

Julia Cheung

***Day 1, Monday 8<sup>th</sup> July***

On the first day of travel we visited the Special Economic Zone in Laos and Thai Embassy, two extremely interesting trips. I liked learning about the different zones and their main investors – with Zone A being mostly Thai investors (close to the border), Zone B with heavy Japanese and local Laotian investors, and Zone C with Malaysian investors, it's interesting to see foreign investment trends into the country. I found the concept of a "one stop service centre" really cool too – how one can attain licenses, tax registrations, permits and visas in a single stop. Thought that was a very attractive and efficient method of attaining foreign investment. Whilst walking through the Laotian night market and the streets, I noticed hints of French architecture and colours, alongside structures with huge similarities to Thailand. The language, I realise, can be understood by a lot of my fellow Thai students, despite it being slightly different. Noting this observation, I brought it up to my classmates and realised my observations hold a deep history. I learnt that before Laos was a French colony, Laos used to be part of Thailand, but Thailand, in order to keep its independence (and now the only country in SEA to not have been colonised), gave away pieces of its land to the Europeans. That's why the culture between Laos and Thailand is so similar – and yet I find it fascinating how Laos differentiated itself and the divergence of language as the years go by.

***Day 2, Tuesday 9<sup>th</sup> July***

Driving across Laos and along the border between Laos and Vietnam, I found it shocking to perceive so much untamed nature and unnurtured land. Despite knowing that Laos is still extremely untouched economically and industrially, being able to witness the landscape – full of untouched greeneries, wild flora yet to be cooped – made me realise how underdeveloped Laos was at the region we were in. Farmland was strife and agricultural plains abundant – as someone who grew up in Hong Kong with skyscrapers and manmade infrastructure, it was really surprising for me to experience a completely untouched, natural environment. This made me wonder whether the earth would be better kept alone or developed by humanity – to be able for nature to flourish in its own

Julia Cheung

demand, instead of out of our demand, makes me consider the consequences of human interventions. Should Laos be developed, stripped of its natural resources or left alone?

The crossing between Laos and Vietnam left the strongest impression on me, I believe, through the whole trip. Standing in front of the Vietnam border control, people often cut in front of us by slipping extra cash into their passports in order to “persuade” border security to get their passports processed first. Corruption is familiar to the ASEAN region, but to witness such blatant bribery in the front of our eyes, to watch as the security guard expressionlessly took the cash and slips it in his drawer and no one blinks an eye – I felt so pissed off, but even worse, I felt helpless. I think seeing this made me realise how government, politics, and moral regulation still has a long way to go in ASEAN – a problem if not fixed, can prevent a country from flourishing to its potential.

### *Day 3, Wednesday 10<sup>th</sup> July*

Today we went to CP Vietnam to observe their shrimp processing plant and learn about the corporation. To be fair, I think I entered the talk with a very sceptical, suspicious mindset, knowing that a lot of huge division-of-labour based conglomerates in China often mistreated their workers with low pay and horrible working conditions – so perhaps my reflections at this corporation may come off as slightly more critical and pickier. That being said, I wanted to discuss what stuck out to me during the presentation – their Corporate Social Responsibility initiatives that they mentioned. They mentioned that CP Vietnam engaged in CSR through blood-sharing, employee relief funds and crisis assistance – CSR forms that I think is quite shallow and only for appearances. CSR, I feel like, can be used to only put up an image of an “ethical” company – but not truly believed in in a company’s values. For big conglomerates like this, I felt slightly... “cheated” by the CSR that they engage in – the company themselves I believe doesn’t really care about it either. I felt like CSR should be incorporated into their business model – for example, ensuring Fair Trade in supply chains, or ensuring fishing industry isn’t under slavery-conditions etc.

Julia Cheung

Also, a small afterthought in slight relation to this – I felt very strange watching the workers work from the windows above them. It felt as if we were inspecting specimens that were in reality just other human beings like us – something I found in some way slightly dehumanising. After asking the CP guide many questions though, he seemed to portray the working conditions for CP workers very well – with pay quite above minimum wage and 8 hours. I liked how he mentioned maternity leave got a lot of time off – if I recall correctly, 6 months. Perhaps I was too strict on CP when I first entered and should have given the place more of a chance – they are after all producing a lot for the rest of the world – 711, True, animal feed factories etc, exporting 90% of their goods to the rest of the world.

