CHAPTER 2

PROBLEMS AND GEOPOLITICS OF NATION-BUILDING IN REUNIFIED COUNTRIES

GEOPOLITICS

Geopolitics is the study of the inter-relationship of state and politics in relation to the geographical factors. The ‘Geopolitics’ has a history of more than hundred years. The term was coined by Rudolf Kjellen in 1899 (Dijkink 1996: 3; O’Tuathail 2000: 166) defined geopolitics as it sought to analyze the world system in order to assist the “practice of statecraft by great powers”. Geopolitics has played an inseparable role in the formulation of imperialist policies of nations and also proposes the strategies for nation to pursue against rivals. The post-modern geopolitical traditions are characterized by the prevailing relationship of state power and capitalist territoriality (Ohmae 1995). It supports the idea of globalization and the emerging trends in the present world economy. O’Tuathail (2000: 170) considers that the failure of strategies may lead to the financial and legitimacy crises.

The geopolitics is ‘both the practice and ideas, as a materialist world order and as a discursive set of understandings and enframing rules’ (Agnew and Corbridge 1989). The spatial distribution of these set of principles led us to understand the contours of political economy across the globe. The geographical differences and distribution of resources and political practices, forms the foundation of world geopolitical order. O’Tuathail and Dalby (1998: 23), further elaborated the idea of geopolitics “is a state philosophy, a technology of govern-mentality.”

The modern concept of geopolitics has its roots in the European politics of expansion. The geopolitics is the ‘domain of knowledge related to the state as a politico-territorial entity’ (Tuathail 2005: 66). Flint (2006: 13-16), explained, ‘geopolitics’ as the ‘practice of states of controlling and competing for the territory, and resources. The post modern
geopolitical traditions were characterized by the prevailing relationship of state power and capitalist territoriality (Ohmae 1995). It supported the idea of globalization and the emerging trends in the present world economy. O’Tuathail (2000: 170) considered that the failure of strategies may lead to the financial and legitimacy crises.

Geopolitics is the politics of interstate relationship of the countries (Mamagouh and Dijkink 2006: 349-350), which is always based on and guided by the national interests. Bassin (2004), explained that the geopolitics ‘covers the critical approaches to foreign policy practices and representations and it referred to the ‘realist’ view of international relations. The states always tend to exercise their power on the others, but in the globalization era it is practiced by forming international and regional groupings to decide ‘who gets what’ (Agnew 1999: 174-82). The new geopolitics is determined by the market access of developing countries with business potential by the big players of international economy. Duiker (1995: 118) explained Vietnam’s determination of democratic reforms was due to the recent developments and events in the contemporary history of Eastern Europe, China and Erstwhile USSR.

US had followed a policy of ‘consolidation of the non-communist countries’ of Asia, in order to delimit the expansion of communism (Overholt 2008: 52). The involvement of US could be considered as reaction to ‘the fear that if Vietnam fell to the Communist forces then its neighbouring countries would also be vulnerable to the socialist interference’ (Dodds 2007: 68). In post war Vietnam, Russia was motivated by the geopolitical importance of the resources and position of the Southeast Asian states, to supply aid and support to Vietnam (Kearns 2009: 226). According to Agnew (1998: 4) the US involvement in South Vietnam could be better understood as a consequence of Cold War geopolitical tendencies. By that time US followed a policy of Communist containment towards Russia and Communist ideological impact over the Southeast Asian region.

Agnew (1998: 5) stated that the ‘history of modern world politics and the way the world works constitutes the elements of geopolitics’, the global politics is always guided and
structured by the contemporary geopolitical traditions of the regional, political and ideological connections. The previous events and ideas also laid impact on the current geopolitical understanding and conduct of the world system. There was a change in world geopolitical structure after US defeat and withdrawal from Vietnam (Cox 1987). A few segment of the US society were still suffering from the much debated ‘Vietnam War syndrome’. Duiker (1995: 197-98) argued that the ‘victory of Vietnamese revolution marked the beginning of the downfall of global imperialism throughout the world.’

NATION-BUILDING

Nation-building is the practice of stopping violence in a country and then construction of a society at peace supported by institutions based upon the rule of law and various other norms that will make it function autonomously and to the benefit of its population. It was a complicated situation with unanticipated twists and changes, which often proposed a need for external role for foreign aid and support (von Hippel 2000). The nature of foreign intervention laid great impact in achieving success from the nation-building tasks.

According to Watson (2004: 6) nation-building is an “ending military conflict and rebuilding economic and political infrastructures, along with basic services, to include the armed forces, police, government, banks, transportation networks, communications, health and medical care, schools, and the other basic infrastructure.” She further explained that nation-building constitutes complete creation of a structure, set of values, and system of loyalty, ideology and culture. The nation building is the ‘joining together of a cultural entity with the political unit’ and with after combining these two, a nation. ‘The success of nation building is determined by the shared meanings and memories, which were created during the existence of a country’ (Penrose and Mole 2008: 276).

Nation-building was an effort to construct a society that ‘may or may not be democratic but preferably stable.’ Today, nation-building normally implies the attempt to create democratic and secure state (von Hippel 2000: 95-98). Nation-building was a ‘task to promote political and economic reforms and development, with the objective of
transforming a society emerging from conflict into one at peace with itself and its neighbours' (Dobbins, et al, 2007: xvii). The nation-building needs a healthy and potential environment in terms of neighbourhood as without it a country will remain continuously engaged in its programmes but success level would be dramatically low.

Partitions of the country and the fragmentation of societies always created difficult situations. Such situations resulted in the failure of economic, social and political development processes, which in turn gave rise to major humanitarian problems, destabilize entire region and even turned them into sources of trans-national terrorism. This type of condition always formed a basis for the creation of new geopolitical interests for the external actors (Art 1998: 79). Nation-building was discussed at international level as a preventive option to avoid the break-up of the state and social fragmentation, as an alternative to military conflict management. In words of Hippler (2005: 1) nation-building could be considered as a policy for the purpose to prevent or manage the conflicts, achieving local and regional stability and facilitating development.

Nation-building is a difficult task to fulfil and it has a lot of difficulties. The chances of achieving this objective, is varied in accordance of the domestic policies and foreign involvement. The tools and objectives to success are commonly unclear and it is questionable how long the external players would be able to stay the course long enough in terms of time and financial commitment? External nation-building led to the biased involvement of players into local power struggles from which they found it very difficult to extricate themselves (Hippler 2005: 1). World Bank (2007: 183), stated in its report that nation-building task never completed, rather these were transferred by one generation to another. It is not an easy task to be fulfilled within a definite span of time; rather it is always a time investing process.

The difference between the development between China and Vietnam gained the notable attention. There was a question that why Vietnam moved ahead of China, despite the fact that China had introduced the reform processes a decade earlier? How Vietnam has fulfilled the target of achieving FDI from the world wide? Haughton (2001) explained the
things very clearly that the total pledged investment in China did not exceed 2 percent of GDP between 1979 to 1990, while Vietnam has never seen the same below 7 per cent from the year 1989, when foreign investment was allowed for the first time. Following the change in the pattern of FDI, Vietnam had shifted from the other sectors to the production sector for the purpose of export and soon it had become the export oriented economy (Fforde 1994).

