

POLICY BRIEF

Gambling on the 'Little Dragon': Toward an EU-Japan strategic convergence on Vietnam?¹

Abstract

The present article aims to analyse recent EU-Japan joint engagement with Vietnam in the context of the ongoing Covid-19 pandemic. It seeks to do so by illustrating the historical transformations in the geopolitical arrangements centred on the Asia-Pacific region between Japan and the EU in the light of 'situational' US policies toward the region under Trump, Japan's strengthened global role, Vietnam's historical struggle to diversify its foreign policy vectors and maintain autonomy, and growing expectations of EU engagement in the region as a champion of free trade and the rule of law.

Introduction

In addition to the People's Republic of China (PRC), Japan and the US, the European Union (EU) aspires to become an economic and security powerhouse in the Asia-Pacific. In its 2016 Global Strategy, the EU clearly stressed that there exists "a direct connection between European prosperity and Asian security" and that, in the light of this fact, it would intensify economic diplomacy in the region through trade and investment agreements with Chi-

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na and other strategic partners such as Japan, India and the Association of Southeast Asian Nations (ASEAN) while seeking to “make greater practical contributions to Asian security” through enhanced partnerships with Japan, South Korea and ASEAN members such as Indonesia with the aim of building southeast Asian nations’ “maritime capacities,” guaranteeing freedom of navigation and upholding international law (EEAS 2016).

In consideration of the worsening US-China ties and the general unpredictability of US foreign policy toward East Asia under the Trump presidency until at least 2018, policy and decision makers in ASEAN nations, often trapped in asymmetrical relations with the PRC have welcomed the EU’s stance on comprehensive engagement in the region. According to The State of Southeast Asia survey report, in fact, the EU enjoys a high degree of trust among ASEAN citizens as a champion of international law and free trade, particularly in consideration of the US-PRC rivalry.²

In the light of this EU strategic tilt toward the Asia-Pacific region (Kirchner and Dorussen 2021), this paper addresses the following research questions. Is a more definite engagement by Brussels in terms of security cooperation with “secondary states” (Meijer and Simón 2021) in the region likely? How has this strategy played out against the backdrop of enhanced US-Japan proactive PRC containment and in the continued Covid-19 pandemic?

Vietnam (VN) provides a useful case study and the country’s recent multilateral vaccine diplomacy can further elucidate the present discussion. Recent convergences between the US, Japan and the EU’s strategies in the Asia-Pacific around VN actually show the country’s importance in a grand geopolitical strategy that, to a certain extent, overlaps with G-7 countries’ preoccupations with the stability of the region as key to the sustainability of global value chains and manufacturing bases in East Asia.

Coping with the tyranny of geography

Due to its history and geographical location – if seen on a map, it appears ‘squeezed’ under the weight of China – VN is held prisoner by the “tyranny of geography” (Thayer 2011) and exposed to the influence of the PRC. Following Goh’s interpretation, influence can result from a powerful state exerting coercion or persuasion on a weaker state in a hostile

context, but most significantly might emerge from convergence on specific goals in a non-compulsive manner by creating conditions for the weaker state to pursue its own agenda, mostly through economic incentives and institutional (re)shaping without, however, fully prevailing on it (Goh 2016, 9-14).

As Cheng argues, in the light of their country’s geography-bounded asymmetrical relation with the PRC, since the Cold War, Vietnamese policymakers have learnt to cope with Chinese influence in instances of alignment (e.g. on economic growth and governance) and opposition (e.g. territorial disputes) (Cheng 2016, 92–93). One way to manage VN’s relations with the PRC which has so far proven relatively successful has been resorting to a “multi-faceted omnidirectional foreign policy” (Do 2014) to reassert its autonomy and reduce its dependence on its sometimes cumbersome neighbour. Specifically, VN’s agency has been crucial in getting Beijing involved in multilateral cooperative settings such as those provided by the ASEAN framework and beefing up its own security through strengthening military cooperation with, among others, the US and Japan since 2015, in addition to using “traditional” high-level meetings and Party channels (Cheng 2016; Thayer 2011).

