

GEORGETOWN UNIVERSITY

July 7, 2006



The Honorable Charles Grassley
Chairman
Committee on Finance
United States Senate
Washington, D.C. 20510

The Honorable Max Baucus
Ranking Member
Committee on Finance
United States Senate
Washington, D.C. 20510

Dear Chairman Grassley and Senator Baucus,

I am writing in response to your call for public comment on S.3495, to extend nondiscriminatory treatment to products of Vietnam and so extend Permanent Normal Trade Relations to that country. My perspective on this issue is informed by my research on Vietnam and my participation in several “track two” U.S.-Vietnam dialogues over the past several years, as well as my experience as a Deputy Assistant Secretary of State for Democracy, Human Rights and Labor (1993-97). In addition, as co-editor of the *Georgetown Southeast Asia Survey*, an annual review of developments in Southeast Asia and their impact on the United States, I have published in-depth analysis of Vietnam for the past five years. My comments here reflect my individual views and are not necessarily those of the School of Foreign Service of Georgetown University.

I believe it is in U.S. interests to grant PNTR to Vietnam expeditiously, before the end of July if at all possible. Doing so would help to strengthen the U.S.-Vietnam relationship in several important ways:

1. Granting PNTR will reinforce Vietnamese trends toward greater openness and accountability.

All political systems – including our own – are in flux, moving either toward or away from greater pluralism and transparency. In my evaluation, Vietnamese trends in this regard are moving in a positive direction. In its 2005 assessment of Vietnam, Freedom House raised the country’s scores for civil liberties, making specific reference to religious freedom. There is also noticeable positive momentum in the governance sector, as the National Assembly strengthens its role and public debate on a spectrum of issues becomes more assertive. Legal and administrative reforms point to a greater adherence to the rule of law, which is the essential scaffolding for the protection of human rights. As in every country, Vietnam’s political path is of its own choice and making. (It is important to note, for example, that Vietnam embarked upon its renovation policy, or *doi moi*, of its own accord in 1986. This gives the current trends in economic and administrative reform a crucial indigenous

foundation.) However, the international community can reinforce positive developments with instruments such as PNTR.

2. PNTR will increase contact between the United States and Vietnam and help resolve outstanding bilateral issues.

Relations between Vietnam and the United States have expanded dramatically and exponentially since normalization in 1995. Granting PNTR will help to complete the normalization process. However, although bilateral relations are nearly “normal,” they are and will continue to be special for many years to come, requiring a concerted effort on both sides to understand and communicate with the other. For the past three decades POW-MIA issues have remained high on the list of U.S. policy priorities, and a significant amount of progress has been made in this area. Vietnam too has issues of profound concern, including the continuing impact of Agent Orange on human health and the environment. The more contact between the two countries, at both governmental and societal levels, the more likely it is that we will be able to find agreeable resolutions to outstanding problems.

3. At the same time, PNTR is a forward-looking instrument, and will act as a building block for relations with Vietnam’s new generations.

Over half of the population of Vietnam was born after 1975. The new generation entering the workforce has come of age in the era of reform, and has high expectations for economic development. Vietnam has done an impressive job of reducing poverty levels in the past twenty years, but the government will be under continual pressure to meet the growing public demands for prosperity. The younger generation will judge the United States to some degree by whether we are seen as aiding that development process or impeding it, whether we are helping Vietnam’s integration into the international economy or hindering it. Clearly, PNTR is a major marker on that scale.

4. Vietnam has the potential to play an prominent role in regional relations and will be an important partner in multilateral initiatives in Southeast Asia and the broader Asia-Pacific region.

At present, Vietnam is Southeast Asia’s fastest-growing economy, and it is overtaking some of the older market economies in the region. With the second-largest population and one of the highest literacy rates in Southeast Asia, Vietnam is positioned to play a leading role in the Association of Southeast Asian Nations (ASEAN) and other regional institutions. Given its geostrategic position and its expansion of diplomatic relations with the major powers, Vietnam also has the potential to play a balancing role in the changing power dynamics of the Asia-Pacific region.

Thank you for your consideration of these comments. I would be pleased to provide additional information or answer any queries you might have.

Sincerely,

Catharin E. Dalpino
Visiting Associate Professor