

China & CLMV (P'Wan)

Deng Xiaoping is the one who suggests economic reform in China. He said that we need to decentralize the stage power and open it up for citizens. He increased the openness to the global economy. He suggests more globalization and connecting more to western countries in order to have some exchange of knowledge. Moreover, to import technology to support the economic development of China.

Things in China have changed a lot since the early 2000. During that time chinese just produce the products as cheap as they can. The quality is not that good. Later on, they are not copying things anymore but they are trying to be innovative as you can see the patent increased a lot. The companies that appear in fortune global 500, we can see some change in 2017-2019, the number of China increased and stepped up to number one in the world while the US stepped down to number two. China companies got a lot more profit then the US companies. Technology and innovation in China, the number is also stepped up to almost number one.

Gaming and esports is one of the sectors that did not get hit by covid19. This sector grew by 30% YOY during quarantine. Also, China ranks at the top of the leader country in the video game industry by revenue. Medtech is another industry that is growing fast. The example of this sector is Ping An. Ping An is the number one insurance company in China and they serve the service through online application. Cashless society in China, they have 2 big firms which are Alipay and Wechat Pay. This sector is going in the same direction with the e-commerce platform. During covid19 pandemic, e-commerce is going down because people cannot go out and spend money. Moreover, through online platforms, the shipping can not be shipped to other provinces. At the same time, the third party payment is also decreasing in the number of the transaction as well. But it recovered very fast after reopening China. So, people start daily life and start using the transaction.

How China effectively combats the outbreak, it can be separated into 4 categories: active detection, tracking and control, treatment and post treatment tracking. The first one is active detection. There is big data analysis like wechat and alipay, they will be able to know where that person is going. They also have tracking technologies. On the application, it will show how many infected cases are surrounding you within 3 kilometers. Secondly, tracking and control, China has the real time tracking application. This application will send the message to tell you about the new infected cases around you. Moreover, they have the health code application. This application shows the individual's health code which indicates permissions to transport. There are 3 colors of the code which are green, yellow and red. The green code, it means that you already go to do a health check and you can go anywhere after reopening the town. For the yellow code, you have to stay at home 7 days. After 7 days the yellow will turn to green. The red one, it means that you just contacted someone who got coronavirus and please stay at home for 14 days. Later on, if you are normal, the code will turn to green. Everytime you are using the metro or bus, then you have to scan the code on the application and they allow only the person with the green code to go in. Every condominium has detection machines.

When you walk out from your room, and if you are not green then you cannot use the elevator to go out. From my point of view, this is really effective if compared with the Thaichana application from Thailand. Another thing, they have drones and autonomous vehicles to go out and spread the alcohols to kill the virus. The third one is the treatment. So many people get affected at the same time since coronavirus is from China. Therefore, they build the makeshift hospitals to only accept the covid19 cases to help their citizens as much as they can. Lastly, post treatment tracking, people who got out from the hospital. They still have to stay at home and send out online medtech. Also, everyone has to wear a facial mask. If they don't wear it then they will get a deduction from their social credit.

Overall, I think the chinese government is very successful in using their power to control the outbreak. They can make their citizens believe that the government can safe their life. Also, they help every citizen by subsidizing money during the covid19 pandemic. On the other hand, Thailand also does subsidizing but still has some exemptions. So, I think we should give it to everyone in order to help everyone equally since we all do pay tax no matter rich or poor. Moreover, Thai government should learn and pay more attention to new technologies to decrease the risk of getting coronavirus affected like China. Thailand also needs to see what will happen next after covid19 and find some advantages to make Thailand move forward to be a developed country.

Since, China is the country that produces the products with very low cost and CLMV countries are importing the inputs from China in order to minimize their cost. This affects the CLMV economy. If they can produce the inputs by themself, so, they will be able to decrease their imported products from China. This is because they don't have to give money to China. But since, they still have no enough capacity on the production. Therefore, this is the best way for them to import the products and also their government needs to support the firms for example R&D, infrastructure and logistics along the way in order to make the countries move forward.