

2016 KGSF Essay Contest

1. Introduction

"Time flies very fast and life must go on".

This is what people frequently said and the statement is absolutely correct.

Honestly, I cannot believe myself that it has been approximately two years since I graduated from KAIST Business School, which is located in the heart of Seoul, the capital city of South Korea. Many wonderful memories during my academic study are still in my mind including group assignments, class discussions and presentation, study overnight, preparation for exams, Korean language class, workshops, and more. Those are priceless, unforgettable and always beautifully bloom in my tiny world. What I learnt from this school is not just simply written in the textbook but much more than this. This I refer to the knowledge and practical experiences gaining from respective professors at KAIST since the real world is extremely complicated and sometimes hard to understand and unpredictable in the scenes that it keeps moving overtime.

2. Korea & KAIST: You Changed Me

"It was a brilliant past time".

During my study in Korea, I learned many aspects in terms of academic courses, social life and cultural experience. It gave me a golden opportunity to acquire knowledge and skills that I can use to make a significant contribution to my career development such as how to analyze macroeconomic and financial environments regionally and globally, prepare flash report (monetary policy, inflation, exchange rate, interest rate, etc.) and more. Everyday life in Korea changed me to a new person who is more independent, self-confident, open-minded, and respectful. I can responsibly work as a group or individual depending on assignments and professor's guidance. I was able to solve the problems at school and in the dormitory on my own and sometimes I asked for help from my classmates, room neighbours, Finance MBA Office or faculty members. I have also built a good relationship with my Korean friends and other international students from about 20 countries around the globe. We often shared our ideas, beliefs, knowledge, experiences, and cross-cultural issues for our mutual benefits through regular meeting and daily communication both in-and-outside the classroom.

I still remember that in the class of History of East Asian Economic Development I was really inspired by the history of Korean social and economic development, mainly the rapid economic growth in Korea so called "The Miracle of the Han River." What impressed me the most is the rich culture of Korea and Korean leaders who sacrificed for the development and prosperity of the nation and their future generation. Korean War (1950–1953) reminded me of the Khmer Rouge regime in Cambodia (1975–1979). This strongly inspired me to think about the future of my poor nation.

"It is time to share and learn, learn and share".

2-1. Knowledge sharing

After completion my study program, returned home in 2014, I was warmly welcomed to my workplace with many opportunities waiting ahead. As the central bank of Cambodia has been placing top priority for capacity building and knowledge sharing, I had a chance to make a presentation on my study outcomes in Korea in front of the bank's senior managements including the governor, deputy governor, director general level and the

head of Human Resources department. It was such a great time to show off my knowledge and skills, which have acquired from KAIST.

In the meeting room of the Governor's Office, there were my colleagues who graduated from developed economies such as Australia, New Zealand, Japan, and France and a group of bank supervisors who received a short-term professional training in Malaysia about risk-based supervision. Each of us was allocated for a maximum of 20 minutes for presentation to the management team followed by their questions. I confessed I was nervous at that time since it was the first time in my life to present such a thing facing high management level. It was even more uncomfortable when I realized that I was the only one who graduated from less popular study destination. However, this seemed to make me unique among other fresh graduates. At the end of my presentation, I was surprised to learn that they were interested in my presentation particularly about Korean economic development, history and culture. We all acknowledged that Cambodia and Korea have something in common which can be applied to the case of Cambodia at some points. One example is about the transformation of Korean economy to export-driven economy. This requires a massive factor of production.

During my presentation session, I was also requested to make another presentation to young employees working in various departments within the bank about my study program in Korea such as how to be awarded a scholarship, important academic lessons and soft skills to improve their careers. It was my great honor to be on the stage and disseminated knowledge that I learned from one of the most prestigious universities in Korea and this small nation to all participants. The knowledge sharing session was conducted for about two hours with active participation and many interesting questions on the related issues.

In fact, there are not many employees at the bank who have chosen Korea for their higher education study. Uncertainty about the possibility of tensions increase on the Korean peninsula between North and South is usually considered to be a big concern for the general public. They fear the Korean War would occur once again. Despite this belief, my management team has a long and clear vision about the future growth of Cambodia economy. Young staffs have always been encouraged to study overseas, especially in a country where it has similar past experiences, in the hope of gaining new knowledge, skills and experiences. This motive drives many employees to seek for personal development and institutional growth at the same time. For instance, the central bank has cooperated with the Industrial Bank of Korea (IBK), which has a representative office in Cambodia, to support three officials from the bank each year (started from last year) to training at Yeungnam University. We now have six employees who are currently studying a two-year Master's program at this school and many more will be coming to Korea from the next year onwards.