At the same time, from the VN leadership’s viewpoint, an increased EU presence in Asia in association with a reliable partner such as Japan can be instrumental to the Communist Party of Vietnam (CPV)’s continual striving to multilateralise and diversify the country’s foreign relations while avoiding dependence (Cheng 2016, 99). In the previously mentioned survey, 40.6% of Vietnamese respondents indicated that it was preferable for ASEAN to hedge against regional uncertainties by strengthening its ties with the EU. Indeed, the Vietnamese respondents positively assessed the EU’s stances on the environment, human rights and climate change as contributing to global peace and security, and the EU’s economic resources and political will for global leadership (Seah et al. 2021, 44-46).

In addition, in terms of security the country’s leadership has retained its strict ‘three nos’ policy (no military alliance, no foreign military bases and no relationships against a third party) (Meijer and Simón 2021, 474).

Since the inception of the negotiations on the Trans-Pacific Partnership (TPP) in the late 2000s, VN, along with other maritime states in the region,

2 The study is based on more than 1,000 respondents from different sectors (ranging from academia to finance) in the 10 ASEAN member countries. Regarding the survey’s scope, “the survey acts as a barometer of the general attitudes and perceptions of interested stakeholders on important regional developments” (Seah et al. 2021, 1).

most notably Japan, to policymakers in Washington became a strategic actor in what was to develop into a strategic partnership with economic and military implications to restrain the PRC's assertiveness in the Asia-Pacific region. A combination of trade agreements and enhanced military cooperation with and between new and traditional regional partners (Japan and Australia above all, but also India and Vietnam) constituted the backbone of the US 'Pivot to Asia' strategy launched by the Obama administration in 2011.³ As Meijer and Simón argue, faced with VN's strategic ambiguity toward Beijing, since the early 2010s the US has adopted a "covert balancing" strategy toward VN, "working around" political constraints imposed by the country's asymmetrical relations with the PRC (Meijer and Simón 2021, 477).⁴

After the US's withdrawal from the TPP under President Donald J. Trump in 2017, Vietnamese policymakers started to fear a US abandonment of southeast Asia, and in particular waning support for Hanoi in its dispute with China over the South China Sea (or Bien dong, 'East Sea,' as it is known in Vietnam). These fears, however, were dissipated in May 2017 when during a visit to the US Vietnam's Prime Minister Nguyen Xuan Phuc signed an agreement on technology transfer and in March the following year when the US's resolve to continue supporting Vietnam was shown by the arrival of a US Navy aircraft carrier in the port of Danang in central VN. In addition, particularly after 2017, the Trump administration authorised several US Navy Freedom of Navigation Operations (FONOPs) to challenge Chinese claims in the South China Sea, reaching a record 9 (out of a total of 36) in 2019 (Power 2020; Ziezulewicz 2021). Moreover, Vietnam's economy has reaped consistent profits from the US-PRC trade and tech wars (The Wall Street Journal 2019). Nevertheless, despite Washington's reassurances, the VN leadership has continued its engagement with other regional powers, most notably with Japan, while welcoming a more definite commitment to the region by the EU.

Vietnam as the 'Asian Pivot' of Japan-EU cooperation?

In this regard, the Japan-Vietnam Extensive Strategic Partnership for Peace and Prosperity in Asia,⁵ concluded in March 2014, was an important step to get Vietnam to cooperate with the US-led grand geopolitical design in the Asia-Pacific region. In fact, it is worth stressing that Hanoi welcomed the Abe cabinet's "proactive contribution to peace" (*sekkyokuteki heiwashugi*) in 2013 and has benefitted from Japan's support in maritime security enhancement and law enforcement, acquiring Japanese decommissioned patrol vessels for its national Coast Guard since the 2014 lifting of the ban on military equipment and technology transfer and the 2015 revision of the Official Development Assistance (ODA) Charter (Pugliese and Insisa 2017, 85-97).

