



YOUR LOGO



Geography and Historical Context CLMV

FACULTY OF ECONOMICS, THAMMASAT UNIVERSITY

MODULE 1

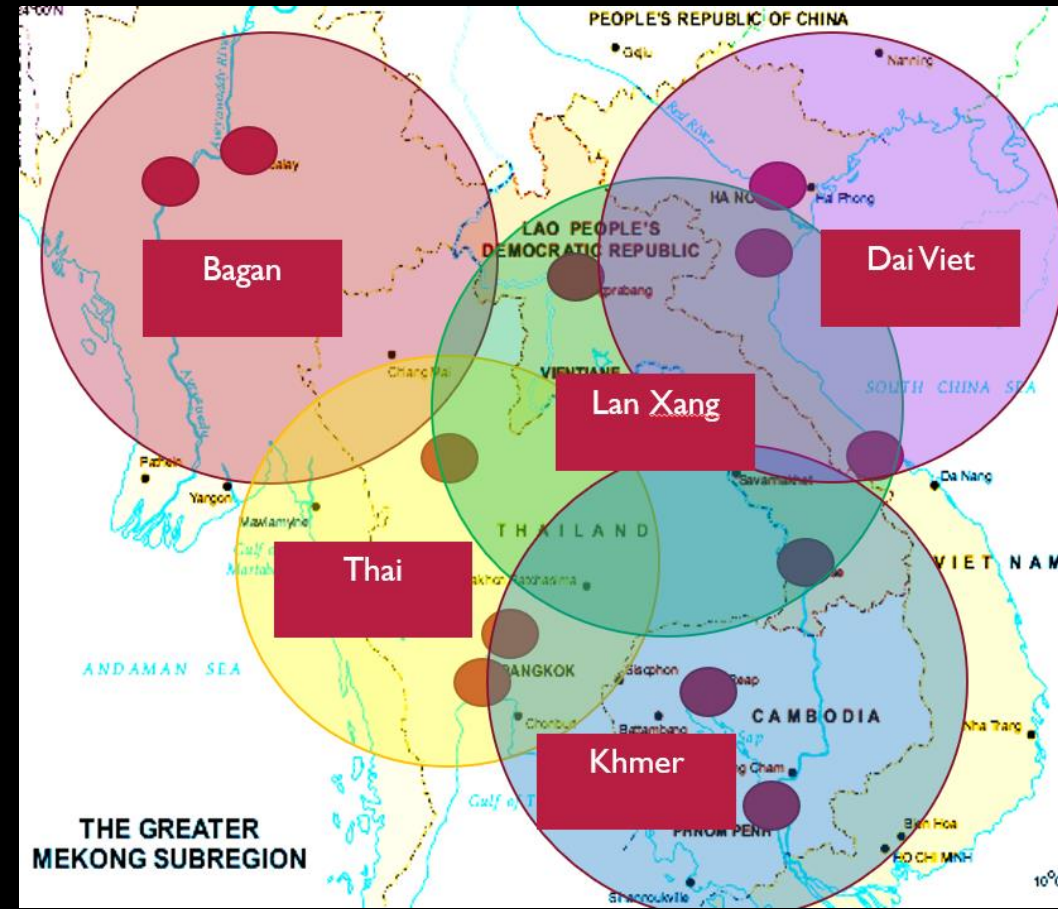
Greater Mekong Subregion

- Comprises Cambodia, Laos, Myanmar, Thailand, Vietnam; and Yunnan Province and Guangxi Special Autonomous Region (PR China)
- Bound by geography, history, and the Mekong river; yet diverse in culture, traditions and environment
- Least urbanized in the world; yet rate of urbanization is increasing



Commonalities across CLMV

- **History:** conflict and cooperation; colonization; post WW II conflicts; rapid economic growth
- **Main cities:** ancient capital cities located along waterways; currently rapid urban growth
- **Transportation:** waterways transport agricultural goods and people
- **Agriculture:** majority of the population are engaged in agriculture; however its share in overall economy is declining;
- **Buddhism** as common belief





