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Essay 24 June, 2019 morning class

CLMV countries namely Cambodia, Laos, Myanmar and Vietnam have a unique position in the regional value chains in Southeast Asia region. These countries offer a gateway for market access to China, European Union and other markets due to various trade agreements. China and Thailand are the biggest trading partners of CLMV, respectively.

CLMV trade with world (2010-2016), Myanmar and Laos have a huge fluctuation but more stable in Vietnam and Cambodia. CLMV's trade balance recorded a deficit in 2016 (imports greater than exports), except Vietnam that almost balanced. Cambodia are focus on clothing industry, they import fabrics for 27% of import goods and export apparel 46% of exports goods. Laos main exports is coppers, by their mining industry, for 35% of their export goods. In 2012, Laos import increase significantly because the Kyat fell dramatically since it was floated. Vietnam, most stable trading balance in CLMV, mainly export on electronics and footwear. Myanmar export a lot on petroleum gas.

CLMV have carries a lot of foreign direct investment, Vietnam has the highest proportion of inward FDI (12.6 billion USD), followed by Myanmar, Cambodia and Laos PDR. China, South Korea, Singapore and Thailand were key investors of CLMV. Thai investors are mostly investing in Vietnam which important investment sector were wholesale and retail trade and industry.

Essay 24 June,2019 afternoon class

Brand is a name, term, sign, symbol, design or a combination of them (these different components of a brand that identify and differentiate, it called brand elements), it is used to identify the goods and services of one seller or group of sellers and to differentiate them from those of competition. Moreover, brand can refer as something that has actually created a certain amount of awareness, reputation, prominence and so on the marketplace. Ultimately brand is something that resides in the minds of consumers. In my opinion, the brand that very success is a brand that make consumers perceive difference among brands in a product category or consuming the goods, consumers will be strongly exposed to the thinking of the brand—brand recognition. Product, is anything we can offer to a market for attention, acquisition, use or consumption that might satisfy need and want, it can be a physical good, service, retail outlet, person, organization, place or even an idea.

Culture is the characteristics and knowledge of a particular group of people, encompassing language, religion, cuisine, social habits, music and arts. Its play an important role of consumer behavior in society such as lifestyle, collective society, image driven society or relationship building important. Technology is knowledge or a set of tools that helps make things easier or resolve problems, the internet penetration average of global is 50% out of the total population, 53% in Southeast Asia, Thailand have 46 million internet users from 68.22 million of populations and still have a significant growth in Southeast Asia that make technology has a vital role in today's society and affect a lot of consumer behavior and culture of people.

In my opinion, nowadays, technology plays a very important role and it will change every culture or lifestyle of humans that create a lot of effect. I think it will make the standard of living better but it will make the side effects such as decreasing of communication on realistic.

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Essay on June 25th, 2019

The global transaction will not happen without the facility of logistics. Logistics can be defined as the connectivity of transportation from point A to point B. Logistics allowed countries to trade without barriers. With the help of digital ages, logistics has become faster, better and more accessible. Any small producer can enjoy the benefit of borderless connectivity and trade transaction. As the world traded, people, in general, benefited from an increase in standard of living.

As flight commercialization became readily available, the cost of transportation has been drastically reduced. More people are traveling from countries to countries and have reached their dream destination in a matter of days— or less than. As the number of tourists grew, the local businesses grew as a consequence. These travelers spent heavily on accommodations like transportation, hospitality, and food. It can be seen that nearly every industry is experiencing a sharp rise in their revenue. In my opinion, logistics help many companies grow than ever before. The connectivity allowed the rise of products and services. For example, Chinese tourists enjoy quality products when they visited Thailand. When they returned, their needs of Thai's product remained. Hence, logistics facilitate both parties to connect easily.

Additionally, with the help of ASEAN community, Thailand benefited heavily from their connectivity at the borders. Some of the goods are transported through our neighboring countries— Myanmar and Laos. These countries also benefited from their export of Thai's goods

as well as export their products to Thailand. Despite, seamless connectivity, most goods exported are agricultural products which have limited shelf life. As China initiated their Belt and Road initiatives, the infrastructure will be improved massively. In my opinion, countries that the Belt and Road initiatives passed through will be receiving unimaginable benefits.



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Essay 26 June, 2019

Laos, a country in Southeast Asia, that have a lot of foreign direct investment because of the motives of foreign direct investment in Laos such as natural resources (e.g. mining, electricity generation, agriculture, hydropower), Market-seeking foreign direct investment (e.g. domestic market, regional market, other regional market), efficiency- seeking foreign direct investment (e.g. low labor cost, labor cost in neighboring countries increase such as Thailand, corporation in the region brings about efficient regional production supply chain), Strategic-assets seeking foreign direct investment. Laos PDR has a lot of positive factor (host country advantage) that attract the foreign direct investment such as rich natural resources, political stability, high level of economic growth (only some sectors), low labor cost, exchange rate is quite stable, corporation in the region, adjusted the country's trade and investment regulations to be nearby international standard (e.g. The law on investment promotion on 2009 that combines domestic investment law with foreign investment law). On the other hand, negative factors of Laos PDR that put off the foreign direct investment such as small market size, low-skilled labor, lack of some necessary technology and infrastructure, have problems of corruptions and practices of informal sector, institutions have not been developed. Push factors that attract Thai investors to invest in Laos are large pieces of land in Thailand for agricultural are scarce, Thai government policy, higher wage in Thailand that make Laos is the second place of Thai direct investment abroad.

