Vietnam’s Objectives in Mekong Basin Governance

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**Abstract:**

The paper examines Vietnam’s foreign policy as is translates into strategies towards subregional cooperation in the Mekong Basin. Using transboundary water cooperation as example, the paper argues that Vietnam’s prime motivation in Mekong cooperation is economic development for performance legitimacy. Environmental issues are raised, too, but only in relation to powerful upstream countries, while Vietnam poses itself such challenges to less powerful downstream countries. The need of performance legitimacy thus conveys all relevance to the economically-oriented Greater Mekong Subregion, while the Mekong River Commission is sidelined as a basin organization with a mandate to combine economic development with environmental considerations.

**Keywords:**

transboundary water cooperation, Mekong, Vietnamese foreign policy
Introduction

This article examines Vietnam’s post Cold War foreign policy towards subregional cooperation in the Mekong Basin. Looking at the Mekong River Commission and the Greater Mekong Subregion, it argues that strategies of Vietnam towards subregional Mekong cooperation do not include ideas of a common good as they are enshrined in the principle of human security\(^1\). In relation to water, human security issues in Vietnam are raised with relevance to the protection of the ecology of the agriculturally intensive Mekong Delta, which marks the end point of the transboundary Mekong River. This relates to river pollution and an equitable allocation of water resources, which in Vietnam depends on economic activities in upstream countries. As last in the line of Mekong countries, Vietnam feels particularly vulnerable to dam-building activities especially in China, which controls the source of the Mekong. Dams influence the amount of economically relevant fish stock, influence wet and dry season flow and thus the water that can be diverted for agriculture in downstream countries. Sedimentation and salinization are important issues here. Therefore, dams for energy production and irrigation in upstream countries, so the fear in Vietnam, affects food production especially in the Mekong Delta. However, Vietnam also regards water ways as important transport routes and sources of energy to spur economic development in order to create sufficient jobs for young people. The building of dams at the Sesan River, which flows from Vietnam to Cambodia, is a case in point and makes environmental concerns expressed against the Chinese dams look tactical, the more so since Vietnam is a downstream country on the Mekong, but sits upstream on the Sesan. As a result, we have a multitude of strategic interests in water use in Vietnam, most of which ultimately refer to economic development, an important factor of political stability. It is hence possible to argue that environmental considerations pertaining to the Mekong Delta have more to do with economic development than with environmental protection.
This is bad news for the Mekong River Commission: the commission with its mandate of Integrated Water Resources Management (IWRM) is theoretically committed to combine economic development and human security, especially in the field of environmental protection. Instead, however, subregional cooperation is used to achieve a narrow definition of the national interest, which holds up ideas of a nation state in the interest of which foreign policy is pursued. It is thus a state-centered approach to policy making in Vietnam, which only slowly sees the interest of non-state actors in the field of environmental protection influencing the foreign policy agenda of Hà Nội.

This has two consequences: first, subregional Mekong cooperation, although being a cross-boundary exercise, is dominated by national egoisms. As a result, policies towards multilateral cooperation are defined in terms of political stability needs of Hà Nội, of which performance legitimacy through economic development in the absence of communist ideology forms the essential part. Second, and following from this, multilateral cooperation is dominated by an economic development paradigm, which has little or no regard for human security but focuses on political stability. To discuss these issues, the article will examine how Vietnam’s foreign and security policy strategies translate into policies towards two subregional governance mechanisms in the Mekong Basin, which have received international attention for more than a decade: the Mekong River Commission (MRC: Ủy hội sông Mê Công) and the Greater Mekong Subregion (GMS: Tiểu vùng Mê Công mở rộng, or Chương trình hợp tác Tiểu vùng Mê Công mở rộng), and their strategic relevance for Vietnam’s security outlook.

**The end of the Cold War and the rise of Mekong cooperation**

In the wake of the end of the Cold War, Hà Nội’s attachment to ideological blocs was replaced by the need for multilateral cooperation. The first step was made in 1986, when the
government in Hà Nội started the economic reform program of Đổi Mới [Renovation]. Đổi Mới was initiated on the Sixth Party Congress in December 1986. In addition to the economic changes, the politburo adopted Resolution No. 2 in 1987 in order to initiate a ‘strategic readjustment in Vietnam’s security policy’: withdrawal from Cambodia and Laos and reduction of the standing army in order to adjust to the new Soviet policy of perestroika and glasnost under Gorbachev. To sustain Đổi Mới, a multi-directional foreign policy was adopted in the politburo resolution No. 13 of May 1988. This policy was changed on the Seventh Party Congress in June 1991 to a policy of ‘making friends with all countries’. The congress adopted a policy of diversifying and multilateralizing foreign economic relations [đa phương hóa và đa dạng hóa quan hệ kinh tế đối ngoại] with all countries and economic organizations. Initiated two years after Đổi Mới had been put in place, the new foreign policy resulted in a rapid expansion of foreign economic relations, which have led to membership in five governance mechanisms in the Mekong Basin. The following table shows what exists and who is a member.

