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October 14, 2011

Mr. Barack Obama  
President of the United States of America  
The White House  
1600 Pennsylvania Avenue NW  
Washington, DC 20500  
United States of America  
Tel: 202-456-1111  
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**RE: Vietnam-U.S.: Two Countries, One Dream**

Dear President Barack Obama,

I am writing to you to express my deep concern regarding the maritime and territorial disputes in the Southeast Asia, and the economic consequences should these disputes give way to conflict. This is not merely a regional issue but an international issue deserving global scrutiny. The peace and prosperity for which we so dearly yearn to pass onto future generations is threatened by these disputes, and require urgent and immediate action. I believe that you, as President of the United States, and your country can play an important role in resolving this matter.

The sea lanes of the South China Sea are among the busiest in the world and vital to international trade. Nearby countries depend on the openness of the South China Sea, the freedom of the high seas; however, China, in asserting its claim over all of the sea, threatens this freedom. Although I am confident that the South China Sea will remain free, aggressive Chinese maritime activities and the threat of conflict can jeopardize trade, add fear to an already fearful global economy. It is in the best interest for all parties involved to resolve this issue peacefully; and while the United States has remained above the fray, the same cannot be said for countries directly involved.

To be specific, I refer to Vietnam, its disputes with China threatening to spiral out of hand. While the recent six-point agreement with China, signed on October 11 by the vice foreign ministers of both countries, pledges to resolve these disputes through continued talks, I am afraid this is merely more of the same—words, not deeds. The fourth point of the agreement is clear in stating that long-term solutions sought will “not affect the stances and policies of the two sides.” Given

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that the stances and policies of the two sides are at the core of these disputes, any attempt to find a permanent, long-term solution would ultimately prove fruitless. China will continue to oppose international intervention, opting for bilateral resolutions with disputed countries, while Vietnam will continue to press for multilateral talks. This obvious impasse between Vietnam and China has resulted in incidents over the past several years and increased military buildup.

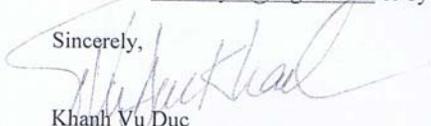
I believe Vietnam will become a key factor in the South China Sea disputes, for it is not only one of the most populous but also well-armed countries among Southeast Asian nations. Its influence in the Indochinese region, particularly among Laos and Cambodia, and growing economy can either aid or hinder Chinese expansionism in East Asia. I believe China, in knowing this, has sought to smooth ruffled feathers with Vietnam, hoping to strike a bilateral agreement whereby Vietnam will join or remain neutral to Chinese affairs. Although it seems unlikely that Vietnam will accept any bilateral agreement, the importance of this small, Southeast Asian nation in the South China Sea disputes cannot be overlooked.

It bears repeating that the Vietnamese economy has grown significantly over the past two decades. While Vietnam has also suffered from the global recession and is now experiencing an unhealthy inflation, there is a hint of what it can become: a regional economic power. Yet, the revitalization of the Vietnamese economy did not occur without some changes, primarily the adoption of free market principles. The centrally planned economy had failed, and the leaders of Vietnam, recognizing this, realized that change was necessary. Change occurred, but only a bit. Vietnam is prevented from realizing its true potential, for the obstacles for change remain—the restrictive policies and ideology of the Communist Party inhibits the creativity and innovation of the common citizen. Vietnam is not a democracy but a one-party state, where the voices of many are overruled by the few.

In light of this, I have produced a White Paper entitled **“The Path of Vietnam: Freedom, Democracy, Prosperity”** in which I envision a new Vietnam might be. This paper should not be taken as a thorough, academic exercise on the future of Vietnam, but rather an expression of the hopes and aspirations of the Vietnamese people; it’s also our dream! What will become of Vietnam is in the hands of its citizens; however, I believe there is a role for the United States, should you seek it. When the time for change arrives, Vietnam should not be alone in pursuit of this change. The United States can help the Vietnamese people in building their new democracy, and in doing so, leave behind a legacy for which you will be remembered.

At last, I wish to thank you for your time and consideration in reading this letter. I pray that these words can be of some service to you, and that our report may prove useful. Also I would be very happy to brief your staff on this issue and to answer any questions that you may have. I can be reached at [vdklawyer@rogers.com](mailto:vdklawyer@rogers.com) or by phone at (613) 867-2071 or by fax at (613) 238-8890.