In my opinion, Laos is a country that has plenty of natural resources but landlocked and have many of labor with low wage and low-skilled. Laos can attract some kind of direct investment that does not need high-skilled workers, high-technology or sea.

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Essay 27 June, morning class

ASEAN has made a lot of international trade and investment that effect to environments. Is trade good or bad for the environment? Free trade proponents claim that free trade area have a positive impact on the environment because after liberalization countries will access to environmentally friendly technologies, produce goods which have a competitive advantage and have greater income due to trade liberalization. On the other hand, environmentalists claim that trade liberalization is harmful to the environment because it expands more polluting industries and encourage more polluting industries to find countries with lax environmental regulations. By the evidence seems that countries that are more open to trade will adopt cleaner technologies more quickly and increasing in real income is associated with increasing demand for environmental quality and also encourages cleaner manufacturing. From the Heckscher-Ohlin theorem implies that countries well-endowed environmental resources should specialize on the production of environmentally damaging goods. A model of growth and environment relationship is the environmental Kuznets curve (EKC), a concave shape, implying that early stages of industrialization are linked to relatively high pollution level when growth is a priority environmental controls are lenient but when more advanced economic development will have a greater concern for environmental quality that mean the tradeoff between growth and environment is not as severe as once believed. The environmental Kuznets curve rise at low levels of development because when reducing barriers to trade and investment will reinforce the tendency for countries to export commodities that make use of resource-intensive production

factors. Trade opening can affect the amount of emissions in three principle ways which are the scale effect, the composition effect and the technique effect.

In my opinion, nowadays, environmental problems are one of the biggest problems that everyone needs to be concerned because it affects everywhere. We should find a way to solve this problem such as laws that strong enough to control the pollution.

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Essay 27 June afternoon class

The Asian Miracle (1960s-1990s), many countries of Asia have maintained very high growth rate around 8-12% such as Thailand, South Korea, Hongkong, Singapore, Taiwan, Malaysia, Indonesia. Main reasons for this high growth rates are because high interest rate to attract foreign investments, rapid industrialization, industrial policies supporting exports, high exports. Nowadays, new miracle country that is Vietnam, have 3 factors that make Vietnam growth very fast that is embracing trade liberalization, complementing external liberalization with domestic reform, investing heavily in human and physical capital. Development thinking path can separated into 2 waves as 1. Structuralism, which emphasized market failures and proposed to build up modern industries similar to those in high-income countries by direct government interventions through import substitution 2. Neoliberalism, which emphasized government failures and proposed to build up well-functioning market institutions like those in high-income countries through the shock therapy encapsulated in Washington Consensus. Also, the supporting of free trade (market driven) by WTO leads to export-oriented industrialization. Under the guidance of two development thinking path, only 2 economies that moved up from low-income to middle-income which is Korea and Taiwan. Only 13 economies that moved up from middle-income to high-income which is Japan, four East Asian, eight European economies. Most other developing economies have been trapped in low-income or middle-income status because not enough high economic growth and unable to compete with low-income.

In my opinion, the biggest trap of many country is politics and corruptions such as Thailand that have very low growth in economies because have a lot of corruption and conflict in the country like a chain that holds the country not to move forward.

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Essay 28 June

Strategic industrial policy is a forward-looking package of policies aimed at steering economic activity in particular direction that Aimed to foster new industrial capacity, diversify production, create inter-sectoral and interindustry linkages, promote learning, improve productivity and shift economic activity towards higher technology and value-added activities, and improve competitiveness in the domestic market. Strategic industrial policy can separate into 3 kinds as 1. Industrial diversification-create new industrial capacity and sectoral diversification 2. Industrial deepening-create local linkage, complementarities with more complete, more balanced and more inter-linked industrial structure 3. Industrial upgrading- aimed at fostering more advanced and competitive industrial structure and mastering more complex technological technologies through process of technological advance. Systematic investment is part of a plan (SIP) overall develop strategy that we need to keep it flexible enough to match with the world changed. The optimal content and mode of industrial policy intervention changes with the initial national conditions and with the stage of development or phase of industrialization. It also varies with sectoral characteristics, local capabilities and international conditions. We need strategic industrial policy because non-efficient allocation of resource, imperfect competition and insufficient information that lead to market failure. If we success in used strategic industrial approach, it will lead to more productivity, high-income and high standard of living.

In my opinion, if we want to walk pass low-income or middle-income we need to have more innovative policy that will us in the front line of world economies. Nowadays, innovation have improved very fast as inflation, if we want to be high, we need to differ.