

Thailand : Gateway to ASEAN for India

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Thailand : Gateway to ASEAN for India

- I. Why should India go to ASEAN?
- II. Why should India choose Thailand as the gateway?



I. Why should India go to ASEAN?

Economic Reasons

- **ASEAN is a new growth center of Asia**

Population

- **617 Millions**

GDP

- **2011; US\$ 2,185 Billion**
- **2012; US\$ 2,313 Billion**

GDP growth

- **2010, 7.8% ; 2011, 4.8% ; 2012, 5.7%**

Trade Volume

- **Exports: 2012, US\$ 1,252 Billion**
- **Imports: 2012, US\$ 1,218 Billion**

Investment

- **FDI inflow: 2011, US\$ 108; 2012, US\$ 107 Billion**

Tourist arrivals

- **2011; 81.2 millions**
- **2012; 83.8 millions**

I. Why should India go to ASEAN? (cont.)

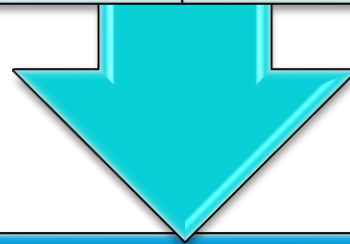
ASEAN is to become AEC by 2015, with freer flows of

Goods

Services

**Investment,
and**

Professionals



The mainland ASEAN (CLMVT) is bordered with South China, thus with very strong economic potential

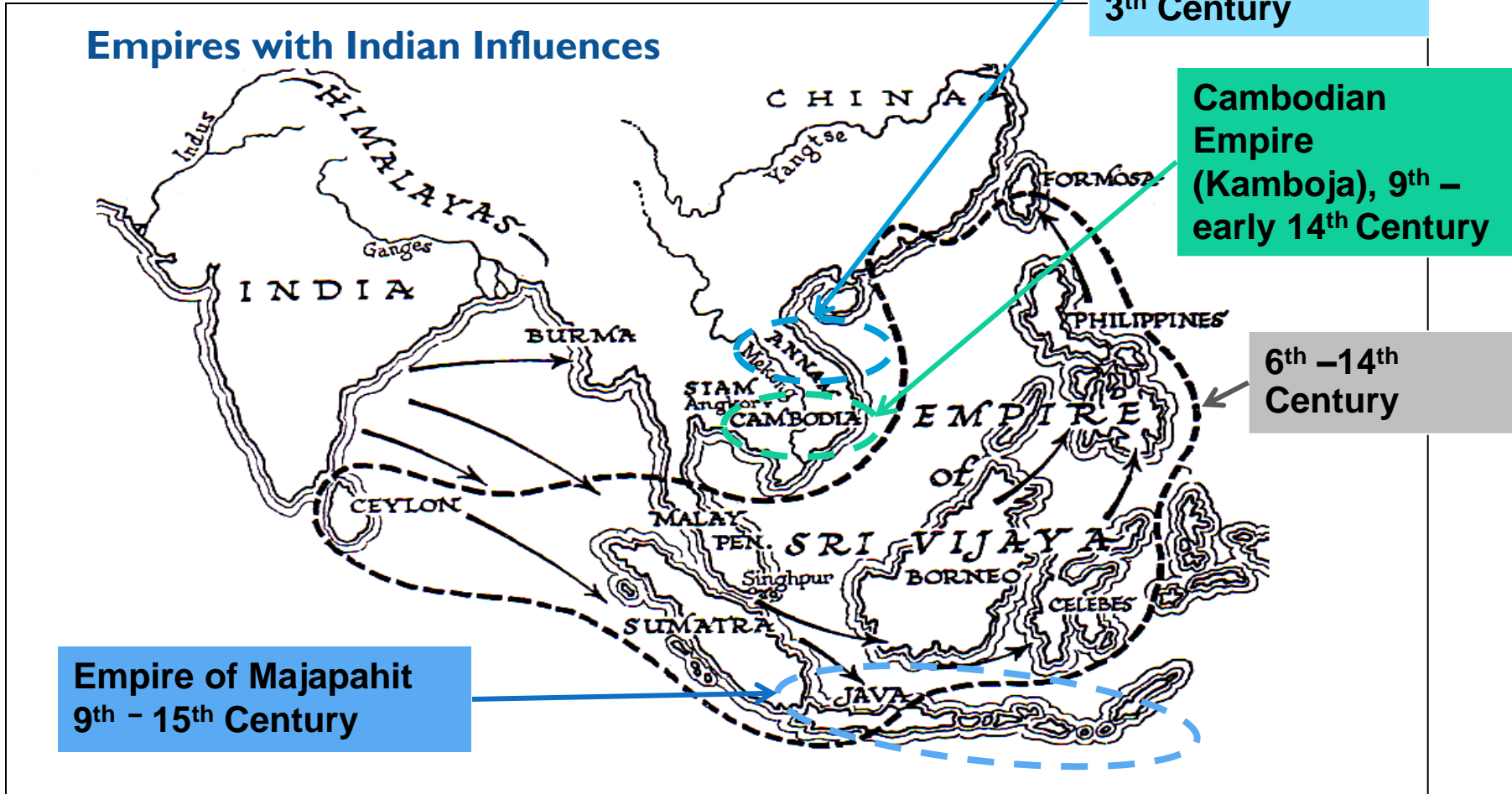
I. Why should India go to ASEAN? (cont.)

