# THE SOCIALIST REPUBLIC OF VIETNAM IN POLISH POLITICAL AND ECONOMIC PERSPECTIVE

## by Karol Kościelniak

The Socialist Republic of Vietnam situated in Southeast Asia in Indochina Peninsula, could seem for the Republic of Poland to be a distant and quite exotic country which has not much in common with the European reality. However, if we go deeper in a history of international relations, it turns out that Poland and Vietnam are connected by a long history of mutual contacts which more or less intensively exist also currently.

This is why I have decided to write a few words about Polish-Vietnamese relations and to make an attempt to describe the present as well as the future in these relations. To present this subject well, a few aims which will let understand clearly why Poland is interested in Vietnam, were set. So at the beginning I will make an attempt to describe the Socialist Republic of Vietnam in a context of politics and economy, then I will present the history of mutual relations in the second half of the 20th century, as the third aim I will describe Polish-Vietnamese relations in the 21st century and a perspective of their development in the following years. All of this will let show that Vietnam is not so distant for Poland as it may seem.

### I. CHARACTERISTIC OF THE SOCIALIST REPUBLIC OF VIETNAM

On September 2 1945, in the northern part of the country, the Democratic Republic of Vietnam under rules of Ho Chi Minh proclaimed independence. After thirty years long wars, on July 2 1976, there happened a unification of North and South Vietnam and the Socialist Republic of Vietnam was created.

In 1986, as a result of a serious economic crisis, the authorities of the Socialist Republic of Vietnam decided to introduce doi moi reforms, that is revival, among others it was decided to make the market free by introducing freedom of trade (by abolishing centrally planned economy), which caused very good results like for example a growth of GDP<sup>1</sup>.

Vietnam is a socialist republic with a constitution enacted on April 12 1992. Currently, Truong Tan Sang is the President<sup>2</sup> and Nguyen Tan Dung is the head of the government<sup>3</sup>.

In the Socialist Republic of Vietnam, there is only one legal political party that is the Communist Party of Vietnam. Of course there is also the opposition - the Democratic Party of Vietnam, the People's Democratic Party of Vietnam and the Alliance for Democracy. These are groups which support democracy, however they are not acknowledged by the government of the Socialist Republic of Vietnam.

Vietnam is a member of many international organizations such as: ASEAN, UN, UNESCO, WHO, WTO, AFTA, APEC, ASEM and many others4.

<sup>&</sup>lt;sup>1</sup> See: M. Pietrasiak, System polityczny Socjalistycznej Republiki Wietnamu, "Azja-Pacyfik" 2009, No. 12, pp. 40-58; Nguyen Thi Thanh Thuy, Doi moi - zmiany społecznoekonomiczne w Wietnamie: ich źródła, istota i rezultaty, "Azja-Pacyfik" 2009, No. 12, pp. 71-99.

<sup>&</sup>lt;sup>2</sup> Chosen by National Assembly which has 500 members.

<sup>&</sup>lt;sup>3</sup> Designated by the president from members of National Assembly.

<sup>&</sup>lt;sup>4</sup> Vietnam, https://www.cia.gov/library/publications/the-world-factbook/geos/ vm.html# (updated: 23.05.2012).

In the Socialist Republic of Vietnam, there live over 91 million people<sup>5</sup>, according to the state for 2010, the population of Vietnam was about 87 million people, the area is 331 051,4 km2, the average population density is 263 people per kilometer square<sup>6</sup>. Poland in this contexts looked as following: the amount of people in 2010 was 38 200 037 with the territory of 312 679 km2 and the population density 122 people per kilometer square<sup>7</sup>.

About the economy, the already mentioned reforms *doi moi* caused opening the Vietnamese market to the foreign capital which resulted in inflow of investment measures. It contributed to a fast economic growth of the country which for example in 1986 had the inflation rate of 700% and as soon as in 1992 it was 20%8. The inflation in the Socialist Republic of Vietnam is still the highest in the region and in 2011 the rate was 18,6%9.