#### *Day 4, Thursday 11<sup>th</sup> July*

On Thursday, we arrived Da Nang and entered a mall called Vincom Plaza. It was very interesting because we noticed a lot of South Korean and Japanese investment – and less Chinese. Doing some research, I learnt that Korea is by far the largest foreign investor in Vietnam – in 2016, it was said that Korean-invested firms contributed to around 1/3 of Vietnam's exports. The Vietnam-South Korea FTA contributed to the bilateral relationship of the countries – and since 1990s, SK had many waves of investment into Vietnam that contributed to the many Korean chains in Vietnam today. Looking around in Vincom Plaza, we entered Adidas. Chris noticed that the shoes were even more expensive in Vietnam than in America -despite Vietnam having a large footwear industry and most likely exporting to the rest of the world. We also went to the market to look for our items that represent Vietnam. There, I enjoyed watching people banter. It was especially interesting seeing when the Thai people in my group found a Thai seller, and the immediate bond of language allowed us to buy a product in a cheaper price. The connection of personal culture and being from the same country in a foreign place really bonds two individuals.

Julia Cheung

***Day 5, Friday 12<sup>th</sup> July***

On Friday we went on the visit to SCG. The most compelling discussion here was when he talked about the structure of Thailand's economy and how it is based on not real, weak demand – speculation, future earnings and loans. The Tom Yum Goong crisis affected Thailand the most, and originated there with the collapse of the Thai Baht, leading to capital flight. Because demand is not real – liquidation of cash affected Thailand heavily. Vietnam, on the other hand, have a strong structure of economy, built of a good foundation. The lecture made me realise the diversity within Vietnam, which is what I found most interesting. With 8 different zones separating North, South and Central Vietnam, even preferences for foods and drinks. For example, North enjoys tea whereas South enjoys coffee, and Central Vietnam loves Thai products. The speaker also gave examples of how language diverged between North and South, pronouncing even “Da Nang” differently. It makes me think about the history Vietnam had, with the Communist parties and Viet Cong in the North and US troops working their way up from the South – how they forged Vietnam's current state. Lastly, I really enjoyed learning about the antitrust regulation differences between Thailand and Vietnam. 80% of the cement industry is dominated by the big three cement firms in Thailand, an oligopoly, whereas in Vietnam, the biggest three firms own only 25% of the market, doing business under a monopolistically competitive environment. I found that very interesting, as this presents Vietnam as a very attractive country to invest in.

***Day 6, Saturday 13<sup>th</sup> July***

Today, we spent our whole day in Ba Na Hills – a stunning and beautiful place with little bits of everything and a lot of tourists. As a person who is not a big fan of rollercoasters and crowds, I was surprised to have so much fun with the people I spent time around. One of my most prominent memories from this day was going down, up, then down again on the cable cars, because we had time to burn. Watching the view, enjoying the quiet and peace of the small confined area with a few friends felt so detoxing from the hecticness and eventfulness of the week. One thing I observed

Julia Cheung

on this day, actually, was at the Korean BBQ place we had dinner in. There were two power shortages in one night, and it made me recall the time where we were in someone's room and the aircons all turned off suddenly. It made us realise, I think, that the electrical capacity Vietnam has is quite poor. Another observation we had was that all the electrical power lines were underground and invisible, unlike in Cambodia, Laos or Thailand – and yet, if many machines used electricity there would be shortages. This perhaps reflects the need for electrical power in the future in Vietnam, knowing that currently Vietnam is struggling with shortages in oil and coal resources.

### ***Day 7, Sunday 14<sup>th</sup> July***

We visited museums and a marble shop today – but what I want to talk about for today is actually the most striking experience and memory from this trip. From midnight of Saturday to 7am morning on Sunday, our fellow Thai students and us spent the morning just chatting over a few beers and enjoying our last night in Vietnam together. We talked on the balcony as the sun set until we witnessed the stunning sunrise. Honestly, I think I speak for most of the UC students when I say that we had no clue how much we would love our time on not only this trip, but in Thailand. And honestly, what made Vietnam so much more unforgettable was the people on it. I got to experience the openness and friendliness of Thai people. I was surprised by how kind-hearted and inclusive the students were. I loved learning about ASEAN and economics, but I equally enjoyed learning about the fellow students in our class. Academics is crucial, but it is not the entirety of life – and to be able to spend time with all the others on our trip highlighted the importance of friendships. Despite only sleeping less than 4 hours a day, we spent most of our times laughing. I hope they all realise how much the UC students and myself appreciate them – and I hope you Ajarns realise how much we are grateful to you for organising and leading this trip. Thank you so much for everything.

