

## A Comparative Study of the National Strategic Plan of the Ministry of Commerce of Thailand and China

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### Abstract:

With the accelerating process of world economic integration, China's trade with the rest of the world has become increasingly close, which has not only promoted the development of the country, but also promoted the economic development of neighboring countries. In particular, the implementation of the strategy along the way, for the ASEAN countries, is an opportunity for development. As a major country of ASEAN, Thailand has always maintained good cooperative relations with China. Especially in terms of trade and commerce, China imports a large amount of agricultural and sideline products from Thailand every year, and Thailand will also introduce industrial products from China. It can be said that China is very friendly to the ASEAN countries headed by Thailand, and it provides a large amount of loans every year. Domestic companies have also settled in Thailand, and Thailand has become the most familiar investment destination for Chinese companies. This paper examines the differences and linkages between the national strategic plans of Thailand and China's Ministry of Commerce through a comparison of the national strategic plans of the Ministry of Commerce of Thailand and China, and hopes to provide reference for relevant industries.

### Keywords: Thailand; China; Ministry of Commerce

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### Introduction:

China and Thailand are both developing countries and their geographical location is relatively close. In the process of development, China attaches great importance to promoting the development of neighboring countries. In the recent years, it has formulated and implemented the Belt and Road Initiative. It hopes to achieve common development with neighboring countries. Thailand and China have always had close business contacts and have the basis

for cooperation. condition. To this end, the Ministry of Commerce's National Strategic Plan also actively responds to the content of the Ministry of Commerce's National Strategic Plan in the process of formulation and implementation, and hopes to achieve common development with China, thus creating a good situation of mutual benefit. Therefore, this paper studies the comparison of the national strategic plan of the Ministry of Commerce of Thailand, and analyzes the links and differences between the national strategic

plans of the two ministries of commerce, which will help deepen the understanding between the two countries and thus achieve better business cooperation.

### **1. Research background of the National Strategic Plan of the Ministry of Commerce of China and Thailand**

Since entering the 21st century, China and Thailand have established good business relations. In 2014, Thailand experienced an economic and political crisis. At this time, China gave Thailand encouragement and help. This is a friendly relationship between the two countries. Specific performance. At that time, the Thai Minister of Commerce once said: "China has always encouraged and believed us." As he said, Premier Li Keqiang, after the economic crisis in Thailand, took a special plane to Bangkok, the capital of Thailand, to attend the meeting of leaders of the regional economic cooperation organization. During the meeting, the Thai Prime Minister, Ba Yu, witnessed the signing of the Memorandum of Understanding on Sino-Thai Railway Cooperation and the Memorandum of Understanding on Sino-Thai Agricultural Trade Cooperation<sup>[1]</sup>.

At the 2014 Apec summit, Chinese leaders proposed the Interconnection Development Initiative. Since then, China's business national strategy has gradually tilted toward Southeast Asian countries. The Chinese government decided to provide US\$1 billion in support for the construction of the Greater Mekong Subregion's key interconnection projects after the meeting<sup>[2]</sup>. At the same time, China Development Bank will provide up to 10 billion US dollars of special loans for China-ASEAN infrastructure construction. This part of the loan will not only support infrastructure construction, but also help domestic enterprises to invest in ASEAN.

At the same time, China will also provide preferential loans to ASEAN countries and welcome the declaration of ASEAN countries. At the same time, the Asian Infrastructure Investment Bank will be established to address the funding gap for regional business interoperability.

Thailand is China's most important overseas investment destination and is very attractive to

Chinese companies. The Minister of Commerce of Thailand believes that China and Thailand have a high degree of consistency in their views and objectives in the national strategy of the Ministry of Commerce. For example, when interviewing the Thai Minister of Commerce, "Taiwan Oriental Weekly", the Thai Minister of Commerce said: Thailand is in the period of reform and development, and political reform and economic reform need to be carried out simultaneously. Since the outbreak of the world economic crisis in 2008, both the Thai and Chinese economies have been created by the people. China is weaker because of its strong strength, while Thailand is seriously affected. In this context, Thailand has formulated and implemented the business country strategy is more focused on providing better services for domestic and foreign economic and trade investment, and promoting the development of the local economy to the greatest extent.

