

Essay 1 Class : ASEAN - Origin, Evolution, and Economy (20/06/19)

The lecture is divided into 2 parts which are ASEAN vs AEC and ASEAN Economy. For the first part ,ASEAN vs AEC, it is about History of AEC, and Target and Vision of AEC. The difference between AEC and ASEAN is that AEC (ASEAN Economic Community) will focus mainly on the economic while ASEAN will include not only about economics but also about politics and cultures. So, basically, AEC is one sector of ASEAN. For the history, during the Cold War Era (between the US and the Soviet Union or Russia), the US afraid of the domino effect that once one country in Asia became a communist, other countries would also become a communist and end up with the whole region become a communist. Therefore, there was a Bangkok Declaration (Thailand, Malaysia, singapore and Philippines declared that they would not join the communist region. After the cold war, those group of countries turn into economic integration (ASEAN Free Trade Area : AFTA). In 2003, after the Asian Financial crisis, ASEAN decided to set up AEC since they concerned about the weakened ability of their own.

For the ASEAN Economy section, ASEAN has a good performance on the economic side which can be seen by the high real GDP growth rate, a low in both GDP growth volatility and the Debt to GDP. FDI of ASEAN also increase, mostly in the wholesale and retail trade. The economic structure of most ASEAN countries also similar to those developed countries (high proportion of services). However, one of the objective of AEC/ASEAN is that they want to increase more intra-trade but it turn out that the intra-trade did not increase as expected. For the labour, some ASEAN countries have a big proportion of teenage and workforce which will attract investors while some are in the aging society which will be a challenge for that countries. Last part is about the communication such as internet/SNS that will affect the communication platform in not only the business part but

also the connection between people and government. With the more internet users in ASEAN, this could be an opportunity to improve the communication infrastructure.

From this first lecture, there are many things that I have never known before. The most interesting one is the quiz before the lecture. Most of the information are not even in the textbook such as the coffee brand of Myanmar. For me, this lecture help me understand more about ASEAN and AEC since I have never been studied about ASEAN or AEC before. I have read about ASEAN before but most of the websites will mention only the origin, none of them mention about the growth rate of ASEAN real GDP or the inflation rate of ASEAN. Therefore, I found that this lecture make me have a clear picture not only the origin but also the performance of ASEAN/AEC.

Moreover, from the lecture said that the challenge that Thailand has faced is the aging society meaning that there will be less workforce in Thailand lead to less attractive for investors to invest in Thailand. However, for me, I think that the aging society os not a challenge but it is an opportunity for Thailand to have a new market segment. There will be new products that created for those elders and this might lead to a new technology and new innovation in the society. We should switch the challenge to be our oppotunity.

Essay 2 Class : Cambodia Economy

This second lecture is mainly about Cambodia Economy and the bilateral relation between Cambodia and Thailand. Cambodia has the highest real GDP growth rate (7% annually) comparing with ASEAN countries. There are many similarities between Cambodia and Thailand such as Culture (ex. language), Traditional and Religion. There are not only a trading relation but the cooperation over in all fields such as culture, social, tourism or even education. Surprisingly, there are more Cambodian tourists come to visit Thailand more than Thai visit Cambodia and most of Cambodian come to Thailand for medical services. Cambodia got many assistances on education from Thailand ,especially from Thai royal families, such as scholarships or improving Cambodian schools in Kampong. In the past, Cambodia used to have an internal conflict therefore Cambodians moved to Thailand and worked at Thailand but now, Cambodian government starts to promote Cambodian to come back and work in Cambodia again. Cambodia also try to turn Bilateral Checkpoints between Thailand and Cambodia into International Checkpoints which will be more legalized.

For the economy, Cambodia has signed Agreement on investment promotion and protection with 29 countries including Thailand as well. The trade volume Cambodia and Thailand increases every years as well as the volume of Thai investment in Cambodia. For promoting trading, Cambodia set up the SEZs or Special Economic Zone with neighboring countries. Cambodia is one of the members of CLMV and ACMECS. CLMV is a group of 4 last countries that joined ASEAN (Cambodia, Lao PDR, Myanmar and Vietnam) that try to minimize the difference of development between the rest of ASEAN. ACMECS is similar to CLMV but it include Thailand. ACMECS is also known as CLMVT.

To be honest, when someone mention about Cambodia, I will think of a country that still have very low technology, still being a communist and not been developed that much.

But thank you to Mrs. Lay Chanrasmey, counsellor of the Royal Embassy of Cambodia, who give us a very good lecture about Cambodia. She make me know that right now, there are many things changed in Cambodia. I have known that Cambodia has shifted to more manufacturing part (ex. garment and textiles industry) but some I never know before. For example, the fact that there is Amazon coffee and Inthanin coffee branch in Cambodia meaning that Cambodian have a higher purchasing power and many teenagers having similar lifestyle as Thai teenagers (reading/doing homework at cafe) makes me feel excited. Therefore, Cambodia becomes one of interesting countries for investors to invest.

I quite agree with Mrs. Lay that Cambodia still lack of development on data collecting system, comparing this Thailand, Thailand has better in term of innovation and technology so it will be more accurate faster than Cambodia. Many things in Cambodia still behind Thailand, for example, the manufacturing, Cambodia still produce garments and textiles while Thailand produces electronic products and automobile parts which have higher value comparing with garment sector. But Cambodia still be a interesting countries for investors to invest.