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Essay #1 Week 2 24th June: *CLMV Trades*

Firstly, I will talk about the **Trade of CLMV with the rest of the world**. Thailand and China are large trading partners with CLMV countries. Comparing these 4 countries, Vietnam and Cambodia are stably increasing. Rather, Myanmar and Laos are more fluctuate. In 2012, Myanmar has a huge import boom due to the increase in construction. Kyat depreciated dramatically since it changed from fixed exchange rate to floating exchange rate. One of the most reasons is construction boom and surge in imports, both will increase demand for USD and also gold prices are decreased as well. Most of the CLMV countries are exporting to USA and China also importing from China except Lao PDR that's the most import source country is Thailand for almost 61.9% of all imports. In Cambodia, mostly they are exporting suits, ensembles, jackets, dresses etc. Most of them are clothing industry, footwear as well. About importing in Cambodia, normally they are importing Fabrics, vehicles and petroleum oils.
In Lao PDR, they are exporting goods from their mining industry, natural resources also their main exports. About imports, they usually imported petroleum oils, motor vehicles and beverages. In Myanmar, they export a lot of petroleum gas, agricultural products and suits. About imports, mostly they import petroleum oils, cane or beet sugar, vehicles, animal or vegetable fats and moped; the motorcycles. In Vietnam, they export telephone sets, electronic integrated circuits and footwear. And also import electronic integrated circuits that's they don't have yet, petroleum oils and aluminium etc.

Trade of CLMV with Thailand: only trade deficit occurs in Laos because of importing petroleum gas around 80%. Thailand has a positive trade surplus with CLMV countries. Normally, these 4 countries in CLMV are importing vehicles and motor parts from Thailand. Also, Thailand imported from Vietnam the most until 2015. The main source of Lao PDR import is from Thailand for almost 62%. Lots of fresh and chilled fish products entered to the west of Thailand, that doesn't have any access to the ocean, from the border of Myanmar. Even though Thailand produces lots of trucks and vehicles, tariff led to very high Toyota costs in Thailand and Lao PDR. But it's possible that the price in Thailand is pretty expensive due to Toyota are highly demanded different from the US that lower demand for Toyota that leads to lower price.

Inward FDI to CLMV countries: Vietnam carries more FDI from other countries in CLMV, welcomes foreign investment, followed by Myanmar, Cambodia and Lao PDR, respectively. Key investors were China, South Korea, Singapore and Thailand.

About **Thai direct investment abroad**, Thai FDI in CLMV had increased with the highest investment in Vietnam except in 2010 that the highest investment was in Lao PDR. Important investment sectors were wholesale and retail trade and industry.

In my opinion, CLMV right now quite growing in a positive way. For example, Vietnam was almost the worst country in ASEAN but nowadays, Vietnam is the third largest market in South East Asia and one of the fastest growing economies in the world. Therefore, the trade in CLMV currently is possible and could possibly be aiming for good profit due to the positive economic growth, their GDP is rising nowadays etc.

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Essay #2 Week 2 24th June: *Marketing strategies in CLMV countries*

We are aiming to accomplish by the meaning of brands and the brand essence. The brand essence is the importance of culture and technology. The meaning of brands could attract different customers by their flavor. What is a brand? For the American Marketing Association (AMA), a brand is a name, term, sign, symbol, design or combinations of them, also brands are used to differentiate ourselves from others or those of competitors. These different components of a brand that identify and differentiate our brand elements. Moreover, a brand could show our reputation, prominence and so on in the market place. A product is anything we can offer to a market for use, acquire or consume that might satisfy a need from customers. A product may be a physical good, a service, a retail outlet, a person, an organization, a place or even an idea from the person who wants to share it to the market. Brands also need to grow up like a child, some brand that was boom in the past may not widespread right now. While some new brands that's can attach all kinds and all ages of customers possibly growing up so fast, for example, Apple (World's most valuable brand right now). Brand associations also important because if the brand is related to the bad habit things that can cause the customers to go through the brand relation. Therefore, brands should be associated with something that positive so the customers who entry to your brand or related to your brand will being positive. Can everything be branded? Brands are something that resides in the minds of customers. The key to branding is that customers perceive differ among different brands in the same product category. Even commodities can be branded for example coffee, bath soap, beet, salt, pickles etc.

