

Path Optimization of Shandong–Vietnam Economic and Trade Cooperation from the Perspective of Chinese Modernization

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ABSTRACT: The process of Chinese modernization has put forward higher requirements for regional economic and trade cooperation. In recent years, economic and trade exchanges between Shandong and Vietnam have continued to deepen, demonstrating a sound momentum of development. However, in the course of advancing cooperation, several issues remain, including an incomplete cooperation mechanism, a relatively low level of industrial development, insufficient service support capacity, increasing pressure for green transformation, and a shortage of professional talents. These problems affect the effective support of regional cooperation for national strategies. Based on the provincial conditions of Shandong, and starting from the five basic characteristics of Chinese modernization, this paper analyzes the practical bottlenecks in Shandong–Vietnam economic and trade cooperation. It further proposes feasible paths focusing on strengthening guidance for enterprises going global, upgrading industrial structure, improving international operational capabilities, promoting digital transformation and upgrading, and enhancing talent support. The aim is to provide practical references and theoretical support for promoting coordinated development between Shandong and Vietnam and serving the strategy of high-level opening-up.

KEYWORDS: Chinese modernization; Shandong; Vietnam; economic and trade cooperation; pathways

1. INTRODUCTION

The report of the 20th National Congress of the Communist Party of China clearly proposed advancing the great rejuvenation of the Chinese nation comprehensively through Chinese modernization. Promoting high-level opening-up is not only an inherent requirement of Chinese modernization but also an inevitable path to achieve this goal (Zhao et al., 2020). As an important member of ASEAN, Vietnam has become increasingly significant in China's current process of industrial transfer and international market expansion (Abdullah, 2021). In 2024, the total bilateral import and export volume between Vietnam and China reached USD 205.2 billion, making Vietnam the first ASEAN country whose trade volume with China exceeded USD 200 billion (Data source: General Administration of Customs of the People's Republic of China).

As a coastal province with a high level of openness in China, Shandong has accelerated its "going global" strategy in recent years, especially achieving remarkable progress in economic and trade cooperation with Vietnam. In 2024, the total bilateral import and export volume between Shandong and Vietnam reached USD 11.6 billion, representing a year-on-year increase of 8% (Data source: Department of Commerce of Shandong Province), demonstrating strong development momentum. Deepening economic and trade cooperation between Shandong and Vietnam is not only an important measure for Shandong to build a new highland of opening-up and serve China's neighborhood diplomacy and the Belt and Road Initiative, but also an important channel for Vietnam to obtain capital, technology, and markets in its process of promoting industrialization and modernization (Ngoc, 2015). Moreover, it represents a key pathway for both sides to address global challenges, achieve mutual benefit and win-win outcomes, and promote coordinated regional development (Huong & Phuong, 2019).

However, while cooperation is advancing rapidly, several deep-seated problems have also emerged, including imperfect cooperation mechanisms, weak supporting services, an investment environment that still needs improvement, a shortage of

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professional talents, and trade barriers. These factors have constrained the further deepening of coordinated economic and trade development between Shandong and Vietnam. Current academic research on China–Vietnam economic and trade cooperation mainly focuses on macro-level analyses at the national level. In comparison, studies focusing on Shandong from a local perspective, serving the overall framework of Chinese modernization and systematically examining institutional bottlenecks in Shandong–Vietnam economic and trade cooperation, remain relatively scarce and require further enrichment and improvement.

In view of this, this paper intends to explore the target orientation of Shandong–Vietnam economic and trade cooperation under the background of Chinese modernization, analyze the practical difficulties faced in such cooperation, and construct optimization paths that align with the five major characteristics of Chinese modernization (a large population scale, common prosperity for all people, coordination between material and spiritual civilization, harmonious coexistence between humans and nature, and peaceful development). By doing so, the study proposes innovative solutions that serve both national strategies and regional development, thereby promoting Shandong to continuously enhance its level of opening-up and regional leadership capacity within the new development pattern.