Historical / Cultural Reasons

- India had influences on SEA civilization before any others
- ASEAN civilization / development were influenced by
 - Indianization BC – 1500
 - Islamization 1100 – 1300 →
 - Sinification (Sinization) 1300 – 1800, 1900 – 1950
 - Colonization 1500 – 1950
 - Globalization 1950 →

I. Why should India go to ASEAN? (cont.)

▶ Indianization, BC - 1500



I. Why should India go to ASEAN? (cont.)

Several settlements with Indian connection developed into empires

- **300 - ≈ 700, Champa (Pandurangam) Empire, Hindu**
- **600 - ≈ 1400, Srivijaya Empire, Buddhist/Hindu**
- **900 - ≈ 1400, Khmer (Cambodia- Kamboja – Angkor) Empire, Hindu + Buddhist**
- **900 - ≈ 1500, Majapahit Empire, Buddhist / Hindu**

I. Why should India go to ASEAN? (cont.)

- Most famous monuments built during the 9th & the 12th century are the Angkor and Borobudur



- Many SEA countries have adopted stories of Ramayana



I. Why should India go to ASEAN? (cont.)

- ▶ **Indian influences started to decline from the beginning of the Colonization period (1510→)**
- ▶ **Islamization, 1100 -1300**
 - ▶ **Srivijaya / Jampa changed to become Muslim**
- ▶ **Sinification, 1300 – 1800 ; 1900 -1950**
 - ▶ **Trade led by Chen He (1406 – 1430) during Ming dynasty was dominant**
 - ▶ **Chinese influence started to decline during Colonization period (1510→)**
 - ▶ **1900 -1950, exodus of Chinese to SEA**

I. Why should India go to ASEAN? (cont.)

▶ Colonization (1500 – 1950)

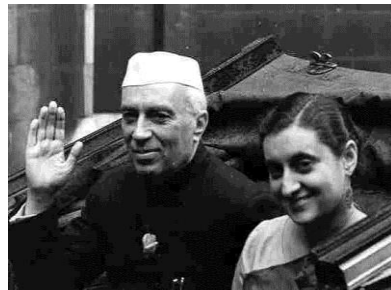
- ▶ Portuguese - Malacca
- ▶ Spanish - Philippines
- ▶ Dutch - Indonesia
- ▶ British - India, Myanmar, Malaysia, Singapore
- ▶ French - Vietnam, Cambodia, Lao

