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How Vietnam and ASEAN handle the rising power of China: what growing interdependence means in a world of globalization

Topic and Research Question

Due to China's emergence in the past decades and its current argued superpower status the thesis aimed to examine the regional implications of China's rise, with a focus on Vietnam and ASEAN. The thesis aimed to examine the level of interdependence and its effects on Southeast Asia's balance-of-power strategies and its future implications in terms of economy and politics. The thesis aimed to answer the following research questions: 1. How does interdependence and globalization influence and affect ASEAN's and Vietnam's policies regarding China? 2. How do ASEAN and Vietnam try to keep up the balance-of-power in the Southeast Asian region? 3. Does the relationship between ASEAN-China and Vietnam-China give us notice about future interstate conflict? In other words: can conflict be expected, or is sustainable peace a rational, long-term, viable option?

State of the Art

The theories behind interdependence have a profound history. The thesis examined the realist (Waltz, Liu, Morgenthau, Mearsheimer, Kazuhiko), liberal (Kant, Copeland) and constructivist (Onuf, Adler, Barnett, Deutsch) approach, which provide a vast literature. A special focus was laid on Keohane and Nye's Complex-, sensitivity- and vulnerability interdependence, however interdependence was researched by other scholars as well (Martin). The topic of security threat has been well researched (Vasquez, Galtung, Fearon). The analysis on ASEAN and security communities was mainly based on the findings and research of Acharya, Emmers, Kazuhiko, Bhattacharyya, Kang, Goh, Vuving, Ravindran, Womack provided us with a thorough literature on Chinese-Vietnamese evolving relations. However, as these relations are constantly changing (based on China's continued growth, ever-emerging SCS disputes, results of ASEAN and ARF meetings, etc.) the most recent ones and forecasts can be concluded based on reports and statistics.

Methodology and Approach

The methodology can be separated into three major pillars:

Interdependence – Conflict expectations – Reactions to growth of power

Interdependence has been examined in the aspects of classical theories (realism, liberalism, constructivism) and its change of meaning has been presented. The effect of globalization implied a change in the aspects of 'information' which affects economy and national security and resulted in the growing importance of soft power relations in IR, leading to a decrease of hard power tools. As globalization grows, the whole world becomes more interdependent, therefore the thesis researched as of what could be expected from these strengthening ties. Realism argues that interdependence leads to conflict. This is based on the principle that states strive for power maximization and would therefore use the received information through interdependence for achieving its goals in the international sphere. Liberalism emphasizes the peaceful implications of interdependence, arguing that with growing economic ties, and a positive trade expectation (Copeland) war can be avoided. Constructivism however views interdependence as a structure shaped by states and norms, and examines the differences among states that lead to the outbreak of conflict, not the concept of interdependence itself. To examine the concrete examples of interdependence-growth the thesis provided an explanation of power and an overview of available reactions to it, on an association- as well as a nationalistic level. This included the examination of security communities, their level of evolution and possible outcomes, as well as the overview of available Balance-of-Power mechanisms, such as balancing, bandwagoning, hedging and accommodating. The level of interdependence has been measured through Bhattacharyya's bullet points of trade, politics and culture for ASEAN, and through the DIME principle for Vietnam.

Main Facts

The evolution of ASEAN is examined, and an overview of its history based on the balance-of power methods is provided. It is early on settled that the 'ASEAN Way' would include non-interference in its member states domestic issues, these concepts were emphasized in the TAC and ZOPFAN. ASEAN aimed to include all regional nations, therefore including and 'socializing' the regional aggregate power Indonesia was its first successful step towards becoming a potential balancing tool against China. Although the ASEAN Way aimed to achieve complete absence of interference of an external power, the example of the

Third Indochina War as well as including the U.S. in the ARF indicate that ASEAN is incapable of playing the major regional player in Southeast Asia. In regards of China, ASEAN aims for socialization and constraining its possible actions (especially in the SCS) with various legislations (COC). The U.S. is seen as a harmless balancer against China. However, constraining China is difficult due to the lack of a shared standpoint in the SCS issues. The thesis describes how China has shaped multilateralism to its own way, and how the 'China threat' perception has evolved into the image of a friendly neighbour. It is however also argued that the 'low profile diplomacy' is only a temporary image to cover China's 'Grand Strategy' of becoming a sea power in the SCS. ASEAN as a security community does not possess military power to balance a potential China attack. The Association would have to set up its own military and possibly include the U.S. As a balancing power (which would, however, be opposite to the ASEAN Way), China represents ASEAN's greatest trading partner, however ASEAN represents China's road to the SCS, the relationship would be costly to break for both.

After an overview of Vietnam's past experiences of Balance-of-Power mechanisms against China in the past, the two countries relation is examined through the DIME principle. Vietnam's position today was majorly shaped by the Doi Moi reforms and the doi tac and doi tuong aspects which led to the normalization of ties with the U.S. The modern China-Vietnam relation is majorly examined through the SCS disputes of the Paracel and Spratly islands, which are still not officially settled yet. Diplomacy however is being upheld even at times of confrontation, and indicates that both nations aim to upkeep the friendly ties. Nevertheless, despite the Chinese 'smile diplomacy' China's actions in the SCS indicate the opposite. Military spending is non-transparent for both nations, however it is stated that China has strengthened its naval forces and Vietnam is modernizing its maritime power as well.

Results

The thesis concludes that both nations take up the balance-of-power strategy of hedging.

ASEAN hedges by playing the buck-passer and aims to sustain the status quo in Southeast Asia by hosting the annual meetings of the ARF for China and the U.S. The Association keeps all powers at an equal distance, and tries to socialize them through open

communication, as non-alignment would not be an option in Southeast Asia. As ASEAN does not have its own military and does not have a shared standpoint in the SCS disputes, conflict is not about to break out, despite China's unwillingness to sign the COC. China has learned to tailor this multilateral platform for its needs, therefore China aims to uphold the institution as well and has laid special focus on ASEAN as opposed to e.g. APEC.

By initiating the Doi Moi reforms and opening up to the world market Vietnam would today have the opportunity of balancing against China with the help of an external power. Vietnam however upholds the friendly diplomatic ties with China, and vice versa, while enjoying economic benefits. The Paracel and Spratly island's status is still not clarified, which may give us notice of a future conflict, despite friendly propaganda. The two countries trade ties put Vietnam in a more sensitive and vulnerable position, despite a growing number of Chinese businesses and a Chinese diaspora in Vietnam.

References

All references can be found in the full version of the MA thesis available at <http://othes.univie.ac.at/view/fakultaet/A45.html>

About the Author

Mónika Horváth-Papp has a Bachelor in Sinology from the ELTE University, Budapest. After her studies she received a Chinese-Hungarian state funded scholarship at the South Chinese Kunming Normal University. During the Master studies she took part in an intensive Chinese language program at the Shanghai Donghua University. Currently she is an international Project Manager at a market research company based in Germany.

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