### **2. A comparative study of the national strategic plans of the Ministry of Commerce of Thailand and China**

#### **(1) Main contents of the National Strategic Plan of the Ministry of Commerce of Thailand**

At this stage, the Ministry of Commerce's national strategic plan formulated and implemented by Thailand includes the following aspects: ① tapping the national economic potential and promoting the development of the domestic economy; ② improving the competitiveness of domestic SMEs; ③ Optimize the tax structure and reduce the tax rate; ④ Provide support for import and export business.

From the perspective of strategic measures, Thailand will actively explore new markets, strengthen trade with neighboring countries, and open several special economic zones at the border while maintaining the original market base.

Secondly, improve the status of the country in ASEAN, strengthen its role, attach importance to the improvement of the transportation system, provide support for the surrounding trade, promote the development of border trade, and continuously improve the level of domestic human resources

management.

In terms of international trade and investment, Thailand's cooperation with other countries is based on the principle of welcoming, attaches importance to cooperation, and attaches great importance to negotiations under the WTO<sup>[3]</sup>. Thailand will strengthen its relationship with its partners in the future and will show the results of the negotiations in a short period of time. Other countries are welcome to invest in Thailand. It can be seen that in the National Strategic Plan of the Ministry of Commerce of Thailand, the provision of international laws and regulations and convenience for international trade and investment is the key content.

## **(2) Main contents of the National Strategic Plan of the Ministry of Commerce of China**

At present, the One Belt and One Road Plan is a comprehensive strategic plan implemented by China. This strategic plan covers various fields and benefits many countries along the way. Behind the seemingly tall, many things are visible and tangible. China hopes that through this strategic plan, it will promote the economic development of domestic and developing countries and seek real benefits for the people.

① From a domestic perspective, in order to implement the implementation of the Belt and Road Initiative, China and overseas countries have cooperated to build a number of terminals. For example, the Port of Montreal in the Mediterranean is the representative of this, and this terminal will become a future in Asia. The interconnection of the European region is conducive to the smooth implementation of the Strategic Plan of the Belt and Road. The COSCO Group, which undertook the construction of this terminal project, once said that under the background of the changes in the world economic crisis and the global shipping trade pattern, the pressure faced by enterprises is enormous, and the Belt and Road Initiative is a major measure to stimulate the domestic economy and even the development of the world economy. Create favorable conditions for the development and optimization of global shipping.

The implementation of the Belt and Road Strategic Plan will help China rationally allocate resources and open up overseas markets to provide an inexhaustible driving force for domestic economic development. As we all know, investment has always been an important means of stimulating China's economic growth. In the past, most of China's investment was concentrated in the domestic market, but at present there is a contradiction between excessive investment growth and saturation of the domestic market, which undoubtedly caused domestic economic development.

The Belt and Road Initiative focuses on the construction of infrastructure. The infrastructure mentioned here mainly refers to transportation facilities, such as airports, railways, terminals, etc. The purpose is to link the transportation infrastructure along the Belt and Road countries as a whole. Maintaining interconnection and interaction will enable domestic demand to be stimulated, increase foreign investment, promote the transformation and upgrading of domestic industrial structure, and promote the development of secondary and tertiary industries.

At the same time, China's One Belt and One Road strategic plan will further deepen the degree of opening up and actively implement a more open strategy. The Belt and Road Initiative strategic plan can also coordinate the development relationship between coastal cities and inland cities, and change the problem of excessive urban disparity. The main reason is that in the context of the implementation of the Belt and Road Initiative, the Midwestern cities will become transit stations. Concentrating a large number of resource elements is an opportunity for development in the central and western cities, which is conducive to the rapid development of cities in the central and western regions.