I also had many opportunities to attend seminars and/or workshops abroad. Most of these events require participants to share knowledge by doing a group presentation. A very fascinating workshop that I remember well was the one, which organized by the International Monetary Fund (IMF) - Singapore Regional Training (STI), held in Bangkok for two weeks. It was an amazing workshop since only CLMV (Cambodia, Lao, Myanmar and Vietnam) participants were invited to join the program. All Four Cambodian members in the team including myself did an excellent job in the presentation of the current challenges of Cambodia's economic and financial development by analyzing the key issues (infrastructure and human capital investment, health care system, financial literacy, etc.) and suggesting policy recommendations. Concurrently, I was very graceful to learn from other participants' economy. I found out that CLMV countries have been through similar phases of economic development and challenges, which are very useful for broadening my knowledge.

2-2. On-site application

Following the presentations for several months, I was transferred to the Department of Economic Research & International Cooperation and promoted as the Chief of Section in the Monetary and Financial Analysis Division of the department. My main duties and responsibilities are: 1- A member of Monetary Policy Team: Monitor, analyze and produce monthly report focusing on regional and domestic inflation, which is a part of Monetary Policy Report; 2- A member of Financial Stability Team: Monitor, analyze and make quarterly report concerning the recent developments of Cambodia's stock exchange, which is a part of Financial Stability Report; 3- Making assessment on macroeconomic and financial conditions in Cambodia by collecting data, making analysis, and forecasting macroeconomic variables such as inflation and GDP growth; 4- Participating in the formulation and implementation of monetary and exchange rate policies of the central bank; 5- Conduct monetary and financial market-related studies. Personally, I am really delighted to utilize everything learned from my graduate study (development history, economic theories, international finance, etc.) to advance my job. Building up my research ability in this department for about two years, I acknowledge that these tasks are challenging but tremendously motivating since it involves monetary and financial policy formulation, implementation and development as well as other associated policies.

One of the recent projects that we have done so far is a research study, in collaboration with Japan International Cooperation Agency (JICA), regarding to Cambodian people's behaviour toward domestic currency and the US dollar usage in the economy. This topic is very essential in the way that we are trying to develop an appropriate strategy in order to address dollarization issue as Cambodia is well known for a largely US dollar dominance in almost its business and financial transactions. We understand the positive and negative effects of this issue but the negative sides greatly outweigh the positive sides in the long run which should be carefully taken into consideration. We conducted a survey from a sample size of 2,273 households, 856 business firms, 10 commercial banks, 5 microfinance deposit-taking institutions (totally 1,290 offices and branches), and 86 moneychangers in 25 cities and provinces. After that we started to collect the data, make analysis, and interpret the results.

The study showed that the degree of dollarization is not homogeneous across the regions in the country. It is concentrated mainly in urban areas, where economic activities are more dynamic and exposed to foreign currency flows, especially in the capital city. In the rural and central areas, the local currency dominates in payments, price quotations and even as a store of value. The US dollar is generally used for large transactions and imported goods, or in modern markets, while the Khmer Riel is essentially used in small payment transactions (foodstuffs and in traditional markets) and in some large transactions in the agricultural sector. *For enterprises*, the degree is not necessarily dependent on its size; other factors such as geographic spread and income sources and borrowings are also important. *For financial sector*, it is more dollarized compared to the real estate sector, as around 90% of financial transactions operate in US dollar. The result comes from the fact that the financial institutions, whose source of funds is provided in foreign currency, tend to hold more US dollars against the risk of currency mismatch.

We then organized a seminar in this October with the objective of disseminating the survey results and seeking feedbacks/inputs from the public. The forum highlighted the current practice of how economic agents are using Khmer Riel and foreign currencies, the reasons behind each agent's decision to use each type of currency, and the important policy implications drawn from the survey results.

