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(01/07/19): BANK OF THAILAND & CLMV CONNECTIVITY

_____ CLMV countries are frontier markets, projected to grow at a higher rate than the world rate. As we learned from previous lectures, Vietnam is an export-led country with the highest level of potential for growth, whereas other countries have barriers. For instance, Myanmar has only been open to trade for less than 10 years, is in need of border infrastructure and institutional framework, and Laos has a small population. CLM are especially lacking in terms of diversification of products. CLMV economic develop policy is stable due to their political stability. Ms. Ruangwisut said that, in a way, the suppressive (top-down) policies can be beneficial for guiding the direction of the country. There is growing interconnectedness between Thailand and CLMV, and the Bank of Thailand is working hard that they become even better connected using a strategic plan. Thailand's real sector benefits from lower transaction costs, more convenient payment methods, and more opportunities to invest in other ASEAN countries. BOT is working with countries to establish Thai commercial banks in other CLMV and ASEAN countries. Their role in financial sector development facilitates trade and investment. Some banks, even if they aren't able to give accounts to people, still offer financial services to improve literacy. Another important point is to promote the use of their respective local currencies. By using local currency, they reduce the chances of major currencies' volatility, lower transaction and conversion costs, encourages transactions through formal channels (which in turn increases data for policy purposes), and supports the development of the domestic financial market by increasing supply and demand of local currencies.

In all honesty, I found today's lecture to be quite repetitive and unengaging. The first half of the lecture went over things we had been learning about for the last few weeks, which I understand is not Ms. Ruangwisut's fault but made it difficult to stay engaged. I found that the

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subject of financial literacy was the most important, because it relates to something that I have been learning about as well in my university. Giving poor people bank accounts could drastically help them more effectively confront the problems that keep them stuck in poverty. Poor people do have money, but their income is unpredictable and their expenses are hard to manage. Some pitfalls of cash is that it is easy to lose and easy to spend, and having a bank account could prevent these issues. However, the irony is, it's costly to have a bank account and it's not to. Most banks and credit unions have fees, especially if you don't have a certain amount of money in a checking account. In the 2015 FDIC survey, the most commonly cited reason for being unbanked was not having enough money to keep in an account. It is ridiculous that check-cashing outlets charge such high percentages of your paycheck just to cash it for you. Not only that, bankless customers suffer by not establishing a financial history, negatively affecting the odds of getting traditional loans and reasonable rates on those loans. A strong solution, and one that is probably even more attainable than traditional banking, is mobile banking. All it requires is a phone and wifi, but could be very powerful if effectively implemented.

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(03/07/19): INTRODUCTION TO SUSTAINABLE DEVELOPMENT GOALS

The three pillars of sustainability are societal, economic, and environmental. They work together, as actions in one area often affects another. Global sustainability issues include poverty, inequality, war, gender equality, food security, climate change, mass extinction, and deforestation. Local sustainability issues (in Thailand) include poverty, food safety, education, gender and LGBTQ equality, water pollution, air pollution, flooding, and traffic. There was a series of environmentally-focused forums before formulating the Sustainable Development Goals. The negotiation process began at the UN, and 8.5 million people around the world participated in the SDG formulation process. The SDGs has been operational since 2016 and will be until 2030. It is also a major part of The Agenda 2030, which has been adopted by 193 UN member states in September 2015. The SDGs represent a set of the UN's development goals and an action framework, created a set of universal indicators to review the state of sustainability in countries, and can be used as tools for cooperation, partnership, and bargaining. There are 17 SDGs which fall into 5 categories: people, prosperity, planet, peace, and partnership.

I think today's lecture was engaging and interesting. I liked the use of the mobile app to get us students to engage. It makes it so that even the shy students participate. Also, it takes away the pressure of having to answer correctly, since the answers are anonymous. On the topic of today's class though, I think sustainability is one of the most important topics to focus on right now, not only in terms of the environment. Cleaning up our cities and reducing pollution not only helps the earth, it helps the people, who suffer from the health problems, as well as the animals. I've learned how interconnected all the aspects of the SDGS really are, especially when we worked in groups to find recent research and initiatives relating to the goals. Often, initiatives contribute to more than one aspect of sustainability. For instance, in Laos, the hydropower

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projects relate to 7-affordable and clean energy, 8-economic growth, 9-industry, innovation and infrastructure, 11-sustainable cities and communities, 12-responsible consumption and production, 13-climate action, and 1-no poverty. I think my group will definitely be using the SDG index and interactive dashboards, which provide a visual representation of countries' performance by SDGs to identify priorities for action. Our final project will try to prove that hydropower in Laos can drive sustainable growth for the country. This lecture gave some guidance on how we want to further structure our paper and presentation, and gave useful information and resources to consider.