Table: Institutional Arrangements in the Mekong Basin

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Consequently, the global post-Cold War changes brought about a new security perception, which marked a change from a Vietnam which viewed itself as part of the socialist ‘bloc,’ to Đổi Mới as new guideline according to which foreign policy was formed. This nexus between economic cooperation, national security and domestic stability informs the goals, which Vietnam’s government wants to achieve through multilateral cooperation. Overall, Vietnam pursues three foreign policy purposes in subregional cooperation: to ‘diversify foreign relations in a new global environment; improve relations with former adversaries (especially Vietnam-China relations); [and] demonstrate trustworthiness in international relations in order to reach long-term goals such as WTO membership’\(^3\), which was reached on 28 December 2006\(^4\). We will now turn to the examination of these goals in relation to the Mekong River Commission and the Greater Mekong Subregion.
The relevance of the Mekong River Commission and the Greater Mekong Subregion for Vietnam’s foreign policy

The Greater Mekong Subregion was formed in 1992 at the initiative of the Asian Development Bank (ADB) as an economic cooperation scheme. It includes all Mekong riparian states: China and its two provinces of Guangxi and Yunnan, Thailand, Laos, Myanmar, Cambodia and Vietnam. The Mekong River Commission was formed in 1995 as successor of the dysfunctional Mekong Committee, which was inaugurated in 1957 but soon found it difficult to cooperate effectively due to the Vietnam War and the Cambodia conflict. While the Mekong Committee was founded as an economic cooperation scheme, the Mekong River Commission is an organization with the aim to pursue Integrated Water Resources Management.

The agenda change happened against the background of the experience of industrialized countries, which had started to incorporate considerations of environmental protection into policies of economic development. It can therefore be argued that the agenda change from the Mekong Committee to the Mekong River Commission reflected Western ideas – and thus policies of donor countries – of a combination of economic development and environmental protection. However, given the emphasis of the link between multilateral economic cooperation and domestic stability in member countries, member countries tend to ignore the IWRM mandate of the MRC.

Therefore, the Mekong River Commission forms only another multilateral body in Southeast Asia, through which international contacts can be forged. Indeed, when the author interviewed Vietnamese researchers and governmental advisors in Hà Nội in the Academy of Social Sciences and the Institute of International Relations on the significance of the Mekong River Commission for Vietnam, the interviewees without exception did not talk about the environmental aspects. Instead, the interviewees quickly switched from the Mekong River Commission as conversational topic to issues concerning economic cooperation in the Greater
Mekong Subregion⁶. This indicates the relative insignificance of the Mekong River Commission vis-à-vis the Greater Mekong Subregion for Vietnam’s security policy.

The perception of irrelevance from the interviews was supported by a statement of a staff member of the MRC in relation to the question of ownership: ‘given that 90% of the operational budget comes from the international donor community, the issue of ownership has to be raised: if the donors pulled out entirely, the Mekong River Commission would face a serious challenge and its operational capacities would be severely reduced’⁷. Technically, this shows a lack of funds coming from member countries. Strategically, it shows a lack of interest in member countries to make the Mekong River Commission ‘their’ organization, as they have done with the Greater Mekong Subregion – aided financially by, most importantly, Japan and the Asian Development Bank. It also indicates that the human security element in transboundary river cooperation is only slowly entering the foreign policy agenda and so far has to give way to the river as a source of unrestrained economic development. This in turn shows the lack of a strong environmental policy within the central government, hinting to a low status of environmental issues in the government vis-à-vis the economics-related ministries. It also indicates the government’s disinterestedness to strengthen the environmental capacities of the MRC. The Ministry of Agriculture and Rural Development as the body in charge of MRC contacts has the function to oversee flood and typhoon protection systems, hydraulic structures, wetland management, and rural water supply and sanitation⁸. The Ministry of Natural Resources and Environment has no role here. In the context of the difficulties to reconcile economic growth and environmental protection, Dara O’Rourke argues:

The Vietnamese government asserts that it is exploring economic policy measures, including pricing mechanisms such as taxes and fees, to increase efficiency of use of scarce environmental resources. However, a cynical reading
of environmental policy in Vietnam might lead one to argue that policies are designed to satisfy the demands of external actors such as aid agencies, and to some degree internal demands to stop the worst polluters, but are specifically designed to minimize negative impacts. This would be a rational policy design from the perspective of a government that justifies itself through rapid economic growth.

The irrelevance of the MRC emerging from the interviews is supported by the findings of Philip Hirsch and Kurt Mørck Jensen. With regard to the MRC, they say that legislation and policies of Vietnam rarely mention the Mekong River Commission despite a range of national laws and organizations, which are to deal with the MRC as liaising bodies between the national and the multilateral level. For instance, in a report by Vietnam’s Ministry of Agriculture and Rural Development on the role of River Basin Organizations, the Mekong River Commission is not mentioned at all. The Law on Water Resources No. 8 of 20 May 1998 lacks mechanisms for its legal enforcement and is too general to be applied to a particular purpose. Instead, the law was used to set up a number of water administration agencies, although without assigning them distinct functions, which means administrative confusion as to the responsibilities of these agencies: the National Water Resources Council in the Department of Water Resources Management of the Ministry of Natural Resources and Environment; the General Office of River Basins Planning Management (= the General Office for RBOs, sometimes also called the General Office of River Basins Organizations) in the Department of Water Resources under the Ministry of Agriculture and Rural Development; and the Office of River Basin Planning Management Board (= the RBO Office).

These bodies also lack skills and a large enough budget to carry out functions assigned to them. Furthermore, there is no cooperation mechanism between the two ministries, which
are responsible for water resources management: the Ministry of Natural Resources and Environment, and the Ministry of Agriculture and Rural Development\textsuperscript{13}. Formally, both ministries have separate mandates: the Ministry of Natural Resources and Environment deals with state water management functions in the form of water resources management, while the Ministry of Agriculture and Rural Development deals with public water services in the form of irrigation and drainage services\textsuperscript{14}. In practice, however, other water-related ministries are involved: for instance, members of the National Water Resources Council of the Ministry of Natural Resources and Environment are: the Ministry of Agriculture and Rural Development, the Ministry of Fisheries, the Ministry of Science and Technology, the Ministry of Planning and Investment, the Ministry of Finance, the Ministry of National Defence, the Ministry of Construction, the Ministry of Transportation, the Ministry of Industry, and the Ministry of Public Health\textsuperscript{15}. A similar intrusion can be observed in the domain of the Ministry of Agriculture and Rural Development: almost all of the ministries mentioned were involved in the establishment of the General Office of RBOs\textsuperscript{16}.

