

24/06/19

Reaction Essay 1

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CLMV trade and investment

CLMV countries and Thailand are closed as we are neighboring countries, all located in south east Asia and we are all in ASEAN community. We definitely trade among countries and what we are trading is remarkable. Also, the amount that CLMV trade with the rest of the world and Thailand is needed to be concern and talk about it a lot. Look upon data that Ajarn Nessara gave us in class, we can analyze so many issues. We first start from CLMV trade with the rest of the world, CLMV trade with Thailand, inward FDI in CLMV and Thai direct investment in CLMV.

We know that there are four countries in CLMV which are Cambodia, Laos PDR, Myanmar and Vietnam. Each country has different trade pattern with the world as Cambodia and Vietnam are more likely to have steady trade pattern as import and export are keep increasing. In addition, Vietnam is almost having a trade balance with the world. Lao PDR have an increasing pattern of trade and in 2014 import value and export value move in the opposite directions as Lao PDR export value decreased but import value increased. However, when we look at data from Myanmar, we cannot tell right away what would happen in the following year. As in 2012 Myanmar change their exchange rate from fixed to floated, they have trade surplus and go back to their track as having a trade deficit to the rest of the world.

We now dig into each country import and export good. We would already know that CLMV and Thailand trade with each other a lot but we have never known before that Myanmar have a trade surplus to Thailand because Thailand import Petroleum gas from Myanmar and convert it in to Petroleum oil. However, Thailand still have trade surplus with other CLMV countries. Another issue is Thailand is not Vietnam's important importer. However, when we look

again at amount that Vietnam export to Thailand, Thailand import a lot from Vietnam as the amount that Vietnam trade with the rest of the world is massive compare to export to Thailand.

Next, we talk about inward FDI to CLMV countries. If we assume from data that we obtained earlier, the highest proportion of inward FDI should be Vietnam based on many factors including high growth, massive amount of export and news. It is true that Vietnam obtain most inward FDI following by Myanmar, Lao PDR and Cambodia. In addition, China invest in Lao PDR a lot more than in Thailand. We cannot deny that key investors are China, South Korea, Singapore and Thailand. In addition, in CLMV, Thailand invest the most in Vietnam among CLMV countries.

From all information obtains in class, it is really interesting both how the lecture flows also, the information in class. This lecture is different because we first look at data and discuss following by writing down what you get from data. After that we discuss with Ajarn Nessara and make conclusion on everything we discuss earlier and narrow down the idea. I think CLMV is really interested in the sense of how the economy growth and resources that they have in the country. Imagine If Myanmar obtains an innovative way to process their petroleum gas, they would not export it to Thailand and convert it to petroleum oil by themselves. The trade balance would definitely change. In addition, CLMV countries is the destination to the foreign investors and I am glad for them because they would also adopt innovative machines and technology form those foreign industry. However, what I do not like about Laos in the past is the tax on luxurious car which is lower than small car. It is the issue of a corruption as politician are wealthy enough to buy luxurious car and they have only one party so they tax on luxurious car less and they can buy less. I really feel bad for Laos people about this situation that government act in the preference and benefit of themselves.

In conclusion, CLMV countries and Thailand trade with one another even we have similar product and we sometime export to other countries because we cannot transform it by ourselves

as Myanmar export Petroleum gas to let Thailand finalized it to be Petroleum oil. CLMV and Thailand is a really important trade partner because there are resources, products, and skills.

Reaction Essay 2

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Marketing strategies in CLMV

As I took only one marketing class along my study in BE, marketing is something I am not familiar with. I know so little about terms and idea of marketing but Ajarn Suwalya can make the situation better. In this lecture we talk about branding, symbolic and some example regarding brand that are in CLMV countries.

I am really appreciated that we study about marketing because I have no idea why country is a product but when I listen to what Ajarn said it is making sense and change my mind. Many points in the class are really interesting and I am agreed to most of the topic we obtained today. The first point is country is a brand and that is why we are promoting. I think this speech can sum up the whole thing because brand can be anything that can identify the good and services and differentiate them from competitor. Because countries are different even, they are closed but not all elements are the same, country is also a brand. In addition, we also talk about symbolic and say what are the symbolic for each country. This activity aimed to point out some top of mind for each country as Thailand's symbolic animal is elephant and Vietnam's symbolic animal is water buffalo. After that we talk about culture activity. In ASEAN, most of people in ASEAN country now can access to the internet and it can harm them too. Like in Myanmar, post on social medias are fake and trying to attack to the government.

