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**Reaction Essay: Logistic in ASEAN**

Nowadays, we are moving to industry 4.0 which mainly focuses on customer-oriented. By using the new technology and innovation, firms that could not handle the disruption are abrogated. Many companies disrupt themselves to survive. Meanwhile, Tech-company becomes the talk of the town due to a lean, fast, and efficient style of management.

Since industry 4.0 and Covid19 alter everything, logistics becomes more crucial that drives the business and global trade. Therefore, business and supplier must redesign their chain/system to cope with the change of industry, customer-based, and a higher expectation for goods and services. New-normal (Covid19) would be considered too.

8 factors could help to redesign the supply chain system. 1) Infrastructure such as water supply, road transportation, air transportation, and energy. 2) Risk such as natural disasters, pollution, and pandemic. 3) A location such as resources, weather, and geopolitical area. 4) Labour 5) supply such as resource cost, quantity, quality. 6) Logistics such as logistics time, the flexibility of the logistics system, and LSP quality and quantity. 7) Economics 8) Government

The speaker suggests that we could use 3 flows re-design (Before Covid-19) framework to surfeit the new economy era. In this framework there are 3 factors; people, businesses must know who are the customers, what they want, how to make them satisfy; product, firms must produce the product that matches the customers' need; capital, the government has to impose good policies for firms to operate efficiently while restricts harmful acts hurting society (norms, moral, and environment).

Nevertheless, the situation of cross-border trade in ASEAN is, still, ambiguous. Despite many countries try to promote trade integration, formal trade is having severe constraints. Hence, it positively affects informal cross-border trade (ICBT).

In my opinion, technology, and innovation change customer behaviors. People are influenced by the social network and video streaming, thanks to high-speed internet, 4G/5G, and faster central processor unit. Hence, customers' demand is higher than before. They expect high-quality goods/services at an acceptable price rather than "The Cheapest price", fast delivery process, and great customer services. However, there are some holes that MNE or big companies are using to gain an advantage over customers.

Not only firms must change, but governments also need to change. If they would like to leave no-one behind, they must do more than what has been done today. The supply chain redesign framework must be employed by governments. However, governments should concern more about the customer side. Regulations that ban scammers/fake advertising and reviewing via the social platform should be employed. Some laws should be revised and updated. For example, customer e-commerce protection about fake products and some hidden transportation costs.

In summary, there are many opportunities that ASEAN could adapt this framework while does not overlook the protection on the customer side. Together, we will have a high and sustainable economic growth.

**Reaction Essay: Post-Covid19 CLMV Economy**

Everyone, at least in ASEAN, would like to be the leader of the economy. Indonesia has the highest GDP in ASEAN. Meanwhile, Vietnam has the highest GDP growth in ASEAN. What about the rest of them? To keep up with others, Thailand has developed a plan for EEC (Eastern Economic Corridor) since 15 May 2018, Laos has SASEZ (Savan-Seno Special Economic Zone), and Vietnam has 18 special economic zones all over the country.

According to the speaker, there are many opportunities to invest in CLMV. However, investors have to keep in mind that “you should go to give not to take.” And they have to smoothen their products or services with the nation’s culture and people's behavior. Different country has a different culture and people’s behaviors.

FDI opportunity reasons in CLMV; Cambodia: the government aims to have organic farming and they have rich resources. And Cambodia has higher purchasing power.; Laos has announced that they will launch the Vientiane New World program which could boost the economy; Vietnam (The new China) gains advantage from huge China investment (Due to the trade war); Myanmar has rich resources opens country and allows FDI.

Even though the recent pandemic causes recession of the economy, every cloud has a silver lining. We could see that many factors support the opportunity to invest in CLMV such as stronger globalization eroding trade and investment barriers, better infrastructure, liberalization trade, benefits from an aging society in Thailand, Vietnam, and Singapore. Therefore, the businesses that might gain advantages from these factors, for example, health care goods and services (due to aging society), real estate (house design and technological innovation for elderly), financial services (elders’ insurance and funds).

In my opinion, the shock will be temporary or permanent, it depends on how people look and act with it. In my perspective as an economics student, I would say that you must separate the shock into 3 sections: short-run, medium-run, and long-run. For the short run, first, you must think about how it affects other factors, for covid19, it appears that social distancing policy is the central problem for economic issue causing decreasing in the supply chain; lower income; and then the recession of economic as we can see many stock markets went down. Furthermore, for the medium run, Will it be any vaccines? When it will be released? If the vaccines have been released, people will no longer fear covid19 anymore. Lastly, in the long run, Will this pandemic create a new-normal for people?

**<u>Challenges and opportunity after Covid19</u>**

- In terms of investors, CLMV is still attractive to investors due to high potential growth and government support.
- In terms of governments, they must examine their systems whether they have worked effectively or not. This is the opportunity to consider plans to handle this kind of situation. They must think about what to do to recover after the pandemic, how to have sustainable growth rather than a temporary boost. How to help low-income, middle income, and high-income people.
- Lastly, in terms of people, we must consider security in financial status, life, and occupation. Adaptation is the key for humans without it we might have already extinct.