In addition to the administrative confusion, the Vietnam Water Partnership, the Vietnamese arm of the Global Water Partnership, ‘has no role in developing river basin management plans’\textsuperscript{17}. The body in the Hà Nội administration in charge of liaising with the MRC is Vietnam’s National Mekong Committee\textsuperscript{18} (VNMC: \textit{Uỷ ban sông Mê Công Việt Nam}), chaired by the Minister for Agriculture and Rural Development. The three vice-chairmen are from the Ministry of Foreign Affairs, the Ministry of Agriculture and Rural Development, and the Ministry of Planning and Investment. Interestingly enough, however, the VNMC, apart from advising the prime minister on cooperation plans with the other MRC members, also helps the prime minister to ‘protect Vietnam’s interests in exploiting water and other resources in the Mekong Basin’\textsuperscript{19}. All the MRC members’ NMCs ‘lack a coherent basinwide approach’\textsuperscript{20}.
Therefore, it can be argued, that Vietnam has continued to regard the MRC as an organization to facilitate economic development in the spirit of the 1957 Mekong Committee. While the MRC Secretariat sees itself as an organization with the task to reconcile economic development and environmental protection through Integrated Water Resources Management, the GMS has taken over the task to develop the economies along the Mekong River without recourse to environmental security.

In the proceedings of the first GMS ministerial conference, published by the ADB in 1993, the environment receives 6½ lines of attention. The problem makes its first appearance well hidden at the end of a list of issues to be tackled in the GMS, saying that deforestation and drought have to be prevented in the development of forestry and hydropower sectors of the GMS program; at least, the environmental problem is acknowledged as a transnational issue that ‘cannot be resolved on a country-by-country basis’. Environmental concerns then re-appear as simple afterthought to the development of the Mekong as key source of energy, forestry, fishing, agriculture and transportation development. To be sure, the environment has received more attention in the course of events: the ADB adopted a new environment policy in November 2002, GMS members formed a working group on the environment, launched the Core Environment Program in 2005, which includes the *GMS Biodiversity Conservation Corridors Initiative*, and opened an Environment Operations Center on 26 April 2006. However, pronouncements to tackle environmental degradation seem to be little more than a sop thrown to Western observers and donors, the more so since the environmental problems associated with economic development are clear to policy makers in the region, but are sidelined in favor of an unrestrained development of the economy (mining, hydropower etc.). The Mekong River Commission rarely moves beyond the stage of planning, feasibility studies and workshop discussions, which enables it to accumulate a vast technical knowledge base. However, prevailing mistrust between member countries do not enable the commission to turn the accumulated knowledge into practice and produce tangible results, as does the
GMS with its quickly expanding infrastructure linkages in the transport, energy and telecommunications sectors. Also important in this respect is China’s refusal to join the Mekong River Commission on the grounds of the consensus provision in the 1995 founding document.

In short, it is the interest of riparian states in the pursuit of economic development unbound by environmental regulations, which contrasts with the GMS environment program. It seems thus that the GMS now pursues the economic functions of the old Mekong Committee: from an organizational and historical point of view, the MRC is the successor of the Mekong Committee. However, when the Mekong Committee became the MRC, the economic agenda of the Mekong Committee changed to one of more environmental sensibility under the concept of Integrated Water Resources Management. It could therefore be argued that regarding the agenda, the real successor of the Mekong Committee is not the MRC, but the GMS.

**The Mekong River Commission v. the Greater Mekong Subregion?**

The fact that member states ignore the environmental agenda of the MRC in favor of unrestrained economic development within the GMS framework is not the only reason for the weakness of the MRC. A second important reason is that the MRC embodies Western ideas of institutional cooperation according to which rules can be legally enforced. The MRC is based on this conception, which is alien to East and Southeast Asia, where a different political culture exists. This political culture, which has been termed the ‘ASEAN way’ of an informal, consultative and evolutionary mode of cooperation, has found application in the Mekong Basin, where it is called the ‘Mekong spirit’. The MRC, with roots in the Mekong Committee of 1957, can be seen as a failed exercise in Westernization of cooperation in Southeast Asia in that it lacks ownership of the central governments. The concept of regionalism, which is still embodied in the MRC, is a concept of a 1950s regionalism that was foreign to the region,
firstly because it stemmed from European practice of an ever deeper economic integration that would eventually be joined by a political integration; and secondly because its rationale was concerned with balance of power strategies and not a promotion of regional awareness\textsuperscript{28}. Consequently, within the governmental bureaucracies of member states, the MRC does not play a significant role, neither as an institution nor as regards its Western-conceived IWRM agenda. A part of this problem is that the MRC Secretariat is not chaired by an expert from the region, but by an expatriate: until the end of September 2003, it was chaired by Joern Kristensen, followed by Olivier Cogels on 1 July 2004. Cogels finished his term in 2007. The position is currently vacant.