2. THE PATH IMPLICATIONS OF CHINESE MODERNIZATION EMPOWERING THE TRANSFORMATION AND UPGRADING OF FOREIGN ECONOMIC AND TRADE COOPERATION

Chinese modernization not only follows the universal laws of modernization observed in other countries but also is rooted in China's unique national conditions and cultural traditions, displaying distinctive Chinese characteristics. The five defining characteristics scientifically summarized in the report of the 20th National Congress of the Communist Party of China—modernization of a huge population scale, modernization aiming at common prosperity for all people, modernization coordinating material and spiritual civilization, modernization characterized by harmonious coexistence between humans and nature, and modernization following the path of peaceful development—profoundly reveal its scientific connotations. This represents not only a major theoretical innovation but also a practical guideline for comprehensively building a modern socialist country, providing a clear pathway for the great cause of national rejuvenation.

In the process of Chinese modernization, foreign economic and trade cooperation is not only a key pillar for promoting high-quality development but also an important pathway for achieving a virtuous interaction between “bringing in” and “going global” within the framework of the “dual circulation” development pattern. On the one hand, through foreign trade and investment, China can optimize the allocation of domestic resources and promote industrial structure upgrading. On the other hand, strengthening economic and trade exchanges with developing countries, particularly those along the Belt and Road Initiative, helps to build a stable, mutually beneficial, and sustainable international cooperation network, thereby enhancing China's strategic position in global industrial chains, supply chains, and value chains (Li & Li, 2024). Economic and trade cooperation is no longer limited to the exchange of economic interests but also carries functions such as institutional diffusion, cultural communication, and the co-construction of modernization concepts.

As a major economic province along China's eastern coast, Shandong possesses a solid manufacturing foundation, advantageous port transportation conditions, and a strong tradition of openness. In advancing the strategy of Chinese modernization, Shandong undertakes the pioneering demonstration task of “taking the lead and opening up new prospects.” With the continuous deepening of China–Vietnam relations and the implementation of the Regional Comprehensive Economic Partnership (RCEP), Shandong has demonstrated enormous regional potential and comparative advantages in cooperation with Southeast Asian countries such as Vietnam. On the one hand, Vietnam is a typical emerging industrializing country with low labor costs and significant geographical advantages, which are highly complementary to Shandong's industrial structure. On the other hand, Shandong's policy system for promoting high-level opening-up has been continuously improved, and the strategy of “Shandong enterprises going global” has begun to take effect, providing a solid foundation for expanding deeper economic and trade cooperation with Vietnam.

However, Chinese modernization not only requires speed but also emphasizes quality and equity. This means that economic and trade cooperation between Shandong and Vietnam must move away from the traditional development model characterized by low technological content and low added value, and shift toward high-technology and high value-added sectors (Binh, 2017). It is also necessary to standardize cooperation mechanisms and promote the establishment of multilateral coordination systems, thereby aligning with the growing discourse power and influence of Chinese modernization in global governance.

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2.1 Building an Inclusive and Shared Cooperation Model

Modernization under the background of a large population scale requires the establishment of an inclusive, shared, and risk-controllable sustainable development system. In carrying out foreign cooperation, efforts should be made to reduce systemic risks brought about by the large population size, enhance the inclusiveness of development, and avoid excessive consumption of resources and the environment. By investing in human capital and strengthening coordination among different regions in Southeast Asia, development dividends can be ensured to benefit all parties.

In recent years, the bilateral import and export volume between Shandong and Vietnam has continued to increase, highlighting the huge potential of regional collaboration and the transfer of low-end industries. Chinese enterprises have continuously expanded their investment fields in Vietnam, especially in labor-intensive industries such as electronics, home appliances, and automobiles. These manufacturing sectors have effectively driven local employment and significantly increased the income level of local residents. Leading enterprises such as Shandong Heavy Industry Group, while reducing labor costs, have created numerous local job opportunities. In order to ensure that the benefits of cooperation can be widely shared, some enterprises have also established local service outlets and opened technical training programs. Through industrial parks jointly built by Shandong enterprises and platforms such as the technological output mechanism of the Shandong Cross-border E-commerce Comprehensive Pilot Zone, not only has the optimal allocation of resources been achieved, but also a replicable inclusive cooperation model has been explored.

2.2 Establishing a Development Mechanism for Common Prosperity

The modernization aiming at common prosperity for all people implies ensuring a balance between efficiency and fairness. In transnational cooperation, elements such as the cultivation of local technical personnel and community development should be integrated to strengthen their role in the value chain and enhance the sense of identity among people in the host country.

