

DIPLOMAT

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Will Vietnam Lease Cam Ranh Bay to the United States?

Is there any meat to the rumors that Vietnam would lease Cam Ranh Bay to the United States?

By Carl Thayer

Rumors are circulating that Vietnam is considering leasing Cam Ranh Bay or some of its islands in the South China Sea to the United States on a long-term basis as a supply base and/or stop over point as a counter to recent aggressiveness in the South China Sea.

Assessment of the Situation

Vietnam has a long-standing defense policy of “three no’s” dating back to its first Defense White Paper in 1998. This White Paper, entitled Vietnam Consolidating National Defense Safeguarding the Homeland stated:

The national defense of Vietnam contributes to the policy of openness, diversification and multilateralization of external relations, without aligning with one country against another, without confrontation and offensive against any country...

Vietnam neither joins any military alliances nor engages in any military operations contrary to the spirit of safeguarding peace, nor in any operations of deterrence.

The spirit of the “three no’s” was reiterated in Vietnam’s next two Defense White Papers of 2004 and 2009. Vietnam’s most recent Defense White Paper published in late 2012 states:

Viet Nam consistently advocates neither joining any military alliances, siding with one country against another, giving any other countries permission to set up military bases or use its territory to **carry out military activities against other countries** nor using force or threatening to use force in international relations. Viet Nam also promotes defence cooperation with countries to improve its capabilities to protect the country and address common security challenges. (emphasis added)

On the face of it, Vietnam’s official defense policy precludes leasing Cam Ranh Bay or islands in the South China Sea to the United States or any other foreign country. Vietnam also has a policy of permitting foreign navies to make one port call a year. Several ships can make a port call at the same time. For example, U.S. Navy ships are permitted to call in at the Tien Sa military port in Da Nang and then visit Cam Ranh Bay. Military hospital ships, such as the USS Mercy that participates in Pacific Partnership humanitarian visits, are not included in this restriction.

According to the Asia Maritime Transparency Initiative at the Washington, D.C., based Center for Strategic and International Studies, which tracks developments in the South China Sea:

Vietnam occupies between 49 and 51 outposts (the status of two construction projects on Cornwallis South Reef is unclear) spread across 27 features in the South China Sea. These include facilities built on 21 rocks and reefs in the Spratly Islands.

Truong Son island is the largest of the 21 rocks with an area of 15 hectares. It has a small harbor and an airstrip of 1,200 metres. Vietnam's other features are around eight hectares or less in area. In sum, it seems unlikely that any of Vietnam's outposts and rocks in the Spratly Islands could provide a "supply base and/or stop over point" for U.S. Navy ships transiting the area due to their inadequate infrastructure and location near heavily militarized Chinese artificial islands.

A better prospect for the United States arose in the Philippines with the conclusion of the Enhanced Defense Cooperation Agreement (EDCA) between the Philippines and the United States in April 2014. The EDCA has provisions for the United States to build and retain ownership of the physical infrastructure located on Philippine military bases. However, Philippine President Rodrigo Duterte's announcement of his termination of the Visiting Forces Agreement in February this year appear to have scuttled EDCA.

Duterte's actions now make access to facilities in Vietnam by the United States Navy more attractive. There have been some straws in the wind over the past decade.

U.S. Returns to Cam Ranh

In 2009, Prime Minister Nguyen Tan Dung dramatically announced that Vietnam's commercial repair facilities would be open to all navies of the world. The U.S. was the first country to take up the offer. The first repair was conducted on the USNS Safeguard in the port of Saigon in September 2009.

The following year, the United States and Vietnam signed a contract for the minor maintenance and repair of U.S. Navy Sealift ships. Five ship voyage repairs were subsequently completed. The USNS Richard E. Byrd underwent repairs in Van Phong Bay in February-March 2010. The other four voyage repairs were carried out at civilian facilities in Cam Ranh Bay: USNS Richard E. Byrd in August 2011 and June 2012; the USNS Walter S. Diehl in October 2011 and the USNS Rappahannock in February 2012. The cost of the repairs was minor, just under a half million U.S. dollars each.

It should be noted that Cam Ranh Bay is divided into a military port and a civilian facility. Russia has special access rights to the military port because of its servicing and support of Vietnam's largely Russian constructed naval fleet, including six Varshavyanka-class conventional submarines.

Cam Ranh International Port, a civilian facility, was officially established in March 2016. Three U.S. warships visited the commercial port that year – USS John S. McCain (DDG-56) and USS Frank Cable (AS-40) in October 2016 and the USS Mustin (DDG 89) in December 2016.

Vietnam's 2019 White Paper raised the tantalizing prospect that Vietnam might consider altering its "three no's" defense policy. The following passage sparked intense speculation that such was the case:

Depending on circumstances and specific conditions, Viet Nam will consider developing necessary, appropriate defence and military relations with other countries... (emphasis added)

For the U.S. side, however, the mantra of "places not bases" is a long-standing one. Bases are fixed locations vulnerable to attack, while places provide access at critical times, such as a natural disaster or crisis. It is more likely that the United States will seek more frequent access to Vietnamese ports by U.S. Navy ships than renting facilities for a supply base.

There is no operational imperative for the U.S. to acquire a “stop over point” between Singapore and Taiwan. The United States 7th Fleet is home ported in Yokosuka, Japan. The U.S. maintains Naval Base Guam, a major naval facility. Some of the U.S. Navy ships that visit the South China Sea are based in San Diego and Pearl Harbor, Hawaii. U.S. warships are capable of at-sea replenishment.

Vietnam and the United States have held on and off again discussions about raising their Obama era comprehensive partnership to a strategic partnership. In light of China’s persistent bullying of Vietnam over sovereignty, maritime disputes and oil exploration in the South China Sea some analysts argue that the “circumstances and specific conditions” may have arisen for a change of policy.

No doubt Vietnam’s leaders will be extremely cautious in their adoption of any changes to long-standing foreign and defense policies at the 13th national congress of the Vietnam Communist Party scheduled for the first quarter of 2021.

If the past is prologue, Vietnam likely will continue its policy of “diversification and multilateralization” of relations with the major powers. Vietnam will not align itself with the United States against China.

If Vietnam decides to loosen up on its present restrictions it will do so gradually and in line with the following prescription in the 2019 Defence White Book that follows immediately after the passage quoted above, “on the basis of respecting each other’s independence, sovereignty, territorial unity and integrity as well as fundamental principles of international law, cooperation for mutual benefits and common interests of the region and international community.”

In sum, Vietnam is highly unlikely to lease Cam Ranh Bay or some of its islands in the South China Sea to the United States on a long-term basis as a supply base and/or stop over point.