Certainly, by the mid-2010s Japan's cooperation with the southeast Asian country was nothing new. After decades of informal relations, Japanese aid and investment in the country rose to importance in 1995 after the Clinton administration decided to lift the trade embargo on VN. In fact, Japanese conglomerates operating in the oil, mining, chemical and energy sectors, such as Nisshō Iwai (now Sojitz), Mitsui and Mitsubishi had already set up business operations in the country in the late 1980s, receiving permission to develop offshore oil fields and providing consultancy services to high-level officials in the Vietnamese government on their national industrialisation plans. For instance, in the early 1990s on a proposal by Mitsui, the Vietnamese government applied for low-interest loans from the Japan Bank for International Cooperation (JBIC) and other bilateral and multilateral donors to modernise the country's infrastructure and telecommunication networks (Tomoda and Takeda 2005, 83-89).

Japanese private group lobbying initiatives between the Vietnamese and Japanese governments were key to reviving Tokyo's involvement in the country through ODA, which emerged as a valuable country-risk-reducing instrument. Against this backdrop, and particularly in the aftermath of the Asian financial and currency crisis of 1997-98, the Japanese

3 The US, China, Japan and South Korea are respectively the first, second, third and fourth largest importers of goods from Vietnam. Japan and South Korea are also the second and third largest providers of FDI to the country after Singapore. See <https://www.customs.gov.vn/Lists/EnglishStatistics/ViewDetails.aspx?ID=1463&language=en-US&Group=Trade%20news%20%26%20analysis> and <https://www.reuters.com/article/us-vietnam-economy-investments-idUSKBN2BJ0GZ>

4 In particular, the US has supported the development of generic defence capabilities (mainly organisational, logistic and with regard to intelligence) while gaining access to key naval facilities (such as Cam Ranh Bay) under the cover of enhancing the country's response in Humanitarian Assistance and Disaster Relief (HA/DR) and maritime surveillance.

5 *Japan-Vietnam Joint Statement on the Establishment of the Extensive Strategic Partnership for Peace and Prosperity in Asia*, 18 March 2014. Available at <https://www.mofa.go.jp/files/000031617.pdf>

government launched a series of initiatives aimed at supporting institutional reforms across ASEAN through aid and technical cooperation. Aid initiatives in Vietnam, particularly in the Mekong River region, revolved around infrastructure and capacity development for the transition to a market economy. Japanese tutelage of VN at the state level was also instrumental in drafting the Comprehensive Poverty Reduction and Growth Strategy that Hanoi submitted to the World Bank in the early 2000s to ensure a stable inflow of aid (Zappa 2020). The two countries upgraded their bilateral ties to the level of strategic partnership in 2006 and a few years afterwards in 2014 signed the aforementioned comprehensive strategic partnership.

Particularly in the latter, the two parties pledged to further enhance their bilateral ties in the fields of security and economics toward the realisation of common strategic interests, including responding to China's assertiveness in the Pacific (Shirai-shi 2014). In addition to being one of VN's major economic partners, with a total of USD 28.6 billion import-export turnover in 2020 and the largest ODA provider (Nhan Dan 2020), since 2013 Tokyo has intensified its high-level defence and security exchanges with Hanoi. Since 2016, Japanese Maritime Self-Defence Force (JMSDF) destroyers and aircraft deployed in anti-piracy operations off the coast of Somalia have made port calls or refuelled in Vietnamese ports and airbases. Japan's presence in the area has been strengthened since June 2017, when the Izumo helicopter destroyer, the JMSDF's largest warship, and the Sazanami destroyer took part in a series of capacity development initiatives with ASEAN countries (namely the ASEAN Ship Rider Cooperation Programme, SRCP) and conducted joint drills with the US Navy in the South China Sea in a first since WWII (JMSDF 2017; Kubo 2017). Furthermore, the JMSDF and the VN People's Navy (VPN) have conducted joint naval exercises off the Vietnamese coast, most notably in February 2016 and June 2019 (Associated Press 2016; Gady 2019; Hung Cao Nguyen 2019).⁶ Finally, further signalling its willingness to counter-balance the PRC's influence, in March 2020 VN joined the Quadrilateral Security Dialogue (Quad) Plus mechanism, pledging to cooperate with the US, Japan, India and Australia on security issues in the Asia-Pacific region (Grossman 2020).