The real growth rate of GDP in 2011 in Vietnam, was 5,8% and it puts this country as the 50th in the world while for example Poland is the 105th in the world with its 3,8%<sup>10</sup>. In 2011 in Vietnam, the industrial production rate was 7,5% (the 30th in the world), in Poland it was 7,0% (the 41st in the world)<sup>11</sup>. The additional virtue of Vietnam are its stocks of oil which

<sup>&</sup>lt;sup>5</sup> Ibidem. This is a prognosis for 2012.

<sup>&</sup>lt;sup>6</sup> Population and population density in 2010 by province, http://www.gso.gov.vn/default\_en.aspx?tabid=467&idmid=3&ItemID=11728 (updated: 23.05.2012).

<sup>&</sup>lt;sup>7</sup> Rocznik Demograficzny, Warszawa 2011, p. 66 and passim, http://www.stat.gov.pl/cps/rde/xbcr/gus/PUBL\_rs\_rocznik\_demograficzny\_2011.pdf (updated: 23.05.2012).

<sup>&</sup>lt;sup>8</sup> Nguyen Thi Thanh Thuy, Doi moi – zmiany społeczno-ekonomiczne w Wietnamie: ich źródła, istota i rezultaty, "Azja-Pacyfik. Społeczeństwo – Polityka – Gospodarka", 2009, p. 78.

<sup>&</sup>lt;sup>9</sup> Vietnam, https://www.cia.gov/library/publications/the-world-factbook/geos/vm.html# (updated: 23.05.2012).

<sup>&</sup>lt;sup>10</sup> GDP – Real Growth Rate, https://www.cia.gov/library/publications/the-world-factbook/rankorder/2003rank.html?countryName=Vietnam&countryCode=vm&regio nCode=eas&rank=50#vm (updated: 23.05.2012).

<sup>&</sup>lt;sup>11</sup> Industrial Production Growth Rate, https://www.cia.gov/library/publications/the-world-factbook/rankorder/2089rank.html?countryName=Vietnam&countryCode=vm&regionCode=eas&rank=30#vm (updated: 23.05.2012).

are 600 millions of barrels and natural gas with a rate of reserves 192,5 billion m3<sup>12</sup>.

Vietnam imports machines and devices, oil derivative products, steel products, materials for cloths and shoes, electronics, artificial materials, cars (together for 105,3 billion dollars). The main partners in this case are: China 22%, South Korea 13,2%, Japan 10,4%, Taiwan 8,6%, Thailand 6,4%, Singapore 6,4%<sup>13</sup>. Vietnam exports: cloths, shoes, seafood, oil, electronics, wooden products, rice and machines (together for 96,3 billion dollars). The main partners are: USA 18%, China 11%, Japan 11 %, Germany 3,7%<sup>14</sup>.

For comparison we will give the amount of expenses for military purposes which in Vietnam in 2005 were 2,5% of GDP. In Poland, according to data from 2010, expenses for the army were 1,9% of GDP<sup>15</sup>.

#### II. THE HISTORY OF POLISH-VIETNAMESE RELATIONS TILL THE END OF THE 20TH CENTURY

The Polish-Vietnamese relations have been lasting for 60 years now. Cooperation between these countries is long and more or less intensive. It started on February 3, 1950 when Poland acknowledged the Democratic Republic of Vietnam. On February 4, 1950, Poland came into diplomatic relations with the Democratic Republic of Vietnam on a level of Embassies. The first Polish ambassador, Tomasz Piętka, went to Hanoi on December 19, 1954<sup>16</sup>. Poland acknowledged

<sup>&</sup>lt;sup>12</sup> Vietnam, https://www.cia.gov/library/publications/the-world-factbook/geos/ vm.html# (updated: 23.05.2012).

<sup>&</sup>lt;sup>13</sup> Ibidem.

<sup>&</sup>lt;sup>14</sup> Ibidem.

<sup>15</sup> Military Expenditures, https://www.cia.gov/library/publications/the-worldfactbook/rankorder/2034rank.html?countryName=Vietnam&countryCode=vm& regionCode=eas&rank=59#vm (updated: 23.05.2012).