Sincerely,



Khanh Vu Duc

Total page(s): 10

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# **The Path of Vietnam: Freedom, Democracy, Prosperity**

*By Lan Hoang NGUYEN, Duvien TRAN and Khanh VU DUC\**

**Ottawa Canada  
October 7, 2011**

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## **OVERVIEW**

Vietnam can proudly lay claim to over 4000 years of civilization, complete with dynastic rulers and rich mythologies; however, its history as an independent state is a brief one. As rich a history it might possess, Vietnam is, in many ways, a fairly young nation. Over the past four millennia, the land of the Vietnamese people has existed as small kingdoms separate or part of China, a

French colony, and a partitioned state. It has never enjoyed the luxury of true independence, or social and cultural development free of external influence. It has, frequently and for the longest of periods, been forced to accept the directives of foreign administrations.

In the long history of the Vietnamese people, they have suffered wars and poverty, failed policies and human rights violations. It was only in the early 1990s when Vietnam opened its doors to the world, no longer living in isolation but joining its peers on the international stage. Economic and limited social reform has allowed Vietnam to compete globally; however, there is still room for improvement, for the Vietnamese people remain in need. To satisfy the demands, the necessary forces of change will emerge to bridge the gap between “need” and “have.”

Change is never an exercise in futility. Change is necessary. It is because of change—the basic Darwinian process of evolution, the ability to adapt and survive—that Vietnam can claim 4000 years of civilization. As in the past, in this period of economic instability and shifting attitudes around the world, Vietnam must adapt to the changing tide. As a young nation, it has much to learn and will undoubtedly make mistakes as it matures; however, growth, particularly that of a country, is never easy or convenient. It is a learning experience filled with stories of success and failure.

This paper does not aim to solve the problems Vietnam currently faces, or act as a rulebook on what Vietnam should or should not do. Rather, this paper simply seeks to provide guidance and suggestions towards building a new Vietnam equipped to meet the challenges of this century. It will fall upon the shoulders of the Vietnamese people and their leaders to determine the future of their country.

## **DEMOCRACY AND THE RULE OF LAW**

Democracy, being the rule of the people, cannot exist in a one-party state, for the values and beliefs of one are not reflective of the whole. Transitioning to a democracy is necessary should Vietnam wish to achieve any level of freedom or prosperity; for the greatest strength of liberal democracies is the ability of the people to shape their destiny. Elections and referendums provide the opportunity to vote on matters of importance, both to the voter and to the country at large. It is the contrasting and diverse opinions of the majority and minority that speak to the ability of democracies to change and adapt.

A new generation of Vietnamese has grown to question their place in Vietnam and how they can change their country. They wish to speak out and have their voices heard, to express their hopes and desires; but only in a new Vietnam will this be possible. The new Vietnam, regardless of political leadership, must strive to reflect its large and diverse population, and changing social norms. To acknowledge these differences, whether from a silent majority or vocal minority, is to understand the essence of democracy—anyone and everyone can have their voice heard. It is time for Vietnam to join the world of democracies; and it is time for the Vietnamese people to have their say in the future of their country. After all, the authority to govern is not handed down from those at the top, but handed up from those at the bottom.

A prosperous state, however, is more than just a democracy. Rule of the people must not become rule of the mob. For there to be a prosperous and free Vietnam, there must be law and order. No man or woman, regardless of status, is beyond the rule of law. All citizens, rich or poor, old or young, are to be held to the same standard. The new Vietnam has only one set of laws, and they apply to all Vietnamese people. For any citizen to subvert the rule of law is to jeopardize the legitimacy of the new Vietnam. Therefore it is required, as in any democracy and free society, to uphold the rule of law, a fair and impartial judicial system and a police force held to the highest standard.

It shall be the duty of Vietnamese citizens to preserve and protect their country. Corruption at all levels of society must be eliminated before it can spread, and crimes of the rich and poor must be given equal attention and care. For when the time comes when those in power are not held accountable for their actions, when citizens abandon their civic duty in safeguarding the privileges of their liberty, democracy and the rule of law shall fail. A free and prosperous society requires work—work from the government and work from the people—and it must never be taken for granted.

## **VIETNAM AND THE ECONOMY**

At its most fundamental level, the economy is the people. The state of the economy reflects the state of the people, whether it be a reflection of their confidence in the market, government, or themselves; and an ailing economy (as witnessed today around the world) leads to unnecessary hardship. It is fair to say that downturns in the global market are difficult to avoid, if they are avoidable at all. Globalization has all but erased borders and distances between countries, having paved way for a deeply intertwined world where the ills of one country will inevitably be felt by another. Nevertheless, while downturns in the global market may not be avoidable, to a degree, they can be resisted against.