In this context, economic and trade cooperation between Shandong and Vietnam should focus on building a benefit-sharing mechanism at the institutional level. Specifically, localization clauses for technology transfer, procurement, and employment can be included in investment projects. Mechanisms based on community development can also be explored to integrate investment projects with local community economic and educational development. Meanwhile, the construction of consultation platforms should be strengthened to promote dialogue among enterprises, governments, and communities, thereby creating a healthy ecosystem characterized by balanced interests and sustainable development.——

2.3 Achieving Mutual Cultural Recognition

High-quality economic development cannot be separated from consensus at the ideological level (Zhang, 2012). In international cooperation, it is necessary to strengthen people-to-people exchanges and build a community of shared cultural values. The further deepening of Shandong–Vietnam cooperation urgently requires incorporating cultural exchanges into the overall cooperation framework. Both Shandong and Vietnam belong to the Confucian cultural circle, and Shandong possesses profound Confucian cultural heritage. Through the strategy of “cultural outreach,” Confucian values can be integrated into economic and trade cooperation, forming a mutually reinforcing relationship. Enterprises should be encouraged to pay attention to social responsibility and establish value systems that respect local culture and comply with local laws. Cultural recognition helps reduce frictions in cross-border cooperation and build long-term and stable cooperative relationships, thereby fostering greater understanding and trust in Shandong–Vietnam economic and trade cooperation.

2.4 Promoting Green and Low-Carbon Ecological Goals

Modernization characterized by harmonious coexistence between humans and nature requires green and low-carbon development as a fundamental requirement. Policy formulation in transnational cooperation should pay attention to local ecological red lines and promote the green transformation of production methods. Cross-border cooperation must consider environmental costs and establish green technology standards covering the entire life cycle of projects. On the basis of traditional industrial cooperation, Shandong–Vietnam cooperation should expand toward green industries. Relying on Shandong’s technological advantages in high-end equipment manufacturing and energy conservation and environmental protection sectors, green and low-carbon technologies can be promoted for localized application in Vietnam.

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2.5 Practicing a Peaceful Development Institutional Environment

Modernization along the path of peaceful development relies on multilateral coordination within institutional and regulatory systems. China and Vietnam are both socialist countries with highly compatible institutional concepts, providing a solid foundation for joint rule-making. Shandong should play the role of a “bridgehead” of opening-up and actively promote regional cooperation within multilateral governance mechanisms. On the one hand, by relying on the RCEP platform, Shandong and Vietnam can promote mutual recognition of technical standards to reduce standard-related frictions. On the other hand, governance tools should be strengthened by encouraging China–Vietnam enterprise alliances to establish industry norms concerning trade disputes and labor relations, thereby increasing the participation of non-governmental actors in rule-making. A peaceful development environment based on rules can reduce transaction costs and provide an institutional template for the external dissemination of Chinese modernization.

3. MAJOR DIFFICULTIES IN SHANDONG–VIETNAM ECONOMIC AND TRADE COOPERATION UNDER THE REQUIREMENTS OF CHINESE MODERNIZATION

3.1 Incomplete Cooperation Mechanisms

At present, economic and trade cooperation between Shandong and Vietnam mainly relies on spontaneous connections among enterprises, while systematic cooperation mechanisms at the governmental level have not yet been established (Liu & Sun, 2022). The prevailing cooperation model is primarily project-driven, lacking long-term institutional guarantees and strategic planning support. Meanwhile, communication and coordination mechanisms between regions remain lagging, and information-sharing channels are not smooth, making it difficult to build a unified and efficient cooperation platform and weakening the systematic and sustainable nature of cooperation.

3.2 Low Level of Industrial Integration

Shandong’s exports to Vietnam are mainly concentrated in mid- and low-end manufacturing industries such as textiles, building materials, and household appliances, with relatively low added value. The capacity to export high-technology and capital-intensive industries remains insufficient. Vietnam is currently in a stage of accelerated industrialization, with growing demand for cooperation in high-end equipment manufacturing, new energy, and the digital economy (bin Abdullah & binti Daud, 2020). However, Shandong’s response in these fields has been relatively slow, and effective alignment and complementarity in advantageous industries have not yet been fully realized.

