

Reaction Essay on ASEAN Economic Integration on Theory and Practice

On the theory part, he introduced us to the four key elements of economic integration; free movement of goods which is the easiest to deal with, free movement of services and investment which is more difficult because there are laws and regulations required, free movement of capital and free movement of labour. Each of the freedom play a role in the level of the economic integration a union becomes. For ASEAN, we are at the 'Free Trade' level because the agreement of free movement of goods is the first step we took by initiating the ASEAN Free Trade Area (AFTA). Other economic integration like European Union (EU) is on the 'Economic Union' as they are able to make agreement on using common currency and tax rates. And for United States of America (USA), they are at the 'Political Union' level since they are able to agree on using common government.

The ASEAN is known for being the most diverse economic bloc in terms of populations and market size, income range between the richest and the poorest country, development stages and the economic infrastructure of each country. For the ASEAN Economic Community (AEC) goods. Statistics shows that first, we can now see a gradual reduction on the tariff we imposed on one another however, the non-tariff barriers are, on the other hand, rising. Second, we have greater trade facilitation such as roads, transportations and more lenient customs procedures. Third, ASEAN trade with the rest of the world and the "Plus six" more than to themselves. For the AEC services and investments, there are uneven liberalisation level on the foreign equity ownership in service sector and the openness on how much the foreign direct investment (FDI) can do. The intra-ASEAN FDI and services is still quite low as well. For AEC labour, there are limited number of skilled professionals allowed, complying with the domestic entry regulations,

compared to the non-professionals by the migrant workers. For the AEC capital, we do have freer flows of capital compared to the past.

On the practical part, there are evidences that we still have a lot to work on the trade barriers especially in form of non-tariff barriers which restricted the four freedoms we need as an economic integration. However, there are improvement on the trade facilitation on the electronic money transaction between countries using a standardized QR-code.

As the advanced technology grows, I believe that there will be much more facilitations in the future that help us connecting with one another. The standardized QR-code is the first and, in my opinion, large step. To me it is equivalent to sharing common currency since we are no longer required to exchange the money from our country and bring a big chunk of money to travel across border, instead we can just pay using this financial innovation to convert the money and pay for us. Nonetheless, we need to look at the exchange rate that the bank can provide because no matter how convenient it is, if firms like SuperRich can give us cheaper rate, people will still choose the cheapest way. I am eager to see the improvement of this financial innovation. I am interested to know how far can we push ourselves into making international financial transactions becomes as easy and convenient as domestic financial transactions. If we can move to the phrase, I can assure you that there will be so much more economic opportunities for everyone to take depending on who is the ones seeing the opportunities first. Hence, I must catch up with the world news more to get a chance to be one of those people.

Reaction Essay on COVID-19, Labour & CLMVT

Since COVID-19 happens across the globe, almost every country is facing with the economic downturn. Many cannot export and import especially after China closed its country, many industries get affected by this since China market size is so big, the impact was gigantic. When there are limitations in trade together with the economic that is already not so good, many factories need to close down and lay off their workers.

This resulted in large number of unemployment. There are different impacts on different types of jobs, supported by “On COVID-19: New Implications of job Task Requirement and Spouse’s Occupational Spring” by Warn N. Lekfuangfu, Suphanit Piyapromdee, Ponpoje Porapakkarm and Nada Wasi. Those whose work location flexibility is low with high physical proximity such as dentists, tour guide and travel organizer will face with severe impact. Followed by jobs with low work location flexibility and low physical proximity such as painter, publisher, garment factory worker and metal worker and high work location flexibility and high physical proximity such as fitness manager, head hunter and secondary school teacher who faced with medium impact. Then those with the least impact is the high work location flexibility and low physical proximity such as programmer, economist and financial advisor. In addition, when the COVID-19 situation got worsened, Thailand closed 18 border points. This effected the migrant workers too since many will choose to return to their home.

She also introduced us to the word “Gig” which is basically those who choose to be freelancers. There are statistics shows that there are an increasing number of people who desire to be a gig worker for various reasons like flexible working schedule and to follow what they really want to do as a dream jobs.

As more and more people believe in the “work-life balance” it is not unusual that they want to become a gig worker. For those who take advantage of the existence of this work path, it is going to be so beneficial since they can earn extra income to serve their needs and fulfillments in the future. I believe that although the survey shows that more people want to be a gig worker but if they trade off with all the opportunity costs, only some will really put themselves in that kind of job since people are more risk averse than they think they are.

I am absolutely agreed that there is certain inequality treatment by the government towards this situation. Not only government spend everyone’s tax on a group of people, which some might alter their information to get the benefits. I cannot agree with how the government choose to help only a group of people that might suffer from this situation because they, themselves, might not try hard enough to make their life better than they are now. Instead this country pushes all the burdens to the middle-income group. For example, the social security. Before the pandemic, the employer and employees divided equally for the payment of social security but after the COVID struck, the government announced that employers need to pay four-fifth of the social security while employees only pay one-fifth. Yes, you can assume that employers get higher inflow but what about the expenses that they are required to pay to keep the business survive. This is so ridiculous. If only they look at the percentage of inflow and outflow properly, they will understand more on who that actually need to get help. Honestly, I’m still confused with people’s perception on “Equality”. Often, I feel like people help another by looking at the conditions of their living but not the effort that one pushes themselves to get away from that poor living condition. I don’t know if I am contradicting myself but as much as I believe in the world to become less selfish, I believe in giving aids to those who deserves it as well.