I. Why should India go to ASEAN? (cont.)

- ▶ **Globalization, from 1950**
- ▶ **SEA economic relations with other Asian countries followed the timing of market economy adoption**
 - ▶ **1960s → , Indonesia / Malaysia / Philippines / Singapore / Thailand with East Asia**
 - ▶ **1978, China began open economy**
 - ▶ **1990, Vietnam, Lao PDR, Cambodia, Myanmar**

I. Why should India go to ASEAN? (cont.)

- ▶ 1991, India introduced major economic reform in 1991



The world's top-10 economies (% of world GDP)

Country	Today	Country	2050	Country	1820
US	26.7	China	18.5	China	28.7
Japan	8.4	US	16.5	India	16.0
Germany	6.0	India	12.0	France	5.4
China	5.9	Brazil	4.8	England	5.2
UK	5.2	Indonesia	3.5	Prussia	4.9
France	4.7	Japan	3.1	Japan	3.1
Italy	3.9	Mexico	3.0	Austria	1.9
Spain	2.6	Russia	2.7	Spain	1.9
Canada	2.5	UK	2.3	US	1.8
Brazil	2.3	Germany	2.3	Russia	1.7

India --- the third largest economy in 2050?

⇒ Strong potential for trade and investment with ASEAN

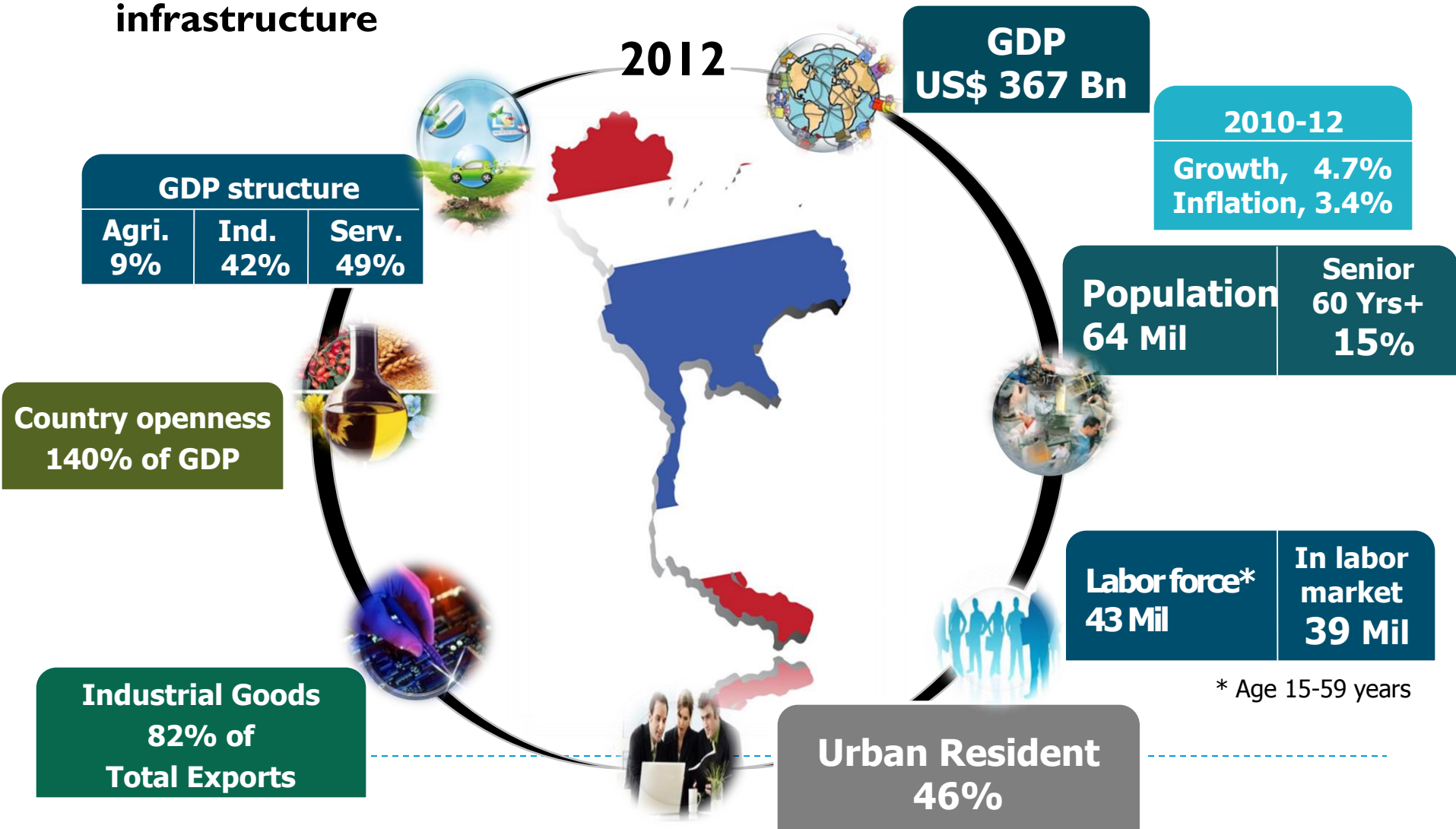
⇒ With historical/ cultural relations with SEA