3.3 Weak Supporting Service System

Currently, Shandong–Vietnam economic and trade activities are still dominated by traditional trade, lacking a well-developed localized service support system. Some enterprises are actively exploring solutions. For example, in 2025, Shandong Haichuang Air Conditioning Co., Ltd. exported ultra-low-temperature air-source heat pumps to Vietnam. These products are equipped with remote control functions, enabling equipment monitoring and early warning through communication card networking, which significantly improves after-sales service efficiency and product stability. Overall, however, there are still obvious shortcomings in customs clearance facilitation, cross-border finance, legal services, logistics, and warehousing. Enterprises entering the Vietnamese market face relatively high transaction costs and institutional barriers. At the same time, the lack of local service institutions familiar with Vietnamese laws, culture, and market operations further increases uncertainties and risks for enterprises “going global.”

3.4 Business Environment Needs Further Improvement

Certain regions in Vietnam still face relatively underdeveloped infrastructure and business environments (Abdullah et al., 2025). Transportation, energy, and other infrastructure cannot fully meet the demands of rapid economic growth, which restricts enterprises’ capacity layout and investment efficiency and creates difficulties for enterprises going abroad. Power shortages have become normalized. According to statistics, power restrictions in northern industrial parks in 2024 caused losses of USD 1.4 billion, and the power gap expanded to 8% in 2025, forcing production lines in Samsung factories to reduce operations. In terms of transportation and logistics, road transport efficiency is only 40% of that in China, while port throughput capacity is insufficient.

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As a result, logistics costs account for as high as 21% of GDP, far exceeding the ASEAN average, which increases the operational burden of enterprises (Data source: Vietnam Ministry of Industry and Trade Report). Meanwhile, pressures for green energy substitution and environmental protection standards are increasing.

3.5 Insufficient Professional Talent Support

Deepening economic and trade cooperation between Shandong and Vietnam requires a large number of interdisciplinary talents with international vision, familiarity with Southeast Asian markets, proficiency in foreign languages, and knowledge of international rules (Yang, 2023). However, Shandong currently lacks sufficient reserves of such talents. The development of Vietnamese language programs and international economic and trade majors in universities lags behind, and enterprises lack sound mechanisms for recruiting internationalized talents. The contradiction between talent supply and demand is prominent, which constrains the sustainability of cooperation and the depth of cultural exchanges.

4. OPTIMIZATION STRATEGIES FOR SHANDONG–VIETNAM ECONOMIC AND TRADE COOPERATION ORIENTED TOWARD CHINESE MODERNIZATION

4.1 Improving Cooperation Mechanisms and Strengthening Guidance for Enterprises Going Global

On the one hand, local governments in Shandong and Vietnam can hold regular consultation meetings to provide policy guarantees for economic and trade cooperation issues. Communication and coordination mechanisms between regions should be improved, and information-sharing platforms should be established to integrate information on policies, regulations, and market demands from both sides, thereby enhancing cooperation efficiency and improving the scientific basis of decision-making. On the other hand, relevant departments of the Shandong provincial government can provide overseas enterprises with information support regarding Vietnamese policies and regulations, customs and practices, and investment precautions. An expert database should also be established to assist enterprises in resolving overseas legal disputes.

4.2 Focusing on Key Industries and Promoting Cooperation among Advantageous Enterprises

In response to the development needs of Vietnam's emerging industries, enterprises with advantages in Shandong should be encouraged to expand cooperation in fields such as high-end manufacturing, new energy, the digital economy, and biomedicine (Jia et al., 2022). Enterprises with strong capabilities should be supported to accelerate investment and factory establishment in key industrial parks in Vietnam. By focusing on key industries such as new energy, electronics, machinery, and agricultural product processing, upstream and downstream enterprises can be encouraged to arrange collaborative layouts to form industrial agglomeration effects. Joint venture cooperation models with Vietnamese local enterprises can also be explored to improve resource allocation efficiency. Relying on the technological advantages of manufacturing enterprises such as Weiqiao Group and Iraeta Energy Equipment Group, industrial technical standards can be promoted, and enterprises should be encouraged to adopt green production processes and standards to facilitate green industrial transformation.

4.3 Improving the Service System and Reducing Supporting Operational Costs for Enterprises

Communication and cooperation with relevant Vietnamese government departments should be strengthened to simplify procedures and improve customs clearance efficiency. Cross-border financial service platforms should be promoted, and financial products and service forms should be innovated to provide enterprises with diversified financing channels (Ma et al., 2017). Cooperation in logistics infrastructure between the two countries should be strengthened to optimize transportation routes and enhance logistics informatization levels, thereby further reducing logistics costs for enterprises. Professional domestic service institutions should be encouraged to establish branches in Vietnam to provide after-sales services and build brand images.