Undoubtedly, during Abe Shinzō's second tenure as Prime Minister (2012-2020), Japan expanded the

scope of its strategic partnerships with India, ASEAN, Australia, New Zealand and most significantly the EU through proactive global diplomacy which enabled a 'strategic diversification' between China and the US. In addition to making Abe himself a recognisable figure in world affairs, however, this strategy had the clear aim of restoring Japan's "geoeconomics agency," which was needed to maintain its centrality in rulemaking in the Asia-Pacific. Instances of this agency can be found in the push for free trade agreements (EPA, CPTPP and finally the RCEP) and the adoption by the US Trump administration of the concept of a Free and Open Indo-Pacific (FOIP) as a constitutive strategic framework (Wallace and Pugliese 2021).

As a result of strengthening ties between Japan and the EU and of Washington's decision to continue pursuing the FOIP under the Biden administration, even Brussels adopted its own strategy for Strategy for Cooperation in the Indo-Pacific in April 2021.⁷

Diplomatic exchanges between the EU and Japan have taken place since the mid-1970s, but only after the establishment of the European External Action Service (EEAS) in 2009 and agreement in principle on the EPA and SPA in 2017 have they evolved into a mature relation. On the latter occasion, former Japanese PM Abe Shinzō, former President of the European Council Donald Tusk and former President of the European Commission Jean-Claude Juncker underscored their commitment to "reaffirm the strength of our Strategic Partnership and to demonstrate our resolve to work together for peace, prosperity and a rules-based international order" while defending the shared values of democracy and the rule of law as key to further strengthening the bilateral partnership at the global level (European Council 2017). This declaration preceded the signing of the EU-Japan EPA and SPA in July 2018 and a partnership on "quality infrastructure."

Clearly, several geopolitical factors caused Brussels and Tokyo to partially revise their respective security strategies and find common ground. As Kirchner and Dorussen maintain, the Russian annexation of Crimea in 2014, tensions with China and North Korea, and the unpredictability of Trump's foreign policy led the EU and Japan to bolster their security ties notwithstanding respective limitations (namely an underdeveloped common security and defence policy on the EU's side and the legacy of a 'pacifist' constitution and security treaties with the US on

6 In this context, it is worth stressing that further cooperation in military training and capacity development programmes have been carried out with the support of non-government actors such as the Sasakawa Peace Foundation (Hung Cao Nguyen 2019).

7 The factsheet on the EU Strategy is available online at https://eeas.europa.eu/sites/default/files/eu-indo-pacific_factsheet_2021-04_v.5.pdf.

Japan's) (Kirchner and Dorussen 2021). Nevertheless, since October 2014 the EU and Japan have conducted joint naval exercises off the coast of Somalia in the context of their cooperation on counter-piracy activities (MOFA 2014). Significantly, a month after the EU adopted its Indo-Pacific strategy in May 2021 Japan-EU maritime cooperation in the Gulf of Aden was reconceptualised within the FOIP framework (EEAS 2021a, 2021b). In addition, Japan has been selected as a pilot country in the EU's 4-year Enhancing Security Cooperation In and With Asia (ESIWA) strategy, which is aimed at boosting security ties in four key areas (counter terrorism, cybersecurity, maritime security and crisis management) through policy dialogues, cooperation, capacity building and public diplomacy (GIZ n.d.).

