Week 6

The first day of this week had the topic of CLMV Strategy. The guest lecturer started with the overview which was the GDP and growth of CLMVT, adding Thailand. Surprisingly, the GDP was not as high as I thought despite the aggressive growth rate for CLMV, excluding Thailand. CLMVT contributed 28.40% of ASEAN GDP. CLMVT's GDP was even lower than Indonesia. Therefore, the growth rate of CLMV was very high, but CLMV contributed only a little to a portion of World GDP. This could relate to the Steady Stage Theory telling that the economy would keep growing until some point that its growth rate stopped. CLMVT and ASEAN economic structure did not significantly change throughout the year 2010 to 2017. The agriculture sector, which was the least valuable, still covered about one third of the economic structure. CLMVT's population combined up to 240 million people which 55% of them were in labor force, approximately 132 million people which was very closed to Indonesia, one of the biggest Islamic countries. The lecturer said that population was very important since it could determine the labor force and market size. However, in my opinion, I saw a flaw on her statement. The large population was not as important as the efficient population which was the high skilled labor. On the one hand, the large but undeveloped population could be the burden to future government such that they would need a welfare when they were old and could not help themselves. On the other hand, the high skilled and well-developed labor could know to treat themselves with good quality of food and life such that they would not lie uselessly on the bed in their late life. Moreover, the well-developed labor considered some financial instruments such as retirement mutual funds, preventing being the entire burden to their government. Next, I learned about export and import of CLMVT. The intra trade of CLMVT kept increasing overtime. The lecturer said interesting topic about how Japanese companies did FDI in Thailand. Japanese firm did not come alone when it had a target of FDI. It came in a group. For example, in Thailand, Japanese factory, consultant, and banker formed a group and came to Thailand setting the business since this strategy made the Japanese do easier. This strategy prevented Japan's competitors like Korea to compete in Thailand, so Korea went to Laos and Vietnam instead. I also studied New FDI Trends. This topic included 5 factors which were Model of Joint Venture and Merger and Acquisition, No employment, Whole supply chain, Government policy and support, and Demand for high tech HR. The most interesting one was the fourth one, Government policy and support. It was not about tax saving benefit or exemption, but it also included good infrastructure and investment protection. I also learned the future challenges such as geopolitical stability and regional relationship such as BREXIT, Trade War, and recent Free Trade Agreements of Vietnam and EU, demographic challenge which was Aging Society, inclusive growth & sustainable development, and digital economy. The case study of Aging Society in Japan the lecturer raised in class was very interesting. Japanese government allowed more of foreigners to work in Japan according to this issue. Philippines government saw this opportunity, so it created a care taker institution specializing for Japanese people such that the students need to learn Japanese language here. After graduate and getting the certificate, they could now work in Japan as a care taker. Next, I studied about Industry 4.0, but the lecturer said that, while Thailand wanted to be industry 4.0, German and Japan were on the way to industry 5.0. Technologies for Global Value Creation seemed significant but very hard to understand. They were Nano-Tech, Neuro-Tech, Green-Tech, Bio-tech, and Digital-Tech. Those were out of reach from me. I also learned 5 factors to be digital economy, which were Mobile Network, Automation of knowledge work, Advanced robotic, Cloud, and Internet of Things or IoTs. Last but not least, I learned and was shocked of how China invested in Africa. China investment in Africa by bringing its advanced machines together, so this would not create more of Job for African people.

Today was the topic of Contemporary Myanmar and the lecturer from Political Science Faculty. Initially, the lecturer discussed about the difference between two words, Myanmar and Burma. Burmese referred to majority of people in Burma, but Myanmar represented the whole country since this country, Myanmar, still had some minorities. The most interesting part of this lecture was the history of Myanmar which I had never learned from anywhere. The lecturer began at the point where Myanmar was the colony of British. Being colonized was the main reason why Myanmar people was good at English. British Empire came to Myanmar according to natural resources, so it needed to take control of the whole country. Surprisingly, the British imported the Indian to rule Burma. Its strategy was interesting. For example, the British divided Burma into many areas where they also had different rules. The ruler also used the ethnic minority to control the country. There existed a word called "Thakin", created by the British to call the Burmese in the racist way. This word meant "Mr." in English. Thakin was widely used along the country such that the resistance took Thakin as its name. The resistance was formed by every ideology leader including both communist and nationalist. After Thakin kicked the British out of Burma with the support of the Japanese Empire, like other countries in this region, Burma encountered a period of Civil War between two ideology, nationalist and communist. When the peace time came, the one-party government of Burma said that the regime for the country must be socialism in the Burmese way since democracy encouraged the political parties fighting each other and communism was too much to give everything to the commune. This socialism used religion, Buddhism, as a political tool. The government, at that time, said that Burma needed stability over anything. However, this regime was not perfect. Its weakness was the lack of competitiveness to capitalism such as very high tariff and only military running the country worsening the economy. The next topic was the democratic protest and the road of Aung San Suu Kyi. There had a big protest about democracy at that time. Aung San Suu Kyi, the daughter of the former general, never lived in Myanmar and grew in India, but she studied in many areas relating to development and worked at United Nation. She came back to Myanmar because of the sickness of her mother. The people who asked for democracy voted her to be the symbol and leader of their movement. There was a party called NLD or National League of Democracy. NLD won the election, but the military government said that NLD was not the member of the parliament, but could only draft the constitution. This party was banned later and Aung San Suu Kyi was confined until 2008. In 2008, Myanmar opened the country and everything was changed to the democratic way and Aung San Suu Kyi was released and worked as politician and activist. Myanmar became one of the fastest growths in economy after China which was not the Myanmar it used to be. However, the conflict of Rohingya was not left in the past. Up till today, I can still see Myanmar government and military using brute force to crush Rohingya such that it raises the case to Human Rights Watch. Rohingya was Muslim while majority of people was Buddhism. Therefore, it could be seen as religion conflict. Rohingya extermination was even supported by a hardcore monk. He said that Rohingya was dirty. TIMES Magazine described him as Bin Laden of South East Asia. The lecturer also talked about the traditional way of Burmese people. The most important thing was Thanaka. It was the cosmetic working as sunblock and it was widely used in Thailand. Burmese people were so proud of their tradition such that they felt guilty about following foreign influence such as Korean trend.