The economic and political developments are the tasks of different nature in nation-building. Economic development means to create a market economy and political development a nation-state. For the fulfilment of nation-building objectives the political development is a prerequisite for economic development. (Derichs 2005: 48) the proper functioning of a government is very much necessary to fulfil the targets of nation-building otherwise the opposition use this as an opportunity to fill the gap by themselves. Atwood (1994:11) summed this up as mentioned:

"thirty years ago, nation-building was largely a postcolonial phenomenon, an ambitious program to help newly independent countries acquire the institutions, infrastructure, economy, and social cohesion of more advanced nations. Nation-building was a strategic and competitive enterprise, part of the Cold War competition between the United State and the Soviet Union."

Nation-building is a process of socio-political and economic development, which ideally allows ‘loosely linked communities to become a common society with a nation-state corresponding to it’. Such a process could get affected as a result of political, economic, social, cultural and geopolitical dynamics of the location in relation to the world. Nation-building processes could proceed successfully with proper management and effective decision making. They consisted extremely different dimensions and instruments, such as economic integration, cultural integration, political centralization, bureaucratic control, creation of common interests and democratization. Those processes combine development of economic, political or cultural dimensions of a society (Hippler 2005: 5-7). Fundamental restructuring of politics and society requires specific legitimation.
Nation-building needs a ‘national’ infrastructure, transport and communication facilities, the development of a national economy and mass media.

External actors always pose their impact in the functioning of nation-building processes, but ‘hardly ever are able to force it or completely prevent it where the internal factors stand in the way of this.’ Fukuyama (2009: 49), insists that the ‘real world donors lay their influence over the client countries, that are dependent on their aid’ for the nation-building. The ideological and political process of the shaping of a nation implies its members being involved in its politics, with large numbers of people entering into the political sphere (Elliott 1996). Ideologies are systems of thought and fundamental philosophies that explain the past, present and future according to certain value models (Derichs 2005: 42). The role of external factors in nation-building is important in the areas of adoption of policies and responses, to prevent overlap of programmes for maximum use of the available resources, and to promote a ‘security operational environment’ (Hipel 2000: 110) for financial aid and support. Nation-building ‘politicizes’ the population into a nation mobilizing broad sections of society in the constituting process in particular. Vietnam also faced the problem of ethnic disputes of serious nature over the period (Hippler 2005).

Nation-building has the situation of winners and losers in political, economic and social terms; so it can also be used as means of obtaining advantages for one’s own political or social group. Fukuyama (2009: 44), said that every new institutional system creates the category of ‘winners and losers’. Nation-building is thus always a contentious process, fought out in a political, cultural, social, economic or military setting. As soon as a society in this situation is divided in ethnic or religious terms besides the economic social and other lines of conflict, a further dimension is added to the existing potential for conflict, which can then intensify the course of the conflict as well as give it a completely new structure.

Distribution and power conflicts could be ideologized in an ethno-religious way which further increases the degree of social mobilization and makes pragmatic solutions more
difficult. This also applies of course to cases where nation-building is attempted principally as a strategy by external players. Regardless of whether their intentions are of a humanitarian or imperial nature, in the target country nation-building has to bring about passive or active resistance and a shift in the balance of power (Hippler 2005: 13). Government and state classes have an important function with regard to the winners and losers in the globalization process, even if only in political-ideological terms in some cases. According to Tetzlaff (2005: 16), 'regulative idea of national sovereignty assumes a greater role for postcolonial societies in which the trauma of colonization and outside domination still exists'. According to Fukuyama (2009: 29) the role of institutions and politics is of great importance, rather than the economic factors in the nation-building process of a country.

**TASKS OF NATION-BUILDING**

Fukuyama (2009: xvii) describes the creation of new institutions, as well as the strengthening of the existing ones, as the main feature of nation-building. The government always had an inevitable task to develop 'secure state'. This was a feature mostly related to the developing countries. The restoration of governmental control to maintain stability and security the country is highly dependent upon military, police and judicial system of the country. Hippel (2000: 105) focuses on the use of particular means in order to develop a society based on the concept of stability and security.

The weeks immediately following the arrival of foreign troops tend to be a time of maximum possibility. The appearance of an intervening force normally produces a combination of shock and relief in the local population. Resistance is unorganized, and spoilers unsure of their future. But, the capacity of intervening authorities to capitalize on these opportunities is usually limited by the absence of many mission opponents. To take advantage of what has been called the "golden hour" that follows the end of major combat operations, the intervening authorities need to have at their disposal upon arrival a minimum set of assets: enough troops, police, civil administrators, and humanitarian provisions to secure and supply at least the capital. These can be followed quickly by
judicial and penal experts with funded plans for the disarmament, demobilization, and reintegration former combatants and the training or retaining of the police force.

MILITARY

The military could play an important role in the re-building of a country, but it should not exceed the budget (Hippel 2000: 105). Soldiers are among the first elements of any nation-building mission to arrive. They are often called upon initially to perform many functions that would be better fulfilled by civilian experts, were such experts available in sufficient numbers. Their first priority, however, should be to establish a modicum of security in what may be a chaotic situation. Success in this task will be of key role to obtaining the population's support for the operation and introducing the civilian components of the mission in adequate numbers.

Without the feeling of safety with the external military presence, the individuals will not collaborate in reporting on criminals, terrorists, and other spoilers. Unless goods, services, and people can again circulate normally, political and economic reforms cannot begin to be effective. Intervening forces will normally require help from the local police and at least the passive cooperation of the local military in establishing a secure environment. Even when available, however, indigenous security services will usually prove incompetent, corrupt or abusive, requiring close oversight, mentoring, and institutional change. Once a minimal level of security has been established, the disarmament, demobilization, and reintegration of former combatants should be the next priority. Agreement among the contending parties to take part in such a process is often a prerequisite for deployment of an international force (Hippler 2005: 174-180). In heavily armed societies with a long tradition of gun ownership, depriving individuals of their small arms may prove impractical. At a minimum, heavy arms should be gathered, stored, or destroyed, and the display of small arms by any except state security forces should be banned. Armed units should be broken up, and individuals should be offered alternative livelihoods. It is important that the mission arrive with a plan and adequate
funding to perform these tasks. In societies with wide-scale unemployment, it will not be possible to find long-term positions for all former combatants (Schafer 2005: 165-68).

The military component would establish extensive links with civilian population. One avenue is through active intelligence collection, surveillance, and reconnaissance. The second is a program of civic action, through which military units support humanitarian and reconstruction assistance. Such tasks fall primarily to the civilian agencies, but the military can often supplement those efforts in useful and visible ways. This must be pursued with some sensitivity, recognizing that humanitarian organizations attach great importance to maintaining their impartiality in conflict environments and would resist close association with an intervening military force, even one operating on behalf of the UN (Dobbins, et al, 2007: 19-22).

While most post conflicts societies have more soldiers than they needed, but they probably have fewer police officers than required. Even as armies need to be scaled back and reformed, police forces need to be bolstered and also reformed. The military contingent of the mission is often involved in the former process and sometimes in the latter, although police training functions are better assigned to civilian police when available.

