

Thailand Rises as Asia Ascends

Asia is on the rise. The region is fast becoming a global economic powerhouse. With more than one third of the world's total population calling it home, Asia's 4 billion strong is responsible for churning out roughly 30 per cent of the total global economic output. The economic vibrancy and large-scale investment throughout the region augurs well for its future. Regional tourism is also thriving as Asia offers a plethora of destinations that cater to every taste and budget. An indispensable part of this success story is Thailand. Being a natural land bridge between mainland Southeast Asia and East and South Asia, the country has always formed a crucial part Asia's ascent and remains one that holds vast potentials and promises.

Thailand has had more than its fair share of being one of Asia's recent success stories. The country sweeps the coveted title of the best country in the world to start a business with newly registered companies reported to be up and running within 28 days and the 7th best country to invest in, according to ranking by the Wharton School of Business in collaboration with the U.S. News and World Report. MasterCard's Global Destination Cities Index crowns Bangkok the world's most visited city in 2016 with 21.47 million international overnight visitors. As of the second quarter of 2017, the number of foreign tourists visiting Thailand increased by more than 5 per cent year-on-year standing at well over 14 million and generating more than 20,000 million USD in tourism-related revenue. The country is also world renowned for being a treasure trove of picturesque beaches with an abundance of gastronomic delights on offer as CNN hailed Bangkok as the best city in the world for street food both for quality and affordability. The Telegraph, in its December 2016 issue, enumerated 21 reasons to visit Thailand citing many unique opportunities travelers can enjoy running the gamut from fabulous luxury hotels, red lotus lake in Udon Thani, vegetarian festival in Phuket to city shopping, among many others. Thailand is also the second largest economy in the Association of Southeast Asian Nations with combined GDP of 2.43 trillion USD in 2016. The Thai stock market has consistently been the most liquid in ASEAN since 2012.

But Thailand is not resting on its laurels. The country is undergoing a paradigm shift by embracing dynamic economy that characterizes the 4th Industrial Revolution both to prepare itself for the economy of the future and to avoid the middle income trap. "Thailand 4.0" --- as the policy is known --- positions the country ahead of the curve within the global context by building on its strength on targeted agricultural, industrial and service sectors through innovation-driven enterprises and start-ups. The policy will see the scaling up modern agricultural sector, the fostering of innovative SMEs, high-value service businesses as well as the commercialization of start-up ideas. It will build a nexus between the country's production chain by strengthening core industries with comparative advantage from agriculture, food, bioenergy tourism and culture to laying the foundation for future competitive advantage in advanced technology industries from next gen automotive, smart electronics, robotics to aviation and logistics.

To this end, enhancing Thai people’s competitiveness and capabilities form the main thrust of the transformative “Thailand 4.0” policy. A new culture of learning that is purposeful, generative and result-based is being put in place and will, in turn, create human capital with high potential and readiness through STEM education based on research and development. Also crucial to this transformation is the nation-wide Pracharat Public - Private Partnership that works towards enhancing cohesiveness and inclusiveness in the country through a series of action agenda that foster good health and well-being, promote education standards and social welfare and support equitable distribution of wealth.

Making the most out of its strategic positioning as a natural land bridge connecting East Asia, mainland Southeast Asia and the South Asian region together, Thailand is in fifth gear investing for the future with mega-infrastructure public and private investment project dubbed the Eastern Economic Corridor (EEC) worth over 43 billion USD. The EEC aims to transform the eastern part of Thailand into land, sea and air logistical hub of the region while enhancing the capacity of existing industrial zones by building roads, installing dual-track railways as well as high speed trains. To date, the EEC constitutes the single largest investment project in ASEAN both in terms of budget and area size.

Thailand has been enhancing physical as well as digital connectivity with Cambodia, Laos, Myanmar and Vietnam to form a single market and single production base with focus on 20 major cities and 80 secondary cities. Through closer cooperation, Thailand together with CLMV can promote mutual growth in trade, investment and tourism which can further build on a stronger and healthier ASEAN economy. Consequently, Thailand is also strengthening its local economies in 18 provincial clusters and 76 provinces with high economic potential including agricultural, manufacturing, service and tourism by interlinking them with the EEC and numerous Special Economic Zones on the border towns of Thailand and its neighboring countries. The focus is on regionalization and free flow of products, services, capital, information and skilled labors through the upgrading of transportation and logistics.

Thailand is preparing itself for the future of the global economy by expediting its national plan focusing on physical and digital infrastructural upgrades while empowering its human capital and research capabilities. With the region touted as the next global engine for growth, Thailand is right on track in becoming an important part of Asia’s recipe for success.

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