<sup>&</sup>lt;sup>16</sup> Wybrane ważniejsze wydarzenia w stosunkach dwustronnych polsko-wietnamskich, http://www.hanoi.polemb.net/?document=107 (updated: 24.05.2012).

the independence of Vietnam as one of the first countries in the world, together with other countries of the Communist Bloc.

After a war between the Democratic Republic of Vietnam with France<sup>17</sup>, in 1954, by virtue of Geneva Treaties of 21st July, Poland became a member of the International Commission for Supervision and Control over abiding conditions of peace in Vietnam, Laos and Cambodia<sup>18</sup>.

Since 1954, the People's Republic of Poland has come into closer diplomatic and trade relations with the Democratic Republic of Vietnam. Two years later, between April 3 and 7, 1957, in the Democratic Republic of Vietnam, there was a government delegation with the Prime Minister Józef Cyrankiewicz at the head and then the treaty of cultural cooperation between the People's Republic of Poland and the Democratic Republic of Vietnam was signed <sup>19</sup>. In July of the same year, the President of the Democratic Republic of Vietnam – Ho Chi Minh came to Poland for an invitation of the State Council and the government of the People's Republic of Poland<sup>20</sup>.

Intensive cooperation between Poland and Vietnam began in 1965 when the governments of the People's Republic of Poland and the Democratic Republic of Vietnam signed the agreement on economic cooperation and help for the Democratic Republic of Vietnam<sup>21</sup>.

At the end of 1960s, the Democratic Republic of Vietnam signed with Poland two significant agreements, the first one from 1968 was about cooperation in the field of health and the second one from 1969 about economic and scientific – technological cooperation<sup>22</sup>.

<sup>&</sup>lt;sup>17</sup> See: P. Ostaszewski, Wietnam. Najdłuższy konflikt powojennego świata 1945–1975, Warszawa 2000.

<sup>&</sup>lt;sup>18</sup> Wybrane ważniejsze wydarzenia w stosunkach dwustronnych polsko-wietnamskich, http://www.hanoi.polemb.net/?document=107 (updated: 24.05.2012).

<sup>&</sup>lt;sup>19</sup> Ibidem.

<sup>&</sup>lt;sup>20</sup> Ibidem.

<sup>&</sup>lt;sup>21</sup> M. Nowak, Współpraca polsko-wietnamska – historia i dzień dzisiejszy, http://www.goldenline.pl/forum/192389/wspolpraca-polsko-wietnamska-historia-i-dzien-dzisiejszy (updated: 23.02.2012).

<sup>&</sup>lt;sup>22</sup> Ibidem.

Since 1968, the Vietnamese who wanted to study at Polish universities learning at the same time Polish, learning Polish culture, have begun to come to Poland and after graduation, they have come back to Vietnam. Since 1968, Poland has educated 4000 students from Vietnam and what is interesting, almost in every province in Vietnam, there is at least one person who speaks Polish and graduates of Polish universities in Vietnam occupy high posts in the state and are very appreciated specialists in their fields23.

When another war was over<sup>24</sup> and the Agreement on Ending the War and Restoring Peace in Vietnam was signed in Paris on January 27, 1973, Poland by virtue of the agreement became a member of the International Commission for Supervision and Control in Vietnam<sup>25</sup>.

In 1973 (23-28 July), a delegation from the Democratic Republic of Vietnam with the Prime Minister Pham Van Dang at the head was in Poland with an official visit. During this visit the agreement on economic and scientific – technological cooperation between the People's Republic of Vietnam and the Democratic Republic of Vietnam was made<sup>26</sup>.

Since the moment of unification of Vietnam and proclamation of the Socialist Republic of Vietnam in 1976, the Polish-Vietnamese cooperation has gained a bigger meaning. For the Socialist Republic of Vietnam, Poland turned out to be a dream trade partner because except for credit loans for the Socialist Republic of Vietnam, it also has given unrepayable loans and free economic help<sup>27</sup>.