② From an international perspective, the Belt and Road Initiative strategic plan is also an opportunity for development for countries along the route. In order to promote the implementation of the strategy, China will provide a large number of preferential loans for countries along the route. This is also an important support for the construction of the Belt and Road. The

infrastructure construction of the Belt and Road Initiative will allow countries along the route to interact and connect with each other, and their development strategies will gradually In agreement, these countries will be more open to achieve development, and introduce preferential policies to attract investment, which will increase the employment rate and economic development level of countries along the route. For example, the Thai Deputy Prime Minister once said: Thailand is very recognized and supported by China's Belt and Road strategic plan. It highly praises China's role. He believes that the Belt and Road Initiative will improve Thailand's transportation infrastructure and help Thailand.

### **(3) The same point of the National Strategic Plan of the Ministry of Commerce of China and the National Strategic Plan of the Ministry of Commerce of Thailand**

The National Strategic Plan of the Ministry of Commerce of China and the National Strategic Plan of the Ministry of Commerce of Thailand have close ties. They can strengthen trade and cooperation between the two countries and help promote the common development of the two economies. They are manifested in the following aspects:

① The strategic plan of the two countries is highly consistent in promoting the development of the e-commerce industry.

At the first China International Import Expo, a subsidiary of Hong Kong Jingwei Group signed a letter of intent for cooperation with the Ministry of Commerce of Thailand. The purpose is to promote Thai SMEs to reduce Thai goods into China through e-commerce platform kjt.com and cross-border supply chain services.

#### **The Process of The Market**

This strategic cooperation reflects the consistency of China and Thailand in the objectives of the business strategy plan. China has implemented the Belt and Road National Development Strategy Plan in recent years, hoping to expand the level of import and export

through the implementation of this strategic plan. Achieving equal trade exchanges has prompted the products of the countries along the Belt and Road to flow into China. At the same time, the implementation of the Strategic Plan of the Belt and Road Initiative will help promote the development of the Thai economy. Taking the above cooperation as an example, the signing of the above-mentioned cooperation letter of intent has created for Thailand. A large number of employment opportunities are undoubtedly important measures to solve the current problems in Thailand. At the same time, they have also played a very important role in promoting the innovation and development of local Thai enterprises, helping Thai SMEs to adopt innovative ways of trading through e-commerce platforms. Entering more featured products into China will enable China and Thailand to achieve a win-win situation<sup>[4]</sup>.

As we all know, China is the most populous country in the world, has a very broad market, and China has the world's largest cross-border e-commerce market, and encourages other countries and enterprises to settle Thailand and Hong Kong Jingwei Group's subsidiary reached a cooperation intention, which will help the development of the Thai e-commerce industry and other industries<sup>[5]</sup>. The main reason is that Thailand can use kjt.com to conduct e-commerce business on a global scale, quickly importing goods into the international market, and also including the Chinese market. The advantages of Thailand have been analyzed in the above, and this cooperation has also played a crucial role in China's economic development. In the period of imperfect development of cross-border e-commerce business in Thailand, it is very troublesome for Chinese companies and individuals to purchase Thai goods. They must go to Thailand to purchase them themselves, and they need to be inspected by customs. The cumbersome process has discouraged many enterprises and individuals. This is limited by the development of companies that purchase Thai products as their main business<sup>[6]</sup>. This situation has been improved after the establishment of the cross-border e-commerce platform. Based on kjt.com cross-border e-commerce business solutions, it

will maintain its own bonded tax, merchandise display, customs settlement, online and offline sales channels, customs settlement and port services. The integration of business has reduced the flow of Thai goods into the Chinese market and promoted the development of some domestic enterprises. In addition, in order to further deepen the business cooperation between the two countries and promote the development of the e-commerce industry in Thailand, the Ministry of Commerce of the People's Republic of China has created favorable conditions for Thai products to enter the Chinese market through the implementation of new policies and tax incentives in the national strategic plan. The implementation of the new policy aims to promote the development of cross-border trade and help the formation of the Thai e-commerce industry chain. The specific performance is to reduce the negative list and reduce the difficulty of market access. The cross-border e-commerce transaction limit has also increased by 3,000 yuan / single, from the original 2,000 yuan / single, to 5,000 yuan / single. The Belt and Road Initiative is an important national strategic plan for China's new era. It simplifies the original import rules and regulations. Chinese President Xi Jinping announced at the Expo that China's value of importing overseas goods in the next 15 years is about 30 trillion US dollars, this is undoubtedly an opportunity for development<sup>[7]</sup> for the Thai e-commerce industry.