The rise of the United States in the 20<sup>th</sup> century can be attributed to its entrepreneurial spirit. It had been the genius and innovation of individuals and contributing to the collective that drove the United States to become an economic giant. Indeed, the United States was also fortunate to possess an abundance of natural resources, but the human element cannot and should not be underestimated. The age-old question of “What came first? The chicken or the egg?” does not apply. It is the people that drive the economy and not vice versa; and so it must be the objective of the government to create the conditions necessary for the entrepreneurial spirit of individuals to flourish.

The future wealth and prosperity of Vietnam lies in its ability to create and protect jobs, establish a business-friendly environment, and attract foreign investment. For this to occur there must first be reform, from macro- and microeconomic policies to the role of government. Neither a central planning economy nor an unregulated, free market economy will suffice. Neither has succeeded in practice, as history has and continues to demonstrate. Previous economic reforms made by the Vietnamese government have contributed to the growth of the country over the past decade; however, there is still much work to be done. The rise of Asia-Pacific makes clear that now more than ever, Vietnam must change the manner in which its economy operates in order to maintain

relevance, so as to not be left behind. Therefore, it is recommended that Vietnam implement and adhere to rigid fiscal policies, liberalize its economy and adopt more free market principles.

While necessary to protect burgeoning Vietnamese businesses, protectionist policies must be the exception and not the rule. A well-regulated but competitive business environment will work towards the benefit of Vietnam, providing an opportunity for effective and efficient businesses and business practices to flourish and profit. Routine government intervention and direction will only stifle business from growing and innovating, negatively affecting the economy, and as such they should be discouraged.

### **Fair Taxes**

The matter of taxing and government spending is a complex issue that will not be explored in depth in this paper. Nevertheless, it is recommended that the government should raise revenue no more than is necessary to bear required expenses. Furthermore, the government should seek to eliminate redundant or unnecessary services, and privatize where possible. For the financial security and stability of Vietnam, it is the duty and responsibility of the government to moderate its expenditures and live within its means. To do otherwise will be to invite economic disaster, as witnessed around the globe today.

How much, then, should the government tax its citizens? The answer will likely be determined by the policies of the party in power; however, taxes incurred on individuals should be balanced and fair, free of loopholes, requiring citizens to contribute in accordance to their income. The tax code should be simple, efficient and effective, and possess the broadest base possible, so as to reach the greatest number of individuals, allowing for increased revenue without increasing taxes. Let many be taxed but taxed little. For every *dong* an individual keeps is an extra *dong* they are willing to invest in the economy.

In following this philosophy, taxes incurred on businesses should remain low, so as to encourage entrepreneurship and foreign investment. High corporate tax rates will only serve to deter foreign businesses from settling in Vietnam, and stifle the growth of domestic businesses. It bears repeating that the objective of government is to create an environment in which individuals can do business, for it is ultimately businesses that create jobs and help grow the economy. The role of the government is to set the conditions necessary for this growth to occur and not grow the economy itself.

### **Necessary Investments**

How and where the government decides to invest will primarily be a matter of internal politics and ideology. As a rule, however, the new government should look towards initiatives that offer a return on investment, such as education and vocational training programs, the healthcare of its citizens, and scientific research and development, to name a few. More to the point, investing in the children of Vietnam offers the best return on investment, for it is these children who will lead Vietnam into the future.

Investments in education and vocational training programs provide the opportunity for students young and old to develop the skills necessary to compete at home and abroad. A sound education is the foundation for which an individual relies upon when seeking a job. It is the theoretical and practical knowledge and experience that is sought by employers. To have an educated workforce is to have a competitive workforce. It is recommended that the government orient its educational policies and funds towards fields of high demand, such as science and engineering.

The education of Vietnam's future leaders, however, cannot be accomplished without improving the education system itself. Improvements to and the modernization of school facilities from the elementary level to university, in addition to the hiring of competent and skilled teachers are of the utmost importance. Furthermore, a child's education may begin when he or she first sets foot into a classroom, but it does not end when the child leaves. Skills upgrade training should be provided to those individuals already in the workforce that are unable to benefit from the new educational reforms. Until children become adults, those adults still working are integral to the future of the new Vietnam.

