

The Evolving Regional Order in East Asia: A View from Vietnam

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In recent years, East Asia has witnessed profound and daunting changes that have significantly transformed the regional order and created the highest level of uncertainty in the strategic environment since the end of the Cold War. In the current environment, both regional institutions and norms are being challenged. China has proposed or launched many initiatives that will have a significant impact on the regional order in East Asia, including the Belt and Road Initiative and the Asian Infrastructure Investment Bank, which is slated to fund various infrastructure projects across the region. The United States under President Donald Trump withdrew from the Trans-Pacific Partnership and appears to be ready to re-examine some of the long-standing core pillars of U.S. foreign policy. Japan is proactively adjusting its foreign and defense policies, including laying out five new principles for diplomacy and expanding their application to its relations with the Association of Southeast Asian Nations (ASEAN). Russia has become more active in regional affairs, pursuing a closer relationship with China and paying more attention to ASEAN. Finally, India is quickly shifting from a Look East to an Act East policy.

Given all these competing ideas and proposals, East Asia is experiencing its most difficult period since the end of the Cold War. All countries, within and outside the region, have been forced to rethink and recalculate their policy choices, amplifying the desire to form a new regional order to effectively manage these rapid and complex changes. This essay will briefly analyze the evolving nature of the regional order in East Asia from Vietnam's perspective and examine what role Vietnam could play in such a fast-changing environment.

The Regional Strategic Environment for Vietnam

Since the end of the Cold War, Vietnam has been quite successful in its reforms and opening up. This success partly comes from the fact that the country has enjoyed a relatively stable and peaceful regional environment. This strategic environment has exhibited several key features over the past

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three decades. First, freed from the ideological competition between the former Soviet Union and the United States, Vietnam no longer must take sides with any major power but is able to choose its own policy options. It normalized relations with China in 1991 and with the United States in 1995, and in 1995 it signed a framework agreement for cooperation with the European Union. Second, at the regional level, Vietnam joined ASEAN in 1995 and was successfully integrated into its cooperative mechanisms. Third, domestically, Vietnam's decision to reform its economy and embrace market-oriented principles has made it an integral and dynamic part of the regional economy. Favorable conditions in the region allow Vietnam to spend its limited resources on achieving its national development goals.

However, in recent years the rapidly changing regional strategic environment has presented Vietnam with many challenges. The first and greatest challenge is balancing between major powers, especially between a rising and revisionist China and the United States, which wants to maintain the status quo. The second challenge is managing regional security issues in the short and medium term so that they do not negatively affect the peaceful and favorable environment that Vietnam is enjoying. In recent years, hot spots in the Asia-Pacific such as the South China Sea, East China Sea, and Korean Peninsula have risen in temperature. Therefore, Vietnam faces the risk of having to divert resources from national development to other areas. The third challenge is dealing with nontraditional issues such as climate change and cybersecurity in an interconnected and globalized context. Finally, maintaining momentum for further domestic reforms will be a priority for Vietnam in the coming years.

Fundamental Changes in the Regional Order

Vietnam holds the view that peace and prosperity, which many countries in East Asia have enjoyed until recently, stem mostly from the current regional order, which was established and has been maintained by the United States over the last seven decades. Four key elements have sustained this regional order for such a long time: (1) the relatively stable balance of power and the dynamic relationships between the major powers, with the United States as an unchallenged hegemon, (2) the established regional institutional arrangements that serve as vehicles for all the regional actors to interact with each other for the sake of dialogue and trust building, (3) common rules and norms, and (4) the role of ASEAN as a unique and

important group of small and medium-sized countries in mediating between major powers.

Since the beginning of the 21st century, however, and especially since the global financial and economic crisis in 2008–9, these pillars of the current regional order have all been seriously eroded.¹ First, the balance of power in East Asia is being upended by the rapid change in the comprehensive national power of many regional actors. The dramatic economic growth of China is the most important driving factor behind this shift. In 2010, China overtook Japan to become the biggest economy in Asia in terms of GDP, second only to the United States worldwide. According to some estimates, the country's GDP (with purchasing power parity) will reach \$26.9 trillion by 2020 and \$58.5 trillion by 2050.² This rosy forecast makes China more confident in challenging U.S. primacy in the region. Apart from China, regional countries such as South Korea, Indonesia, and Vietnam are also rising and becoming more active and influential in international and regional affairs.

Second, competition for influence and leadership between major powers, especially the United States and China, is likely to heighten tensions in the region. Currently, there exist too many differences, ranging from economic and trade issues to security, human rights, and territorial and sovereignty issues. The trust gap between the United States and China will not be closed overnight. Managing the strategic competition between the two most important powers in the region will be the core challenge for building a new and peaceful regional order. The involvement of other major countries such as Japan, India, Russia, and Australia in regional affairs at various levels is further complicating international relations in East Asia.