**RULE OF LAW**

In nation-building operations, efforts to rebuild the judiciary systems have taken second place to police reforms. Police who lack prisons to put criminals and judges before whom to bring they would inevitably be left with the invidious choice of either punishing miscreants themselves or letting them go. Either alternative would corrupt and demoralize the best-trained force. A first-order issue, to be addressed in most nation-building missions is what law had to enforce in actual terms (Dobbins, et al, 2007: 73-79). In some cases, the intervening authorities may have to go further into the past to find a criminal code acceptable to the population. Occasionally, it may have to promulgate laws of its own.
In societies emerging from prolonged civil war, the legal system would likely have ceased to function. There will be an absence of judges, and those who were available may be unqualified. Courts and prisons might have been destroyed, and those that survive may have been stripped of essentials. As with police, the short-term objective will be to vet the judiciary and corrections staff and oversee their activities, in the medium term to reform and rebuild both these institutions and in long term, to foster the development of a rule-of-law culture (Hippel 2000: 105-06). These activities should proceed in parallel with police reform. Establishing the balance between retribution and reconciliation in societies emerging from conflict or tyranny presents a particular challenge. ‘Whom to punish and whom to forgive, whom to exclude from the new dispensation and whom to co-opt into it are choices that cannot be ignored’ (Thrift and Leyshon 1995: 312).

According to Hippel (2000: 105-6), the judicial reforms were also ‘necessary and always related to the condition of stability and security’. Hippel further stated that a planned international court also needed for newly reunified countries’. The task of the empowerment of civil society was established to a limited extent to delimit the influence of external factors. The partiality in favouring a country was based on the principles of regional political dynamics. The policy and practice of ‘coordination’ was also necessary for the nation-building of a reunified country’. The coordination was of great importance for the reconstruction of an economy (ibid: 109), because the international support and coordination had remained as a ‘crucial elements’ of a developing society.

War crime tribunals provided a judicial vehicle for holding accountable those most responsible for past atrocities. The local society will seldom be capable of mounting a credible legal process. International tribunals, on the other hand, are hugely expensive and may lack legitimacy in the eyes of the affected populations. Mixed tribunals in which international and local judges sit together, can help to address some of these difficulties. Lustration represents an administrative approach to the same problem. Here the intention is to assess group, rather than personal responsibility. The objective is not so much to punish as to exclude the affected group from future influence (ibid: 106), usually by
barring them from public employment, and sometimes stripping them of other civil rights.

It is clearly easier to locate the retribution in circumstances in which the conflict has produced clear winners and losers, particularly if the losers have lost so badly as to preclude any further resistance. This is seldom the case. In other circumstances, any effort to impose accountability for crimes committed in the course of conflict, whether through judicial or administrative processes, might occasion more resistance than the intervening authorities were capable of suppressing.

In the context of nation-building, war crime tribunals and lustration could be employed only in those rare situations in which the intervening authorities are equipped to enforce the outcome and ready to deal effectively with the resultant resistance (Watson 2008).

HUMANITARIAN RELIEF

Humanitarian operations often preceded nation-building missions, initiated in response to the conflict and sustained in many cases throughout its course. Thus, while the arrival of peacekeepers might signal the opening of an operation for most of its constituent elements, it signalled the beginning of the end for those engaged in life saving humanitarian relief efforts, as displaced persons were helped to return to their homes, as refugee camps are close, and as public services were restored.

Most of the humanitarian relief agencies were professionally staffed, highly experienced, and comparatively well resourced. Funding for nation-building was almost always in short supply, but humanitarian relief was the aspect, towards donors were the most inclined to fund. As a result, relief efforts are usually among the least problematic of any other nation-building mission. On the other hand, there are many examples of similar situations in which the intervening authorities failure to establish a modicum of public security has made it impossible for humanitarian agencies to complete their tasks or even to sustain life-saving assistance to threatened populations (Dobbins, et al, 2007: xxx).
The cases in which the intervening authorities quickly establish a reasonably secure environment, relief operations usually proceed smoothly. Public services are gradually restored, including public health services. Within a year or two, most humanitarian agencies could pack up and move on to another emergency or shift their emphasis from life-saving to developmental activities. Coordination between military forces and humanitarian organizations is never easy. Schade (2005: 127) pointed out that the number of such organizations has grown vastly in recent years; not all are of the highest distinction.

Humanitarian organizations sought to remain impartial, even when the United Nations was positioned on one side and local outlaws on the other. This might seem anomalous, as the same donor governments were often funding the humanitarian efforts and staffing the intervening military force. Humanitarian organizations felt strongly, however, that their ability to gain access to exposed populations depends on maintaining strict impartiality. Accordingly, representatives of such organizations carefully limited their interactions with international peacekeepers, even when they looked to these forces for security.

Coordination became particularly difficult, when the intervening authorities had failed to establish a secure environment. Then, the usual division of labour between international military forces and humanitarian organizations is difficult to maintain. Humanitarian organizations may find themselves unable to provide relief in very dangerous areas. International military units might feel compelled to step into this void and begin delivering relief supplies, in the process blurring the distinction between combatant and humanitarian worker. While such arrangements were better than a complete absence of humanitarian relief, it is generally best if the military and the humanitarian organizations each concentrate on their respective primary tasks (Schade 2005: 130-32) of maintaining security or delivering assistance.
GOVERNANCE

A society emerging from conflict might be able to wait for democracy, but it needed a government immediately if there was to be any law enforcement, education, or public health care. National governments were usually responsible for regulating and, in some circumstances, providing electricity and telecommunications. In most instances, municipal governments provided water and sanitation. ‘Intervening authorities may sometimes serve initially as the government; they will never be in a position to deliver these services independently (Dobbins, et al, 2007: 139-42) and they must rely on host country nationals and local institutions to provide public services’.

According to Hippel (2000: 105), the police always played a significant role in the political and economic development. It was needed for the sake of public safety. For the fulfilment of the tasks of nation-building, it was very much necessary for change the outlook of the society, in relation to the police (ibid). Several countries had faced the situation of police atrocities and torture, which in turn was considered as a serious threat for the development of a new society.

The intervening authorities might provide funding, guidance, and oversight, but the teachers, health workers, and most of the police force must be drawn from the host country (Jenkins and Plowden 2006: 5). The intervening authorities must be aware to ensure that such choices did not discriminate unhelpfully against groups, especially those that were party to the conflict. The intervening authorities need to choose partners carefully with a view to create a government and to distribute the power that would be sustainable even when the authorities leave. Many services could best be provided at the local level. Rebuilding government from the bottom up allowed new leadership to emerge, including individuals unassimilated with the recent conflict. On the other hand, empowering local officials before the national government had been reconstituted that could feed sectarian conflict in circumstances in which the relationship between the centre and the periphery was unsettled. The intervening authorities would have to meet much, and perhaps, all of the initial costs of restoring basic government services (Schade
The requirement for financing public health, education, and general government administration could be expected to run about 10 per cent of the country’s pre-conflict GDP.