For the GMS, the picture is different for two reasons: first, the GMS is grounded in the political culture of East and Southeast Asia as it has transferred the ‘ASEAN way’ to the Mekong Basin calling it the ‘Mekong spirit’; second, the GMS is owned by central governments in that they are represented in the GMS committees on the ministerial level and, through summits, on the levels of heads of state. The initiative to establish the GMS came also from the region, namely from the ADB, which consulted extensively with national governments. The author agrees with the argument in Philip Hirsch and Kurt Mørck Jensen that the ‘ASEAN way’ or ‘Mekong spirit’ is a dynamic process which has brought Southeast Asian states closer together to the point where they have created in a slow evolutionary process mechanisms of economic and political regional governance\textsuperscript{29}. However, the author does not agree with the argument that these mechanisms, and in particular the MRC, will have to move to legally enforceable rules in order to become viable\textsuperscript{30}. The GMS, cited by Philip Hirsch and Kurt Mørck Jensen as an example of successful country ownership that has created ‘an incipient institutional form’\textsuperscript{31}, does not do that. Nevertheless, through its specialist sector working groups, ministerial and post ministerial meetings and summits, the GMS achieves a degree of committee governance, which makes the institution of the GMS resilient without the need of legally enforceable rules.
A review of the ministerial meetings, which are the decision-making bodies of the GMS, shows that practice followed the principle of the ‘ASEAN way’ in that no rules were established at all. Instead, a practice-oriented approach has arisen, which depends more on principles and norms than on rules. The GMS program, that arose from this practice, represents the lowest common denominator of the member governments. Looking at the evolution of the GMS structure throughout the last fifteen years, we see the steady constitution of an increasingly diversified structure of negotiation and confidence-building platforms, cutting across several layers of state and non-state – hence sovereignty-bound and not sovereignty-bound – actors. This gives rise to an institution, in which a gradual and consultative approach of institutionalization accounts for effectiveness and robustness, thereby relaxing the notion that only hard rules can foster effectiveness and robustness of multilateral institutions. Aided by ADB envoys, interests and cooperation expectations of member governments converged. A gradual process was unfolded, which regularized and enhanced the frequency of specialized sector meetings and general ministerial meetings, leading to stable patterns of cooperation, which are not rule-based, but are based on general principles, norms and procedural guidelines. Through this, an effective cooperation mechanism was established, from which emerged a system of committee governance, which facilitated important inter-governmental agreements such as the Cross-Border Transport Agreement\textsuperscript{32}. The expert working groups of the nine working sectors of the GMS program, which include, among others, representatives of national ministries, form an integral part of GMS governance, deliberation and mutual learning processes. The involvement of national ministries allows consensus decision-making during the annual ministerial meetings. The working groups ensure coordination of national policies in a cooperative structure, which does not involve supra-national decision-making bodies. The frequency and regularity of exchanges in the working groups also provide a regular exchange of information and a certain transparency and predictability of policies and priorities of member states. The involvement
of national governments in the expert committees and the membership of often more than one ministry in a particular working group facilitate implementation of the non-binding agreements, which characterize GMS cooperation.

Furthermore, the transgovernmental nature of the GMS and the gradual processes of informal confidence-building have created relationships, which resemble Robert O. Keohane’s ‘networks of acquaintance and friendship’\textsuperscript{33}. Bearing in mind that in 1991 with the conclusion of the Cambodia conflict, countries in the Mekong basin emerged from decades and centuries of conflict and mistrust, the inauguration of the GMS project in 1992 was a sensitive endeavor. It is against this background that on the occasion of the second GMS Summit in Kunming on 4-5 July 2005, Jean Pierre Verbiest, director of the Thailand mission of the ADB, said that at the first meeting of GMS officials in 1992, “even at coffee breaks it was difficult to get the officials to talk to each other”\textsuperscript{34}. Consequently, at least in this respect, the ASEAN way, which rules out legally enforceable rules, is a success, resulting in stable patterns of cooperation supported by favorable governmental policies and aided by the mediating activities of the Asian Development Bank in the GMS. These processes and cooperation patterns reduce transaction costs and reduce uncertainty by providing enhanced access to information for members of the institution in question\textsuperscript{35}.

The result of this evolutionary cooperation process in subregional governance is that it has enabled Vietnam to restructure its relations with former adversaries, in particular China:

[u]nlike Vietnam’s relations with other powers, Vietnam’s relations with China are comprehensive and multifaceted. They go beyond state-to-state relations to also include party-to-party, province-to-province, and people-to-people [in particular through youth exchanges and scholarships] relations. Party leaders tied their two countries together in a web of relationships between governments, parties, and mass organizations, from the central government down to the local
level. In the last decade, no other country has sent more top leaders and
delegations of all sizes and levels to Vietnam than China, and vice versa\textsuperscript{36}.

The GMS fulfills more than only specific subregional functions. It is part of a more regional
strategy to reorganize Vietnam’s post-Cold War foreign relations. In this respect, one
interviewee remarked that the GMS is designed to ‘push Vietnam’s relations with Thailand
and China’ and ‘enhance intra-ASEAN relations through GMS cooperation’\textsuperscript{37}, thus expecting
a spill-over effect from the GMS to ASEAN. Since the end of the Cold War, the region has
experienced increasing regionalization and bilateral as well as multilateral activities. The
GMS can help improving these trends in the region by enhancing the relations between China
and Vietnam and eliminate bilateral threats to comprehensive security.\textsuperscript{38} However, the
national interests between China and Vietnam differ\textsuperscript{39}, leading to differences in foreign policy
in which China refuses binding commitments, while Vietnam would like China to become
more transparent and cooperative in its foreign policy dealings. Yet, since Vietnam and China
share a border, and both countries need peace and stability to develop their economies\textsuperscript{40}, a
modus vivendi between China and Vietnam can be established in order to advance relations
bilaterally and within the GMS. The challenges ahead are that the GMS includes China, but
China is not an ASEAN country\textsuperscript{41}, a situation in which China has managed not to tie itself
into binding commitments towards Southeast Asian countries. The interviewees continued
that therefore, the biggest question for Vietnam is: how to deal with China? It is a powerful
country that controls the Mekong’s source\textsuperscript{42}. Implicit in this statement is the fear that
combined with its economic and political power, China is able to develop the river
unilaterally without consideration for the concerns of downstream countries, as was shown by
Helga Haftendorn\textsuperscript{43}. It is in this context that according to one interviewee, the ‘GMS should
promote cooperation between ASEAN and China’\textsuperscript{44}, indicating the hope for a spill-over
process, in which small-scale cooperation in the GMS positively affects cooperation in
ASEAN with regard to the disputed islands in the South China Sea. The overlapping membership between the GMS and ASEAN is seen as a chance to narrow the gap between ASEAN countries. Consequently, the GMS has a central function in the reorganization of Vietnam’s wider regional relations.