Besides boosting bilateral trade, connectivity and security cooperation in traditional and non-traditional areas, the EU-Japan three-pronged partnership has potentially profound impacts on third countries, such as VN, where considerable economic and strategic interests on both sides are at play. The eurozone provides a considerable share of FDI in export-oriented industries. In 2019, the country attracted USD 16.1 billion in FDI, which adds up to a total of USD 161 billion-worth of stock, of which the EU member countries' share is around USD 6 billion (European Commission 2021; UNCTAD 2020). Only in 2018, EU member countries committed to USD 1 billion in FDI in VN.⁸ The EU-Japan partnership provides for cooperation on climate change mitigation, promotion of sustainable power generation, biodiversity conservation, labour rights protection across global value chains, military technology development, cybersecurity, arms control and military capacity building in third countries.

Moreover, it aims at jointly enhancing sustainable physical connectivity globally, focusing on areas such as the western Balkans, eastern Europe, central Asia, the Indo-Pacific and Africa, and promoting "rules-based" digital connectivity to achieve "open, free, stable, accessible, interoperable, reliable and secure cyberspace" in developing countries, mobilising public and private capital through the Europe-

an Investment Bank (EIB) and the Japan International Cooperation Agency (JICA) (Berkofsky 2021; EEAS – European External Action Service 2019; EEAS 2019).

More specifically, from the Japanese government's standpoint, the agreement on quality infrastructure gave Japan's "Partnership for Quality Infrastructure" plan, which was launched by the Abe cabinet in 2015 with the dual goal of countering the PRC's influence in Asia and reinvigorating Japan's industrial sector, a new global dimension (Yoshimatsu 2017). Under these circumstances, a well-defined economy-security nexus emerged and appears to be at play in recent decisions by both the EU and Japan on supporting developing country efforts to contain the Covid-19 pandemic. Vietnam's case is elucidatory.

The fourth wave: Vietnam's fall from grace and the diplomatic struggle over Covid-19 vaccines

Despite its overtly lauded successes in containing Covid-19 domestically (Dabla-Norris and Zhang 2021), Vietnam has recently seen a surge in infections.⁹ As Le Hong Hiep points out, the country's success in containing the spread of SARS-Cov-2 through an aggressive campaign of localised lockdowns and contact tracing minimised the urgency to vaccinate large sectors of the population. VN's success in containing the epidemic has, however, led to two results. On the one hand, in the context of the widespread anti-China sentiment in the country, the CPV leadership could effectively resist China's vaccine diplomacy. Until early June 2021, VN was in fact the only country in southeast Asia not to authorise Sinopharm or Sinovac vaccines (Chua 2021; S. Nguyen 2021). On the other hand, partly due to relatively low demand and partly to the March-April Covid outbreak in India, a vaccine manufacturing hub, resulting in a global vaccine shortage, Hanoi failed to secure sufficient vaccine supplies in the face of rising domestic infections (Le Hong Hiep 2021).

8 Imports to Europe from Vietnam more than quadrupled in less than a decade (from EUR 8 billion in 2010 to EUR 34 billion in 2019) with exports to the country more than doubled (from EUR 4 to 11 billion in the same period). In the last decade, the EU has emerged as a key importer of commodities and goods, such as telecommunication equipment, footwear, apparel, electronic hardware, food and beverages (particularly coffee, seafood and dried fruits) made in Vietnam. Germany, the Netherlands and France are the largest importers of Vietnamese goods with Italy coming fourth. Growing trade relations between the Eurozone and Vietnam resulted in the EVFTA between the EU and Vietnam which was signed in June 2019 and officially entered into force in August 2020 and which aims at eliminating bilateral tariffs on a wide range of goods, including fishery, agricultural and industrial products within 10 years in addition to establishing common legal frameworks on rules of origin, intellectual property, food safety and geographical indications. The agreement also aimed at ensuring EU companies access to bids for public procurement contracts at the same conditions as Vietnamese state-owned and state-managed entities and promoting investment in renewable energy generation (Delegation of the European Union to Vietnam 2019).