**ECONOMIC STABILIZATION**

The resumption of commerce requires the availability of a reasonably stable medium of exchange. Sustained growth is virtually impossible in periods of very high inflation. Although donors might finance the resumption of government services initially, it was important to quickly reconstruct the host state’s capability to allocate that funding and oversee its expenditure and to expand its capacity to collect its own sources of revenue. The more money that was pumped into government, the greater the opportunities for corruption, control of which requires institutions for auditing and accountability, and the creation of a professional civil service (Lancaster 2007: 27-30; Watson 2008).

Prior attention should be given to create or strengthening a central bank, ministry of finance, and civil service commission. Occasionally, the decision was made to adopt a foreign currency to preserve the option of adjusting the exchange rate to better manage economic activity. Among the most difficult tasks faced by the central bank was ensuring an adequate flow of funding. The International Monetary Fund took the lead in establishing or reforming the state bank (Nguyen, 2010: 135-38), and providing the ability to manage the currency.

**DEMOCRATIZATION**

The prime objective of a nation-building intervention is to leave behind a society at peace with itself and its neighbours. Democratization alone would not ensure this outcome. On the contrary, elections might be polarizing events in already divided societies. In the context of nation-building, the process of democratization was seen as a practical means of redirecting the ongoing competition for wealth and power within the society from violent into peaceful channels, not as an abstract exercise in social justice (Watson 2004).
Representative institutions based on universal suffrage usually offered the only viable basis for reconstituting state authority in a manner acceptable to most of the population. In considering constitutionally design, a first step was to analyze the sources of violent conflict in the society (Rae 2007: 130-31). An exceptionally strong and committed intervening authority might be able to dispossess one group and empower another in an enduring fashion. In most circumstances, however, success in nation-building depended more on co-option than on the exclusion of potential spoilers (Whitfield 2009: 15-18). In societies divided by sectarian strife, it might be necessary to craft power-sharing arrangements that limit the authority of the majority and provide guarantees to minority parties beyond those found in more developed democracies (Von Hippel 2000: 102-03).

Democracies come in many shapes and sizes. Left to their own devices, intervening powers would tend toward replicating their own institutions, while local populations would be inclined to opt for a system with which they were familiar, even if that system has served them poorly in the past. In most cases, it would be better to adapt the familiar system for the new circumstances, rather than import wholly new arrangements unfamiliar to host country citizens (Pfaff-Czarnecka 2005: 28).

National elections should be preceded by the disarmament, demobilization, and reintegration of former combatants; the growth of civil society; the establishment of independent media; the development of political parties; and the holding of local elections. This sequence may not always be fully achieved. In some instances, the intervening authorities may be too weak to resist the call from dominant elements in the society for early elections, or to administer the society without support of a government legitimized through the electoral process. According to Dobbins, et al, (2007: 190-93) the UN is the best source of expertise on the development of transitional and permanent political systems.
INFRASTRUCTURE AND DEVELOPMENT

Post Conflict societies are attractive candidates for development assistance. Dollar for dollar, aid to nations emerging from war would result in much higher levels of growth than would the same amount provided to more settled societies. The quality of policies adopted by the intervening authorities and the host government would be as important as the volume of assistance in determining the latter’s utility (Atwood 1994: 15). Controlling inflation, financing the government’s budget, creating regulatory and tax systems conducive to growth, reducing or eliminating subsidies, attracting investment, and operating utilities and state-owned enterprises on a sound, market-oriented basis would be essential to fostering sustained growth. The process needed to be managed in ways that draw the society’s major contending factions into a process of peaceful competition and away from a return to violent conflict (Vuving 2005).

The term ‘reconstruction’, when used to describe the reform of post conflict societies, conveyed the sense that physical rebuilding of homes, factories, roads, and power plants destroyed in the war was the prime need. Even more than infrastructure, nations emerging from conflict needed better institutions. In most of the cases, those institutions need to be re-modified not just rebuilt. This was true in the economic sphere as well as in the political. As regards physical infrastructure, the intervening authorities gave priority to fix those related to security, health care, education, power, water and sanitation (Dobbins, et al, 2007: 215), in an effort to raise these services to something approaching pre-war levels.

The improvement as opposed to the repair, of infrastructure should be funded through project financing by international financial institutions like the World Bank or other lenders rather than through bilateral grant assistance. Project financing imposed disciplines that were too frequently absent from schemes funded with grant assistance, requiring, as the former does, all the parties addressed issues of size, cost, and repayment in light of demand, anticipated revenues, and rate setting. Security was also an essential and primary objective for effective and productive investment (Haig 1994: 8-9). Money
spent on infrastructure and development will be largely wasted if people, goods, and services are subject to high levels of abduction, theft or attack (Derichs 2005: 43-46). The newly developing countries follow a tendency of these related features.

**GEOPOLITICS OF NATION-BUILDING**

The policy of economic growth and integration in the post cold war period was also guided by the changing geopolitical ideas of the world (Tuathail and Dalby 1998: 21). It resulted in the de-territorialization of the global economy and the new processes like liberalization and globalization were considered as inevitable and unstoppable in the newly emerging political and economic culture. ‘Economic growth means achieving a more massive economy producing more goods and services at the one side of the national account (Gross Domestic Product-GDP) and a larger total income on the other (Gross National Income-GNI)’ (Peet and Hartwick 2009: 2).

The emerging ideas and concepts in world economy started to imply its impact on the large number of countries; Vietnam was also one amongst them. Lockwood (2000) explained the need of globalization that, it was not possible for the developing countries to remain untouched with the growing effects of globalization. Holmes (2007) favoured the idea in case of Vietnam, that it could not avoid global capitalism and the countries, which opted to remain aloof, had failed miserably. The role of external factors in nation-building was important in the areas of adoption of policies and responses, to prevent overlap of programmes for maximum use of the available resources, and to promote a ‘security operational environment’ for financial aid and support (Hippel 2000: 110). O’Tutahil (1994: 229) also supported the idea that the nation-building policies and operations often guided in terms of space and time.

The place was very significant in the nation-building processes, as the foreign aid and investment was often decided by the facilities, resources and geopolitics of the region or country which was going to get that (Potter, et al, 1999: 23-24). The uneven economic development in the developing countries was clearly visible, because of the geopolitical
and geoeconomic factors associated with the particular location (Massey and Jess 1995).

Watts (1999: 87-94) argued that the interrelated people bounded by the separate territories are of great significance in the unification and post war development processes.

The lack of the feeling of ‘nationalism’ was the key factor in nation-building. Coop and Vis (1998: 110) supported the idea that, it was nationalism that provided the will and zeal to achieve the targets of nation-building. The unification also brought the ‘acute imbalance between human and physical capital’ (Lange and Pugh 1998: 141). They also discussed that the Eastern Germany was far more behind the West in terms of development but it had more potential than the same.

According to Hippel (2000: 104) the process of nation-building, had to follow a path consisted of three major elements for the nation-building processes; it ‘needs to re-establish security, civil society empowerment and strengthening of the democratic institutions’ and each others were inter-related. The process of nation-building thus ‘involved the construction of an identity, which could accommodate ethnic and linguistic pluralism while simultaneously inculcating an overarching sense of nationhood’ (Hill 1995).