About Culture and Technology that effected brands or customer minds. Culture plays an important role in consumer behavior in society and also Technology has a vital role in today's society. In branding system, technology is very important to branding which can affect the customer's choice. Better technology branded normally could possibly charge more than the local branded. Digital growth in Southeast Asia, internet users are increased by 31% since Jan 2016. Social media growth is around 31%, vice versa. Therefore, technology nowadays plays a huge role in the society even in the branding system can cause high differences. What is Brand Activation? Brand activation rallies around an activity that bring brands to life and encourages positive participation, physical or digitally. Regardless of how we deploy this activity. This will turn to deliver tangible and unique that others cannot do the same thing in the same way as somebody did it before. This activation will be beneficial value to clients, brands, and customers alike.

In my point of view, Marketing is an important factor of the developing countries. Good marketing strategy country would attract investor and gain more FDI better than poor marketing strategy country. Nowadays, technologies growing so fast, therefore the regulation of developing countries must concern about how they can use their technologies to create some marketing strategies to attract more investors or moving forward to the higher income country.

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Essay #3 Week 2 25th June: *Logistics and Supply Chain Development in ASEAN*

ASEAN Logistics – Normally ASEAN countries export to ASEAN countries itself but also include South Korea, China, Japan, India etc. About the Cross-border trading also the important thing that's help ASEAN countries trade more easily and cheaper than air transport. Moreover, cross border trade also the main export route of Thailand. Nowadays, almost every countries model of trading changed from exporting to Europe or US countries become exporting to ASEAN countries around South East Asia and more. Besides, almost every country is concerning about demand from their importing countries that will cause their export to become more attractive and also increase their export dramatically. For example, Malaysia is the best durian exporter nowadays. Therefore, they concern about what flavor or what size Chinese interested (China is the main importer durians from Malaysia) so they can serve Chinese demand. These are called "Supply Chain Re-design" that will surge the exports. This strategy is considered inside the industry/Thailand 4.0 which is smart city, smart border, E-Commerce, City logistics, Good Governance or called Industry Innovation Business Analytics by using customer oriented-LEANGILE, for example, *Listen to your market* – Being market-driven requires good listening skills in order to understand or getting inside your customers mind and represent their interests, *Stay focused on results* – Focusing on performance is the core of running the business with optimizing the ratio between marketing expenditure and results, *Bring customers and employees together* – Attracting long-term attention from your employees and customers to going in the same way. About the ASEAN development, Urbanization – change from rural to urban, Infrastructure Development, Development of Trade Facilitation, Development of Institution, Development of Human resource in the countries, Border trade/Business re-design – change from B-B (Business to Business) to B-C (Business to Customers), Improve border logistics and also demand-oriented to increase customer satisfaction. Oceans strategy – including Blue, Red and White ocean strategies. Red Ocean Strategy is the strategy for the market that has lots of competitors and wants to gain the most customers and profit as much as possible. Therefore, they will keep looking their competitors to not being a lower grade or lower service compared with other competitors to keep their customers with them. For example, of this strategy, Mobile phone industry is the most industry that fighting for gaining more customers if competitor brand produces a new phone with a new function, they will produce newer function or even more function than their competitors. For Blue Ocean Strategy, this strategy is the contrast of Red Ocean Strategy, is the strategy that focuses on creating new things and don't much care about what they have right now. Also, creating a new industry to serve customers demand to maximize quality and productivity of business and efficiency to customers. White Ocean Strategy is the ideal strategy that's about making benefit to all people in the market including owners, customers, or even social by gaining collaborations from all people.