By virtue of the agreement on civil air communication of 1976<sup>28</sup>, air connections between Warsaw and Hanoi were started. Also a cooperation

<sup>&</sup>lt;sup>23</sup> Chao Ba Lan - Chao Viet Nam. Witaj Polsko - Witaj Wietnamie, http://www.biuletyn.agh.edu.pl/biuletyn\_archiwum/biuletyn\_pdf\_2009/013\_2009\_pdf/16\_013.pdf (updated: 24.05.2012).

<sup>&</sup>lt;sup>24</sup> See: P. Ostaszewski, Wietnam...

<sup>&</sup>lt;sup>25</sup> Wybrane ważniejsze wydarzenia w stosunkach dwustronnych polsko-wietnamskich, http://www.hanoi.polemb.net/?document=107 (updated: 24.05.2012).

<sup>&</sup>lt;sup>26</sup> Ibidem.

<sup>&</sup>lt;sup>27</sup> M. Nowak, Współpraca...

<sup>&</sup>lt;sup>28</sup> Umowa między Rządem Polskiej Rzeczypospolitej Ludowej a Rządem Socjalistycznej Republiki Wietnamu o cywilnej komunikacji lotniczej, http://www.msz.gov.pl/bpt/ documents/9469.pdf (updated: 29.05.2012).

between associations of journalists, radio and TV committees has been developing. Also extended projects of educational cooperation, information cooperation between PAP and VNA and on cooperation of literary associations were signed. Also the agreement on a mutual museum cooperation and antiques preservation was signed. All of this took place between 1977 and 1980<sup>29</sup>. For example, on August 16, 1977 in Warsaw, the agreement between the People's Republic of Poland and the Socialist Republic of Vietnam on cultural and educational cooperation was signed<sup>30</sup>.

Thanks to economic help from Poland, the Vietnamese built and equipped a few big industrial buildings, among others: Dockyard HA Lang, Cane Sugar Factory Van Diem, Coal Mine Yen Tu, Ore Mine in Nam Nam Xe and others<sup>31</sup>.

Poland also began to export more and more to Vietnam, mainly machines and mechanical devices such as: machines for the food industry, diesel engines, excavators and lorries<sup>32</sup>.

However, this prosperity has not lasted for a long time, in the beginning of the 20th century there was a fall of the dynamic of the mutual cooperation. The reason of this was a political and economic situation which met both of these countries. The mutual relations regained their speed after 1985.

A lot was changed in mutual Polish-Vietnamese relations after 1989, when a transition from the socialist to democratic system and a turn towards western partners happened in Poland. Poland turned its back on communist countries which Vietnam belongs to. In this situation, the Socialist Republic of Vietnam was not placed in a list of priorities of the Republic of Poland.

In the beginning of 1990s, the Polish liquidated a military attache office in Vietnam, reduced a staff in diplomatic posts in Hanoi and Ho Chi Minh City which was treated by the Vietnamese side as cooling of mutual relations. What is interesting, at the time, the Socialist Republic of Vietnam was not interested in keeping mutual relations by force, especially that

<sup>&</sup>lt;sup>29</sup> M. Nowak, Współpraca...

<sup>&</sup>lt;sup>30</sup> Dz. U. 1978, No. 11, poz. 45.

<sup>31</sup> M. Nowak, Współpraca...

<sup>32</sup> Ibidem.

Vietnam began to receive serious propositions from bigger players like ASEAN, Japan and others<sup>33</sup>.

As a result, there was a slack in mutual relations and it led to disappearance of Polish companies from the Vietnamese market and attempts of entering the market again without a political support and support of international business turned out to be difficult and undurable.

The 1990s, despite being difficult in mutual relations, brought many bilateral agreements, among others:

- in 1990, the agreement on cooperation between Ministries of Education of both countries was signed<sup>34</sup>,
- in 1992, during a visit in Poland of the Minister of Foreign Affairs of the Socialist Republic of Vietnam Nguyen Manh Cama, the agreement on cultural and educational cooperation was signed<sup>35</sup>,
- in 1993, the agreement between the Republic of Poland and the Socialist Republic of Vietnam on legal help, legal assistance in civil, family and criminal cases was made<sup>36</sup>,
- in 1994, the agreement on support and mutual protection of investments was made<sup>37</sup>,
- in 1994, the agreement on avoiding double taxes preventing from skulking from taxes in a matter of income taxes<sup>38</sup>,
- in 1995, the agreement on cooperation in sea transport<sup>39</sup>,
- in 1998, the agreement of giving a credit to the Socialist Republic of Vietnam for 70 million USD was signed<sup>40</sup>,

<sup>33</sup> Ibidem.

