



SOUTH WIND

THE ROTARY CLUB OF BANGKOK SOUTH

Charter Granted August 7, 1961



DISTRICT NO. 3350

The Pan Pacific Hotel 21st Floor, 952 Rama IV Road, Bangrak, Bangkok 10500, Thailand.

Luncheon Meetings: Every Friday 12.15 p.m. at the Pan Pacific Hotel Tel : 0 2632-9160 Fax : 0 2632-9161.

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Today: Gerard Geraets
Change Management

No 3396

rotarybangkoksouth.org

13 May 2011

John Evans

Direct foreign Investment in Thailand



John Evans caught our attention when he asked an innocent question... why we live in Thailand...

While many seemed eager to share one idea, the answer, at least the one best leading into his talk, was that we are here because Asia is the world's engine for economic growth and that over half (52%) of the world's population live within a five-hour flight from Hong Kong.

In addition, he added, GDP grew by over 7%+ in South, Southeast and East Asia (excluding Japan) in 2010, saw 166% outward investment growth flowing out from Asia offset by 54% inward investment growth and reflected by the fact

that over 480 of the Fortune 500 companies have a presence in the region. Moving from there, he went on to divide his talk into three distinct economic, trading and investment blocs – South Asia lead by India, Southeast Asia lead by ASEAN and East Asia led by China.

India, rapidly being transformed

Beginning with India and a pattern in which he first described perceptions followed by reality, he painted a picture of India as the call centre and back office of the world suffering from insufficient infrastructure.

The reality is that while 52% of the labour force is in agriculture and roughly 34% in the service sector, India is quickly becoming a cost effective manufacturing location for the global marketplace, with some of the lowest wages for manufacturing. While he agreed

infrastructure is insufficient, the government is rapidly building it as they have seen the success enjoyed by China's economic model.

Vietnam, the darling of the region

Vietnam, he suggested, was historically xenophobic, a location for low cost manufacturing and an easy place to do business with industrious hard working people.

The reality does not seem far off, although insufficient infrastructure, Chinese-style bureaucracy and an unstable currency make it risky. In addition, he suggested rampant speculation and consumerism currently driving up prices for everything from real estate to coffee is a concern.

Cambodia, economic growing pains while being weaned from the teat

Often seen as a 'Mecca' for

NGOs and an economy propped up by multilateral donors with tightly autocratic controls but open for Free Wheeling 'Wild West' business, the reality is that although Cambodia is the freest economy of the Least Developed Nations as determined by the UN, it ranks 158 out of 180 countries in transparency.

Indonesia, modernizing and in transition

Politically stable since 1997, huge resources both natural (minerals) and human along with pent up domestic market potential, but the largest Muslim population in the world has been a historic detractor to many, but what is under the veil is worth examining.

Accordingly, John suggested that its politically stable with a peaceful transition to democracy makes Indonesia a real contender for investment.

Continued on page 3



Rotary Lunch in Pictures



The Dutch share a glass of communal wine



Rtns Adrian and Marco heading into lunch...



A Presidential sandwich



PP Manu and Rtn Volker talking about water...



Taking a short break from Program duties...

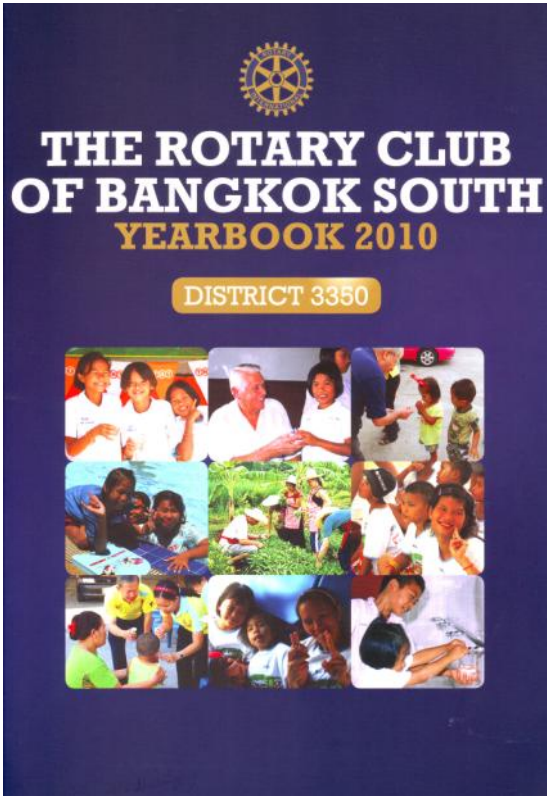


All dressed up, each in his own way, with somewhere to go





BANGKOK SOUTH 2011 YEARBOOK



Dear Fellow Rotarians

Production of our annual Yearbook is now underway, with the 2011 edition due to come out by our Installation Dinner on 24th June.

The book is again being published by Rtn Ravi Sehgal's company, with direct printing and production costs covered by sale of advertisements (Ravi very kindly absorbs indirect costs).

We seek your help in covering these direct costs by taking out an ad, either corporate or personal, in the Yearbook. It can be a commercial ad, or simply one congratulating outgoing President Andrew and incoming President Mark and their teams.