9 According to JHU data, as of June 21 (the time of writing), the country has recorded 272 daily cases (with a record high of 527 in late May 2021), adding up to a total 13,530 cases and 69 deaths. See <https://coronavirus.jhu.edu/region/vietnam>

Hanoi's shortcomings in coping with the fourth wave of infections has further complicated the puzzle over how to promote economic recovery in a country the economy of which has been severely affected by the Covid-19 pandemic, particularly in the service sector, which contributed the largest share of VN's GDP (41.6%) in 2019. Government restrictions adopted in 2020, in fact, have severely affected the country's economy in several sectors, mostly ones related to tourism such as aviation, food and beverages, and hotels.¹⁰

Emboldened by its successes and eager to maintain its high pre-pandemic growth rate (Vietnamese GDP grew by 2.9% in 2020, 3.6% down from 2019), in recent months the CPV leadership has appealed to the public for national unity and outlined the prospects for future growth and development. First, the CPV leadership pledged to cooperate with the international community in the wake of new waves of Covid-19 infections. "As an active and responsible member of the international community, Vietnam expresses deep concern and sympathy while making every effort to cooperate and coordinate with other countries, especially those severely affected by the Covid-19 pandemic. (...) in times of hardship, global solidarity and coordination are a sure basis for the final victory over the Covid-19 pandemic," wrote CPV Secretary General Nguyen Phu Trong in a long-awaited appeal to the nation on 30 March (Nguyen Phu Trong 2021).

Earlier, in February, in the aftermath of the 13th CPV Congress,¹¹ former Prime Minister and current President Nguyen Xuan Phuc recognised the importance of controlling the spread of Covid-19 in Vietnam and of promoting policies to lay the foundations for a rapid economic recovery and sustainable development. In particular, Phuc recommended that the government should continue promoting exports, investment and consumption and adopt reforms that could improve the country's economic resilience in order to avoid the risk of depending on just one market for its exports. Finally, Phuc highlighted the importance of creating special economic zones to trigger economic growth at the regional and national levels in accordance with the state's

industrial and urban planning policies. In particular with regard to strengthening the export sector, Phuc underscored the importance of promoting trade with "markets with plenty of fiscal space after the pandemic," namely the US, the EU, ASEAN, Japan, China and South Korea (Nguyen Xuan Phuc 2021).

Ironically, VN was one of the countries most heavily hit by the Covid-19 fourth wave, which has caused more than two thirds of the total infections in Vietnam since late April (Le Hong Hiep 2021).

Until then, public discourse had relegated plans for a general vaccination campaign to secondary importance. Starting in early March, VN's vaccination campaign has depended mostly on a 2.9 million-dose batch supplied by British-Swedish AstraZeneca in February 2021, which has been used to immunise frontline Covid workers. At the time of writing (mid-June 2021), 2.4 million people, or 1.3% of the total population, have been immunised.¹² Against the backdrop of a sluggish vaccination campaign, the number of daily infections has risen steadily, particularly in Bac Giang and Bac Ninh provinces in northern Vietnam, key manufacturing hubs and nodes in the regional and global supply chains. Tech and energy giants such as Foxconn, Samsung, Canon and Ja Solar PV, among others, have invested in this area, also known as the Northern Key Economic Zone, which has established itself as one of the fastest growing areas in the country, only in 2020 attracting more than USD 1.8 billion in FDI (Vien Nhu 2020).

Amidst a global vaccine shortage and exposed to international pressure to restore the pre-2020 business climate (Reuters 2021), however, the government in Hanoi has hastily set out plans to secure as many as 150 million doses, which are necessary to complete a 2-dose cycle for every citizen. In early April, Vietnam's Health Minister Nguyen Than Long started seeking cooperation from the US, Japan and the EU in order to obtain vaccines and technological and financial support to organise its vaccination campaign and proceed with local vaccine production (Mai Ngoc Chau and Nguyen Dieu Tu Uyen 2021). A few days later, Vietnam received a batch of 811,200 doses of Covid-19 vaccines man-

10 The Vietnamese government estimates that 2.4 million people have lost their jobs because of the pandemic, while more than 30 million were somehow "affected" by it. Particularly affected by the pandemic are women, low-skilled migrant workers and workers in the informal sectors of the economy (H. T. T. Nguyen et al. 2020).