<sup>34</sup> Wybrane ważniejsze wydarzenia w stosunkach dwustronnych polsko-wietnamskich, http://www.hanoi.polemb.net/?document=107 (updated: 24.05.2012).

<sup>&</sup>lt;sup>35</sup> Dz. U. 1993, No. 125, pos. 571.

<sup>&</sup>lt;sup>36</sup> Dz. U. 1995, No. 55, pos. 289.

<sup>&</sup>lt;sup>37</sup> Dz. U. 1995, No. 41, pos. 209.

<sup>&</sup>lt;sup>38</sup> Dz. U. 1995, No. 49, pos. 258.

<sup>&</sup>lt;sup>39</sup> Umowa między Rządem RP a Rządem SRW o współpracy w transporcie morskim, http://www.msz.gov.pl/bpt/documents/7963.pdf (updated: 28.05.2012).

<sup>40</sup> Umowa między Rządem RP a Rządem Socjalistycznej Republiki Wietnamu w sprawie udzielenia kredytu, http://www.msz.gov.pl/bpt/documents/14245.pdf (updated: 28.05.2012).

• in 1999, the agreement on cooperation in science and technology was made<sup>41</sup>.

A change in the political-economic situation caused difficulties in mutual relations which are even more difficult because of a change of law and a necessity to ratify agreements between both countries again. All of this was a result of changes in Poland as well as overvaluing and reorientation in foreign and economic policy in Poland and in the Socialist Republic of Vietnam.

Until 1986, he Socialist Republic of Vietnam was economically dependent on the USSR and countries of the Eastern Bloc. After *doi moi* reforms Vietnam got opened to others and thanks to this it gained richer and more significant economic partners than for example Poland .

#### III. THE POLISH-VIETNAMESE COOPERATION IN THE 21ST CENTURY

During the last few years, the cooperation between the Republic of Poland and the Socialist Republic of Vietnam gained the speed and significance. The example are agreements made between both countries as well as mutual talks between politicians of both countries.

To the most important agreements and talks belong the following ones:

- in 2003, the President of the Socialist Republic of Vietnam, Tron Duc Luong was in Poland with a visit<sup>42</sup>,
- in 2003, the agreement on cooperation in fighting organized crime was made<sup>43</sup>,
- in 2004, the agreement on passing and accepting citizens of both countries was made<sup>44</sup>,

<sup>&</sup>lt;sup>41</sup> Umowa między Rządem RP a Rządem Socjalistycznej Republiki Wietnamu o współpracy w dziedzinie nauki i techniki, http://www.msz.gov.pl/bpt/documents/14235.pdf (updated: 28.05.2012).

<sup>&</sup>lt;sup>42</sup> Wietnam, http://www.msz.gov.pl/Wietnam,31824.html (updated: 28.05.2012).

<sup>&</sup>lt;sup>43</sup> Dz. U. 2004, No. 216, pos. 2197.

<sup>&</sup>lt;sup>44</sup> Dz. U. 2005, No. 156, pos. 1306.