➔ India's going back to the future!

Source: World Bank/Angus Maddison, *The World Economy: Historical Statistics* OECD/PricewaterhouseCoopers/Milken Institute/Goldman Sachs

II. Why should India choose Thailand as the gateway?

- ▶ Thailand is a middle-income medium size open economy with good infrastructure



II. Why should India choose Thailand as the gateway? (cont)

Thailand is moving towards new investment mode and major structural changes for

Economic Sustainability

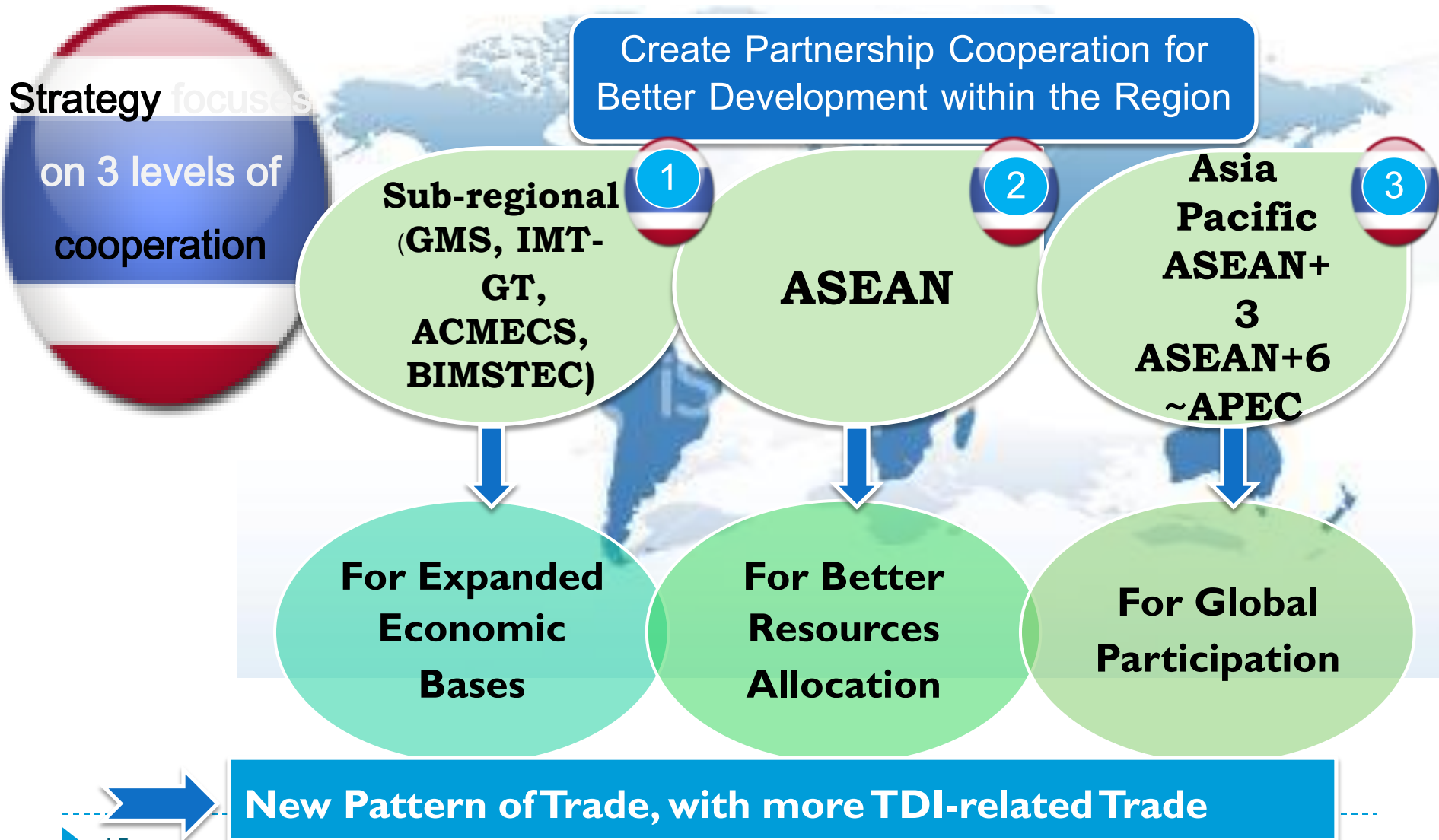
Eco-Friendly, and

With Cultural Bases

- ▶ **Major structural changes towards**
 - ▶ **More integration with GMS, ASEAN, East Asia and South Asia +ME**
 - ▶ **Higher value added industry and agriculture**
 - ▶ **Further development of services sector, using location advantage**
- ▶ **Investment in**
 - ▶ **Water management system, US\$10B, in 2013/14**
 - ▶ **New infrastructure to improve logistics including, with GMS and ASEAN, US\$ 75 B, during 2013-2018**