11 In February 2021, the CPV Party Congress took place in Hanoi resulting in a partial reshuffle of the country's 4-pillar leadership. Most notably, Secretary General Nguyen Phu Trong retained his post despite alleged ailing health and having well passed the 65-year age limit for holding high-level public offices. The Congress appointed former Quang Ninh province party secretary from 2011 to 2015, then chairman of the CPV Organisation Commission, as the next Prime Minister, while former PM Phuc was elected State President. Finally, Vuong Dinh Hue, former CPV Secretary in Hanoi, was elected Chairman of the National Assembly. This arrangement will probably last for the coming 5 years unless Secretary General Trong decides to step down possibly because of worsening health.

12 See: <https://graphics.reuters.com/world-coronavirus-tracker-and-maps/countries-and-territories/vietnam/>

ufactured by AstraZeneca via the COVAX Initiative. Stressing the importance of VN as a recipient of EU aid through the multilateral facility, the arrival was hailed as a milestone in EU-VN cooperation as the EU and EU member states collectively contributed USD 2.1 billion to the UN-sponsored programme, more than a third of its total budget (EEAS 2021c).¹³ More recently, the President of the European Commission Ursula Von Der Leyen has promised to further enhance the EU's contribution to COVAX with another USD 370 million (Ravelo 2021).

In early June, VN's Ministry of Health announced that it had secured commitments for 120 million doses within the end of the year from Pfizer (31 million doses), AstraZeneca (30 million), Sputnik V (20 million), Moderna (5 million) and from the COVAX facility (nearly 39 million). Furthermore, since December 2020, the Vietnamese government has been supporting the development of domestic vaccines and conducting talks to produce foreign antidotes (such as Sputnik V) locally to reduce its reliance on the international market (Hiền Minh 2020). To further expand its vaccine supply basis, the government has launched a public-private fund to acquire new antidotes that has secured more than USD 180 million in contributions from local and foreign organisations and companies, most notably Vingroup, VN's largest conglomerate, Japanese carmaker Toyota, Taiwanese telecom equipment manufacturer Foxconn and South Korean Samsung (Onishi 2021b).

In addition to these initiatives, in a rather pragmatic turnaround to further diversify its vaccine supply, the government approved China's Sinopharm vaccine for emergency use. According to the Vietnamese media, however, the country's authorities reportedly never placed orders for the Chinese drug but received an undisclosed number of doses as a donation (Tuoi Tre Online 2021). However, according to government sources, VN's PM Pham Minh Chinh and the PRC's Li Keqiang have discussed strengthening bilateral cooperation in the fight against Covid-19 (Onishi 2021a). In this context, Japan's response is worth mentioning. Despite its lack of stakes in global vaccine manufacturing and delays in the domestic vaccination campaign ahead of the Tokyo 2020 Summer Olympics, at the Quad Summit in March the Japanese government along with those of the US, India and Australia declared its financial support to manufacture and supply 1 billion Covid-19 vaccines to developing countries (including in southeast Asia) by the end of 2022

(The White House 2021) in a step aimed at countering China's mask and vaccine diplomacy worldwide (Zhao 2021). Later, in early June, PM Suga Yoshihide pledged further USD 800 million in support of the COVAX facility to provide 30 million doses of vaccines to developing countries (Ravelo 2021).