Brand activation is important as it is bringing life to the brand. For the country, because country is offline, we make it social and brand (country) will go viral. In the lecture, there are many examples including Central plaza, Coca cola and Axe. First, we will talk about central plaza. In the month of happiness, December, there are Christmas eve and Central department store introduce the theme "Universe is Happiness" and using Snoopy because it is cute. People shared it online and it reached many more people to engage in this campaign of centeal. Also, Ajarn Suwalya introduces us an example of Coca Cola that they get into all market in ASEAN country

and trying create campaign in different country and Coca Cola can do it well as they can increase their sale in Thailand. Coca Cola introduce different campaign to different country. I think it is because each country has their own culture and they attract customer differently. For Axe, it is a campaign in Europe and it is not appropriate for Asian country like us. In the class we discuss and think if the company want to execute this campaign in Thailand, they should adapt the concept and make it localize based on the country's culture, believe and trend. We also talk about brand building and there are four steps which are segmenting & targetting, brand positioning, communication and relation between customers and brand. My favourite example is McDonald's that they sell vegetarian burger in India becuase Indian does not eat meat because of their believe. I think what those brands are trying to do is to think global and act local.

All in all, this lecture talked about the country as a brand and how to deal with it in order to make it active. We did not only focus on country as a brand but also how to win in each country's market. We talked about elements that we should focus if we do marketing in the country. The most important concept in this lecture is to think global and act local because it is the way to win customer's heart and reach attention in all countries not only in ASEAN.

25/06/19

9.5 Too detailed.

Reaction Essay 3

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Logistics and Supply Chain Development in ASEAN: International Logistics and Cross Border Trade

Talking about logistic, people would think about only shipping and transportation. There are more than that and we can distinguish it in to two categories as business logistic and Macro logistic. This lecture is really interesting and I really appreciate to study with Ajarn Suthep. We first talk about ASEAN logistic following by case study about export product to ASEAN+6 countries.

First of all, business logistic and macro logistic is different. Business logistic is some step about reducing cost and focus on shipping and transportation. On the other hand, macro logistic is focusing on linkage between country. If we talk about ASEAN logistic, it would definitely be a macro level. In addition, countries which are really good at logistic linkage cannot be other countries but Singapore and Malaysia. We discuss about innovation that can be done rather than only focus only on logistic and there are four way of innovation which are product, process, service and business model innovation. What I really surprise is Chinese business model that they are trying to trick Thai agriculturists. They are switching around and tell us that what we are sending to them is defected or it will not meet their preference. In addition, they buy those products in a very cheap price because they said that return those products back would consume more costs. In my opinion, it is unfair to all trade partners and it is unacceptable. However, China works on a really good project which they implement one belt, one road initiative. It is likely that market is integrated but China have the power of the market anyway. In some area in ASEAN, mostly we are implemented cross border trade development. It is a grey business as it is unofficial. Because we do not use international shipping company, cross border trade is also tricky in the

sense that we can export ten tons of oranges, declare and get tax only for one ton. That is why we called cross border trade as a grey business.

Next, re-design business consumes a lot of workload. In Thailand we implement strategies from Germany and it sounds so familiar. It is THAILAND 4.0 and we are starting from industry 1.0. Starting from doing local business, adding machine, adding computer to own's production system and finally using computer to track customer's behavior. in the first three phrases, they execute red ocean strategy which is sell identical product with the same price and compete on economies of scale and it is B2B because they are competing over production. After that we change from B2B strategy to B2C strategy because we re-design our supply chain. Other than red ocean strategy, there are blue ocean strategy which focused on innovation and white ocean strategy which is talking about collaboration and connection. Right now, Thailand have to re-design the business because our target customers are not European and American anymore. Chinese and Indian come to Thailand more and their behavior are definitely different from our ex-target customer. If we can change fast, we will surely get benefit from that like Ajarn Chalermchai. He first act against Chinese tourist but he is on the move fast. He changes his mind set and welcome all Chinese tourist and now he earns a lot.

In this lecture, we also have an excited task as we need to think about product and where we would like to export in ASEAN6. Our group decided to send fresh tapioca to japan via shipping. We implement things we learnt in class and it is really challenging as we need to thing in all areas also, advantages and disadvantages of shipping fresh tapioca to Japan. I really like this learning method because we use what we obtain right away.