- in 2004 (October 7–8), Marek Belka during V Conference of Leaders of ASEM (Asia – Europe meeting) in Hanoi, had a bilateral meeting the Prime Minister of the Socialist Republic of Vietnam, Phan Van Khai45,
- in 2005 (January 16–18), Prime Minister Marek Belka paid an official visit in the Socialist Republic of Vietnam and the main points of the visit were meeting with the President and the Prime Minister of the Socialist Republic of Vietnam as well as signing bilateral agreements46,
- in 2005, the agreement on cooperation in the field of education and tertiary education for years 2005-2008 was made<sup>47</sup>,
- in 2005, the agreement on cooperation in the field of agriculture, development of countryside and agrarian markets was made<sup>48</sup>,
- in 2006, the summit of ASEM took place in Helsinki, where Jarosław Kaczyński met with the Prime Minister of the Socialist Republic of Vietnam - Nguyen Tan Dung. The main subject of talks was strengthening economic relations and perspectives of growth of investments<sup>49</sup>,
- in 2007, the Prime Minister of the Socialist Republic of Vietnam, Nguyen Tan Dung, was in Poland with an official visit. Talks of the head of the Vietnamese government with Prime Minister Jarosław Kaczyński concerned economic matters and cooperation in other fields, among others: the field of education and culture, and also connected with citizens of Vietnam living in large numbers in Poland. Prime Minister Nguyen Tan Dung payed a visit also to Marshal of the Sejm Ludwik Dorn and to Marshal of the Senate Bogdan Borusewicz<sup>50</sup>.

<sup>&</sup>lt;sup>45</sup> M. Ławacz, Stosunki Polski z krajami Azji-Pacyfiku w okresie wrzesień 2003 – październik 2004, "Azja-Pacyfik. Społeczeństwo-polityka-gospodarka" 2004, No. 7, p. 260.

<sup>&</sup>lt;sup>46</sup> M. Ławacz, Stosunki Polski z krajami Azji i Pacyfiku (grudzień 2004 – listopad 2005), "Azja-Pacyfik. Społeczeństwo-polityka-gospodarka" 2005, No. 8, p. 206.

<sup>&</sup>lt;sup>47</sup> M.P. 2005, No. 13, pos. 242.

<sup>&</sup>lt;sup>48</sup> M.P. 2008, No. 74, pos. 665.

<sup>&</sup>lt;sup>49</sup> M. Ławacz, Stosunki Polski z krajami Azji i Pacyfiku (lipiec 2005 – grudzień 2006), "Azja-Pacyfik" 2006, p. 259.

<sup>&</sup>lt;sup>50</sup> M. Ławacz, Ważniejsze spotkania polityków Polski oraz krajów Azji i Pacyfiku (styczeń – październik 2007), "Azja-Pacyfik" 2007, No.10, p. 247.

- In 2008, the agreement between the Republic of Poland and the Socialist Republic of Vietnam on giving a credit in frameworks of interrelated help, 16 470 000 EUR was made<sup>51</sup>,
- in 2008, Prime Minister Donald Tusk paying a visit in the People's Republic of China, met during the ASEM summit in Beijing with the Prime Minister of the Socialist Republic of Vietnam, Nguyen Tan Dung<sup>52</sup>,
- In 2008, Minister Bogdan Klich was with a visit in Vietnam, where he talked to the Minister of Defense of Vietnam, Gen Phun Quang Thanh and he payed the President of Vietnam, Nguyen Minh Triet a courtesy visit. The talks concerned cooperation of the armed forces of both countries, political relations and possibilities of development of cooperation in fields like trade, investments, education and culture<sup>53</sup>.
- In 2009, Minister of Foreign Affairs Radosław Sikorski was in Vietnam at IX Meeting of Ministers of Foreign Affairs of ASEM which took place in Hanoi. The main purpose of this meeting was a review of previous cooperation of countries of the European Union and Asia and its tightening, among others in matters of the international security, counteraction to climate changes and results of the world economic and financial crisis. By the way of meeting of ASEM, Minister Radosław Sikorski participated in bilateral meeting with the vice-Prime Minister and the Minister of Foreign Affairs of the Socialist Republic of Vietnam, Pham Gia Khiem and he was received by Prime Minister Nguyen Tan Dung. The main subject of the talks was the Polish-Vietnamese economic cooperation and actions for enlarging the Polish export to Vietnam<sup>54</sup>,
- in 2010, the agreement on mutual protection of classified information was made<sup>55</sup>,

<sup>&</sup>lt;sup>51</sup> M.P. 2008, No. 36, pos. 329.