Most significantly, in addition to the above-mentioned multilateral schemes, members of the ruling coalition in Tokyo recently announced that the government will send a batch of AstraZeneca vaccine to VN in an effort to support Hanoi's vaccination campaign. Finally, in mid-June Japan's Foreign Minister Motegi Toshimitsu announced that his government would donate 1 million doses to Vietnam and was considering extending this initiative to Indonesia, Malaysia, the Philippines and Thailand (Kyodo 2021). The announcement came a few days after Satō Masahisa, chief of the LDP Foreign Affairs Division, ventilated the hypothesis following a shipment of 1.24 million vaccine doses to Taiwan in defiance of protests by Beijing (Kyodo News 2021). Interestingly enough, Japan had secured a 120-million-dose procurement of the British-Swedish antidote in May this year and approved it for emergency use, but regulators have suspended its administration to the public because of reported cases of potentially deadly vaccine-related blood clots (Ushigome 2021).

Summary

In the light of the above, VN has emerged as not just a focal region in US and Japan foreign economic policies but is poised to become a frontier for EU-Japan cooperation in infrastructure development and maritime security. Regarding the latter, although there still is no evidence of direct cooperation between Tokyo and Brussels, the inclusion of VN as a pilot country in the ESIWA strategy, along with India, Indonesia, Japan, South Korea and Singapore, with particular emphasis on capacity development in maritime security and maritime domain awareness (EEAS 2020), might be considered, also in the light of what has previously been mentioned, a prelude to enhanced Japan-US-EU cooperation on 'covertly' balancing the PRC in the Asia-Pacific.

Such developments are particularly welcome in Hanoi. In a May 2020 report outlining the principles in Vietnam's policies as a non-permanent member of the UNSC, VN's Deputy Security Minister Col. Gen. Bui Van Nam identified the Japan and the EU

¹³ It might be worth stressing that Vietnam is a Self-financing participant (SFP) in the COVAX programme, i.e. it is guaranteed sufficient doses to protect a certain number of people depending on the entity of its contribution. (Chua 2021)

as “centres of power” that might rise to considerable importance in shaping global affairs, amidst increasing strategic competition between the US and the PRC and waves of protectionism and nationalism. To paraphrase, abiding by the country’s multifaceted and omnidirectional foreign policy inaugurated in the late 1980s (Do 2014), Nam recognised the EU’s emerging importance, along with other powers such as Japan and India, as a potential partner in both economic and security terms (Bui Van Nam 2020). For this reason, it is foreseeable that Vietnamese policymakers will continue to call on EU-Japan assistance, along with that of the US, as leverage against the PRC.

Furthermore, this symbolic capital of both the EU and Japan seems to be present at a more profound level among ASEAN’s and Vietnam’s intellectual, political and business élites. Ideally, given Japan’s good reputation among Vietnamese respondents, particularly with regard to Tokyo’s capabilities to counterbalance the PRC’s influence and possibly make up for the US if it turns out to be an unreliable partner (Seah et al. 2021, 35–41), an integrated EU-Japan partnership would be the most desirable option in a highly uncertain regional scenario.

The rise in Covid-19-related infections since late April has made further room for bilateral cooperation in the health sector through vaccine supply and development. The handling of the vaccination campaign has, however, shown once more that the PRC’s influence is pervasive and cannot be alleviated by VN’s rapprochement with the US, Japan and the EU in the last decade. The EU and Japan might as well serve as useful hedging partners but cannot totally make up for VN’s asymmetrical relation with the PRC. Between these two survivors of the disintegration of the communist bloc in the aftermath of the fall of the Berlin Wall, a network of inter-state and inter-party ties, in addition to de facto economic integration, still acts as a catalyser of Beijing’s influence in the country. The case of the Chinese donation of Sinovac doses followed by the Hanoi government’s authorisation of them for emergency use is elucidatory of a behind-the-scenes vaccine diplomacy pursued by Beijing toward Hanoi. Japan’s parallel politically oriented vaccine donations might offer a temporary counterweight, but only as an instrument in a continuing VN omnidirectional foreign policy which does not completely alienate the PRC. In other words, the tyranny of geography might be negotiable but it cannot be overcome.

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