I do agree with 3 strategies, including Red Blue and White. Because if the country can use matched strategy with their goods or even make policy that boosts their trade and also combine trading with logistic improvement will help the country grow faster. Due to ASEAN economy is growing so fast, FDI keeps coming into these countries so, logistic and supply chain improvement could possibly help to boost economy of these countries as well.

Essay #4 Week 2 26th June: *Getting to know Lao PDR*

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FDI in the Lao PDR – about the capital inflow, nowadays Laos inflow is growing recent for almost doubled from 2012 to 2015. FDI stocks to the Lao PDR start growing since 2006, compared with 2015 Lao PDR grew a lot for almost 4 thousand million US dollars. In my group discussion, we discussed about Lao's coffee bean. About the FDI motives – Natural resource seeking FDI, backward vertical FDI. Lao coffee bean separated into 2 types, the cheaper one called Robusta. They cultivate Robusta around 80% of all coffee bean because it's cheaper and also easier to cultivate. Another type of coffee bean called Arabica which is more expensive than Robusta, cultivating around 20%. Also, Laos has the potential to grow more and better quality of coffee through improvements in farming Robusta coffee and by facilitating the production of sustainable Arabica variety. Moreover, Laos has a great growing region which is mountains in the North and the South of Laos. Therefore, Laos produce coffee bean around 20,000 tons annually and also sent to larger distributors in Thailand and Vietnam.

In my opinion, Laos is another choice of place to invest in, for example, coffee beans which is one of Laos' main export commodity. Coffee is a luxury good which earns more when exported to high-income countries. Moreover, Laos' coffee made organically, no need chemical fertilizer so, Laos production is healthier than some country that used the chemical to help they grow much faster to serve their demand. Furthermore, Laos has large amounts of cheap land and also Laos has their government supporting good policies, for example, the fiscal take from coffee production was 1.04% of profit tax revenue and 0.16% of total tax revenue for period 2009-2010. Also, they have low tax rates placed on agricultural products to act as an incentive for investors. Hence, Laos is the place that very attracts investors to invested in agricultural products.

Essay #5 Week 2 27th June: *International Trade and investment vs Environment* 10

As we know, right now CLMV countries' exports and imports are increasing more and more. So, we also need to concern about the environment as well. Free trading is good for the countries' economics but environmentalists argue that trade liberalization is detrimental for the environment because it will expand more polluting industries and also encourage more polluting industries to locate in countries with lack of environmental regulations. Moreover, reducing trade barrier will reinforce the tendency for countries to export more therefore, they will make use of resource-intensive production factors that cause pollution. Environmental tariffs may be employed against trading partners to have inadequate environmental standards. Although, the countries that are more open to trade adopt cleaner technologies more quickly so, they could have better environmental trade. Supported by the Environmental Kuznets Curve (EKC) which tell us about the countries that have more GNP per capital will have less pollution compared with lower GNP per capita countries.

Resource Curse – the problem that the countries with an abundance of natural resources (like fossil fuel, oil and minerals), tend to have less economic growth, less democracy, and worse development outcomes than the countries with fewer natural resources due to the *lack of democracy*, *conflict* – natural resources can provoke and sustain internal conflicts as differ groups fight for control of the use of natural resources, *inefficient spending and borrowing*, *Dutch disease* – large increase in natural resource revenues can hurt other sectors of the economy by causing inflation or exchange rate appreciation and shifting labor and capital from non-resources countries, *Limited government capture of benefits* – only small share of the production value of the resources stay in the country.

Personally, I do agree that the countries that have free trade and have high GDP/GNP per capita are having better environmental society and also, they are almost developed or developed countries. In my opinion, free trade is the better way to trade with other countries because in Thailand if the government tax the trading partners or even Thai trade themselves tax never bring a better standard of living or improving country. Therefore, when we have free trading, we could exchange the culture, knowledge or technology with partners that could possibly make the country better or have the solution for some problem, for example, Singapore is having a highly free trading market. They have a good quality standard of living and also a cleaner environment than some countries.