In this newly developed political economy throughout the world, Vietnam also got benefited by the effects. With the introduction of transformation from centrally planned economy towards a market oriented economy, Vietnam began to get massive inflows of FDI and foreign aid for the nation-building processes running across the country in post-reunification period (Mai 2004). Investment and foreign aid were two essential requirements for the nation-building of countries. In case of war economies and reunified countries, the need was over-emphatically significant. Most of the developing countries are too small to achieve development goals without the help of external financial assistance (World Bank 2002: 88).

The target fulfilment and success in nation-building processes and operations in reunified countries were decided by the inflow of foreign aid, technical help from outside, FDI and
grants. Lall (2002: 325) emphasised the role of FDI in development for most of the countries as except a few ones most of the countries are dependent on the FDI for their growth and development. Therefore, a combination of stabilization and democratization might lead to a positive development. Another condition for democracy is a clear defined state with undisputed borders (Hippler 2005: 3). The investment policies and aid grants were in turn, directed by the geopolitical interests of the issuing country. After defeating from Vietnam, US put trade embargoes and economic restrains on Vietnam, in order to teach a lesson. International influence through diplomatic pressure on processes of democratization varies by regional states circumstances, but can direct governments in one desired direction. Pei (203: 52) mentions that US had conducted more than 200 military interventions and only 8 percent can be categorized as ‘nation-building attempts’.

The location had always played a significant role in the geopolitics of the region and the policies associated with it. US’ nearly 40 per cent investment in the World Bank’s stock and the IMF’s location in Washington (Hudson 2003: 179-80) provided it the decisive role in money lending and borrowing operations to any other country.

THE GEOECONOMIC FACTORS IN CASE OF VIETNAM

The post Cold War era witnessed strong continuation of the trend toward less emphasized of international territorial and geopolitical conflicts. In Southeast Asia, these remained muted among traditional US allies, while the principle villain of earlier efforts at regional domination, Vietnam got the message and began to focus on domestic economic development. It had learned from the long experiences of war and conflicts otherwise, it would have ended up like failed states. It became one of the world’s fastest growing economies, following the path of the earlier Asian miracle economies. Vietnam’s expansion triggered the urgent efforts of its neighbours to modernize their economies. US followed a policy of consolidating the non-communist countries of Asia and limiting the spread of communism (O’Tuathail 1994: 229). But, Vietnam’s conversion to the tenets of the Asian miracle could end up making it the leader of Southeast Asia if its politics
evolve along with its economy (Overholt 2008: 52). These projections were gaining strength in Vietnam as it had a record of managing its difficulties in a peaceful manner.

Thus, the geopolitical moderation encouraged by the Asian miracle had continued and expanded. Land boundaries, ideological differences, and aspirations to regional hegemony were far less important sources of conflict than they were 10 or 20 or 50 years ago. The rise of new Asian powers had reduced conflicts rather increasing then (Overholt 2008: 54). Vietnam had achieved the far reaching goals of development, influenced by the neighbouring countries. It also adopted the Chinese models of economic growth, which China got started a quarter-century later than the others and Vietnam got started a decade later than China. But the level of success in both the countries was quite satisfactory.

Globalization policy also modified the socio-economic units of Vietnam and it became integrated with rest of the world (Tran-Nam 2005: 170-73). It provided Vietnam a strong base to grow and develop its society and economy. Vietnam and Southeast Asia continued to grow relatively rapidly as they continued to gradually open themselves; among this group, the really big winner was Vietnam, whose combination of rapid growth and diplomatic moderation gave it a steadily rising role within ASEAN.

GEOPOLITICS BEHIND THE ‘LOCATION RESOURCE’ OF VIETNAM

Vietnam is strategically located in Southeast Asia, where the major players are according to their ambitions and capabilities: China, the United States, Japan and India. Vietnam acts as a gateway to sea of Laos and Cambodia. “The international political-economic constellation in which Vietnam finds itself will determine which elements in the country’s geographical endowment are more valuable and more strategic” (Vuving 2005). In the past, Vietnam’s strategic import to China lay in its role as the latter’s gateway to the south. But in the present, this role is increasingly played by others international actors. “China, Vietnam’s giant neighbour in the north, looms largest in Vietnam’s geostrategic perceptions. Vietnam forged its historical national identity of
struggle against China” (Jenkins and Plowden 2009: 44). The location and condition of Vietnam had also played an influential role in the strategic considerations of China in terms of its strategy regarding energy and resource security (Dosch and Vuving 2008: 18). These feelings of struggle always keep the Vietnamese people always in hangover.

China was trying to convert the South China Sea and Myanmar into its main gateway to the south. In the South China Sea, China invaded the Paracel Islands in 1974 and occupied several reefs in the Spratlys since 1988. It maintained military bases on Myanmar’s shores and planned to build a pipeline linking its southwest province Yunnan to Sittwe, Myanmar’s deep water seaport on the Bay of Bengal. Vietnam’s role as a gateway to sea for China’s Southwest was being diminished by the increasing traffic between Yunnan and Myanmar, and by the development of Guangxi’s seaports on the Tonkin Gulf. Vietnam’s strategic significance to China was further downgraded after the establishment of a “strategic partnership” between China and Indonesia in April 2005. China’s expansion of its control in the South China Sea and its influence in Southeast Asia occurred in the context of its rise to the status of world power and regional leader. All this had led the United States, Japan, and Philippines also to direct attention toward Southeast Asia and the South China Sea, and sought measures to cope with this new development (Vuving 2005).

With its desire for ‘world leadership’ the United States regarded the rise of China as a threat at the grand strategic level. Although Japan and India had no global ambition, the two wanted to become Asia’s regional powers. Japan had opted for a strategic alliance with the US. Thus, it opted for taking shelter under America’s global hegemony in order to oppose China’s regional leadership. The South China Sea was of vital interest for both China and Japan. About 90 per cent of oil supplies for Japan, 80 per cent of oil supplies for China, and most of the goods exchanged between the two countries and the Middle East and Europe flew through the Sea. Although the South China Sea was not that important to the United States, Washington had strategic interests in it. Control of the Sea meant control of the major sea lane of communication between the Indian and Pacific Oceans and a lifeline of East Asian economy.
With a control on half of the islands in the Spratlys and having a long coastline closest to the centre of the main maritime route through the South China Sea, Vietnam was geographically more advantageous place from which to control the South China Sea. Among all the Southeast Asian states, it had a long history and experience of dealing with China. These were the reasons why Japan, the United States, and India all want to see Vietnam play an active role in the South China Sea’s security and align with them in case of tension in great power relations.

“Whereas divergence is threatening East Asian politics, convergence is the trend of its economy. Market forces are highly active in the region, creating a huge need for transportation and trade between different places” (Vuving 2005). Each of the Vietnamese regions enjoyed a different role. Northern Vietnam acted as a sea gateway for China, Central Vietnam for Northeast Thailand and Laos, and Southern Vietnam for Cambodia.