It is because the GMS can be subjected to these purposes that the GMS as a conversational topic (as opposed to the MRC) elicited so elaborate responses during the author’s interviews, thus reflecting the neglect of human and environmental security on Hà Nội’s foreign policy agenda.

**Traditional and human security**

Small scale subregional governance in the Mekong Basin has gained increased importance in the security field the more inclusive regional Southeast Asian security cooperation failed to achieve the results desired in Vietnam. Hoàng Khắc Nam discussed the ineffectiveness of the security architecture in East and Southeast Asia: with reference to the institutional strength of ASEAN, he expressed the opinion that a power struggle between the United States and China may prevent closer cooperation in that it would be unacceptable for Washington to let Southeast Asian countries come under the influence of an assertive China while the influence of the United States is in decline, especially against the prospect that a regional cooperation under ASEAN+3 could further reduce the role of the United States in East Asia.

Furthermore, Hoàng Khắc Nam pointed out that security in East Asia cannot be achieved by regional bodies alone but relies on participation from outside the region. In particular the notion that the ARF does not wield real power but is ‘simply a consultative platform’ expresses disappointment at the conflict resolution capabilities of the inclusive regional bodies. In the same vein, Nguyễn Mạnh Hùng criticized ASEAN as being ‘unable to address key regional security issues as evidenced by the failure of the Asian Regional Forum to adopt a code of conduct in the South China Sea in July 2001.’ The problem that Southeast Asian
cooperation bodies rely on outsiders and are therefore prevented to achieve closer cooperation was also expressed by an interviewee, who argued that the ten member states of ASEAN form a loose grouping, the current formula for implementing decisions being ‘10-x’. It has to be noted, however, that this is formula applies to some economic matters, but not to political issues. Aside from the economic, cultural and strategic differences, the United States, China and Japan have ‘a bit of an incentive to keep this status quo’ in order to secure their influence in the region, as ‘China has good relations with Myanmar, the United States has good relations with Thailand, Singapore and the Philippines, and Japan has good relations with Thailand and Singapore’\textsuperscript{49}. The differences came pointedly to light when the United States reacted less than enthusiastically to Malaysia’s idea of an East Asian Economic Group in 1990, and in China’s unsympathetic response to an East Asian Community potentially overriding ASEAN+3.\textsuperscript{50} As a result, there are ‘internal problems as well as external problems of generating support for building a stronger community’\textsuperscript{51}.

In contrast, Mekong cooperation carries the chance to build a closer community in a geographically well-defined area. All subregional governance mechanisms including the MRC are characterized by a subregional geographical identification (the Mekong River) and are therefore restricted as regards membership. Given the fact that political stability in Vietnam depends on performance legitimacy of the Vietnamese Communist Party (VCP: Đảng Cộng sản Việt Nam), these mechanisms are subjected to the need of ensuring and enhancing national security and political stability through rapprochement with neighboring states in small-scale subregional cooperation, which exclude some of the cultural and economic differences the larger ASEAN and APEC groups exhibit. In addition, the increasing transnationalization of problems of human security (such as poverty reduction through economic cross-border integration, or environmental protection) forces the government to address problems that are transnational in nature and therefore need to be dealt with in a multilateral context.
This is to say that the human security complex must not be treated as a unitary block but needs to be looked at in a differentiated way: poverty reduction as part of the human security complex is a focus of the central government, but it serves the purpose of creating domestic stability and is therefore not an altruistic motive. Other human security problems, such as drug and human trafficking, are on the foreign policy agenda, too. They are part of the GMS process and fighting them is synonymous with gaining control over the border areas where drug and human trafficking bloom as well as smuggling of manufactured goods – lost revenue for the government – and the spread of HIV/AIDS is a rising concern. By cooperating in the GMS, the central government therefore also responds to a trend of a localization of foreign policy and a deterritorialization of the nation state in order to try to regain control over areas that increasingly defy central control. These transnational issues challenge the capacity of the central government and produce a sense of urgency in the central administration. As a result, they enter the foreign policy agenda. Given the treatment of the MRC and the irrelevance of the national environment and water management bodies within the central administration, this cannot be said for environmental security. Consequently, all subregional governance mechanisms in the Mekong Basin, in which Vietnam is a member, are designed to meet only those problems of traditional and human security, which from the viewpoint of the central government and its dominant ministries challenge domestic stability and the problem-solving capacity of the central government.