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Essay #6 Week 2 27th June: *Economic Development*

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Evolution of global and per capita GDP in the last 2,000 years is upward trending curve as well as the population growth. The Asian Miracle (1960s – 1990s) – Thailand, South Korea, Hong Kong, Singapore, Taiwan, Malaysia, and Indonesia maintained very high growth rate around 8-12% that attract lots of investors due to the high interest rates, rapid industrialization, industrial policies supporting their exports and also high exports that's driving rapid economic growth. A country that we should look at currently is Vietnam. Vietnam has high economic growth and grows rapidly right now due to their embracing trade liberalization and also complementing external liberalization with domestic reforms through deregulation and lowering the cost of doing business. Also, they are investing heavily in human and physical capital. Middle-income trap is the problem for most of developing countries due to they have not enough of high economic growth to move out of the middle-income country to high-income country and also, they are unable to compete with low income, low wage economies in manufactured exports and with high innovation or advanced skill. Such countries cannot make a transition from resource-driven growth, with low-cost labor and capital to productivity-driven growth. From the process of industrialization, the government need to be a facilitating state to help rapid technological innovation, industrial upgrading, and economic diversification in a market economy. Roles of FDI in industrialization – FDI is one of the tools for adopting technologies if the government facilitates correctly. About the Backward/Forward linkages, its all about the increased demand for intermediate products and Investments in outsourcing brand name related activities and also, maintenance and repair services, respectively.

In my opinion, productivity and competitiveness is the most important role to generate a good growing economy. Productivity shows us about how efficiently and effectively a business or an economy uses inputs are. Labor productivity measuring how the worker could add the value of the firm implies more goods and services that are produced with the same technology. Competitiveness is the ability of a firm to produce products and services that meet the quality standards of the local and world markets and also provide adequate returns on the resources consumed in the producing stage. Hence, the country that has its own competitiveness could generate high productivity and generate rapid economic growth also, increase the minimum wage or income level, and improve the standard of living.

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Essay #7 Week 2 28th June: *Industrial Policy & CLMV Economy*

Strategic industrial policy is the forward-looking packages of policies aimed at steering economic activity in a particular direction. Strategic Industrial Policy (SIP) can be separated into 3 categories. Industrial Diversification – a creation of new industrial capacity and sectoral diversification, mobilizing and investing capital in modern activities, increasing the role of manufacturing, expanding the range of products that are produced and exported, and light consumer goods in order to move technology sectors from Mid to High-technology sectors. Successful diversification can be both expanding within product categories with similar technology and similar production and diversify into distant product lines. Industrial Deepening – a creation of local linkages and complementarities and also more complete, more balanced, and more inter-linked industrial structure. Industry creates backward linkages for using the inputs of other industries. Industrial Upgrading – aimed at fostering more advanced and competitive technology industrial structure. Also, enhancing the capacity for value creating by moving to higher value economic activities. First rational is about market failures, about the non-efficient allocation of resources, imperfect competition, externalities, and insufficient information. Second rational is taking about micro-issues (Firm-level) including advantages, technology, public supported, level of information and skills, and organizational and managerial routines. For example, an innovation of new products, new processes, and new business models. Nowadays, Thailand currently sitting in stage 3 (Middle-Income), technology absorption by having supported industries, but still remains under foreign guidance.

The Industrial Policy Debate – conceptual issues and neglected facts. East Asian Industrial Policy I – coordination of complementary investment, coordination of competing for investments through entry regulation, and negotiated capacity cuts, policies to ensure scale economies, and regulation on technology imports. East Asian Industrial Policy II – regulation on FDI, mandatory worker training, the state acting as a venture capitalist, export promotion (e.g., export subsidies, export loan guarantees), and government rationing of foreign exchanges with top priority going to capital goods imports.

In order to catch up the developed countries, in my opinion, developing countries need to upgrading all system in their economy and also the cultural trust, for example, trusting their government which is pretty hard to change. When the ASEAN countries combined and helping other countries inside this group to boost their economy. In my point of view, its pretty good sign for these developing countries to moving forward toward developed countries.