In the course of its development, geopolitical resources are crucial to the fate of a country. Vietnam would be confronted with the imbalance of geopolitical resources between its regions, which might lead to their unequal development. Geopolitical resources were not only a matter of place but also a matter of time. The rise and fall of a nation depended to a large extent on the capability to utilize its geopolitical resources. Thus, Vietnam acquired a position of a linkage of regional integration. All these factors might lead Vietnam towards its development as well as may cause some difficulties in achieving the nation-building.

GEOPOLITICS OF NATION-BUILDING IN VIETNAM

Vietnam had achieved reunification after a long period of conflicts as a ‘self confident communist’ state, but even after its reunification it could not get relief from the lengthy series of troubles. When a country formed after the unification of its divided parts, it brings a stage of re-building of its society, polity and economy. Reunification is an event as well as a process. Once it begins, a large number of tasks also being attached with it
along with a lot of complexities (Duiker 1995:108-09). The process of democratization was a difficult task for the communist regimes to apply (Hippel 2000: 96). The choice of not going to a war is the basic concept of the democracy and the increasing number of democratic states may lead the world system towards the condition of peace and stability.

The gradual unification of Vietnam also brought new challenges. The manufacturing and industrial sectors of economy had a lot of difficulties, as the raw materials and goods were available in plenty in the southern part of Vietnam (Duiker 1995:148). This condition led to the uneven development of industries in Vietnam. According to Wolff (1999), the transformation of Vietnam from a centrally planned economy to a market economy was the result of the political leadership of the Vietnam, which was determined to continue its survival policy in order to prevent 'political pluralism' and 'multi party democracy'. Interestingly, the leadership of Vietnam in its early years of reunification was not change at all. The 1992 constitution had played a decisive role in favour of the CPV, which approved the enhanced freedom and rights to the government and administrative system from the CPV and for the development of the country (Wolff 1999). The new constitution had presented a number of rights and provisions, which proved beneficial for the nation-building processes of Vietnam (see appendix). According to World Bank (1997: 140) Vietnam undertook effective reform programmes in early 1990s where foreign aid was a major determining factor in the poverty reduction and growth and other nation-building processes.

The main purpose of any nation-building process would be to provide safety, food, shelter to the population. If these needs were not met, the politico-economic development would not become much fruitful. In unified Vietnam, the South Vietnamese integration into the North Vietnam economy was a serious problem for government. The ideological differences between two parts and their further transformation into each other was also different, because North Vietnam had centrally planned economy and South Vietnam having a market economy, dominated by the private sector, which was difficult to control by the newly formed government of SRV (Brown 1991: 272). Cohen (2009: 285) explained that initially Vietnam failed to minimize the gap of development and growth
between North and South Vietnam because of the more or less uniform orientation of foreign aid towards South Vietnam rather than the centrally planned industries of Northern Vietnam (St John 2006: 25).

The differences of North and South Vietnam were clearly visible in terms of economic growth and political development of the country. It gave rise to the economic divide of Vietnam and resulted in the differences among the native people and also for the foreign investors, which in turn hindered the economic growth of the country. Vietnam was also divided ideologically, as it was associated with other examples of reunification also. Fforde (1999: 118) considered that ideological differences poses severe hardships in nation-building of Vietnam the ‘institutional building’ in north and south were of diverse nature. The North Vietnam’s institutions were working under the Russian style and the institutions of the south were more market oriented.

Certainly, conflict affected countries undertook economic reconstruction with the onset of peace, but their success appears to be uncertain (Kang 2006: 219). The nation-building of reunified countries did not come to the notice of scholars, may be because of the very limited examples of reunification; Yemen, Germany and Vietnam. The politics of development was also an important part of the policies of International Organizations. O’Tuathail (1994: 228) elaborated that the politics of development for organizations (World Bank, IMF, OECD, etc.) were ‘circumscribed and guided by the western notions of modernity, progress and development’. Hodder (2000: 151-52) points out corruption as the unintentional effect of large amount of foreign aid, because the control of aid projects and accounts provides immense power to politicians and bureaucrats. He further explains that Vietnam had faced serious problems of inflation, fiscal deficit, poor incentives for production and low per capita income before the renovation began. The political estrangement from the western world has forced it to suffer from the crisis and financial shortage for nation-building.

Overholt (2008: 52) explains the legacy of Cold War as it witnessed the ‘strong continuation’ of the geopolitical trends of regional and international conflicts. In case of
political domination in the region, it was a ‘villain’ for US efforts of political domination in the region. From the above mentioned geopolitical settings of the post Cold War era, Vietnam learnt its lessons and began to strengthen the economic sector. It consequently became ‘one amongst the fastest growing economies of the world (Jomo: 2003), at the time when Thailand and Indonesia were the dominant players of the Southeast Asian region in terms of the economic development.

Since the adoption of ‘doi moi’ or the renovation policy in late 1986, Vietnam had shifted from pursuing a limited number of external relationships, to a strategy of regional and global integration. Vietnam had been implementing a foreign policy based on diversification and multi lateralization, while expanding foreign policy based on diversification and multi lateralization, while expanding foreign and economic relations to support the country’s economic growth. According to Jones (2001; 1998: 180), the late development in the Vietnam was an effect of the decolonization and political instability, which affected the foreign investment and development. Sutherland (2008: 3-4) stated that as a result of FDI ‘newly industrializing countries of Asia have experienced great advances in their economic growth’. It not only brought money but also the technical knowledge, management skills and job generation.

A large set of countries had gone through the process of transition from a centrally command economy to a market economy. Most, but not all have gone through the similar processes of becoming a democracy: China and Vietnam were two glaring and different examples (Beattie 2009: 261). Vietnam was the transition economy of Southeast Asian region and it was in need of redefining the role of state in enterprises and financial sectors (World Bank 1997: 163).

A comparison with the reform of centrally directed ‘command economies’ in East Asia suggests that it was not the speed of reform only, which mattered most. The reform processes in China and Vietnam are of varied nature. China, started earlier in late 1970s but, went much more gradually. Vietnam had a big bang of liberalization of prices and reforms (Beattie 2009: 267). Stiglitz and Charlton (2005: 199) observed that
liberalization raises the prices and that since rice production was relatively labour intensive in Vietnam, a rise in prices increased the demand for agricultural labour and consequently the agricultural wage rate. They found that the net effect on real incomes in rural areas is generally positive and reduced most measures of poverty. If the economy was able to liberalize both its external trade and the financial systems, the likely result would be significant foreign investment, growth, and a shift from agrarianism to rapid industrialization (Beghin, et al, 2002: 12).

The desired tasks of nation-building in reunified countries were not an easy task to achieve. As seen in some examples, the existence of two different ideologies was also present, when there were two parts of a country. The southerners thought that they were 'conquered' by the northerners and the society was not ready to incorporate itself with another half (Taylor 1999: 128). The foreign aid and support laid psychological effects on the mindset of population to rebuild the country and its economy. As in the case of Vietnam when people were given chance they worked with enhanced enthusiasm and vigour and the outcome was different from the previous efforts (Manor 2007: 22).