According to the statistics, the level of Internet economic development in Thailand ranks high in Southeast Asia. In 2018 alone, the output value of the Internet economy in Thailand reached 12 billion U.S. dollars, accounting for 15% of the total output value of the Internet economy in Southeast Asia. 2018 Thailand's GDP is 400 billion US dollars, so the Internet economic output value accounts for 2.7% of Thailand's overall economy. It can be seen that there is still huge room for development in Thailand's Internet economy. Therefore, the Ministry of Commerce's National Strategic Plan and China's Business the Ministry of National Strategic Plan has a high degree of consistency in promoting the development of the e-commerce industry<sup>[8]</sup>.

②The national strategic plans of the Ministry of Commerce of Thailand and China attach great importance to opening up to the outside world.

Since the reform and opening up, China has always been an important part of the national strategy and has opened up the southeast coastal cities. After entering the 21st century, it not only opened up the southeast coastal cities, but also opened border ports. The purpose is to attract foreigners. Investment to promote domestic economic development. There is no need to go into details about the achievements of domestic opening up. In the past few years, Thailand and China have reached a trade plan and plan to reach a trade quota of 100 billion in the next year. However, under the influence of various factors, this goal has not been achieved, but it has also achieved good results, as shown in Thailand. Based on its geographical advantages, it has implemented a strategic plan for opening up to the outside world, and through the improvement of transportation infrastructure, established a transportation network with neighboring countries to promote the flow of goods in Southeast Asia and East Asian countries, thus attracting a large number of investment companies<sup>[9]</sup>. In addition, Thailand has signed free trade agreements with many countries around the world and decided to set up special economic zones at the border. This development strategy is highly consistent with China's reform and opening up strategy. As of 2015, Thailand's open border special economic zones, the number for 12, this has played a very important role in the economic development of Thailand. In order to strengthen the implementation of the opening-up strategy, the Thai government has introduced a series of preferential policies to attract foreign companies to invest.

③The National Strategic Plan of the Ministry of Commerce of Thailand and China attaches great importance to the training of talents

Talent cultivation has always been an important part of China's national strategic development plan. Since the reform and opening up, China has made talent cultivation an important national development strategy, and has established 985 colleges and 211 colleges to

cultivate more quality. Talent. After entering the 21st century, with the continuous development of the Internet economy, the demand for Internet technology talents has been increasing. To this end, China has formulated an Internet talent training program based on actual conditions, encouraging universities to open Internet majors and cultivating Internet talents. Meet the needs of domestic development. The effect achieved is very significant, and it has delivered a lot of fresh blood for the development of domestic Internet companies. In recent years, Thailand has also launched the National Strategic Reserve Talents Training Program. It plans to cultivate a large number of talents within five years to meet the needs of industrial development and promote the innovation and development of domestic universities. According to the information, the Thai government has fully implemented the strategic plan for rejuvenating the country through science and education. In the next five years, it plans to invest 14.2 billion baht for the planning. According to the plan, the average domestic university in Thailand needs to train 56,000 talents with bachelor degree or above. Not only that, Thailand attaches great importance to the cultivation of professional and technical talents, encourages vocational colleges to open new majors, and cultivates technical talents<sup>[10]</sup> that meet the actual needs of enterprises by modifying the syllabus.

#### **(4) Differences between the National Strategic Plan of the Ministry of Commerce of the People's Republic of China and the National Strategic Plan of the Ministry of Commerce of Thailand**

According to the above analysis, the National Strategic Plan of the Ministry of Commerce of China and the National Strategic Plan of the Ministry of Commerce of Thailand have similarities in many aspects. However, due to the different levels of economic development and national conditions between the two countries, the national strategy of the Ministry of Commerce between the two countries. There are still some differences in the plan. Next, the author will elaborate on these differences.