M. Ławacz, Ważniejsze spotkania polityków Polski oraz krajów Azji i Pacyfiku (grudzień 2007 – październik 2008), "Azja-Pacyfik" 2008, No. 11, p. 252.

<sup>&</sup>lt;sup>53</sup> M. Ławacz, Ważniejsze spotkania polityków Polski oraz krajów Azji i Pacyfiku (listopad 2008 – listopad 2009), "Azja-Pacyfik" 2009, No. 12, p. 244.

<sup>&</sup>lt;sup>54</sup> Ibidem, p. 246.

<sup>&</sup>lt;sup>55</sup> Dz. U. 2012, pos. 233.

- in 2010, Prime Minister Donald Tusk<sup>56</sup> was in the Socialist Republic of Vietnam where he met with Prime Minister Nguyen Tan Dung, First Secretary of the Party Nong Duc Manh and also the President of Vietnam, Nguyen Minh Triet. Their talks concerned above all matters of development of economic relations but also international matters and cultural cooperation. In presence of both Prime Ministers, 5 documents were signed: the agreement on cooperation concerning defense, the protocol on cooperation between departments of foreign affairs, the agreement on mutual protection of classified information, the agreement on development and mutually profitable cooperation in the field of veterinary medicine and also Letter of Intent on cooperation of Ministries of Environment of both countries<sup>57</sup>.
- In 2011, the agreement on raising a visa obligation for possessors of diplomatic passports was made<sup>58</sup>.

These are important visits and agreements. It is visible that the Polish side is aiming at improving a trade exchange with Vietnam, it is mainly about reducing adverse balance of trade between Poland and Vietnam. For example, in 2007, the balance of trade was – 307,08 million USD while Poland exported to Vietnam products of value of 68,2 million USD and imported from Vietnam products for 375,3 million USD<sup>59</sup>.

In 2008, the balance of trade was – 403,4 million USD, the export was for 126,4 million USD and import 529,8 million USD. In 2009, the balance of trade was – 310,1 million USD (export 108,2 million USD, import 418,3 million USD). In 2010, the balance of trade was - 397,9 million USD (export 106,3 million USD, import 504,2 million USD)60.

<sup>&</sup>lt;sup>56</sup> Tusk w Wietnamie chce przyjaźni i partnerstwa, http://polska.newsweek.pl/tuskw-wietnamie-chce-przyjazni-i-partnerstwa-strategicznego,64351,1,1.html (updated: 30.05.2012).

<sup>&</sup>lt;sup>57</sup> M. Ławacz, Ważniejsze spotkania polityków Polski oraz krajów Azji i Pacyfiku (styczeń-grudzień 2010), "Azja-Pacyfik" 2010, No. 13, p. 229.

<sup>&</sup>lt;sup>58</sup> M.P. 2012, pos. 103.

<sup>&</sup>lt;sup>59</sup> Van Pham, Relacje polsko-wietnamskie dziś i w przyszłości, http://www.polskaazja.pl/2009/02/26/relacje-polsko-%E2%80%93-wietnamskie-dzis-i-w-przyszlosci/ (updated: 23.02.2012).

<sup>&</sup>lt;sup>60</sup> Wietnam. Informacja o stosunkach gospodarczych z Polską, http://www.mg.gov. pl/Wspolpraca+z+zagranica/Wspolpraca+gospodarcza+Polski+z+krajami+wschodnim

The main products exported by Poland to Vietnam in 2010 were: fish fillets, fish and meat meal, medicines, machines and mechanical devices, copper, milk products, meat and giblets<sup>61</sup>. From Vietnam we imported to Poland: shoes, haberdashery, fabrics and textile products, coffee, pepper, tea, fish fillets, mechanical and electric devices for recording and reception of sound<sup>62</sup>.

In 2012, Vietnam in Polish statistics was classified as the 63rd with respect to the value of export and as the 38th in respect to the amount of import<sup>63</sup>. Poland has a really big adverse balance in trade with Vietnam. It results from the situation at the beginning of the 1990s when orientation of the Polish government changed and there was a lack of support for Polish companies which have already existed on the Vietnamese market. The Polish companies were forced to liquidate their agencies or to pass their interests to the Vietnamese. However, for the last several years, we have observed a growth of interest in the Asian market of Polish companies and also the Polish government and the Vietnamese government, however the once lost position we will be rebuilding for a long time.

