China and CLMV countries (P'Wan)

It is true without saying that China is currently the second powerful country in this world which is the below the United States. The economic reform and the decent economic growth in the past has lead to the successful financial growth in the present. Plus, the rise of technological platform and development in several factors even increase the standard of living of Chinese and boost their economy as a whole. In the following paragraph, the overall China will be discussed along with the connection of China and CLMV country.

China has been developing its own country for several year and create the economic success since 1978. Shifting from closing economy to open economy with many trading partners completely changes China economic status. China start to open and do business with western countries and extend their firm globally. Up until now, we can normally see the Chinese business in our own country. Not only Chinese company but also Chinese product or so-called Made in China has been spreading all over the world. Even big company such as Apple still locate their main manufacture in China because their desire to take the advantage from cheap cost, low cost of labor, lax industry regulation and China can produce products with the high demand amounts. In this case, it is quite interesting that one country with the low cost production and sufficient workers has this much business advantage compared to many other countries. Apart from that, technology, Med tech and online platform in China plays an important role in boosting Their economy. To give an example, we can clearly seen when we travel to China and observe their cashless society. People in China mostly use credit card or the application such as Ali pay and WeChat pay in their diary life even for the public restroom, they also have QR code.

When it comes to the relationship of CLMV country with China, we should talk about the China’s investment in CLMV countries. China accesses to several countries to extend their industries and expand their market in the past few year such as Vietnam and Myanmar. The target industry is mostly manufacturer and electricity. After hearing this topic, i have the question in my mind ‘why did they have to invest aboard even though they have enough resources and produce in their own country?’ I start to do some research and find out that it is not about the resources but it is about market penetration and business advantage that China is going to get when they invest aboard. If the product produces from one of the CLMV country and export to another country, they might benefit from tax reductions from the trading partners and international agreements. Apart from that, they can access to local market in that country and extend market in the short period of time.

In conclusion, it is undoubtedly why China has shifted to be one of the most successful country in this world. They have so much advantages and technology advancement to complete with another country. Not to mention the fact that they are developing in everything sectors and invest in human capital in their own country. Therefore, China is the attractive destination for several countries to invest business and merge their firm with.