In this context, a prime concern of Vietnam specific to GMS cooperation is Chinese dam-building at the upper flow of the Mekong, which has the Chinese name of the Lancang. China is building a cascade of dams on the Lancang, which is accordingly called the Lancang Cascade. The cascade is of strategic relevance to China in the context of energy security, as it is part of China’s ‘West-East Power Transmission’ project, within which Yunnan supplies the booming province of Guangdong with electricity. For Vietnam, the cascade is related to the problem of salinization of the Mekong Delta. This point is raised by Nguyễn Thanh Đức of
the Institute of World Economics and Politics in the Vietnamese Academy of Social Sciences: the benefits of the Mekong Delta for rice production, navigation, irrigation, fishing, hydro-electric power and tourism, give Vietnam an almost natural interest in the well-being of the Mekong. The ecological issues concerning Vietnam are deforestation, erosion, salt intrusion due to declining water inflows, pollution and a loss of biodiversity. Floods are increasingly affecting agricultural development. To tackle the issues, Vietnam needs the cooperation of the upper Mekong countries. The reduction of water resources due to dams, power plants and irrigation of the upper Mekong countries, is becoming increasingly difficult and is a major problem in Vietnam’s relations with China and raises the issue of future water conflicts.

While GMS cooperation in other fields is promising, cooperation regarding water resources remains difficult. There is, however, no bilateral framework for these problems between Vietnam and China, but only an ‘emerging multilateral framework’ within the GMS. This indicates that the GMS does not deal with water conflicts, and that the Mekong River Commission, which would have the mandate to do so, has not enough power. Another interviewee argued further that there are no clear norms and institutions for problem-solving within the GMS: there is no institutionalization, but only an ‘upgrade of cooperation’. The absence of firm structures in the GMS, however, makes it difficult for Vietnam to exert pressure on China through the structure of the GMS. Asked by the author if Vietnam ever raises the issue of the Lancang Cascade in talks with Chinese government officials, a senior staff of the Institute of World Economics and Politics replied that ‘the answer is always diplomatic’.

It is here that Timo Menniken argues for an issue linkage of water and non-water problems to help reducing the fear of Chinese domination over the allocation of water resources and to reduce what Liebman had earlier referred to as China’s ‘trickle-down hegemony’. Arguing that China is able to ‘export’ ‘human and environmental security problems’ down the Mekong, the solution to elicit cooperation from China is an alteration of
the power equation by moving water conflicts to ‘genuine political bodies such as ASEAN, or to economically powerful institutions such as the ADB and GMS’. This would link political and economic issues with conflicts over water resources and relieve the Mekong River Commission, which has ‘all the information […] but] might not have all the solutions’ given the politicization of water issues\textsuperscript{60}.

The irrelevance of the Mekong River Commission in the solution to water conflicts is clearly outspoken here. Moreover, as the discussion on the relevance of MRC and GMS for Vietnam’s foreign and security policy showed, the GMS not only produces tangible results in economic development, but it also fulfills a number of functions, which deal with specific subregional concerns (smuggling etc.) as well as strategic concerns related in particular to Vietnam’s post-Cold War reorientation of foreign policy and the strengthening of the domestic economy through cross-border integration of its landlocked northern provinces along the border to China. In this sense, as argued above, the GMS represents original concerns of Vietnam, whereas the MRC – with roots in the Cold War-generated Mekong Committee – symbolizes institutional and agenda ideals of European and US origins, which have failed to gain acceptance and to induce a sense of exigency (environment, human security) within the central government.

**Transboundary water disputes and economic cooperation: environment v. economics?**

Given the conflicts between Vietnam and China over the Lancang Cascade and Vietnam’s concerns over its Mekong Delta, one would assume that Vietnam has serious environmental worries when it comes to the construction of dams. A general opposition to dams, however, does not seem to be the case. A conflicting issue between Cambodia and Vietnam is the Yali hydro-electric power station on the Sesan flowing from Vietnam to Cambodia. This conflict also shows well the weakness of the MRC in the management of subregional water governance. The station is on Vietnam’s side of the border. It has been operational since 1991
and has caused fluctuations in the river’s flow, significantly affecting Cambodia’s downstream ecosystems. Floods damaged crops, periods of low flow have threatened fish stock, and an uneven flow increased turbidity and made the water less suitable for drinking. The Mekong River Commission has created a bilateral panel to discuss such issues, which so far has not brought forward any results of how to solve the conflict. The disputes with Cambodia notwithstanding, Vietnam started construction of a second dam on the Sesan, the Sesan 3 Dam, 18 kilometers from the Yali Dam, causing considerable anger among Cambodian villagers and within the Cambodian government.

The reason for this is that Vietnam failed to abide by MRC regulations, which stipulate that downstream countries have to be consulted before going ahead with the construction of dams. Regarding the Lancang dams, so far, ‘no regional or bilateral mechanism has been able to clarify or discuss the issue openly between China and the other countries’. Furthermore, the dam issue was not discussed during the second GMS summit in Kunming in July 2005, but was the topic of two meetings held parallel to the summit by local communities and NGOs in Chiang Rai and Ubon Ratchathani. This example strongly shows the non-involvement of NGOs in the decision-making processes in the GMS. Consequently, the episode illustrates the disregard for human security in general and environmental security in particular, thus the weakness of the non-state sector, for the formulation of foreign policy in the central governments.

Ironically, Vietnam, one of the harshest critiques of the Lancang Cascade, receives hydropower from Yunnan along with Thailand, which has also been complaining to China about negative impacts on the ecology of its rivers and the livelihood of downstream communities, but buys energy generated by stations on the Lancang; Thailand is also one of the investors in the Jinghong station, which is part of the Lancang Cascade. Stanway mentions that in the first five months of 2005, China exported 87.2 mln kWh to the GMS. The power transmission capacity increased after the second power grid connecting Vietnam with
Yunnan became operational in June 2005. At the end of the Eleventh Five Year Plan (2006-2010), Yunnan is supposed to be able ‘to dedicate 3 mln kW of capacity to Thailand alone’ 66. Although Chinese politicians recognize the potential effects on downstream ecologies and the lives of local communities, who depend on the river water for irrigation and fishing, environmental concerns are being sidelined in favor of rapid industrialization of China’s south-western regions 67.