### ***Final Reflections, Thoughts, Feelings***

Julia Cheung

I think there were many instances where I was surprised on the trip – I think what I appreciated most about the trip was that we did not travel into the “biggest” cities of Vietnam and Laos. Oftentimes, tourists would go to Vientiane, Ho Chi Minh, and Hanoi, but getting to visit less tourist-populated cities really showed a different, and perhaps more-accurate perception of Vietnam and Laos. I was surprised by many things, one small observation being the number of bubble tea shops in the Da Nang area. A few of us were craving bubble tea, and entered the first one closest to where we were then – but on the way home, we passed by at least 8 more Boba restaurants, all in the same area. I found it interesting how competitors often group together – it is rare to find coffee shops alone, oftentimes surrounded by competitors. Thought that was interesting (and makes lots of sense!). There are many other surprises and observations, many of which already listed above.

The East-West Corridor I think is a strong economic route, but still holds many aspects that can be improved on. For one, infrastructure of Laos still needs heavy improvement – currently, it is quite underdeveloped for businesses and agriculturally-heavy. Roads were, however, quite smooth – but perhaps not the most efficient and can be improved on. Borders are quite inefficient too, but perhaps only because I wasn't a citizen of ASEAN which means visa-entry probably took more time – if you were a citizen of Thailand, Cambodia, Laos, Myanmar and Vietnam, entry and exit is quite integrated and tariffs removed. Definitely, it provides a good form of trade transport, considering that travel time between Yangon and East Thailand takes only 3 days compared to the 1-2 weeks marine route. Though there are many spaces for improvement, if developed and expanded upon, this channel definitely can be beneficial to the five countries.

In my head, I always imagine Laos and Vietnam to be two representations of what Thailand was in the past – but I think that is quite an unfair perception. Each country is developing in its own way and form. In 5-10 years, I think foreign investors will flood into Laos slowly, with its abundant resources and opportunities. Witnessing how untouched Laos is currently on the route we went on,

Julia Cheung

with heavy wildlife and untouched greenery, it is very likely that the area would be invested in (if the government provides attractive policies) in the coming future. With its development of SEZs in the Savannakhet and other areas, investors from other ASEAN countries and East Asia are taking advantage of its tax holidays and inexpensive electricity. However, the small population is still a large issue – but small population can also be interpreted as a lack of density, which I believe provides opportunity for livestock and agricultural growth. Its land-linked aspect also makes it a crucial centre point for ASEAN countries and China. Vietnam, I believe, will flourish. I really enjoyed my time in Hue, Da Nang, and Hoi An. Infrastructure was quite strong, and US-China trade war, Japanese and Korean investment (as seen in Vincom Plaza) shows the attractiveness of Vietnam as an investment area. I would not be surprised if Vietnam picks up speed and develops in the next few years. I think a large concern for both countries would be stability in government and politics – an issue that most of ASEAN I think currently struggles with. Corruption, instability, and political conflicts are robust.

I can see myself working in Vietnam, but not Laos, in the future. My grandfather is Vietnamese, and a part of me wants to re-vitalise this heritage I have – plus its economic opportunities and similar Asian culture. I think one thing I really enjoyed not only about Vietnam but Thailand and Laos were the “Asian” culture. The culture of community really attracts me towards Asia as a region, whereas US is more individualistic and independent. From above, I’ve already outlined the economic attractiveness of Vietnam – all contributing to why I wouldn’t mind living there in the future. Laos has some way to go, but I’d like to live in a country that borders the sea – just a simply personal preference that therefore means it is unlikely for me to live there in the future.

I really really enjoyed this trip – the places, the people, the route. Though at first I was sceptical, knowing that I’d be on a bus the whole time mostly with motion sickness, I thought this was one

Julia Cheung

of the best times of my life. Thank you for organising, and really hope you all Ajarns enjoyed it too.

Cheers,

Julia