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(04/07/19): EAST-WEST ECONOMIC CORRIDOR; LAOS & VIETNAM WORKSHOP

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In an overview of economic indicators of CLMV countries with Indonesia and Thailand, CLMV countries' real GDP growth rate is higher in the 7% range whereas Indonesia and Thailand are at 5.1 and 3.9 respectively. This can be explained by the "catching up" they have to do; poorer countries have more room to improve quickly so their growth rate is higher. The East West Economic Corridor connects Myanmar, Thailand, Laos and Vietnam. Firstly, there are many reasons to invest in Laos. Currently, the major contributors of FDIs in Laos are China, Thailand, and Vietnam. Nearly 97% of Thailand's trade with Laos is border trade. Business opportunities in Laos include construction, tourism, energy(hydropower and coal), retail, food and agriculture, manufacturing for export and more. On the other hand, Vietnam has the highest number of special economic zones (SEZs) among ASEAN countries. In 2015, nearly 65% of FDIs to Vietnam were invested in the process and manufacturing industries. However, a problem that Vietnam and Thailand faces is their aging populations, wherein 10% of the total population is over 60 years old. This is something to consider before investing, because investments take up your *time* and your money and countries with a large share of aging population tend to have slower growth. Nonetheless, there are still business opportunities that will benefit from an aging society like health care goods and services(i.e. Medical equipment, nursery, grocery delivery), financial services(life insurance), and real estate(reverse mortgages, housing customization). Also, an aging population could also 'drag' GDP down. Therefore, the need for Thailand 4.0 is as evident as ever; there needs to be an upgrade to the productivity of labor. There's also a need to for behavioral economics. There's a trend/tendency for investors to not want to invest in Thailand unless there is a government after the election. Behavioral economics looks at reality, and reality doesn't always necessarily make sense, just like in this situation where the two

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actions don't have a relationship. Trends that Thailand must also consider are dying markets where "modern trade" has taken over and an increase in automation in industries where technology will replace workers.

I enjoyed this lecture because I felt like there was much to learn about what Vietnam and Laos have to offer in terms of business opportunities and their relationship with Thailand in relation to trade. In today's discussion portion, we were split in half, assigned either Vietnam or Laos, and were given 15 minutes to sell him on why investors should invest in our respective countries. I liked the activity because it made us think on our feet and created more camaraderie between my fellow peers and me. I was on the Laos team, and felt like I was useful because my group had done some basic research prior because our focus for our final project is in Laos. The activity was fun. Each team found a way to turn a negative aspect directed at the other country into a beneficial one. For instance, the Vietnam team commented on how Laos had too many mountains, lacked land space for agriculture, and seaports for trade. On the other hand, our team retaliated back insisting that the mountains are vital for waterflow that'll generate electricity through our hydropower plants, the lack of land will shift Laos quicker toward the industry-focused sector, and Laos likes to see itself as landlinked, not landlocked. I think that the Laos team definitely had a disadvantage, considering Vietnam is much more developed and is more involved in trade with other countries, even ones outside the ASEAN region, but it was just a game and it made us think and banter and was fun.

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(05/07/19): TRIP REACTION TO CHONBURI

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Our first destination was to the Thai-German Institute. The Thai-German Institute is a joint initiative of the Kingdom of Thailand and the Republic of Germany, with the aim of being an effective training center for transferring advanced manufacturing technology to Thai industry. It was set up outside the formal education system under the supervision of the Foundation for Industrial Development and broad oversight by the Ministry of Industry. Evident from the video presentation and lecture, the goal of the TGI is equip people with the advanced skills and knowledge needed to compete in the emerging era of Thailand 4.0. Although the goal during university is get a career like ones mentioned in the training booklet, more often than not, we lack the practical skills to land those jobs because of lack of experience. This institute can mold university students into adult ready to join the workforce by bridging the gap between theory-based knowledge and practical skills. In fact, it is not limited to students; certain companies will even pay for their employees to learn specific skills. While taking a tour, we saw lots of the very cool machinery, some of the machinery at work, and some final products like 3D printed heavy metals and very small intricate plastic bits. We learned that when they aren't using the machinery for classes or teaching, TGI lets companies use the machinery and labs. This was no surprise though, considering their goal of jumping on the Industry 4.0 bandwagon.

Next we visited the EECI, East Economic Corridor of Innovation. First off, just the architecture alone was super cool and one of my first thoughts was "This looks like Stark Industries" from the Marvel's Iron Man movies. From the lecture, I learned that their goal is to foster innovation capability and specific target 6 industries, which include modern agriculture and biotechnology, biofuels and bio-chemicals, high performance battery and modern transports, automation, robotics, and intelligent electronics, aviation and space, and medical devices. They

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have a goal of being the top teaching university in Thailand by 2020, be ranked 10th in the ASEAN region by 2025, and ranked 50th in the world by 2035. As we walked around, researchers were available and presented their fascinating projects. One of them was for the paralyzed or disabled, and used brain activity that sent signals to body parts to make them move and connected them to an exoskeleton to help them move. Another very cool innovation aimed to track heartbeat activity and will notify emergency contacts in the case of emergencies like a fall or a heart attack.

To be honest, I wasn't as engaged as I think I should've been. The presentations were given in Thai. Not only did I feel like a burden to my peers for asking them to translate everything for me, I think that they also struggled translating as the jargon was considerable hard to translate too. I am grateful for the out-of-classroom, real-world learning situations, as they are rare in a university setting. I noticed that the two places had different atmospheres. Both seemed very professional, however at the Thai-German Institute, the atmosphere seemed much more gloomy. At the EECI, all of the employees and researchers seems very excited to share their work and happier to be there. I think that because EECI was more focused on creativity and innovation, there is a happier, more collaborative energy, whereas as the TGI was more so about teaching and learning. Overall, I really enjoy the trip because I learned and witnessed some very fascinating and compelling information and got a chance to bond more with my classmates.