

The foreign direct investment (FDI) is the main factor which boost the economy in the ASEAN region. The number of foreign investors in this region will be increase more, if we can freer flow the capital.

To freer flows the capital, we will free flow at the capital account which is the foreign direct investment, portfolio investment and the others types of investment such as loans, deposits and etc. The riskiest type of the investment is loans such as the situation in the Tom Yam Kung Crisis, 1997 that the bubble is exploded and a lot of investor was bankrupt and has no ability to return. In contrast, the FDI is the most secure type of investment because the investor will mostly risky with their own currency and a little bit from the current situation at the place they went to invest. For example, in the financial crisis FDI still goes up because they can still sell their stock which can make their business run.

Nowadays, the capital in the AEC is already free flow but it is not enough for investor to invest in ASEAN in a large number. However, we can see that it is quite risky for the investor to the be challenge with those barriers in the ASEAN. This is why we have to have the international agreement to negotiate the regulation to liberalize and remedies to protect the investment into the host state. There are two types of investment agreement, the bilateral investment treaties which is the investment protection. The other is investment chapters of FTAs and separate investment agreements which is the investment liberalization and protection.

It is better to have the law and regulation for the foreign investors for protecting and support them, it is not only benefit for the foreigner but also benefit for the investor in the ASEAN region as well. However, we should balance the power between two side to make it reach the most efficient point and not make them exploited.

Since nowadays if we talk about the greatest power, it no doubt that a lot of people will think about China. A lot big manufacturing company has based in China due to the huge number of populations that make the wage low and the political situation. However, before China has come to be the great tiger as we see today, China has faced a lot of the obstacle and was a developing country like us.

Due to the political reform in the Chairman Mao period that he tried to make every people equal by using the communist rule by launched the great leap forward and cultural revolution which he thought that Chinese people will have a better quality of life by the government control everything by did not care about the demand or the global trend. In contrast, it is beautiful like Chairman Mao thought, the majority of people was stuck in the poverty and the country stepped back.

Deng Xiao Ping is the super heroes that brightened the Chinese eyes after Chairman Mao died. He reformed everything by open the economy and support the education. Furthermore, Chinese try to promote the infrastructure and build a good relationship with the neighbor countries such as the belt road project what will connect China to the ASEAN and Europe that will save the time and cost in logistic. Since that day until now, China has growth rapidly and become the great tiger in nowadays.

Since the China was developed, the technology is playing the important role in nowadays. Tons of Chinese people has their own e-wallet and they are sitting on the couch and shopping online. Everywhere has the QR code for online payment, even the beggars also have. So, the Chinese community become the cashless society which is more secure and convenience.

I believed that if China have a stable growth and have nothing wrong, it will be the first one in the near future.