Another case, through which Vietnamese complaints about the negative effects of upstream dams look strangely at odds with political reality, is that Vietnam is reported to be helping Laos with the construction of three new dams 68. Furthermore, the World Bank has returned to finance dam projects after some time of abstention. In Laos, the Bank has agreed to co-finance with the ADB and private investors the Nam Theun 2 (NT2) hydro-electric project through loans to the government in Vientiane. Construction started in June 2005. The dam is expected to earn the government 150 million USD per year by selling much of the anticipated energy to Thailand. While the Bank argues it has learned its lessons from the failure of Thailand’s Pak Mun Dam and has promised to provide money for resettlement, restocking of the affected rivers with fish and creation of a wildlife reserve nine times bigger than the area flooded by the dam – Vientiane has promised in addition to use parts of the revenue for health, education, and rural development – the project has sparked angry protests of environmental activists and Thai fishermen, who had been affected by the Pak Mun Dam, in front of the World Bank’s offices in Bangkok. Ahead of the loan agreements of 31 March 2005 (World Bank) and 4 April 2005 (ADB), the World Bank conducted local consultations with affected communities from May to August 2004 and held a series of international workshops in September 2004 69. Indeed, the disclosure of an immense amount of information on the project and the extensiveness of discussions seem unprecedented in the World Bank’s endeavors to build dams, and at least seem to show a new seriousness to take into account warnings about social unrest caused by community break-ups, loss of income and food and
environmental degradation. It is yet to be seen, however, whether the NT2 yields better results than its predecessors and can live up to the environmental and social standards the bank has promised to stick to. In a fatalistic manner, a German member of a foreign policy think tank, interviewed in June 2005, remarked that attitudes to Chinese dams by downstream countries change once the downstream country becomes an upstream country. Consequently, as long as the environmental degradation produced by dams and the potentially disruptive nature of the destruction of a river’s ecology and the livelihood of river-based communities is not taken seriously, the pattern of upstream dam-building and downstream opposition is unlikely to change.

Conclusion

GMS cooperation has provided a chance for Vietnam to enhance regional integration of its economy. The participation in five different cooperation bodies signifies the importance the central government attaches to the Mekong Basin. The importance reaches both the interlinked domains of economic development and security policy. It does not extend to ecological problems of security, which leaves the Mekong River Commission cast aside by member countries and kept alive by donor countries. Mekong Basin cooperation also enables Vietnam to diversify its sources of economic development given that Japan, the largest stakeholder of the ADB, has a strategic interest in the region and is the main contender of China for regional influence.

Essentially, cooperation over transboundary running waters not only shows well the distribution of power within a specific region, but also the readiness of countries to cooperate, because many of the problems associated with transboundary rivers, such as pollution, are problems which can only be solved through multilateral cooperation, and often by alienating a degree of national sovereignty. This is also partly why transboundary rivers are often viewed by central and local governments as closed river basins with no concern of the stretches of the
river beyond the national border: the river is dammed and the water stored and diverted for irrigation and electricity production to spur national economic development partially aimed at poverty reduction without regard for the ecology of downstream stretches and therefore also without consultation of affected downstream countries and riverside communities. Wolf, drawing on his studies of conflicts over international waters, concludes that the history of international waters 'suggests that the simple fact that humans suffer and die in the absence of agreement apparently offers little in the way of incentive to cooperate – even less so the health of aquatic ecosystems.' This puts the idea of sustainable development at risk, which through the nature of a transboundary river can only be exercised in a multilateral forum.

Consequently, the only relevant environmental organization in mainland Southeast Asia, the Mekong River Commission, is treated by Vietnam as an institution, through which water related constructions and plans are realized. But these plans and constructions fulfill an economic development function (as can be seen in the fact that the Ministry of Agriculture and Rural Development deals with the MRC on the ministerial level) that nullifies the idea of Integrated Water Resources Management which the MRC is supposed to pursue.

Furthermore, GMS cooperation fulfills an original interest in multilateral cooperation, while the MRC represents European and US concepts of institutionalization and working agendas. The cases of the Mekong and the Sesan, on which Vietnam is a downstream and an upstream country respectively, show well the utilitarian character of subregional Mekong cooperation, which is perpetuated through a country’s relative power position: power here is not solely defined through the geographical position, but foremost through political and economic power, through which the geographical position is first cemented and then used in order to achieve what lies in the national interest. While Vietnam cannot press China to stop building the Lancang Cascade, it can afford to ignore complaints by Cambodia in relation to the Sesan hydropower stations in the same way that Beijing can afford to disregard
complaints by Hà Nội with regard to the Lancang dams. The Mekong River Commission is unable to negotiate in the disputes, whereas the GMS provides an economic development forum in which the environment is represented through the biodiversity initiative, but in which river development is part of a national interest defined in nation state terms: essentially, the transboundary Mekong River is still viewed as a closed national basin, which stops at the national border.

