

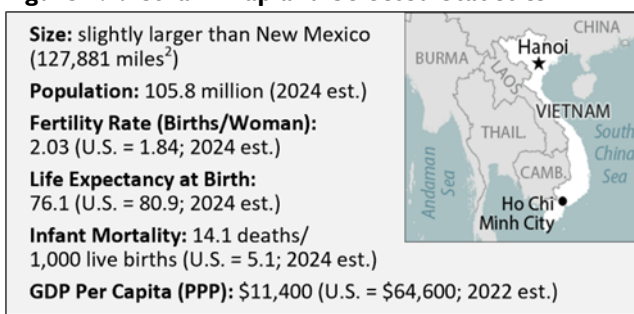


## U.S.-Vietnam Relations

Since the establishment of diplomatic relations between the United States and the Socialist Republic of Vietnam in 1995, overlapping strategic and economic interests have led the two countries to expand ties across a wide spectrum of issues. Particularly since 2010, shared concerns about the People’s Republic of China’s (PRC’s, or China’s) increased assertiveness have led to deeper ties. In 2023, the two countries elevated their relationship to a “comprehensive strategic partnership,” and the second Trump Administration has continued bilateral security cooperation programs. In 2025, the United States was Vietnam’s second-largest trading partner (after China), and Vietnam was the United States’ seventh-largest goods trading partner. The second Trump Administration has imposed unilateral tariffs on Vietnam, and, in October 2025, announced a framework for a bilateral trade agreement. In a February 2026 visit to Washington, DC, Vietnam’s top leader, To Lam, met with President Donald Trump and attended the inaugural meeting of the U.S.-led Board of Peace. Vietnam’s government says Trump agreed to have Vietnam removed from the list of countries restricted from accessing some advanced U.S. technologies.

For decades, Congress has played a significant role in charting the course of U.S.-Vietnam relations. In particular, some Members have been at the forefront of efforts to improve relations, highlight human rights conditions, and address unresolved issues from the Vietnam War. If reports of Vietnam’s interest in purchasing U.S. military aircraft become reality, Congress would have the opportunity to review the sale. Additionally, Congress may monitor and conduct oversight of U.S. tariffs on Vietnam and the October 2025 framework trade agreement.

**Figure 1. Vietnam Map and Selected Statistics**



**Sources:** *The World Factbook*, 2024. Map by CRS.

The pace and extent of further improvement in U.S.-Vietnam relations is limited by several factors. First, Vietnam and China share interests on many issues, and Hanoi usually does not undertake large-scale diplomatic moves—especially with the United States—without first calculating China’s likely reaction. Second, although opinion polls show the Vietnamese public holds positive views of the United States, many Vietnamese officials suspect that the United States’ goal is to end the Communist

Party of Vietnam’s (CPV’s) monopoly on power. Third, U.S. concerns about Vietnam’s human rights record, which has deteriorated over the past decade, historically have limited the types of cooperation the U.S. government is willing to undertake, particularly in the security sector. Additionally, the second Trump Administration’s bilateral tariffs against Vietnam and cessation of some bilateral aid programs, as well as Vietnamese perceptions that the Administration’s foreign policy decisionmaking can be unpredictable, reportedly are increasing Vietnamese leaders’ questions about U.S. reliability.

### Vietnam’s Political Structure and Policy Direction

Vietnam is a one-party, authoritarian state ruled by the CPV, which sets the country’s general policy direction, leaving most day-to-day implementation to the government. The top leadership post is the CPV General Secretary, which since 2024 has been held by To Lam (born 1957).

Every five years, the CPV holds a Party Congress to determine personnel positions and set the direction for Vietnam’s economic, diplomatic, and social policies. At the 14<sup>th</sup> Party Congress, held in January 2026, Lam expanded his hold on power. He was re-elected as General Secretary (after securing an exemption from the mandatory retirement age of 65), and was elected as the country’s President, upending Vietnam’s four-decade-old practice of separating the two positions. Under Lam, Vietnam has restructured its political system, including reducing regulations, cutting 20% of public sector jobs, reducing the number of ministries from 22 to 14, and merging some state and party institutions. Lam says these moves are necessary to achieve the CPV’s goals of Vietnam becoming an upper middle-income economy by 2030 and a high-income developed country by 2045.

For over a decade, Vietnam’s leaders have tried to meet these goals by diversifying the country’s export markets and sources of foreign direct investment (FDI). On foreign policy, Vietnam’s approach has included boosting its defense capabilities and expanding its security relationships with the United States, Australia, India, and Japan as a hedge against China’s expanding power. A stated principle of Vietnam’s foreign policy is avoiding an over-dependence on any one country or group of countries. This pursuit of balance, combined with a wariness of alarming China, has resulted in Vietnam expanding relations with the United States incrementally and in a nonlinear fashion.

### China-Vietnam Relations

China is Vietnam’s most important bilateral partner. The two countries have Communist Party-led political systems that provide a party-to-party communication channel and engender similar official worldviews. China is Vietnam’s largest trading partner, and since 2024—including during

Lam's April 2026 visit to Beijing—the two countries have signed dozens of economic agreements that, among other steps, would upgrade transportation links. The Sino-Vietnamese relationship, however, sometimes becomes tense over PRC dams on the upper Mekong River and the two countries' competing claims in the South China Sea. The U.S. government has sought to improve Vietnam's ability to monitor and patrol its coastal waters. Since the mid-2010s, the United States has provided Vietnam with 24 new coast guard patrol vessels, unmanned aircraft systems, coastal radar, and three decommissioned U.S. Coast Guard cutters, Vietnam's largest coast guard ships.