Prices for colour advertisements are:

Back Cover	THB 30,000
Inside Front Cover	THB 25,000
Inside Back Cover	THB 20,000
Full Page	THB 15,000
Half Page	8,500
Quarter Page	5,000

You may shortly be contacted by Ms Pallavi Gupta from Ravi's company seeking an ad, and your favorable consideration of

To book space yourself, or for more details, please contact Ms Pallavi on 082 784 5727 or pallavi.gupta88@gmail.com

Yours in Rotary

Gareth Marshall
Communications Director 2010-11

From the cover...

In addition, its improving education system and large workforce make it a viable alternative for manufacturing, the only detractor is its geographic position and the increase in supply chain cost.

China, the proverbial 900

Pound Gorilla

Perceptions of China, not surprisingly included the world's factory, a source of endless cheap labour, burgeoning domestic market and of course, a strong government influence or Dictatorial Capitalism.

While he mentioned a num-

ber of factors concerning China, most interesting were his comments about the desirability of shorting China as all good things must come to an end, "the economy is at full speed now, but is on the edge, running budget deficits, rampant wage inflation, muzzled social unrest, a property bubble that dwarfs

the US mortgage crisis in 2009..."

Finally, while John did touch on Thailand, it was clear his comments while extremely positive, also included the caveat that no one knows what is going to happen... Perhaps another important reason why many of us choose to live here...



info@PacificOrientationProperty.com

www.PacificOrientationProperty.com

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Khun Prakai's Club Almanac

No 3396

13 May 2011



Wedding Anniversary Greetings
PP Maarten Worp (18 May)

Attendance for 6 May 2011: 59%
Present 42, Make-up 6, Absent 31,
Leave 3, Exemption 29, Total 111

Visiting on 6 May 2011
Bangkapi: Sachdev Satpal

From Abroad

Ian Morris (Cipete Jakarta, Indonesia)
Cecil Hood (Waikanae, New Zealand)

Invited guests

Dennis Meseroll
PP Graham Brain
Mark Guthrie
Sukhavichai Dhanasunthorn
Dr John

Introduced by

Rick Smith
Rick Smith
Rick Smith
Chris Thatcher
Vinai Phutthinin

Recent Make-up

Manhattan Beach, 4 & 18/4/11: Tyrone Jenkins
Royal Hua Hin, 6/5/11: GN. Alex Mavro
Feldkirch 3/5/11: Elmar Lins

Make-up Credit

District Assembly, 1/4/11: PE Mark Butters, Rudy van der Hoeven

Incoming Service Project Committee, 26/4/11: David Record, PP David Sims, IPP John Quarmby, PP Gary Worthington, Volker Betsch, Chris Thatcher, Vince Shueh, Gary White.

Membership Committee, 4/5/11: PE Mark Butters, P Andrew MacPherson, PDG Praphan Hutasingh, PP Niti Meyer, PP Philip Baechtold, PP Vichai Tantrativud, PP Ole Madsen, Jon Plate

Club Calendar

20 May 2011 (Friday)
TBA

27 May 2011 (Friday)
British Ambassador

10 June 2011 (Friday)
Jean-Pierre Verbiest
How Rotary brought me on the steps of my ancestors

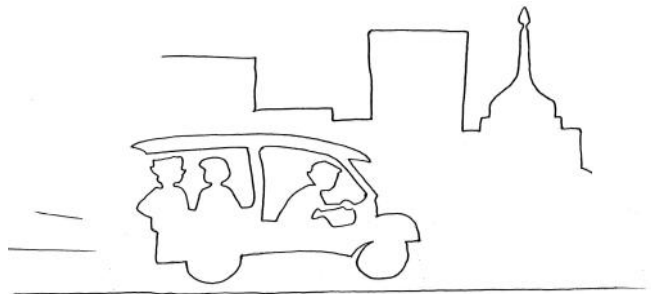
17 June 2011 (Friday)
ML Dispanadda Diskul
Sustainable Rural Development

24 June 2011 (Friday)
Installation Banquet
Oriental Hotel

South Mouth

A man went into a store and began looking around. He saw a washer and dryer, but there was no price listed. He asked the sales person "How much are the washer and dryer?" "Five dollars for both of them," the salesman said. "Yeah right, you've got to be kidding me!" the man replied sarcastically. "No, that's the price," the salesman said, "Do you want to buy them or not?" "Yeah, I'll take them!" the customer responded. He continued to look around and saw a car stereo system with a detachable cassette player, a CD changer, amplifier, speakers, and subwoofers. "How much?"

he asked. "Five dollars for the system," the salesman answered. "Is it stolen?" the guy asks. "No," said the salesman, "It's brand new, do you want it or not?" "Sure," the customer replied. He looked around some more. Next he found a top of the line computer with printer and monitor. "How much?" "Five dollars," was the familiar response. "I'll take that too!" the man said. As the salesperson is ringing up the purchases, the man asked him, "Why are your prices so cheap?" The salesman said, "Well, the owner of the store is at my house right now with my wife. What he's doing to her, I'm doing to his business!"



After Rotary... scoot over to Cosmos Academy for an educational afternoon...