① The national strategic plans of the Ministry of

Commerce of the two countries have different priorities

According to the above analysis, both China and Thailand attach great importance to the development of the domestic economy, but the national strategic plans formulated by the two countries differ in their respective priorities. Going out, introducing and technological innovation and other development strategies have become the focus of China's national strategy, and the one-way and one-way plan currently being implemented is the best embodiment<sup>[11]</sup>. While the strategic development plan formulated by Thailand has also mentioned going out, the going out and the going out of China's national strategy here are different in meaning. Going out in China's national strategic plan is encouraging. Enterprises invest abroad, set up factories abroad, and export goods locally. And Thailand's going out is only a simple commodity output<sup>[12]</sup>. The reason is mainly because the industrial base of Thailand is relatively weak, there is a lack of large-scale companies with strength in China, and there is no strength to implement the strategy of going global. Secondly, after years of development, China has already possessed a complete industrial system. The dependence on foreign technology has gradually declined. To achieve further development, it is necessary to make breakthroughs and innovations in existing technologies. Therefore, technological innovation is an important strategic plan<sup>[13]</sup>. While Thailand is re-entering the old road of China's development and does not have the ability to innovate in technology, the introduction of technology and the improvement of the domestic industrial system are its most important strategic plans. It can be seen that although both China and Thailand have emphasized "introduction and going out" in their strategic plans, the meanings of the two are different.

②The difference between Thai and Chinese in talent training programs and the reasons

The talent training plan is the same point and different point of the national strategic plan of the Ministry of Commerce of the two countries. The same point has been discussed in the above. Next, the author will discuss the differences between the two. First, in

terms of investment in talent training, there is an insurmountable gap between the two countries. The author saw a statistical data a few days ago. This statistical data has been used to count the research funding of 985 colleges and universities nationwide, ranking first. The college is Tsinghua University, and its research cost has reached 17 billion yuan. It can be seen that the research cost of a college in China is much higher than the total investment of the Thai talent training program<sup>[14]</sup>. Secondly, there are differences in the direction of talent training. At this stage, China attaches great importance to the cultivation of professional talents. According to the above analysis, Thailand attaches more importance to the cultivation of higher-level talents, while the emphasis on professional talent training is relatively low. The reason is mainly because the differences in the development level between the two countries are obvious. Thailand obviously needs more highly educated talents to improve the level of domestic development. Coupled with the low level of industrial development in Thailand, there is less demand for professional and technical personnel<sup>[15]</sup>.

③ The difference in the national strategy of the Ministry of Commerce of Thailand and China

According to the above analysis, although the National Strategic Plan of the Ministry of Commerce of Thailand and the National Strategic Plan of the Ministry of Commerce of China are focused on the economic development of the country, China is more concerned about the economic development of the world and other countries than Thailand. Specifically, China will promote the economic development of other countries by increasing the import quota and providing preferential loans. The strategic plan of the Ministry of Commerce of Thailand does not reflect the relevant content. Due to the limitations of strength and national conditions, Thailand's development of its own economy is not enough. It is difficult to consider the economic development of other countries, and China's strategic plan for the Belt and Road Initiative has a very large pattern, which can be said to cover the Eurasian continent. Once this strategic plan is implemented, it will inevitably promote the overall

economic situation of the world. Change For the Southeast Asian countries headed by Thailand, the benefits are enormous. The reason is mainly in the international trade, Thailand mainly plays a passive role, and China Ze plays an active role, which determines the starting point of the two countries' strategic business plan. China hopes to adopt a strategic plan for the country and the people of the countries along the line seek benefits, while Thailand will only consider the development of the country. In short, the National Strategic Plan of the Ministry of Commerce of China not only promotes domestic economic development, but also enhances China's influence in the Asia-Pacific region, and the Thai Ministry of Commerce's strategic plan clearly does not have the same effect.

### **3.Conclusion:**

In summary, this paper studies the similarities and differences between the two countries in the national strategic plan of the Ministry of Commerce through the comparison of the national strategic plans of the Ministry of Commerce of Thailand and China, and analyzes their causes. The field provides a reference.

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