the socialist camp, and the struggle to prove "who will defeat whom" between the socialist and the capitalist systems had to be pursued to a logical and quick end. As "a staunch contingent of the international communist and workers' movement" and an "outpost of socialism" in the world, Vietnam was determined to fulfill its "internationalist duties" to accelerate the process. With continued unfailing Soviet concurrence and support, it was bound to succeed.

Unfortunately, Soviet support did not last. Beginning with 1986, it was becoming increasingly obvious to the CPV leaders that the Soviets were no longer willing to give the CPV full and unconditional backing, and so, because under a new Soviet leadership, the Soviet Communist Party had a new line. The new Soviet attitude line, and disapproval of the CPV's line were brought home to the CPV when the latter secretly sent a delegation to Moscow in May 1988 to get the PCSU's approval for the platform to be presented to the CPV seventh national congress. The members of the CPV were stunned on being told by their Soviet counterparts to scrap most of their usual hard line socialist ideas, and replace them with new ones directed at the building of a new world based on cooperation instead of confrontation, both internationally and domestically.

In the next two years, the Soviets were to tell Vietnam to disengage from Cambodia and accept an international solution to the conflict. They forced Vietnam to cut down the size of its regular forces by 600,000. In January 1990, they practically terminated all economic and financial aid to its ally: from US \$ 2 billion a year, this aid was cut down to US \$ 110 million a year, of which only 10 million were grants aid. In addition, they demanded that Vietnam pay its debts to the Soviet Union, as well as its purchases of Soviet goods, in hard currencies instead of rubles. Then, unkindest of all, the CPSU allowed the communist regimes of Eastern Europe to fall, and still worse, itself to be destroyed.

Vietnam now faced total diplomatic isolation, as well as total economic collapse. Until the lifting of the embargo by the US, which would permit foreign investments to flow in and enable Vietnam to breathe economically, the only door through which the country could get some fresh air and avoid suffocation was ASEAN. Establishing and expanding good relations with this organisation became the new "cornerstone" of Vietnam's foreign policy. This explains the frantic efforts deployed by Vietnam in the past two years to gain for Vietnam acceptance by ASEAN, and now, admission into its ranks.

It is against the above background that one should view the vast campaign conducted by Hanoi in the past two years to advertise Vietnam's adoption of a "new policy" of "opening up to the world" aimed at foreign business circles, and of intense diplomatic activities aimed at charming the governments of ASEAN.

On the business side, Hanoi has sought to generate a scramble psychosis among foreign businessmen of various countries. The arguments used in various ways, soft as well as tough, were "get in now, or it will be too late"; "those at the head of the queue will get preferred treatment". The campaign has been quite successful. Tens of thousands of impatient businessmen have flocked into Vietnam to "take advantage" of "the great opportunities" and "great potential" offered by the country, while those still held back by the American embargo or by their governments, especially the American companies, have fretted more and more. In the rush "not to miss out", they have thrown all caution to the wind. They paid little attentions to the lack of basic conditions for doing serious business: the existence of solid physical infrastructures, a clear and foolproof legal framework, a competent and honest bureaucracy, and above all, good protection against fraud and widespread pilfering resulting from a serious obvious breakdown of law and order because for hungry people the overriding concern is survival at all costs and by all means.

The Hanoi propaganda organs have boasted that, as of February this year, foreign investors have signed up for 363 projects totaling US \$ 2.3 billion. But this is since December 1988. Compared to the huge influx of foreign capital into ASEAN countries, into Thailand in a single year, for example, this is rather insignificant. Besides, of this amount, US \$ 600 million have gone into tourism and 523 million into gas and oil exploration. In this connection, the attitude of the Viet Kieu (Vietnamese residing abroad), should be pondered over. These people surely know the risks better than other people. They have invested only US \$ 32 million in 30 projects. For an exiled population of some two million, counting scores of millionaires among them, and capable of sending home to their relatives amounts estimated at US \$ 300-500 million per year, their attitude speaks volumes.

On the government to government plane, the success of the charm campaign has been more mitigated. The Philippines and Malaysia have been prompt in supporting Vietnam's admission to the organisation. But this support is limited for the time being to accepting Vietnam's signing of the Treaty of Amity and Cooperation of 1976, which would give Vietnam an observer status, but not full-fledged membership.

Although the leaders of ASEAN foresee Vietnam's signing of the treaty in July, they do not envisage Vietnam's admission as a full member immediately. Malaysia's Prime Minister Mahatir Mohammad has evoked a time frame of five years. Thailand and Singapore are not in favour of an unconditional entry of Vietnam. Prime Minister Anand Panyarachund of Thailand noted that Vietnam's economic system is incompatible with ASEAN's free market economies, and it is "quite pointless" to invite it (with Laos and Cambodia) to join as full-fledged members. His economic adviser, Dr. Narongchai Akrasenee, had a very felicitous characterisation of the situation. Membership of Vietnam with its present economic system would be, he said, "like marrying a duck with a hen". Mr. Anand wants to preserve Thailand's right to determine what kind of membership Vietnam should assume and "what kind of responsibilities should go with it". Singapore's position is somewhat more flexible. Prime Minister Gog Chok Tong said that Vietnam's admission as a full fledged member would depend on how successful it would carry out its economic reforms and become integrated into the international economic system – which, by and large, is a fully free market system. The implication is that more reforms are needed, and, as a start, the reforms already announced should be implemented seriously.

This is a great challenge to Vietnam's Prime Minister Vo Van Kiet, who has worked hard to convince ASEAN and other countries that they can safely and advantageously invest in Vietnam because the Vietnamese authorities sincerely want to pursue a policy of serious reforms and of opening to the outside world, as evidenced by the decisions of the Party's seventh congress last June

Mr. Kiet has apparently convinced many of his listeners. None of these seems to have been aware that the present composition of the Politburo was a compromise, and that Mr. Kiet's powers are rather limited. Under this compromise, the reformists, headed by Vo Van Kiet, were given large powers to conduct economic matters in return for not meddling in matters of politics and ideology, which were the preserve of the dominant conservatives headed by General Le Duc Anh.

It is thus not surprising that Mr. Vo Van Kiet has said very little, if anything at all, about politics and political reforms. Indeed while he was giving assurances about his readiness to go very far along the road of reforms, Dao Duy Tung, politburo member in charge of ideology and training, was holding a different kind of speech. In lectures at the Nguyen Ai Quoc Institute (the Party's school) to high cadres and directors of the Party schools Tung told that basically the Party's platform adopted in 1930 (that is at the time of Stalinist dominance) remained unadulterated.