II. Why should India choose Thailand as the gateway? (cont)

Strategy for regional connectivity and economic & social stability

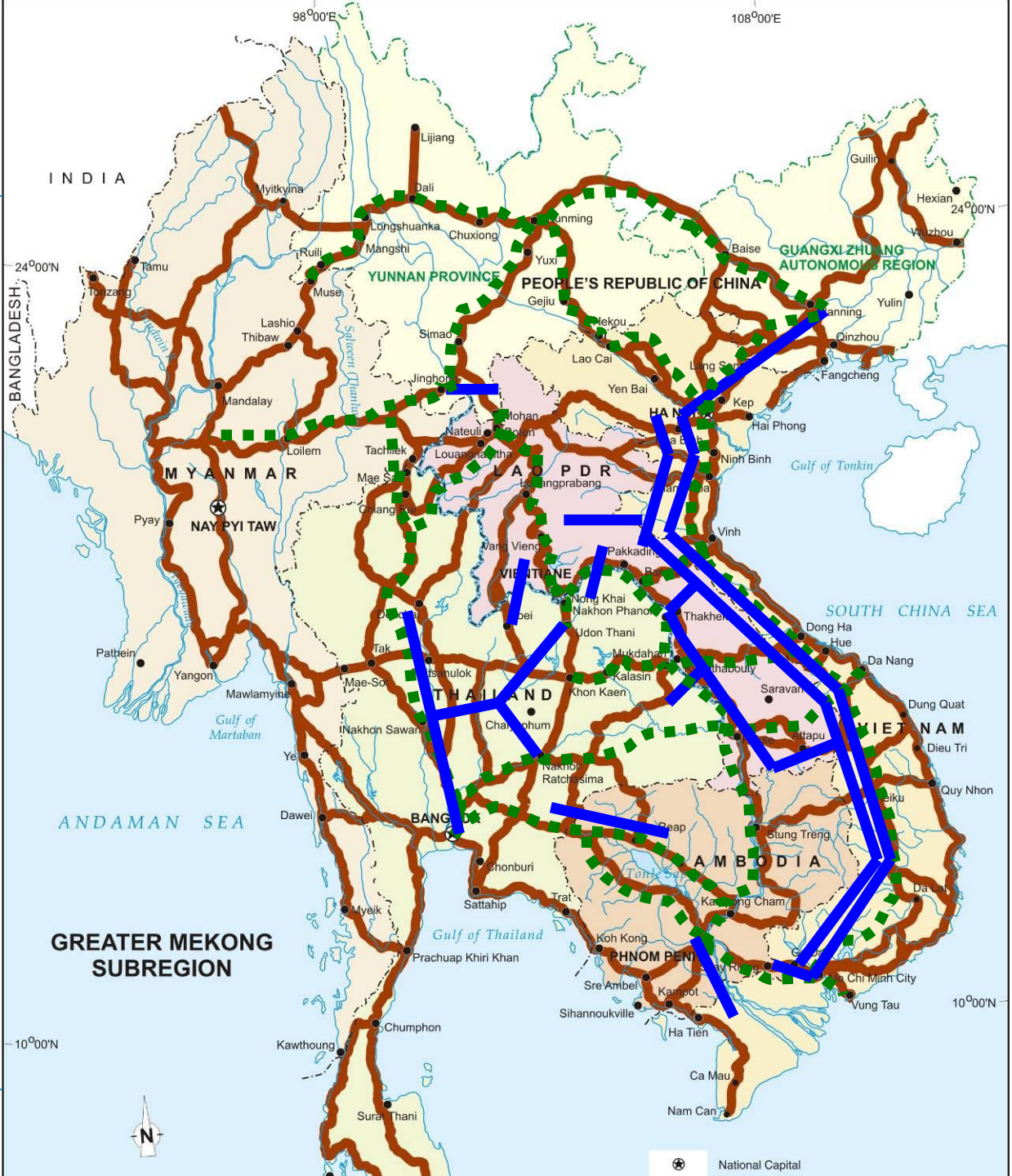


II. Why should India (cont)

Subregional Connectivity in the GMS: 2015