UNESCO Building, Phnom Penh



Office Building, Luang Prabang



Customs building, Yangon



Opera Building, Hanoi



Wat Sensoukhaeram. Luang Prabang, Laos



U-bein Teak Bridge. Mandalay, Myanmar



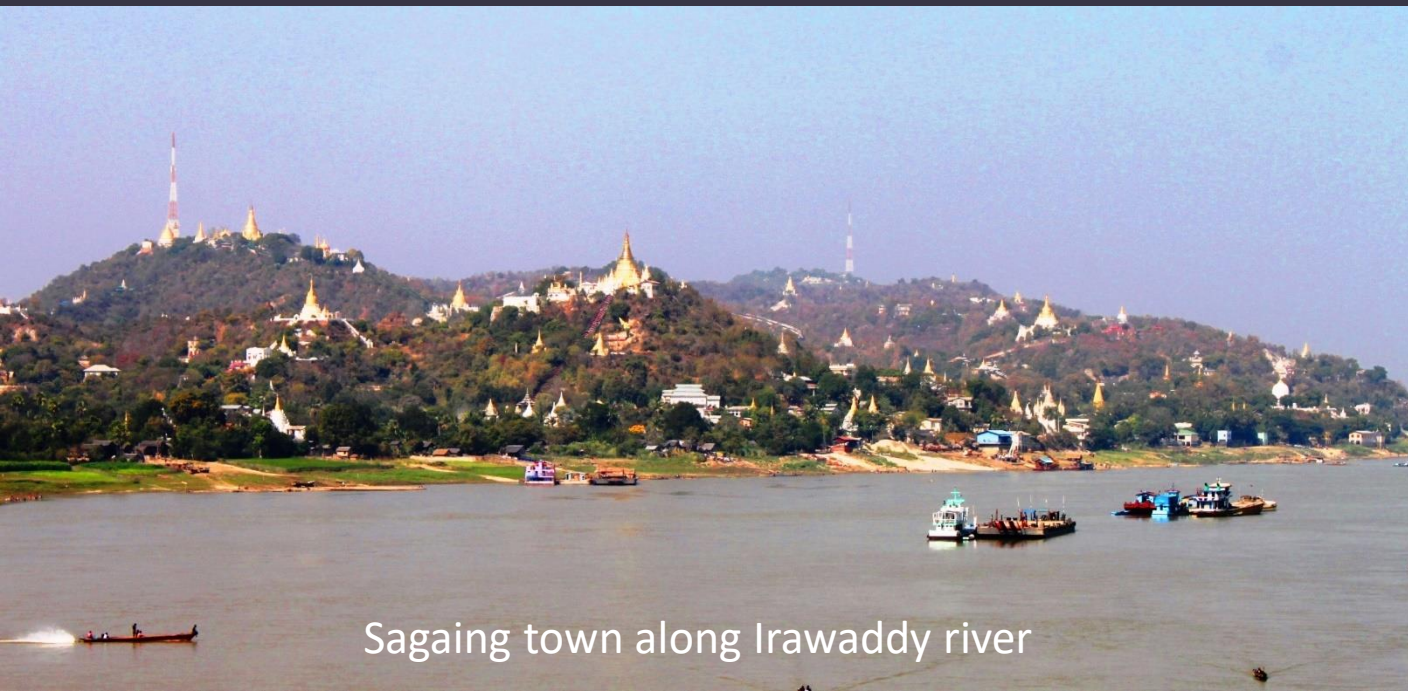
Royal Palace. Phnom Penh, Cambodia

Differences

- Geography: mountainous terrain, lowlands
- Language: 100+ languages and local dialects
- Ethnicity and culture: customs and traditions
- Development experiences



