

Week 2 Essay

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June 24, 2019

Looking in to the trends of CLMV countries trade with the world, from 2010 – 2016, the trends of CLMV countries show that all countries in CLMV except Vietnam are imported more than exported. However, if we looking in the trends, they are growing very fast and ongoing. After the conflict in these countries, CLMV countries become the destination from many foreign investors around the world. Due to the continuous economic development, CLMV countries become a new open market that have abundant natural resources and have the advantage of lower wages than neighboring countries in the same region. To illustrate, Thailand is considered as the cardinal trading member to CLMV countries. Gold, Copper, Petroleum gas, and Telephone sets are the core exported goods that CLMV countries export to our country.

According to the statistics of Thai FDI in CLMV countries, In 2016, Thai FDI in Vietnam was highest among CLMV countries at 3.06 billion USD while investment in Lao PDR, Cambodia, and Myanmar were only 1.93 1.37 and 1.31 billion USD consecutively. It implies that many Thai companies are involved directly operations in Vietnam.

This means they are not just bringing money with them, but also knowledge, skills and technology from Thailand to their country. Furthermore, CLMV countries become the trading partner with the worldwide. Nevertheless, CLMV countries are facing the problem that they are lack of the skilled worker that the human development process can not keep up with the growth of economy.

In conclusion, CLMV economy is growing very fast and a lot of inflow money that leads these countries to the opportunity to access many technologies and can make many employments but my only question is can the human development process in CLMV can

keep up with the growth in their economy? Without the proper education system, the workforce will remain unskilled.

June 24, 2019 (Afternoon)

In order to identify and classify something, branding is a very important process. Brand is a name, term, sign, symbol or design that is intended to identify the products or services and differentiate them from the competitors. Nowadays, differentiation in brands is very vital. It can be the determination of their company. Brand is something that resides in the mind of consumers. State or Country can also clarify as a brand because of the difference in many aspects that distinguished them from each other, some are abundant in resources, some are abundant in skilled workers and technologies.

There are four steps of building a brand. First, Segmenting and Targeting the market and consumers. Who are we selling and who are our competitors? Second is the Positioning. Brand positioning is the heart of marketing strategy that can determine the life of a company. Third, the Communications via Brand elements. It creates the brand awareness and can create a reputation for the brand. With proper communication and the use of present technology, it could connect the world together by just a click. Lastly, the relationship between consumers and brand, or we can call it brand loyalty. It is always harder to maintain old customers than finding the new comers. So, we have to create the loyalty to the brand to make the brand survive among plentiful competitors.

In my aspects, I would like to add one more thing to the brand building process, it is the adaptation of brands. In order to survive, the strongest people may not always survive but people who adapt to the environment will survive. That is why the adaptation is very cardinal for the life of a brand. In example, the local menu of McDonald's around the world that adjusted accordingly to the environment in that country.

June 25, 2019

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Every organization has to improve and develop its supply chain and logistics processes to become successful and gain competitive advantage in the market. Every country has to do both exports and imports to survive. So, Logistics is very important in order to connect the world together. The faster delivery process, the more money inflow that will flow into the country. Logistics can be any type of transportation, by ships, planes, or trains.

The logistics in ASEAN are usually use cross-border trade approach. There is reported that cross border trade in Thailand has rose by 2.31 percent in first 5 months of 2019. Thailand is the country that mainly export the agricultural products to the world. However, many agricultural products have limited shelf life, so, some delivery approach may not work because it took very long delivery time. However, technology have involved in the logistics business and the cost of delivery become way lower. So, Thai business can afford the air shipment.

In Thailand, we have many important border trade areas. Such as, Mae Sai, Chiang Sean, and Chiang Kong that create a lot of benefits to our country including tourism aspect and shipment aspect. As the cost of shipment is a lot lower, it provides a lot of opportunities for us to grow. So, the collaboration is very important instead of compete each other.

In my opinion, the logistics market is growing fast and constant. The collaboration between countries will make things easier and benefits both countries in many aspects.

provide more.



June 26, 2019

Foreign direct investment (FDI) is an investment made by a firm or individual in one country into business that located in another country. Generally, FDI takes place when an investor establishes foreign business operations or acquires foreign business assets. The high number in FDI means that the country has something interesting that can lure many investors around the world to invest in.

There are a lot of approach in order to make investment in any country. There may be a Bilateral agreement or trade agreements with each other. Then it will be more profitable to produce in that specific country because we have Bilateral agreement. Such as, Lao PDR and Thailand that MOU with Thailand to produce and export their electrical devices at lower cost. Furthermore, we have to know the environment well in order to invest or choose the joint-venture that know well about local activities. The things will be a lot easier.

In conclusion according to the case study that has been discuss in class, Lao PDR has been the destination for investors around the world because the cost of labor is very cheap but the only one problem is there are not enough skilled workers to satisfies the big investing amount.

June 27, 2019

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Now a days, the world become borderless and have almost no trade barrier between countries. The usage of resources will rise in the same proportional rate with the rise in technology and gradually destroy the environment. As the country are more developed and become industrialized, it will be more usage of natural resources and create more negative externalities. The way to solve the problem is to imposed the tax to limited the amount.

(Afternoon)

ASEAN is trying to move the whole economy into wealthier economy although many countries in ASEAN are facing the middle-income trap that hold the countries back and never become fully developed countries. It is because becoming developing country is a lot easier than becoming developed country because of many constraints. Such as, lack of sufficient production technology and lack of proper education system that make the country lack of competitiveness and stuck in middle-income trap and will create unequal growth in many sectors.

In order to unbound the middle-income trap, citizens should have equal education systems and firms must have the same level of technology or same production standard.

June 28, 2019

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Strategic Industrial Policy (SIP) is the industrial policy that created to develop industries with the intervention of technology. It consisted of industrial diversification, industrial deepening, and industrial upgrading. In order to make the development more sustainable the country should identify their own priorities and promote cumulative change in the direction that has been chosen.

The middle-income trap is a major issue through Asian countries. They neither compete on the low-wages nor compete on technology against high income countries or technology-oriented countries. The sad truth is Thailand is one of the countries that stuck in the middle-income trap. Because of the market failure about imperfect competition and non-efficient allocation of resources hold Thailand back from become high-income country.

In my opinion, Thailand have to set the standard from the root, that is, the education system, develop logistics and communication system, and implemented the use of technology into industrial market. Furthermore, the most important change is creating the competition by subsidized the innovative companies.

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