

1 July 2019

Essay One ~ Monday

Guest speaker, Mrs. Punpilas Ruangwisut, addressed the importance of connectivity between CLMV countries and Thailand due to their proximity to one another. CLMV markets have extremely high growth rates at nearly six to seven percent. Between the four countries, Vietnam is the largest in terms of GDP and population while Laos is the smallest in regards to both. That being considered, CLMV's economic development policies are more stable due to the political stability of the countries as well. These countries are known to have export-led growth and tend to have a higher degree of openness, especially when it comes to trade relations with Thailand. CLMV is highly susceptible to investors from Thailand as well as the presence of Thai commercial banks within the CLMV countries. As there become more investors and more of a financial presence, Thailand and CLMV countries only continue to grow in their interconnectedness. This relationship is consistently reinforced by the similarities in their physical connectivity, historical and cultural exchange, and religion.

Another aspect that was discussed was the regional connectivity that is brought about by the Bank of Thailand (BOT). Essentially, the bank has established a three-year strategic plan that aims to promote a stable and financial environment in order to achieve a more sustainable and inclusive economic development. This plan demonstrates how the financial sector plays a role in facilitating trade and investment, especially within these countries. The Bank of Thailand basically works to enhance efficiency and promotes the connectivity of the financial sector within CLMV countries. These goals require a more individualistic framework for the countries

due to the differences in conditions of the country, especially in regards to using local currency. The important thing to recognize is how ASEAN has and will continue to further liberalize the financial sectors in order to prioritize financial cooperation amongst ASEAN.

In terms of reflection, I personally found the connectivity that exists between Thailand and CLMV countries to be extremely intriguing. I think that the interconnectedness is not only unifying, but very powerful as well. The financial sector, but more specifically the Bank of Thailand, are promoting integration, stability, and inclusion when it comes to pursuing cooperation throughout ASEAN. More specifically, after learning about the cross-border QR payment, I really was able to recognize the resilience of making a more productive cooperation amongst CLMV countries in the financial sector. In my opinion, this cooperation and resilience is what is needed to achieve connectivity and sustainability. By promoting local currency usage and supporting the countries' financial sectors, Thailand is able to benefit as well as benefit the countries it is supporting, which is extremely important in this continuously increasing globalized world.

3 July 2019

Essay Two ~ Wednesday

On Wednesday, we had an introduction to the sustainable development goals (SDGs), which include seventeen goals that were set by the United Nations to be implemented on a global scale. Sustainable development is defined as the “development that meets the needs of the present without compromising the ability of future generations to meet their own needs”. This kind of sustainability consists of two types: weak and strong. Weak sustainability refers to the idea that the way we live today can be how we live in the future; this type is more optimistic in a sense. Strong sustainability, however, argue that eventually all cumulative negative externalities have to be eliminated in the long-run in order to enter a steady-state. Nonetheless, sustainability consists of three pillars - economy, society, and environment - which are important in forming the agenda for 2030. The agenda 2030 consists mainly of the SDGs and are set by the UN to establish a shared development terminology that makes it easier to communicate amongst countries. These goals are sets of indicators that review and assess the sustainability of the world on a global and local scale. The seventeen main goals of SDGs include: no poverty, zero hunger, good health and well-being, quality education, gender equality, affordable and clean energy, decent work and economic growth, industry, innovation, and infrastructure, reduced inequalities, sustainable cities and communities, climate action, life below water, clean water and sanitation, life on land, peace, justice, and strong institutions, and partnerships for goals. These goals are associated with the five P’s of the SDGs, which are people, prosperity, peace, planet, and partnership. Essentially, the principles underlying the SDGs in terms of development include being inclusive, universal, integrated, locally-focused, and technology driven.

That being said, I find the idea of SDGs to be extremely compelling. I have learned about the SDGs in one of my courses at UCSC - which was on the International Political Economy - and was completely marveled by the idea of unification and interconnectedness that lies within the principles of the SDGs. I also feel like it would be incredibly difficult to measure a lot of the goals on an international scale due to the differences in their social and political environments. By considering countries like Myanmar, I feel as if it is difficult not only to measure but to also have the data to measure the achievement of these goals. It also makes me question that if governments are more on the corrupt side then what is done to prevent bias or to make sure that the goals are being implemented in the proper way. I suppose that I am curious on how the measurements of SDGs on an international scale are established for individual countries and if it accounts for the differences in their countries' circumstances. Considering the goal year of 2030 and the extension that already occurred after the MDGs' goal of 2015, I wonder what can be done to ensure that the goals are achieved by 2030, and if they are not then I am curious about the next set of goals to come and how they will be implemented differently to make sure the goals are achieved by the next target date.

4 July 2019

Essay Three ~ Thursday

In preparation of our trip to Laos and Vietnam, Ajarn Amonthep Chawla introduced us to the East-West Economic Corridor that we will be traveling through when visiting. Essentially, there is connectivity that exists everywhere within ASEAN and beyond through East-West but also North-South. There are also Special Economic Zones (SEZs) throughout Laos and Vietnam. In Laos, we will be traveling through the Savan-Seno zone, which is a large SEZ but not the only one that exists. Laos has established several SEZs throughout its regions in order to attract FDI. This investment could be attracted due to the natural resources, cheaper labor, border connectivity, lower tariffs, and the stable government that Laos maintains. The top industries that invest in Laos include business opportunities in construction, tourism, energy, retail, agriculture, and manufacturing for export. Another important reason for investment in particular industries includes logistics due to the proximity to other countries like China and the connectivity it alludes. In regards to SEZs in Vietnam, there are many more SEZs compared to Laos and the ASEAN region. Vietnam's largest export is electronics, even though many would believe it is textiles, due to the cheap labor and investment that has brought about technological advances.