Penrose and Mole (2008: 276) has emphasized on the role of common conscious for the success of nation building. The uneven development of a country means that it is associated with some, geopolitical factors. As the uneven development is mostly related to the countries, which had 'colonial history', the interests of the colonial power and the resources and location of the colony determines the ratio and percentage of development (Taylor: 2008). In majority of the cases, some portion of a country is often more significant than others, may be in terms of location or availability of the resources. Vietnam is also a good example of such phenomenon. At the time of reunification, the South Vietnam was more developed and prosperous than the northern part. It was simply due to US involvement in the southern part half of the country. Before reunification, South Vietnam was getting large amount of foreign aid but at the same time, North Vietnam was busier in 'the struggle against US and South Vietnam regime'. The condition was similar even after the reunification. Foreign investors were more interested
to invest their money in the south, till the early 1990s. It resulted in creating more problems than solutions for Vietnam in its post-reunification era.

The reunified countries always had to face some similar patterns of external involvement, in terms of the foreign aid, and support and trade relations with other countries. For instance, ‘Vietnam had continued to face the economic embargoes from US, which in turn resulted in restricted relations with a number of countries, including Japan’ (Frost 1993: 2). According to Roper (2002: 202-03), the politics of involvement of a country was often guided by the ‘traditional fears’. It defined the case of Vietnam as Russia was, already involved in the Southeast Asian region, which provoked US to get involved in South Vietnam.

Jones (2006: 134-36) also favoured the idea that international relations and trade policies also reflect the attitude of a particular country or organization, towards a aid seeking country for its nation-building. They further cleared it by mentioning that with the ASEAN membership, Vietnam had become a favourite destination in the international community for trade and foreign investment.

Agnew (1998: 7-8; 2003: 7-9), argued that the “geopolitical framing reflects the varied defined global interests” in order to resolve the problems related to German and Vietnamese nation-building, both of them were the examples of reunification. The politics in the two separated parts of a country had been always directed by the different ideologies and diversified interests of the involved external actors. He further elaborated the involvement of US in Vietnam, was a result of the similar set of geopolitical settings associated with other parts of the world. ‘The US involvement in South Vietnam was a self-defined justification by the US for the Russian involvement in the region’. So, the problem of Vietnam could be better understood by the ‘overarching’ global conflict between US and Russia (ibid: 8; Thai 1992: 109). The geopolitical changes always laid their impact on the development and nation-building of the countries, especially, which were highly dependent on the foreign aid and support. The Vietnamese government was inspired by the political developments in Russia and Eastern Europe, to bring changes in
its own political and economic system. The reunified countries had to deal with the similar post-reunification conditions of uneven development, ideological differences and uneven distribution of foreign aid and FDI projects.

In case of Vietnam the foreign aid and investments were distributed very unevenly. The southeast region (the areas of Ho Chi Minh City and its hinterland) and the offshore oil and gas fields of Vung Tau-Ba Ria regions were the most beneficiary (more than 53 percent) of foreign investment due to the geopolitical significance of the region (Haughton 2001: 260-61). With the course of time and the diversified attitude of the investors, the scene began to change from the south to the north as the investors were more attracted towards Hanoi and Haiphong regions of the North Vietnam (Jeffries 2001: 60).

With the reunification of Vietnam the political ideological differences of north and South Vietnam started to widen and it faced the situation of hindrances to construct the socialist society throughout the country (Duiker 1995: 184). These changes had taken place as the state contracts its role in both the economic and social arenas, as the market has expanded, and as global forces begun playing a role in Vietnam’s economy and society (Luong 2005: 126). It was clear since its reunification that Vietnam did not have many options, though it had to maintain cordial relations with US and Europe both including Russia for its nation-building (Hudson 2003).

Reunification started the development of gaps and unevenness in the socio-economic and political development patterns of the North and South Vietnam. Houghton (2001) further explained that ‘the rest of the country was receiving just 12 percent of investment, which was accountable for the 70 percent of the population and more than half of GDP’. These types of uneven investment patterns were always responsible for the partial success in the nation-building of reunified countries, as it resulted in the differences in the fields of unemployment, poverty, health, political and economic development of a country. The regions with the geopolitical significance and resources always attracted the investors and the other funding organizations (Barnett 2002: 98; Brintnall 194: 628).
The US had been particularly successful in seeking ‘WTO-plus provisions from its partners in bilateral trade agreements’, and then using these as leverage in WTO negotiations. For example, Vietnam agreed to ‘TRIPS-plus commitments in its bilateral trade agreement’ with US. Now that Vietnam is seeking accession to the WTO, which operates under the Most Favoured Nation (MFN) principle, these concessions have become the effective starting point for accession negotiations (Stiglitz and Charlton (2005: 122).

The trade embargoes and economic sanctions on Vietnam by US in pursuit of revenge, led to the worsen conditions of Vietnamese economy and nation-building. It meant that the Vietnam was financially excluded from the global economy, because of its deteriorated relations with US and western world. Thrift and Leyshon (1995: 312) argued that ‘financial exclusion refers to the processes and policies that prevent the under-developed and developing countries from gaining access to the financial aid and support from the external factors’. They further explained the situation that it always laid significant and decisive implications, which resulted into the geographical variations of development (ibid: 314-15). For the societies like Vietnam, it was essential to develop its economy and society despite the negative effects of the limited foreign based aid and the geopolitics of its exclusion from the global economy. Taylor (1999) elaborated the situation, ‘that the country which was the ‘rice bowl of Southeast Asia’ did not become self-sufficient until 1990s.

The US nation-building measures and operations in North Vietnam were guided by its own motives (Watson 2008: 10). By the time Vietnam was receiving foreign aid just because of US’s intervention policy and its struggle against North Vietnam. Vietnam had gained a notable shift in the eyes of investors and its bilateral allies after two decades because of its transition economy poised for rapid growth and development. In the first two decades of its reunification, Vietnam’s integration with regional and international economy was slow. Several environmental issues were also responsible for the delay because the reduction in trade barriers led to the degraded environmental conditions and higher levels (Beghin, Roland-Holst and van der Mensbrugghe 2002: 12). As it was the
policy of developed countries to put economic embargoes and sanctions on the under-developed and developing countries. Taylor (1999) discussed that 'the American government did not allow non-governmental organizations to ship medical supplies to Vietnam until the early 1980s, because of the trade embargoes since the end of the war'.

Thai (1992) explained the motives of US intention to rule unchallenged in Southeast Asia. But when it was defeated, US wanted to compromise in order to preserve its interests and influence along with other powers, which also had their eyes on the region. So, they wanted to prolong the reunification because the unified Vietnam with Laos and Cambodia is the biggest obstacle in fulfilling their interests in Southeast Asia.

Ashwill and Diep (2005: 23) also favoured the idea of regional geopolitical factors in the nation-building of a country heavily dependent on the foreign aid and investment sources. Vietnam had become a favourite destination for investment and business, because it has safe and politically stable conditions, in comparison to its ASEAN neighbours such as Malaysia, Philippines and Indonesia, which were facing serious problems of terrorism and investors find these countries risky for their investment projects.