In the morning session, I studied in the topic of ASEAN Integration and Border Trade. There were two main big topics for the morning which were AEC from Above and AEC from Below. The lecturer showed the picture about the AEC in the imagination and in reality, which I totally agreed with him. AEC was established since 1967, but this economic community was still weak despite founded more than 50 years. The lecturer stated with the first topic, AEC from Above. AEC divert heavily in many aspects. Foe example, Indonesia and Brunei showed the huge gap in population and market size. Indonesia had 237 million people while Brunei had only 0.4 million people. The difference GDP per capita was sixty between the richest and the poorest. AEC had one advanced economy which was Singapore, six emerging markets, and three low income countries. There were five areas of ASEAN Integration which were Goods, Services, Investment, Labor, and Capital. When talking about Trade, tariff elimination was not enough. There still had other barriers such as quotas or restriction. Moreover, even though AEC perfectly eliminated all trade barriers, island countries faced a large cost of transportation due to the lack of logistics. The law relating to investment was interesting. Malaysia and Singapore allowed the foreigners to hold the share of the companies more than 50%. This meant that the government of Malaysia and Singapore let the foreigners own the companies. On the other hand, Thailand and Philippines did not let the foreigners hold a large portion of share as much as Malaysian and Singapore. They allowed only 49% maximum for Thailand and 40% for Philippines. There were 8 specific jobs that could not work in other ASEAN countries, except their home country. The 8 jobs were Mutual Recognition Arrangements (MRAs) signed for 8 professions (medical practitioners, dentists, architects, surveyors, and tourism professionals). Next, I studied AEC from Below. The lecturer talked in cross-border trade, services and investment, movement of people and movement of capital, but my favorite in this topic was about the movement of capital. In Mae Sai-Tachilek Border, it was not allowed to bring more than 2 million Thai baht in Cash while crossing the border. This was the obvious case of controlling inflows and outflows of capital. There existed the informal system called Hawala or Poy Guan to transfer money to other country in ASEAN. However, this process was hard to explain and it much heavily relied on trust.

In the afternoon. I studied in the class of China and CLMV which had the lecturer who was the Alumni from my faculty. The lecturer started with the history of China such as The Great Leap Forward, 1958-1960, and Cultural Revolution. Those two events proved how well Chinese government controlled the media and very necessary to create the new China. Modern China started by Deng Xiao Ping, the successor of the Chairman Mao. In 1978, China had three important policies which were education restoration after cultural revolution, One-child policy which was the direct tool to reduce the number of future populations, and employment structure encouraging labor moving to private sector. Those policies led China to economic success in 1978. Under Deng Xiao Ping regime, the reformation focused in four fields which were Reformation, Decentralization, Openness, and Privatization. Nowadays, China have come a long journey. China does not mean "COPY" anymore, but more of innovation according to sharply increase in R&D spending. China's cashless society was success. Even the Chinese beggar uses QR payment via Alipay. China's E-Commerce industry is booming like crazy and it is the leader of 5G technology. However, the Chinese government power still increases. Recently, the government introduced the Social Credit System which could track the behavior of each individual to calculate and deduct the point which determined their life such as prohibiting to travel aboard if the point was very low. The media censorship is still perfect. One belt one road initiative directly affected all CLMV. This project was to rebuild the Silk Road once again.

The last lecture was Urbanization in CLMV. I was introduced to GMS, The Greater Mekong Subregion which meant A geographical entity: Cambodia, Lao PDR, Myanmar, Thailand, Vietnam; Yunnan Province and Guangxi Special Autonomous Region (China), again. Next, I studied deeply into each CLMV country. Cambodia was susceptible to climate change and extreme weather variations and had key economic sectors were garment, tourism, agriculture, construction, light industry. Lao PDR had least population in CLMV with 6.9 million and its key economic sectors were agriculture, hydropower, mining, and tourism. Myanmar had abundant natural resources and was very rich of resources such as gas and mining. Vietnam had the highest population in CLMV, but 80% of them lived in either the north and the south. Vietnam's key economic sectors were agriculture, manufacturing, trade, tourism, and services.