All in all, we have to open up our mind and try to find opportunities in everything. Macro logistic is one way to open the way for new opportunities. When countries are integrated in give us a really good faith and conveniences. However, integration sometime harms us and would bring negative externalities if we give little careful. When we start a business about exporting and

importing, consideration in a wide scope would benefit and be really careful in all detail would be a really good start.

26/06/19

9.5

Too detailed

Reaction essay 4

Nattanun Thongphueak

Economics of multinational enterprises

Recently, countries in ASEAN opened up for trade more and welcoming investor from around the world to invest in their country. There are many forms of investor to invest in the country also, there are motives for them to invest. In this lecture we focus on foreign direct investment and we also mention about important information about Laos.

Products can be done by a coordination of a group of country. In some country, a production of fabric is really cheap but their innovation is quite delay but we found partner in another country which have an innovative and low labor cost so we can send our fabric to the factory there to process the product. It is possible in these days because the transportation cost is acceptable and some government policies are trying to promote investor to invest. We called it as multinational enterprise and the concept is comprising company in more than one country and link them. Because countries are not specialized in the same area or have the same strength meaning that it is a really good opportunities for investors to invest in foreign country. We called it as foreign direct investment.

There are types of FDI based on different factor. The first one is direction of investment whether it is inward or outward. Inward is when other country invests in the country but outward is the country invests in other country. Also, it can base on types of activities which are horizontal and vertical FDI. In vertical FDI there are additional direction that we also have to consider whether it is backward or forward. The fourth one is model of entry as investors also need to consider about the share of the company for the highest benefit. The last one is nationality of investor as we should consider if we want the company to owned also by local people or not.

After that we talk about factor that encourage investor to invest in foreign country. When talking about FDI, there should be some opportunities to encourage investors to invest in the

country. The first motive is natural-seeking FDI. It is when the host country has resources and its cost is cheap which surely encourage investors to invest. The second motive is market seeking. It is like introducing our product to the host country and selling them. In addition, export from host country would be cheaper than export from home involving with taxes which is academically called generalized system preference (GSP). Then there is efficiency-seeking FDI which is trying to reach the highest efficiency. In other word, we relocate to the host country because if we do not go there, we still need to export to the host country anyway. The last motive is strategic asset-seeking FDI which is about the home investor has a unique investment environment and it also need home investor to join. Also, there are factors of FDI based on Dunning's OLI framework as O is ownership advantage, L is location advantage and I is internalization Advantage. Because FDI is internationalize process rather than export or licensing, FDI should bring benefit. Determinant of FDI based on FSAs and CSAs framework, firm-specific advantage (FSA) is similar to ownership advantage and country-specific advantage (CSA) is linking to location advantage, investment and environment.

This lecture we also talk about Laos and inward FDI in Laos. I have not known before that this country is very small as there are less than seven million people and they do not care if the employer will fired them because they can switch around from one factory to another because there are more workloads than labors. This shocked me because I do not think this situation would happen. I agree with the information stated that FDI would bring innovation to the host country also, introduce product to the host country's market. It is making sense to me as when developed country invest in developing country, home country also brings those better production technologies to host country. In addition, when home country invests in home country, they will definitely sell the product to the host country similar to the case in Myanmar that men in Myanmar do not wear underwear but Rosso, underwear brand, come to the country it introduces product to host country and men wear more underwear in Myanmar.

In conclusion, when we talk about FDI later, it will not be that confusing as we get to know details about this topic. We know about types, motives and determinants of FDI. In the future, if I am able to expand my business, I know where exactly I should start. In addition, knowing more about prospect investment's country would bring us benefits and opportunities in many ways.

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Reaction essay 5

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International Trade & Investment Vs. Environment and Development Economics

In this lecture, it is related to International Trade & Investment which can link to environment. From the start to the end of the lecture, I really focus on what Ajarn Anin talk about and would love to know more about it. I will first talk about the linkage between investment and in the afternoon, we talk about development economic.

We first begin with some interesting fact about CLMV. Vietnam is the major import and export among CLMV country and it is listed to be Thailand's big competitor. Because Vietnam is the country in CLMV that obtained the best infrastructure, it is the major destination for inward FDI. In this class we should be able to answer that in term of environment, trade is good or bad? In my opinion, trade should be bad for the environment because when there is growth, more goods must be produced and it will surely harm environmental quality in some way as more economic growth, more pollution. In this class Ajarn Anin told us that when people are wealthier, they want a better environmental quality because we see environmental quality as a normal good. What he said is really interesting.