Halong bay, Vietnam



Sagaing town along Irawaddy river



Oudong. Near Phnom Penh, Cambodia



Sapa highlands, Vietnam, Vietnam

Nong Kyiaw, Northern Laos





Hue Forbidden city, Vietnam



Entrance to the Bayon, Siem Reap, Cambodia



Wat Phu. Champasak, Laos



Temples at bagan, Myanmar



Ta Phrom temple, Cambodia



Angkor Wat. Siem Reap, Cambodia



Shwedagon pagoda, Yangon, Myanmar



Golden stupa. Vientiane, Laos



Citadel. Hanoi, Vietnam



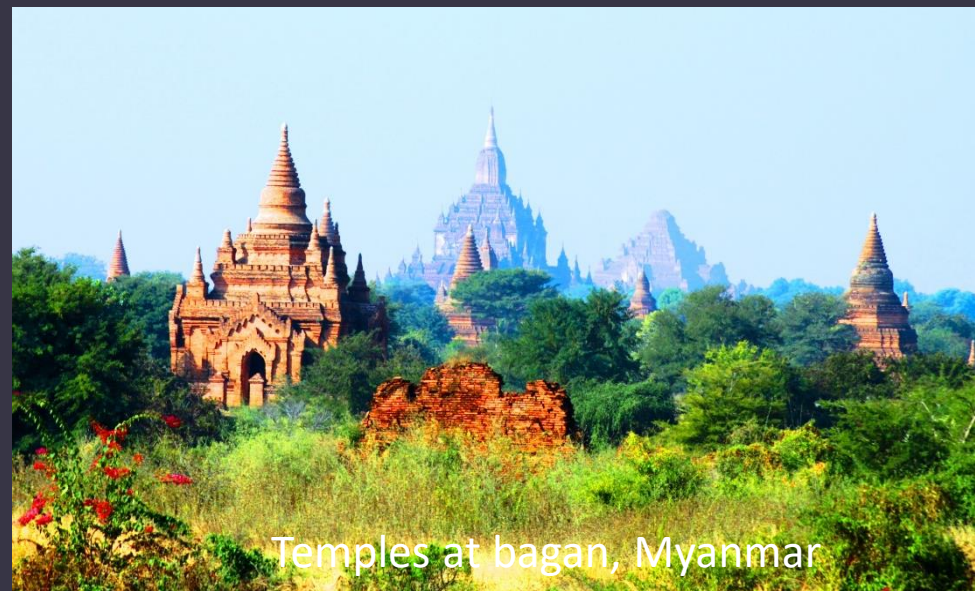
Hue Forbidden city, Vietnam



Entrance to the Bayon, Siem Reap, Cambodia



Wat Phu. Champasak, Laos



Temples at bagan, Myanmar



Ta Phrom temple, Cambodia



Red Dzao tribe. Sapa, Vietnam



Karen tribe, Myanmar



Children in traditional garb. Sapa, Vietnam



Muslim Chams, Cambodia



Apsara dancers, Cambodia

Comparisons

Country	Population (mil)*	Area (000 km ³)	GNI per capita**	% urban population	HDI Rank (UN)***
Cambodia	16.6	180	1,625	25	146
Lao PDR	7.4	236	2,535	37	140
Myanmar	53.8	675	1,029	31	149
Thailand	71.6	513	7,066	51	66
Viet Nam	97.5	332	3,756	37	115

2021 Figures unless indicated otherwise

* Data source: World Bank Open Data. URL at <https://data.worldbank.org/indicator/SP.POP.TOTL?locations>

** Data source: World Bank Open Data. URL at <https://data.worldbank.org/indicator/NY.GDP.PCAP.CD?locations>

*** Data Source: United Nations Human Development report 2021



Colonial Exploitation, 1800–1950s

- Division and conquest
- Resource extraction and exploitation
- Rise of port cities
- Migration of population to cities



War and Conflict 1950–mid 1980s

- Political and economic instability
- Stagnant development
- De-population of urban areas
- De-linking of urban and rural areas



Economic Transformation 1990–current

- Relative political stability
- Political and economic reforms
- Shift from command- towards market-based economies
- Increased cross-border movement
- Rapid urbanization and urban growth
- Uncontrolled development



CLMV ECONOMIES



Drivers of economic growth

- After the economic reforms of the 1980s, CLMV experienced rapid economic growth
- However there were differences in development experiences among CLMV
- In general, several factors contributed to CLMV economic growth. These factors are also known as “drivers” of economic growth
- Several important drivers are: global trends, government policies and strategies; transport and trade; foreign investment; and rural-urban migration
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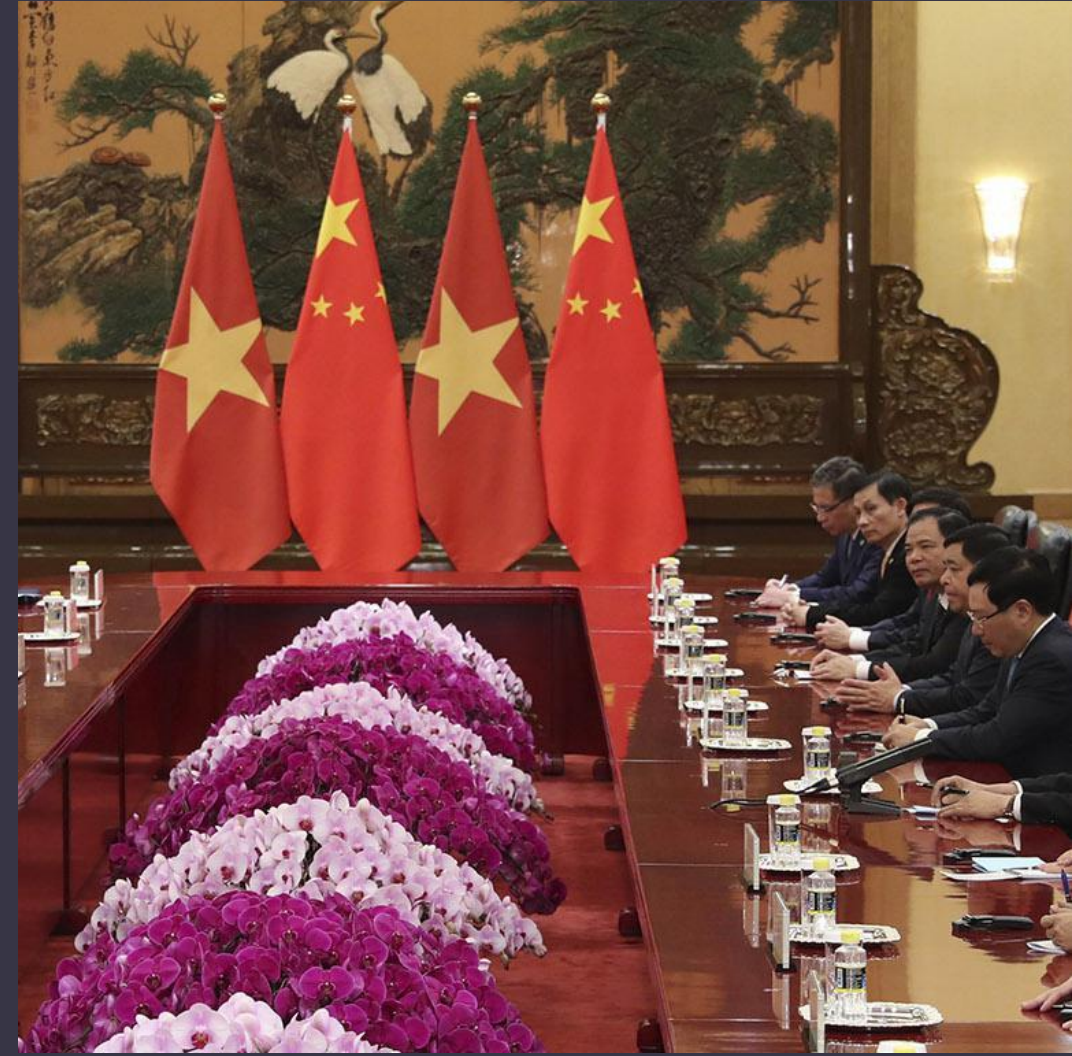
Global Trends