Furthermore, we covered an overview of Thai exports to neighboring countries in which nearly twenty-five percent of Thai exports go to ASEAN countries. Now-a-days, there has been an increase of those exports going to CLMV countries than there has been in the past. Products from Thailand are essentially middle ground in that they are not as cheap as Chinese products but they are of better quality. They export a large amount of beverages such as energy drinks and even adapt the products that are exported by having different concentrations than those that are

sold in Thailand in order to optimize the profit of trade. Thailand has a trade surplus with all CLMV countries except Myanmar. Most of Thailand's exports to Cambodia, Laos, and Myanmar occur through border trade. Thai investment in neighboring countries is another component that we reviewed in relation to CLMV. Many factors of outward FDI include the shortage of labor, the elevation of business opportunities, the expiration of GSP, and the connectivity that exists amongst ASEAN countries. However, there are still some difficulties when it comes to investing, such as language barriers and differences in regulations.

That being said, Ajarn Amonthep Chawla asked us to look beyond 2019 and this course and to consider the trade populations and aging population. The speaker highlighted that the working age population is projected to continue to diminish by 2050 and that the median age is only set to increase which would lead to slower development due to the shortage of labor production. In my opinion, this is a serious issue that needs to be addressed before the population does age in order to maintain economic growth and development in the future. This would mean that investors and companies would need to adjust to business opportunities that benefit the aging society, such as health care services, financial services, and real estate. I found the thucydides trap to be a really intriguing concept in regards to the trade war, because it does seem very applicable when it comes to the United States and the ever-developing China. What that might mean for the future concerning the trade war though is another story that I am not entirely sure of. In terms of Thailand 4.0 and the desire to upgrade the productivity of labor, I would agree with the speaker on the idea that technology will eventually replace workers and that the market continues to be disrupted. These are real concerns that need to be addressed in order to elevate economic development and not diminish it.

5 July 2019

Essay Four ~ Friday

On Friday, we traveled to both the Thai-German Institute and the Vidyasirimedhi Institute of Science and Technology (VISTEC). Even though the entirety of the day was in the Thai language, our peers were able to translate the presentations and walk-throughs, which made it a really interesting and unique experience. The Thai-German Institute was first initiated by both the German and Thai governments with the aim to train individuals and companies in using and implementing advanced manufacturing technology into the Thai market industries. Essentially, the institute wants to help workers in enhancing their usage of technology rather than competing with other educational systems. Their four goals - in respective order of importance - include: teaching, consulting, renting, and researching and development. They also aspire to eventually develop towards Industry 4.0 by using a lean automation approach. By achieving Thailand 4.0 status, this institute hopes to elevate the economic development of Thailand by pushing it out of the middle income “trap”.

VISTEC, on the other hand, is a research institution in science and technology that hopes to improve the knowledge and skills of its graduate students while also increasing Thailand’s sustainable development and prosperity. This institution was founded by the leading Energy Company, PTT Public Company, who were hoping to instill knowledge and innovation into the Thailand economy by creating a higher-level of education. They mainly aspire to become an international competitor as a research university while also enhancing Thailand’s sustainable development through frontier research and innovation. Essentially, the idea of “frontier” comes from their purpose to research and to ask questions about the things that we do not even know to

ask; the idea is to learn what it is that we do not know. They, like the Thai-German Institute, hope to one day achieve Thailand 4.0 by focusing on knowledge and research surrounding the School of Energy Science & Engineering (ESE), the School of Molecular Science & Engineering (MSE), the School of Biomolecular Science & Engineering (BSE), and the School of Information Science & Technology (IST). VISTEC is located in one of the Special Economic Zones (SEZs) which makes it a powerful institution when it comes to aiding economic development and innovation. Considering that, both of these institutions aim for a higher-educational system that will eventually lead to a higher sustainable economy for Thailand in general.

Ultimately, being able to learn about these institutions and tour around them for a bit was really enlightening because it furthered my understanding of something I thought to be true, which is the power of a stronger and higher educational system. Both of these institutions essentially aim to achieve higher sustainable development through education and knowledge, which is extremely awe-inspiring. In my opinion, it was a little difficult to truly grasp everything that was happening, because I feel as if some things are just lost in translation; however, it was a more fulfilling experience being able to try and figure out exactly what was being said or shown alongside my Thai peers. I feel as if I gained more from this field trip than most simply because of my inability to understand and speak Thai. All-in-all, I feel as if these institutions are really onto something quite magnificent with their aspirations to achieve Thailand 4.0 as learning establishments. Nonetheless, it would have been more fulfilling to obtain a deeper understanding of how their research and knowledge directly affects the enhancement towards Thailand 4.0 and a more sustainable economy in Thailand.