

Comments and Discussions

Hitoshi HIRAKAWA*

Purpose of Prof. Dr. Nguyen Thi Bich Ha's paper is to promote relations between Vietnam and Japan in terms of trade and foreign direct investment, and to develop Vietnamese economy through closed Vietnam-Japan relationship. This paper pointed out that Vietnam has attached importance to foreign direct investment and export, and has provided Most-Favored-Nation privilege for Japanese goods, though by 2008 the two countries did not have any official bilateral trade agreement. Two countries signed the Vietnam-Japan Economic Partnership Agreement in 2008 and opened up new stage between them. Actually, for both countries the strategic relationship is important to development. The paper focused on these topics, and discussed how to increase trade and foreign direct investment.

Her paper consists of four parts. Chapter 1 is "Vietnam strategic economic partnership". Chapter 2 is "Vietnam-Japan trade relationship". Chapter 3 is "Foreign direct investment from Japan to Vietnam." And Chap. 4 is "Prospect for economic cooperation and measures to promote Vietnam-Japan trade and investment relations".

In Chapter 1, the author considers the meanings of strategic economic partnership. It stresses the necessary of long-ranged perspectives. In chapter 2, it discussed development of trade after the adopting of open policy of Vietnam in early 1990s. The paper analyzed characteristics of Vietnam-Japan trade by product, trade cooperation, etc. As for Vietnam-Japan trade relation, it has experienced favorable growth since the early 1990s. During 1998-2003, Japan's position was the number one among trade partners. However, since 2004, Japan lost its position to become the second due to more rapid growth of trade partners, mainly China, the US, and others.

Chapter 3 is on Japan's foreign direct investment in Vietnam. Japan ranked the 4th in terms of registered capital since foreign direct investment from Japan in Vietnam increased less fast than that of other countries like Korea, Taiwan, Malaysia, and so forth. Japan's second investment wave stood place in 2006 when Japanese major multinational companies invested in Vietnam. Since the 2007 when accession of Vietnam to the World Trade Organization (WTO) realized, there was a big jump of FDI inflow. Japan's FDI also soared. One of the main reasons is China + One policy of Japanese companies.

In Chapter 4, the paper discussed cooperation and measures to promote Vietnam-Japan relations in terms of trade and foreign direct investment between two countries. And, it made several important recommendations.

This paper should be read on Vietnam's trade and FDI with Japan when present economy of Vietnam is studied.

*Professor, Economic Research Center, Graduate School of Economics, Nagoya University.