The transboundary character of the Mekong is acknowledged only when the river can be developed as a shipping route to export manufactured goods in order to achieve national economic development, or whenever it is regarded as a transporting route for drugs, smuggled goods or other international criminal activity. In both cases, transboundary activities are regarded as influencing the national: the international river is seen as an opportunity for national development or a threat to national security. Both impacts on the capacity of the VCP to manage and resolve conflicts within Vietnam. Performance legitimacy is therefore the primary motivation to engage in subregional cooperation, putting national egoisms above a common good. Yet, this ignores issues such as the potential destabilizing impact of environmental refugees or declining reservoirs of clean drinking water. As a consequence, by following a narrow definition of the national interest, the VCP ignores threats to political stability, which arise from policy domains over which the central government fails to see exigency to act and which therefore have remained the concern of NGOs without influence on the central decision-making processes.

**Abbreviations:**

ADB: Asian Development Bank  
APEC: Asia-Pacific Economic Cooperation  
FDI: foreign direct investment  
GMS: Greater Mekong Subregion  
ASEAN: Association of Southeast Asian Nations
IWRM: Integrated Water Resources Management
MRC: Mekong River Commission
NGO: non-governmental organization
NT2: Nam Theun 2 dam
QEC: Quadripartite Economic Cooperation
RBO: river basin organizations
VCP: Vietnamese Communist Party
VNMC: Vietnam National Mekong Committee
WTO: World Trade Organization.

List of interviews:
Mekong River Commission, staff member, July 2007, Phnom Penh.
German foreign policy think tank, senior staff member, June 18, 2005, Höchst.
Institute for International Relations, leading member Center for Southeast Asian Studies, June 5, 2004, Hà Nội.
Institute for International Relations, leading member Department of International Cooperation, June 5, 2005, Hà Nội.
Vietnamese Academy of Social Sciences, leading member Institute of Southeast Asian Studies, June 4, 2004, Hà Nội.

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1 I will follow the broad view of this concept, as it is taken by the UNDP’s 1994 Human Development Report and the Commission on Human Security’s 2003 report Human Security Now. This broad view extends the issue of human security to the fields of food, disease and natural disasters. The narrow view of human security, as taken by the Human Security Centre’s Human Security Report 2005, limits this security concept to the threats of the individual posed by war, genocide and terrorism. The broad view concerns the nexus between economic development, social conflict and environmental degradation. As the conflict between economic growth and environmental protection often leads to political and economic decisions, which may lead to a depletion of resources and a displacement of local communities, whose livelihoods depend on natural resources such as river waters, the decisions may as a consequence lead to internal violence and therefore political instability. This problem has shifted attention to the link between human security and political stability.


6 Interviews in Vietnam were conducted with Vietnamese researchers and governmental advisors between May and July 2004: in the Institute of Southeast Asian Studies, Institute of World Economics and Politics, and Center for Chinese Studies (all Vietnamese Academy of Social Sciences), and in the Department of International Cooperation and Center for Southeast Asian Studies (all Institute for International Relations).

7 Interview with MRC staff member, July 2007, Phnom Penh.


11 When the Council was set up, its Office was located in the Ministry of Agriculture and Rural Development (Government of the Socialist Republic of Vietnam, Decision of the Prime Minister}

12 Vietnam’s River Basin Organizations are part of the Network of Asian River Basin Organizations (NARBO). More see at www.adb.org/Water/NARBO/default.asp (accessed January 6, 2008).


17 Hirsch and Jensen, National Interests and Transboundary Water Governance in the Mekong, 39.


20 Hirsch and Jensen, National Interests and Transboundary Water Governance in the Mekong, 43.


22 ADB, Subregional Economic Cooperation: Initial Possibilities for Cambodia, Lao PDR, Myanmar, Thailand, Viet Nam and Yunnan Province of the People’s Republic of China, 7.

23 ADB, Subregional Economic Cooperation: Initial Possibilities for Cambodia, Lao PDR, Myanmar, Thailand, Viet Nam and Yunnan Province of the People’s Republic of China, 8-9.


27 Hirsch and Jensen, National Interests and Transboundary Water Governance in the Mekong, 75+81.


29 Hirsch and Jensen, National Interests and Transboundary Water Governance in the Mekong, 77-78.

30 Hirsch and Jensen, National Interests and Transboundary Water Governance in the Mekong, 79.

31 Hirsch and Jensen, National Interests and Transboundary Water Governance in the Mekong, 78.

32 GMS Cross Border Transport Agreement. The agreement is formally known as The Agreement between and among the Governments of the Kingdom of Cambodia, the People’s Republic of China, the Lao People’s Democratic Republic, the Union of Myanmar, the Kingdom of Thailand, and the Socialist Republic of Viet Nam for Facilitation of Cross-Border Transport of Goods and People.


35 Keohane, After Hegemony: Cooperation and Discord in the World Political Economy, 88-93.


37 Interview with leading member of the Institute of Southeast Asian Studies, Vietnamese Academy of Social Sciences, June 4, 2004, Hà Nội.

38 Interview with leading member of the Institute of Southeast Asian Studies, Vietnamese Academy of Social Sciences, June 4, 2004, Hà Nội. Interview with leading member of the Department of International Cooperation, Institute for International Relations, June 5, 2005, Hà Nội.

Stanway, “China’s Hydropower Development is an Issue for All of Southeastern Asia.”

Stanway, “China’s Hydropower Development is an Issue for All of Southeastern Asia.”

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Interview with senior staff member of a German foreign policy think tank, June 18, 2005, Höchst.

Another example of this is that Thailand participated in the QEC, which pursued an agenda opposed to that of the MRC.

Aaron T. Wolf, Regional Water Cooperation as Confidence Building: Water Management as a Strategy for Peace (Adelphi Research, the Mesoamerican Center for Sustainable Development of the Dry Tropics at the National University of Costa Rica, and The Environmental Change and Security Project (ECSP) at the Woodrow Wilson International Center for Scholars, 2004), 9.