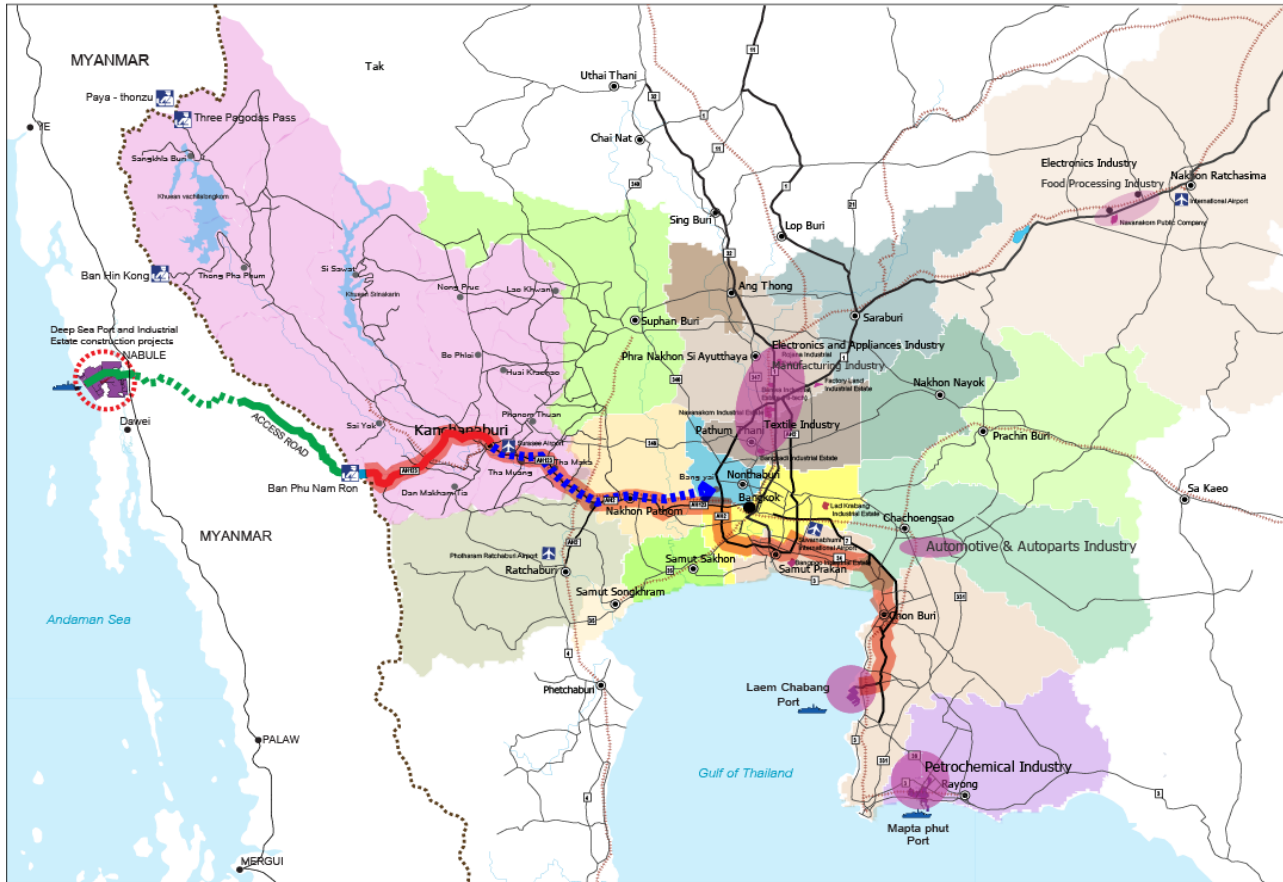
-  Roads
-  Telecommunications
-  Power Transmission Line

“In the future, we will see more infrastructural connectivity within the sub-region, including transport, telecommunication, power lines and energy.”