Third, since the end of the Cold War, regional countries, especially ASEAN members, have spent great effort in building institutional arrangements such as the ASEAN Regional Forum, the East Asia Summit, ASEAN +1 (ASEAN bilaterals), ASEAN +3 (China, Japan, and South Korea), and the ASEAN Defence Ministers' Meeting-Plus. Along with these ASEAN-led groupings, the U.S. alliance system and the Asia-Pacific Economic Cooperation (APEC) are also important mechanisms for maintaining peace and prosperity in the region.³ By facilitating dialogue

¹ Zhang Tuosheng, "The Changing Regional Order in East Asia," *China-U.S. Focus*, January 4, 2014 ~ <https://www.chinausfocus.com/foreign-policy/the-changing-regional-order-in-east-asia>.

² PwC, "The World in 2050" ~ <https://www.pwc.com/gx/en/issues/economy/the-world-in-2050.html>.

³ Myung-koo Kang, "Review: East Asian Regionalism," *Journal of East Asian Studies* 10, no. 1 (2010): 160–62.

and building trust, these arrangements have helped manage disputes and prevent the use or threat of force. In addition, various agreements, both binding and nonbinding, such as the Treaty of Amity and Cooperation, the Bali Concord I and II, the ASEAN Charter, the Treaty on the Southeast Asian Nuclear-Weapon-Free Zone, and the Declaration on the Conduct of Parties in the South China Sea have provided basic principles guiding the behavior and relations among countries in and outside the region.

Fourth, over the past 50 years, ASEAN has successfully established frameworks to promote dialogue and cooperation, increase connectivity in East Asia, and encourage the participation of major countries by acting as a balancer and honest broker for their competing interests. But the role of ASEAN in regional security is changing. The three biggest challenges for the organization are improving its effectiveness and efficiency in a fast-changing environment, maintaining its centrality in the regional order in the face of intervention by external powers, and protecting against the loss of collective bargaining power due to lack of unity and strong leadership. In looking forward to the next 50 years, ASEAN will need to make bold reforms to address these challenges.

What Role Can Vietnam Play in the Regional Order?

In such a rapidly changing landscape, Vietnam holds the view that open regionalism is extremely important for ensuring peace and stability and promoting development. Open regionalism means that East Asia should be open for all, rather than being dominated by a single power, and based on the rule of law and common norms and standards. Vietnam also shares with other ASEAN members an interest in preserving the centrality of ASEAN and its unity on various international and regional issues. Maintaining the balance of power, upholding firm rules and norms, and keeping regional institutions open are fundamental to the order in East Asia. Vietnam can play the following roles in working toward these goals.

First, Vietnam can continue its domestic reforms to promote development and improve national capacity, especially in prioritized areas such as maritime security and the fishing industry. Actions the country can take to achieve these goals include developing its coast guard, raising maritime domain awareness, and modernizing its fishing fleet. By doing so, it can contribute to a new, dynamic strategic balance of power in the region.

Second, Vietnam will be consistent in its dynamic balancing policy in relations with major powers. The country has rich experience in dealing

with China and the United States, especially in the strategic and military domains. With China, priority will be given to maintaining stability and mutual trust, promoting cooperation as much as possible, and managing differences, especially those in the maritime domain. With the United States, Vietnam will work to build trust and deepen the comprehensive partnership for the sake of pursuing bilateral interests and contributing to peace and stability in the region. Vietnam welcomes the United States' positive contributions to regional security and supports upgrading the relationship between the United States and ASEAN to a strategic partnership. With other major powers, Vietnam will continue to engage on the basis of its commitment to open regionalism.

Third, within ASEAN-led mechanisms, Vietnam is committed to ensuring that these institutional arrangements are open, sustainable, rules-based, and not dominated by any single country. It will not only respect but also stand ready to cooperate with other member states to protect and use them effectively. Vietnam considers full group consultation on new initiatives proposed by external powers as very important in building trust in the region. It continues to regard ASEAN as the most important regional organization and is committed to the values of ASEAN centrality and unity.

In sum, within the evolving landscape in East Asia, Vietnam is now ready to play a more active role in regional and world affairs. Four key factors that have upended the regional order are the dramatic rise of new national powers in and outside the region; increasing strategic competition between major powers, especially the United States and China; the serious challenges to established regional institutions and norms; and the changing role for ASEAN in regional security. To be a more engaged and responsible member of ASEAN, Vietnam will continue to support open regionalism, vital domestic reforms, a foreign policy of international integration, and a dynamic balancing policy among major powers. In addition, Vietnam's foreign policy attaches great importance to ASEAN and is committed to strengthening ASEAN-led mechanisms. ◆