In aftermath of colonialism, the dealing country requires to do a long list of efforts for a stable society. In most of the cases, it was not smooth and they had encountered many difficulties in order to create a peaceful democratic country. Nation building aims at 'generating and nurturing nationalism and creating a sense of identification with loyalty' towards state' (Glassner and Fahrer 2004: 241). The grants are often associated closely with complexities. The newly formed country had to work out on the foreign bilateral and multilateral relations also. In some cases, this problem generally posed a threat to the issues of national stability and security. The formulation of new international relations often seems as problematic objective, for the small and weak countries (Glassner and Fahrer 2004). In case of Vietnam, it was more typical, because of the attitude of external forces. The foreign countries always followed a path of dominance and control in relation to the location and resources. Due to all these above mentioned factors, Vietnam was allowed to join WTO, almost more than two decades later in the late 1990s.
In the initial phase of reunification North and South Yemen, realized that the reunification was the only way to overcome internal and external problems. In South Yemen the aid for its nation-building was very low, but in north Yemen the income levels were high, which benefited the economy of north Yemen (Despotovic 1990: 27-28). In Germany reunification brought joy over unity but also the worries of problems associated with it. High rate of unemployment, rising rents and the income gap between East and West Germany were the most prominent problems. The ideological differences also played vital role in the unification of Germany. West Germany was assumed that the reunification would brought undesired burden of unemployment and income disparities (Winkler 1994: 117). The cases of reunification had faced the similar challenges in post reunification period.

Winkler (1994: 117) further explained that the ‘ideological unification is far more difficult than the physical one’. The discrepancy between two parts always forced the countries towards conflict and crisis in the domestic affairs. These ideological differences can be better understood by the case presented by Winkler (1994: 119-20) that the ideological differences in East and West Germany, had its roots in the matters of ‘national pride’ too. According to a Poll, conducted by the Institute for Practical Social Research in Mannheim in 1993, only 47 percent of youth from the age group of 14 to 27 years, were proud to be Germans in comparison to 68 percent of East Germans from a similar age group. If youth segment of a society would think and behave like that than the nation-building tasks would a far reaching goal. Youth is a strong and decisive instrument in nation-building. According to the World Development Report (2007: 169) the role of youth in ‘nation-building act’ was of greater importance because the involvement of youth in governance, education and poverty reduction and health services might change the situation from the worst to a better one. The participation of youth was important because of one more reason that it built the capabilities of future decision making and the quality of services provided by the governments also improved.

Paque (1998: 3) forecasted that ‘Germany will face a number of serious problems like financial deficit, disturbed account balance and the gap of fiscal unity’, due to the
inappropriate coordination between East and West Germany. He further gave credit to the good luck and proper management, for the achieved growth rates of Germany.

The reunified German state was dealing with two serious challenges; first, the psychological and ideological unification of the German people, which was an outcome of forty years alienation from one another and secondly, the task of Westernization of the East Germany. Paque (1998: 14) considered the reunification of Germany as the extension of Western Germany. Winkler (1994: 121) cleared the picture that the first ‘demand’ had needed the moral support from West Germans and the fulfilment of second target, was based on the East Germans. Chopra (1992: 5) discussed that the ‘psychological hiatus between the German people is understandable’ and it would last too long. The ‘restructuring and incorporation of East Germany’ was dependent on West Germany (Kocka 1994: 184).

The migration of East German’s labour population towards the West, led to the disintegration of industrial sector of East Germany (Smith 1998: 169). The market tendencies of German economy faced a number of obstacles in achieving the nation-building targets of Germany (Hochberg 198: 189).

Initially, Germany did not introduce new reform processes. It was adjusted by the geopolitical location of East Germany and developed industrial sector, which helped the government to integrate population and to avoid reforms at the very beginning (Kocka 1994: 174). Germany also experienced the similar situation of different political regimes in its earlier divided parts. The East Germany had a communist influence laid by the Russian intervention. On the contrary, the West Germany observed the free market and more liberal economy than the east. The East Germans held an attitude of traditional culture and values. The principle of ‘work’ was central to their ideology but it was not apparent in the West.

The West Germany had followed the policy of industrialization with some partialities. Only 14 percent of East German’s labour population was involved in the process. It
showed the persistence of economic and mental divide of Germany. The problem of unemployment was also a serious threat for the reunified countries. Initially after reunification, the employment rate in Germany fell considerably and it reached to the level of 11.4 percent in 1996 (Holscher and Stephan 1998: 21). Holscher and Stephan further explained the situation and problems of German nation-building, that the reunification of Germany 'constituted an unprecedented strain on the Western Germany’s economic situation and the resulted de-industrialization of Eastern Germany' (ibid: 23). The reunification also aggravated the condition of 'transformational recession'. Kaser (1998: 55) also supported the idea that all the transition economies had faced recession after the collapse of communist rule and the adoption of market economy.

The process of reunification consequently changed the economic policy in both parts of Germany and the role of foreign investment began to play a significant role in the economic transformation of the country (Huther 1998: 37). The life standards of Western Germany also began to change with its reunification with the Eastern Germany. The initial signs of unevenness were due to the internal conditions of transformation of the economy (Herjog 1998: 86). For the legislature system of Germany, it was not an easy task to handle this situation. 'The formulation of coherent and practical rules was also an effortful task' for the German legislature because it led to the more complicated social politics (Waldner 1998: 100).

The example of Yemen also showed similar reflections of psychological differences. There was a feeling of 'domination by North', which was richer in terms of population and economy (Braun 1992: 183). The market of South was flooded with the products of North Yemen, which directly raised the unemployment rate. It was seen that the South Yemen was not prepared for the economic and agricultural reforms, resulted in the uneven development of the country. Like Vietnam, Yemen was also dependent highly on the external aid and support for its nation-building. Braun (1992) explained that Yemen’s economy would have been collapsed, in absence of the foreign aid and investment. The majority of financial aid and assistance was provided by the World Bank, IDA, Germany, France, Holland and Japan.
As Carapico pointed out that Yemen was a relatively young state that emerged out of North and South Yemen that had diverse political systems (Carapico 2007: 154). The actual political system is a republic, which claims to be democratic, but in fact is far from being democratic, for example, in the minimal definition of free and fair elections. The governments’ central authority and legitimacy is still contested (ibid: 155). The civil war of 1994 had led to the destruction of infrastructure and institutions of the former southern state focused on the bigger cities and ignored rural areas, especially in region, where opposition groups were growing.

The solution of internal matters of reunified countries could lead the country to play a constructive role in the region of its location, in terms of economic development and geopolitical traditions of the region (Winkler 1994: 125). If suitable and appropriate solutions were not found then the actual reunification would not have been achieved. The efforts of incorporating the North Vietnam into the ‘rigid economic system’ led to the conflicts in the Vietnamese society (Taylor 1999: 129).

The geopolitical factors and settings were more influential in case of Vietnam. The nature of nation-building processes was different with the varied actors, because of the different geopolitical and strategic conditions with each partner. US had different geopolitical reasons to impose trade embargoes on Vietnam in the post reunification phase. The European countries had different issues and the regional powers like US, Russia, China, Japan, Laos, Cambodia and Philippines had varied interests. The nature of assistance and cooperation was highly modified by the particular settings and it has to be analyzed in detail.