II. Why should India choose Thailand as the gateway? (cont)

Road Link between Laem Chabang Sea Port and Dawei Sea Port

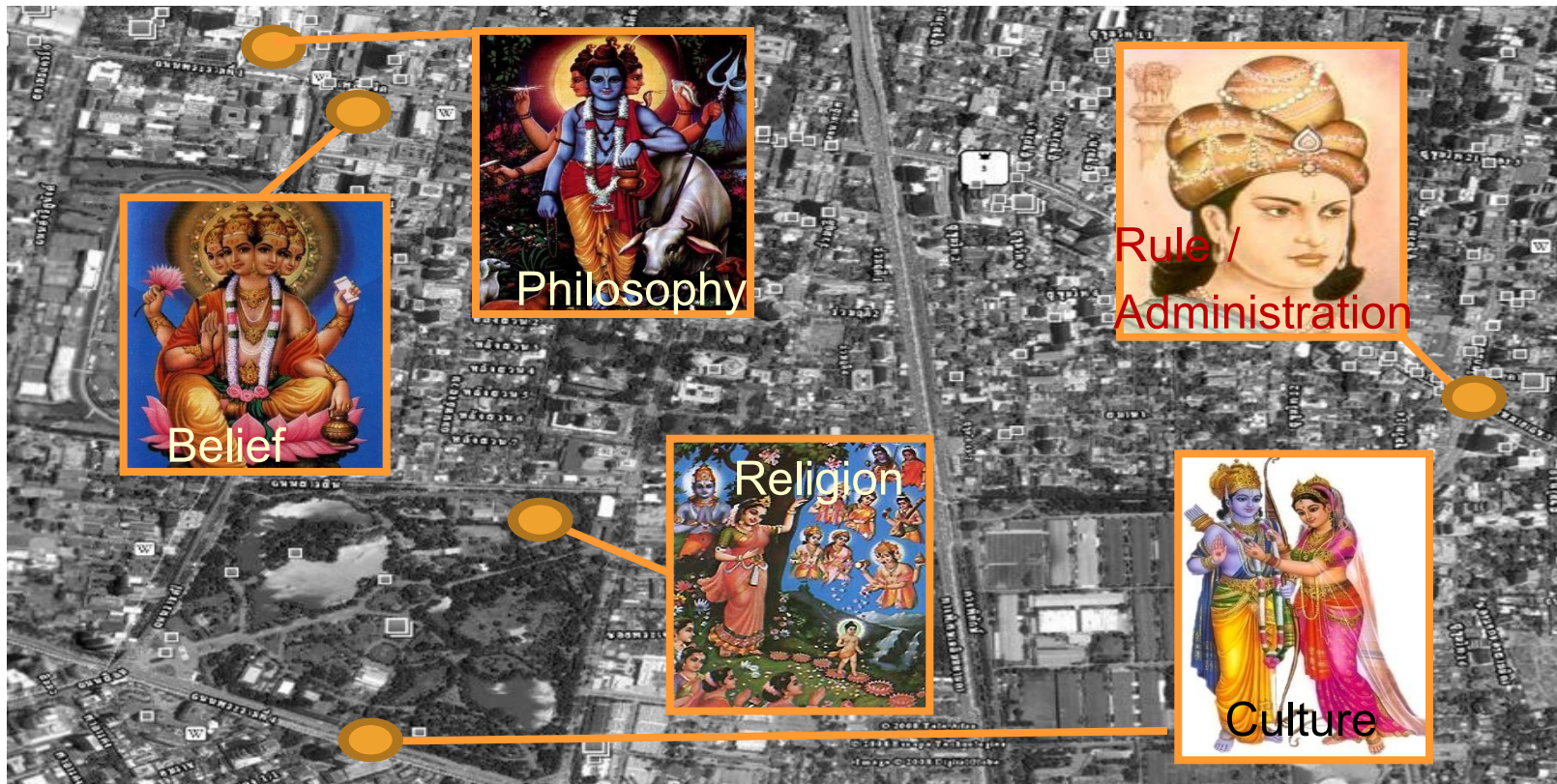


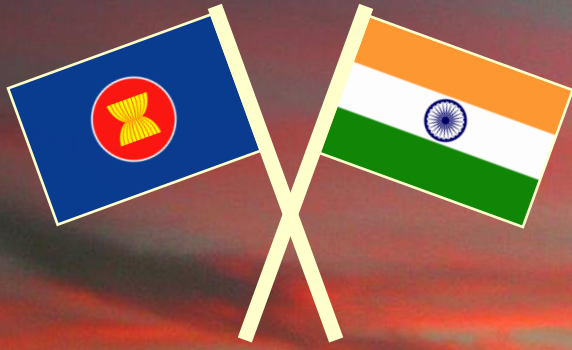
- - - ACCESS ROAD between Tavoy - Pu Nam Ron
(the middle section is under trail blazing process)
- Road between Pu Nam Ron - Thai-Myanmar border, total length of 4.4 Km. (the last 600 m. under construction)
- Road between Kanchanaburi - Pu Nam Ron, total length of 76 Km. (completed)
- - - Motorway NO.81 between Bangyai - Kanchanaburi, total length of 98 Km. (yet to be constructed)
- Road between Thai-Myanmar border - Pu Nam Ron - Route 323 Route 4 Route 338 -
- Western Ring Road - Southern Ring Road - Route 34 - Route 7 connected to Laem Chabang Port
- Border Crossing

Remarks :
Total of 43 border crossings at Kanchanaburi
The distance between NABULE and TAVOY is 34 Km.

II. Why should India choose Thailand as the gateway? (cont)

- ▶ Last strong reason,
 - ▶ Is Thailand the most Indianized among all ASEAN countries?





Thank You

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