- Division of labor: movement towards higher value products
- Global finance: movement of global capital to areas of high returns
- Technology: movement towards higher technology and use of information systems
- Regional cooperation: ease of cross-border movement of goods and people



Government Policies and Strategies

- Move from command- to market-based economies; agricultural reforms; decentralization
- Regulations, decrees, instructions
- Incentives and constraints on development activities
- Enabling environment for business



Regional Cooperation

- Economic exchange: cross-border trade, labor, capital
- Human development: health, education
- Environmental and natural resource management; tourism
- GMS Programme, launched in 1992



Transport and Trade Facilitation

- Physical connectivity: roads, airports, cross-border facilities, reduces travel time
- Competitiveness in the production of goods and services
- Economic growth and productivity; better flow of people, goods and services
- Opening up of remote and isolated areas



Foreign Investment

- Official Development Assistance
- Foreign direct investment
- Special Economic Zones
- Partnerships: contract farming, public-private partnerships



Rural Urban Migration

- Push and pull factors: environmental degradation, lack of employment and income, better job prospects in cities
- Increased mobility due to decreasing transportation costs
- Changes in spatial locations of economic activities
- Opening up of remote areas





CHALLENGES IN CLMV

The economy is growing but disparities exist

- Economic reforms have contributed to opening up the economy and increased private investments
- However economic growth has widened disparities between the rich and poor; environmental degradation; and gaps between urban and rural areas
- People are migrating to cities because of opportunities; cities are therefore becoming larger and crowded
- This will require better management of urban areas



Shift from agriculture towards manufacturing

- Agriculture has played a dominant role since most people live in rural areas and are engaged in agriculture
- As manufacturing and services is developing, the share of agriculture in the economy is decreasing
- Agriculture still plays a strategic role, particularly in terms of food security
- There is a need to improve agricultural productivity (more output with less labor)



Social and spatial trends

- Social relationships and norms are changing because of increased physical and social mobility
- Previously isolated areas are now more accessible; more opportunities for economic activity but at the same time there are environmental and social challenges
- Emergent spatial trends: development of border towns, tourist destinations and special economic zones



Need for greater regional cooperation

- As relationships across countries intensify, trans-border issues and opportunities arise.
- Issues: pollution, water use, human trafficking, environmental degradation
- Opportunities: cross-border trade and transportation linkages, biodiversity conservation, tourism, security
- Greater cooperation among countries in the Greater Mekong Subregion provides opportunities and resolution of issues for further economic growth



CONCLUSION



Conclusion

- CMLV countries' similarities: shared history of trade, conflict and cooperation; waterways as a means of transportation; agriculture as a source of livelihood for a majority of the population; and Buddhism as a common belief
- Differences: geography, language, ethnicity, culture, and development experiences
- Since the 1990s: a realization for the need to work together for mutual benefits



Conclusion

- Agriculture continues to play a dominant role in the economies of CLMV
- Share of agriculture is declining; share of manufacturing and services is increasing
- Several important drivers are: global trends, government policies and strategies; transport and trade; foreign investment; and rural-urban migration
- Challenges remain: widening disparities between the rich and poor; environmental degradation and pollution; and ensuring sustainable development



THANK **Y**OU!