4.4 Developing Emerging Business Forms and Enhancing the International Competitiveness of Shandong Enterprises

Emerging business forms have broad development prospects and are of great significance for deepening bilateral economic and trade relations. Promoting enterprises' digital transformation and improving operational efficiency have become important pathways for enterprises to adapt to global market competition. Within the framework of Shandong–Vietnam cooperation, the development of emerging business forms represented by cross-border e-commerce should be actively promoted to expand the space for cooperation (Vu & Liu, 2025). The digital service experience of the Chinagoods platform in Yiwu can be used as a reference

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to support the construction of overseas digital operation systems for Shandong enterprises. By relying on digital technologies such as artificial intelligence, comprehensive services such as product display and online marketing can be provided for small and medium-sized enterprises, thereby addressing their shortcomings in resources and technology and enhancing their ability to participate in and compete in the international market.

4.5 Expanding Talent Co-cultivation and Deepening Cultural Exchanges between Shandong and Vietnam

In practice, some enterprises rely on teachers and students from universities to assist with communication. However, due to the lack of professional background and practical experience, problems such as terminology translation difficulties and technical comprehension barriers often arise during communication. Therefore, it is necessary to improve the university–enterprise collaborative education mechanism and focus on cultivating interdisciplinary foreign economic and trade talents with cross-cultural communication skills and professional competence (Yu et al., 2022). Forums on Shandong–Vietnam cultural and creative industry cooperation should be organized to promote the integration of commercial values and Confucian cultural concepts, thereby strengthening cultural ties. The construction of a Shandong–ASEAN Talent Exchange Center should be promoted to facilitate bilateral internships and increase talent exchange programs. Enterprises should be encouraged to introduce high-level international talents and optimize talent development policy environments so as to promote the sustainable development of Shandong–Vietnam economic and trade cooperation.

6. CONCLUSION

This study focuses on the strategic objectives of Chinese modernization and systematically analyzes the problems existing in Shandong–Vietnam economic and trade cooperation in terms of coordination mechanisms, industrial hierarchy, service support, green transformation, and talent supply. These problems, to a certain extent, affect the effective embodiment of the core characteristics of Chinese modernization in regional cooperation. Based on this analysis, innovative pathways are proposed, including improving cooperation mechanisms, promoting dual-track upgrading of industrial chains toward high-end and green development, improving supporting services, strengthening digital empowerment, and deepening talent co-cultivation. The study argues that integrating the value orientation of Chinese modernization into regional cooperation practices is the key to transforming Shandong–Vietnam economic and trade relations from quantitative expansion to qualitative improvement. This not only helps Shandong implement its development positioning of “taking the lead and opening up new prospects,” but also provides feasible local experience for building a more resilient, inclusive, and sustainable economic and trade cooperation relationship with neighboring countries.

DISCLAIMER (ARTIFICIAL INTELLIGENCE)

Author(s) hereby declare that NO generative AI technologies such as Large Language Models (ChatGPT, COPILOT, etc.) and text-to-image generators have been used during the writing or editing of this manuscript.

Competing Interests

Author has declared that no competing interests exist.

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Brief Synopsis

This manuscript examines the development of economic and trade cooperation between Shandong Province of China and Vietnam within the broader framework of the Chinese path to modernization. As China continues to promote high-level opening-up and regional economic integration, subnational cooperation has become increasingly important in strengthening economic ties with Southeast Asia.

The study analyzes the current status of Shandong–Vietnam economic cooperation and identifies several structural challenges, including limited institutional coordination, relatively low levels of industrial integration, insufficient service support systems, pressures related to green transformation, and shortages of internationally oriented professional talent. Drawing on the five key characteristics of the Chinese path to modernization, the paper proposes a series of policy pathways to enhance bilateral cooperation.

These policy recommendations include strengthening institutional coordination mechanisms, promoting industrial upgrading and supply-chain integration, improving cross-border service systems, supporting digital transformation, and cultivating internationally oriented talent. The study contributes to the understanding of how regional economic cooperation can support China's broader modernization strategy while fostering mutually beneficial economic relations with Southeast Asia.



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