Imagine when the country has FTA agreement, the country would relax some regulations related to environment and it is real because there are pollution havens, race to the bottom and environmental tariff. Pollution havens is the term when industry will locate in countries which are lax environmental regulation and race the bottom affects environmental standard as the country will lower their environmental standard in order to have a better economy. It often happens in a developing country. Another one is environmental tariff will employ against trading partner that have inadequate environmental standard. However, countries that are more open to trade will have cleaner technology and manufacturing more quickly also, it brings benefit as people will have higher demand toward environmental quality.

We also talk about Heckscher-Ohlin theorem which is similar to EE451 that talked about factor endowment and country will produce abundant factor of production and import scarce factor of production.

The topic which is really interesting and new to me is resource curse which is about jade in Myanmar. Resource curse is when the country has plenty of resources in this context is jade but they have little economic growth. It happens because there are conflicts as different group fight for their benefit. In my opinion, jade become curse in Myanmar because the government cannot find the best policy to support the industry and not to hurt other sectors. J

In the afternoon, we talk about development economic which is the ASEAN Miracle. ASEAN miracle is the country with high growth rate of 8 to 12 percent between 1960s to 1990s. High growth rate includes more FDI, industrialization and export. When there are inward FDI, more technology obtained. Workers produce more and occupied more skills ending up contributed to output and economic growth. After that there are new miracles consisting of China and Vietnam. In addition, there are three factors for new miracle which are embracing trade liberalization, policy deregulation and increase in education. Also, there are development thinking path which is about ideas to make country develop. In my opinion, I think the reason, why Vietnam is now the new miracle, is because Vietnam has rapid growth and there are massive inward FDI. In addition, it can link to middle income trap. It is when there is not enough growth to move from middle income trap to high income country. However, Vietnam has not reached middle income trap yet because they use to be low income and right now their growth keep growing but have not reach middle income trap yet.

Today's lecture contains lots of interesting information and everything happens for a reason. From climate change to development of economics. We talk about FDI almost every day but in the different context. There are many word and theory that I am not familiar with and it is really helpful to know.

28/27/06/19

10 well structured.

Reaction Essay 6

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Industrial Policy and CLMV Economy

In this lecture we give all attention to strategic industrial policy. We talk about why and how. It is really interesting to learn and there are also topics that are really interesting. I will go through what I have learnt in class following by my opinion regarding this lecture.

First, we define what is strategic industry policy and why it is strategic. If we assume that everything is equal, why some country grows faster. Strategic industrial policy is a subset of development economic. When country changes from agricultural to industrial, it called industrialization. People will have more utility when they have more product and service to consume meaning that to have more utility welfare should be improved. We improve welfare by increasing GDP per capita which is to increase productivity. Because when produce more of good, people will have more income and ending up having more welfare. To increase productivity, there are two methods which are increase capital and increase technology. I agree with the statement because when we increase technology, we can work faster than only working by hand definitely. We also talk about why we need to put the word strategic in front of industrial policy. It is because we have forward looking to win the game. There are three strategic industrial policy which are diversification, deepening, and upgrading

Next, reasons why we need strategic industrial policy (SIP). We need to keep in mind that industrial policy is not market mechanism. Imagine if market works well, we would not need SIP at all. It is a because there is a market failure as there are non-efficient allocation of resources, imperfect competition, externalities and insufficient information. We also talk about infant industry. It is when government intervene in the market as impose tariff to the importer to help domestic producer and when domestic producers have more chance to produce, they produce more, have skill and cost of production become less. In my opinion, infant industry will not be

mature if govern keep helping them like this. It is similar to when you have special offer. Another reason of imposing SIP is when there are systematic failure and learning process.

What I really interested in today's lecture is how everything merge and make sense. In addition, I like the concept of Silicon Valley in the United states that Silicon Valley is the place where global technology company first invented. If there is somewhere in Thailand that is similar to Silicon Valley would be really nice. It would be an opportunity for startup company to be able to introduce and compete in the world market. In addition, if there are an upgraded of technology meaning that technology is developed and it is similar to a developed in industrial.

In conclusion, we learnt about strategic development in this lecture and there are many examples that make this lecture become easier. Switching from agricultural base country to become industrial base industry, better technology should be adopted. I really hope that Thailand will be able to have an academic place for those new technological investors to work and create a. better product to the world.