Furthermore, of equal importance are healthcare improvements and a healthcare service/program accessible to all citizens. A healthy citizen is a happy citizen, and a healthy and happy citizen is a productive citizen. The productivity of an individual is not simply tied to his or her education and work skills, but also health and well-being. In addition, improvements to living conditions will satisfy an individual's most basic needs, and instill the confidence necessary for him or her to become a productive citizen. This confidence is not merely physiological but psychological in character. Confidence in health is confidence in mind. It is having this peace of mind that will allow individuals to learn and do more at work, and contribute to the prosperity of Vietnam and its citizens.

In addition, there should also be a concentrated effort in scientific research and development. Countries such as Japan, South Korea, and Singapore, lacking in rich, natural resources, have made significant investments in the fields of science and engineering to great effect. It should be the policy of Vietnam to become a leading nation in scientific research and development, not simply for the practical benefits but to remain competitive as a nation in the years and decades to come. It is the strength of the human capital that will drive a knowledge economy.

## **VIETNAM AND FOREIGN AFFAIRS**

The new Vietnam must look beyond its borders. It must be an active and contributing member on the world stage, never satisfied unless it is a leader. International relations should be conducted under the spirit of peace and democracy, of course, but there is natural element of competition, for it is a human element. It is important to understand that Vietnam, as with any country, is not merely a body of individuals but a singular entity; and each entity on this Earth is seeking to better its position relative to its neighbours. Forums such as the Association of Southeast Asian Nations (ASEAN), Asia-Pacific Economic Cooperation (APEC), and even the United Nations (UN), provide the opportunity for Vietnam to take a more active and, perhaps in time, leading role in conflict resolution and other matters of international importance. These forums are the stage from which Vietnam can showcase its maturity and leadership.

Competition, however, should not overshadow the importance of relationship building. The foreign policy of Vietnam should be one of independence and the preservation of peace, prosperity, and democracy. In these uncertain times, Vietnam should endeavour to seek out productive, long-term relationships with countries around the world, for no country is truly isolated or insulated. The rise of terrorism, piracy, and hostile states is threatening to any country, but it is even more so for a country that stands alone. Although Vietnam should seek a position of neutrality whenever possible, it is also important that Vietnam be ready to choose a “side” should any conflict arise from which it cannot extricate itself. As a rule, while Vietnam should find peace with countries around the world, it should not ally itself with any state whose fundamental values and laws are contrary to those of Vietnam. One cannot have too many friends, but one can have the wrong friends.

## **International Relations Near and Abroad**

### ***The People’s Republic of China***

The immediate concern of Vietnamese international relations is its neighbour to the north. China, an economic and military giant, is the hub through which all roads in Asia will lead to or pass through; and its importance in the global economy will continue to grow in the years and decades to come. It is not a stretch to say the establishment and maintenance of good relations with China is crucial to the long-term prosperity and security of Vietnam. As Canada has benefitted from its close relationship with the United States, there is an opportunity for Vietnam to benefit from a similar relationship with China. Unfortunately, if recent developments are to indicate the current state of affairs between Vietnam and China, there must first be a peaceable resolution regarding the South China Sea territorial disputes.

First and foremost, China is simply too large to be considered on equal terms. A relationship built on mutual trust and respect is desired; however, current territorial disputes in the South China Sea will hamper any reconciliatory efforts. For any productive and desired relationship between Vietnam and China to be achieved, these territorial disputes must first be resolved in a manner acceptable to both aggrieved parties. Given Chinese opposition at opening the disputes to the international community, preferring instead to resolve matters through bilateral talks, and their strong rhetoric against those who would pursue such a course, Vietnam is limited to what it may or may not do. Acquiescing to Chinese demands is unlikely, as it will weaken Vietnam’s hand at the negotiating table. Open confrontation is also undesirable.

Where, then, does that leave Vietnam? As it has been doing, Vietnam must continue to seek a multilateral resolution, to draw the attention of the international community to the South China Sea and territorial disputes. Although the addition of external voices to the disputes will dilute Vietnam’s position at the bargaining table, it will provide Vietnam the support necessary to find an agreeable resolution. Chinese foreign policy on the South China Sea is to shield the disputes from the international community. Vietnam cannot hope to compete with China under the same environment, and so it must strive to seek a global audience.

What lies ahead for Vietnam and China remains to be seen; however, any course of action that will lead to conflict should be avoided at all cost. Vietnam must stand resolute in its persistence of a multilateral resolution, a position from which it cannot be allowed to deviate. China will surely flex its muscles in the hopes of antagonizing and provoking a response from Vietnam. The only response from Vietnam should be one of diplomacy, to extend an olive branch at China and bring these disputes onto the global stage. Vietnam must not succumb to playing the same games as China, for Vietnam will lose. In these instances, the best course of action is to not play at all. An arms race or any military build-up is detrimental to the peace, prosperity, and security of the South China Sea, Asia-Pacific, and, indeed, the world at large.