## Human Rights

For the past three decades, the CPV appears to have followed a strategy of permitting many forms of personal and religious expression, while selectively repressing individuals and organizations that it deems a threat to the party's monopoly on power. Over the past decade, repression against dissenters has worsened, and the government has increased its legal and technological capacity to monitor Vietnamese citizens' social media activity. In the 119<sup>th</sup> Congress, the Vietnam Human Rights Act (H.R. 3122) states that the President "should" impose sanctions on Vietnamese government officials found to be involved in various human rights abuses.

## Economics and Trade

Over the past decade, Vietnam has emerged as a major manufacturing center and has become one of the United States' top 10 trading partners. In 2025, total bilateral trade in goods was \$209.4 billion, up 40% from 2024. U.S. imports from Vietnam were \$193.8 billion (+42%) and U.S. exports to Vietnam were \$15.6 billion (+19%). Vietnam is a major U.S. source for consumer electronics, furniture, semiconductors and related parts, apparel, and footwear imports. Top U.S. goods exports to Vietnam are cotton, semiconductors, soybeans, nuts, and unfinished lumber. U.S. service exports to Vietnam were \$3.5 billion and U.S. services imports were \$2.3 billion in 2025.

As bilateral trade flows have increased, U.S. business interest in Vietnam has grown, fueled by Vietnam's relatively low wages, market-oriented economic reforms, and political stability. Several trends—including rising production costs in China, U.S. tariffs on PRC products, supply chain diversification, and the entry into force of regional trade agreements between Vietnam and key trading partners in East Asia—have increased Vietnam's attractiveness to foreign investors, including PRC companies. In 2024, U.S. foreign direct investment stock in Vietnam was \$4.4 billion (latest data available), up 8% from 2023. The U.S. government has identified several barriers to trade in Vietnam, such as relatively high Vietnamese tariffs on food and agricultural products, lack of regulatory transparency, inadequate protection of intellectual property rights, and digital trade issues.

In October 2025, the United States and Vietnam issued a joint statement on a framework for an Agreement on Reciprocal, Fair, and Balanced Trade. The potential agreement would be the result of trade negotiations prompted by the Administration's various tariff actions, including a 20% country-specific tariff imposed under the

International Emergency Economic Powers Act (IEEPA). In February 2026, President Trump ended those tariffs after the Supreme Court ruled the president did not have the authority to impose them under IEEPA. The Trump Administration has stated its intention to impose tariffs using other authorities. After the ruling, the President imposed a temporary global 10% tariff under Section 122 of the Trade Act of 1974, scheduled to expire in July 2026. In March 2026, Vietnam was named in two investigations announced by the U.S. Trade Representative under Section 301 of the Trade Act of 1974 into various economies' unfair trade practices (structural excess capacity and forced labor). The Trump Administration also has imposed sectoral tariffs under Section 232 of the Trade Expansion Act of 1962, including on imports of timber and lumber products (e.g., furniture), which are a major Vietnamese export.

According to the October 2025 joint statement, a final agreement would address access to Vietnam's market for U.S. exports; Vietnam's nontariff barriers; commitments on digital trade, services, and investment; cooperation on supply chain resiliency, including on "duty evasion and cooperating on export controls"; and more. The statement indicates the two countries are to "undertake domestic formalities" for the agreement to enter into force but did not indicate whether the President may seek congressional approval of the trade agreement. The joint statement does not address current and potential Section 232 tariffs that may affect some Vietnamese industries, such as semiconductors and critical minerals. To date, the U.S. and Vietnamese governments have not released additional details on the status of negotiations.

## U.S. Foreign Assistance to Vietnam

From FY2023 to FY2025, Congress appropriated around \$200 million annually for aid to Vietnam. This fell to under \$85 million for FY2026, following the Trump Administration's foreign aid cuts, which halted most health, climate, and technology programs in Vietnam. Congress has championed the creation of many Vietnam War reconciliation programs, which arguably have enabled the expansion and deepening of overall U.S.-Vietnam relations. Since 2007, Congress has appropriated over \$500 million for remediating the Vietnam War-era damage and related health problems resulting from the U.S. military's use of Agent Orange and its accompanying dioxin defoliant over Vietnam between 1961 and 1971. In 2020, the U.S. and Vietnamese governments developed a 10-year dioxin remediation plan for the Bien Hoa Airbase, with an estimated total cost of up to \$450 million. In early 2025, the Trump Administration suspended this and other war legacy programs. It resumed them several weeks later. In a November 2025 visit to Vietnam, Secretary of Defense Pete Hegseth (who is using "Secretary of War" as a secondary title), said the programs are "the foundation" of bilateral strategic cooperation and pledged to continue funding them. Since FY2021, Congress has authorized the annual transfer of up to \$15 million from the Defense (War) Department to the State Department for use in the Bien Hoa cleanup.

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