The whole trade exchange is dominated by the Vietnamese. It is hard to determine the exact number of the Vietnamese living in Poland, it is estimated that there can be even 20–40 thousand of them. And they, as well as those living in Vietnam, dominated the trade exchange between both countries. What is interesting, there is a strong pro-Polish lobby in Vietnam, informal as well as formal like for example the Club of Polish Universities Graduates<sup>64</sup>.

It is also worth noticing that there is almost no investment-capital cooperation between Poland and Vietnam. There is a lack of Vietnamese investments in Poland but we can observe a growth of interest of Polish companies in investments on the Vietnamese market. However, what is

i+i+pozaeuropejskimi/Wietnam.htm (updated: 23.02.2012).

<sup>&</sup>lt;sup>61</sup> Ibidem.

<sup>62</sup> Ibidem.

<sup>&</sup>lt;sup>63</sup> For a comparison, it is worth looking at a position of Poland against other countries economicaly cooperating with Vietnam and other countries of Asia and the Pacific. See: Biznes międzynarodowy w regionie Azji i Pacyfiku, ed. B. Skulskiej, Toruń 2009.

<sup>&</sup>lt;sup>64</sup> Van Pham, Relacje polsko-wietnamskie...

worth mentioning, the owners of these Polish companies are most often Polish citizens of Vietnamese origin<sup>65</sup>.

### IV. WHAT DO WE KNOW ABOUT THE SOCIALIST REPUBLIC OF VIETNAM?

It is a general question asked to a group of students from Poznań within the framework of a survey carried by the author of this article who wanted to find out what the Polish know about this exotic country<sup>66</sup>.

The survey contained ten questions, nine of them were closed and one was open. The questions concerned the following matters: in which continent Vietnam is situated, upon which countries it borders, to which sea it has an access, what the capital city of Vietnam is, which political system is in Vietnam, which economic system is in Vietnam, who the Prime Minister of Vietnam is, who the President of Vietnam is and if Poland has political and economic relations with Vietnam. The last open question concerned what every of responders know about Vietnam.

Most of the responders did not have any problem with first five questions, although it was a little problematic to tick neighbors of Vietnam. The most problematic for them was defining the economic system and ticking properly people holding the office of President and Prime Minister and also if Poland and Vietnam cooperate. Most of the responders ticked that they do not know if Poland and Vietnam keeps political and economic cooperation.

<sup>65</sup> Wietnam. Informacja o stosunkach gospodarczych z Polską, http://www.mg.gov. pl/Wspolpraca+z+zagranica/Wspolpraca+gospodarcza+Polski+z+krajami+wschodnim i+i+pozaeuropejskimi/Wietnam.htm (updated: 23.02.2012).

<sup>&</sup>lt;sup>66</sup> The survey was carried by the author of this article.

#### Abstract

The history of bilateral relations between Poland and Vietnam reaches the year 1950 when countries of the Eastern Bloc, including Poland, acknowledged independence of the Democratic Republic of Vietnam. Since then, we have observed more or less intensive mutual contacts. We have cooperated in many fields. And today, watching moves of Polish and Vietnamese politicians and signed agreements, we can see that this cooperation is getting colors and like years ago, it covers various fields.

The Socialist Republic of Vietnam in Polish political and economic perspective does not have a significant status. Despite the fact that with every year, the interest of the Polish as well as Vietnamese side is getting bigger. However the biggest problem is the adverse balance of trade between both countries.

Time will show in which direction the Polish-Vietnamese cooperation will go. However, looking at expressive economic growth of Vietnam during the last few years and what is even more important, at further perspectives of this prosperity, Poland should maintain good relations with this economic partner, enlarging at the same time its export to this country. We can see in Vietnam an opportunity for Polish traders for exporting their products to the Socialist Republic of Vietnam.