As with Canada and the United States, past and present disputes between Vietnam and China can be overcome. A relationship established on mutual respect and trust, and the ideal values of peace and democracy will serve to benefit both countries. For the long-term security and prosperity of Vietnam and China, it is necessary to find common ground and work towards the betterment of humanity.

### *United States of America*

Where all roads in Asia pass through China, all roads in the West will involve the United States. Being the largest economic and military power in the world—the sole remaining superpower following the collapse of the Soviet Union—the United States bears special consideration, not merely for its history with Vietnam during the Cold War, but what it may offer. Long before the rise of China, Japan and South Korea, whose economies had been afflicted by war, had risen to prominence in Asia directly or indirectly with the assistance of the United States, whether by trade or financial assistance. Even China must attribute some of its dramatic economic growth to the United States. Possessing the largest market in the world, improving trade with the United States is a “must” for Vietnam should it wish to grow its economy.

Vietnam offers a large and skilled labour force capable of satisfying material demands from the United States. Given the rising demand of Western countries for goods and services, Vietnam can offer itself as a reliable candidate for foreign businesses seeking to move their factories to Southeast Asia. A democratic Vietnam, with the appropriate checks and balances, will be able to provide the necessary health and quality control oversight. In turn, foreign investment from the United States (and other trading partners) injected into burgeoning Vietnamese economy will help raise the welfare and prosperity of the people. Change will not occur immediately, but the foundations for change will have been established; and in time, Vietnam will be able to enjoy the fruits of its labour.

In addition to economic advantages, Vietnam is ideally positioned to provide and assist the United States in its security posture in Asia-Pacific. Undoubtedly, the South China Sea territorial disputes and what Vietnam can offer with respect to these disputes will be taken into consideration by the United States. A strategic partnership with the United States should be sought, as there is much to gain and little to lose. Both Vietnam and the United States share a common goal in containing the expansion of Chinese military might in Asia-Pacific; however, Vietnam must also tread a careful path, for at the end of the day, it will have to live with its northern neighbour. A formal alliance through a strategic partnership will offer security to

Vietnam, both direct and indirect—the former through military assistance, and the latter through joint-military exercises, potential arms deals, and training.

What Vietnam must seek, and what the United States can offer, is an ally—an ally in trade and an ally in security. This must not be a marriage of convenience but a close relationship. Such an alliance between countries should be one of trust, mutual respect, and genuine friendship. One cannot dwell on the past, lest it jeopardize the future. Let history be the sole arbitrator of past events, and let the hopes and aspirations of innovators and great thinkers guide the people to tomorrow. Should Vietnam seek to pursue a foreign policy of peaceful relations with all countries of the world, where better to start than friendship between the Vietnamese and American people.

## **CONCLUDING REMARKS**

### **The Road Not Yet Taken**

There must first be a transition from a single-party state to democracy before a new Vietnam can emerge. This transition will not prove easy, nor will it be achieved alone. Change will occur at the highest ranks of the government; however, it is only through the efforts of citizens can this change begin. Change must occur at the bottom, it must be initiated by the citizen. It is the duty and responsibility of the Vietnamese individual to effect change and assume a leading role in shaping their new government, and it is the responsibility of the government to address these demands. Without the contributions of the common man and woman, any change heralded by the government alone would be incomplete. A road map towards democracy must be established and include serious constitutional reform. Moreover, said road map should include the contributions of Vietnamese citizens and not simply those in government, and reflect the spirit of democracy.

What must appear to be drastic or radical is nothing more than the gradual evolution of Vietnam. After more than 4000 years, Vietnam has its independence. It has experienced growth under a single-party system. Now is the time for Vietnam to join the world of democracies and provide to its citizens rights protected by United Nations conventions and international law. For this, the 21<sup>st</sup> century, Vietnam must change or it will be left behind.

### **Final Words**

It has been the objective of this paper to provide some measure of guidance, some suggestions, as to what Vietnam should do in the years and decades to come. Nevertheless, it shall be the guiding hand of fate that will lead Vietnam to its destiny; and it shall be history that will record the events to have transpired. Should this paper provide a glimmer of hope or spark the fire for change to its readers, then it has succeeded in achieving its goal.