2-3. Continuous learning

Shifting from the Governor's Cabinet as an ordinary staff to Economic Research Department seems to provide me a very good fortune. I have become an important employee in the division getting many chances to upgrade my skills and knowledge about monetary policy and financial stability which are crucial for my personal and professional growth. I have attended various training courses, seminars, and workshops both in the local and international communities. It can be summarized as follows: (See the attachment for more trainings)

- *Co-operative Microfinance*: The two-week training course was conducted in Malaysia at Co-operative College of Malaysia providing me the knowledge and skills in microfinance management, strategies and policies in line with cooperative principles and legal frameworks of Malaysia through class lectures, group discussions, and study visits.
- *Macroeconomic and Monetary Policy Management*: Hosted by the Central Bank of Sri Lanka, the course enhanced my understanding of the connection between monetary policy and financial stability and how its goals can be achieved as well as appropriate policy responses to address issues and challenges of implementing monetary policy and maintaining financial stability.
- *The Analytics of Macroeconomic and Monetary Policy Management*: The course, organized by Autoriti Monetari Brunei Darussalam, equipped me with the analytical and technical skills necessary for identifying shocks, assessing macroeconomic and monetary policy conditions, developing and evaluating alternative policy responses, and forecasting inflation and the output gap.
- *Financial Stability, Financial Crises and Monetary Policy*: The forum broadened my understanding in various aspects of macro-prudential policies to safeguard financial and price stability and other related issues especially learning from the Turkish experience on this matter. The seminar was held at the Istanbul School of Central Banking in Istanbul, Turkey.
- *Implementing Monetary Policy by the Deutsche Bundesbank in Frankfurt*: The excellent workshop improved my general understanding of the Eurosystem's monetary policy instruments, operational frameworks, as well as the standard practice and policy for implementing in the monetary union.

Besides just sitting in a comfortable place and concentrating on various topics of lectures presented by the experts, I and other participants delivered presentation during the class in order to promote a broad based discussion and an exchange of experience among all participants. For instance, we shared information on the framework, the instruments and communication of monetary policy at each central bank to identify similarities, differences and factors that determine them. I have realized that sharing personal insights and professional experiences through group work and group discussions improved a more comprehensive knowledge of country-specific frameworks of conducting monetary policy and fostered networking among the class participants. As a consequence of these activities, I have gained broad knowledge, professional experiences and skills with regard to critical thinking, creative and initiative ability, perseverance, teamwork building, and effective communication ability. I usually disseminate these experiences and skills to my colleagues in the department through a learning session so called *Friday Talk*, which is held on every Friday morning to update and discuss current economic, social and financial issues in the country as well as regional and global issues. Presentation from those who attend workshop/seminar/training course abroad plays a big part of the session.

Online-learning is another way of self-development that has come up to my mind because I would like to learn something new and challenge myself. I did some of the courses primarily offered by the International Monetary Fund (IMF) which is free of charge and

can be accessed anywhere at anytime. Each IMF course lasts from four to nine weeks and the learners will earn a certificate after completing all the course requirements. The certificate is a value added to my profile. Additionally, when the central bank announced a plan to support those who wish to learn FSI Connect I decided to sign up for the class. FSI Connect is an online learning tool designed by the Financial Stability Institute (FSI) of the Bank for International Settlements (BIS) for financial sector supervisors around the world. To ensure the quality of learning, besides learning and taking online exam, all the staffs who have registered for the courses are required to take another FSI Connect examination which is organized by the FSI Connect Committee of the bank. The exam date is set by the Governor and strictly monitored by all committee members including the Governor until the exam is over. From my opinion, the new learning method is a great deal both saving my time and driving my learning path to be more efficient.

“It is time to make a difference”.

Doing my job from time to time, I have clearly defined my goal to apply for Doctoral program in policy studies with the hope to gain more practical knowledge and important skills linked to this subject generally in all the area of economic and social development policies and specifically on monetary and fiscal policy, trade development and promotion, e-government, corporate governance and more. Those subjects aim at improving my work performance in policy analysis and contributing to formulating monetary and financial policies more effectively. I am aware that learning theories are not sufficient to address the real world problems; thus, learning and sharing countries' past experiences in solving those problems may lead to a new way of thinking, i.e. precautionary measures that avoid the same mistakes.

It is obvious that the above-mentioned knowledge is very crucial for my career enhancement and the future development of Cambodia because this country is in the process of transforming itself from one of poorest countries in the world to a modern society as Korea. Cambodia initially needs a heavily long-term investment in human capital rather than other physical investments. I believe that education is the only key to unlock the door for Cambodia to a new page of development history. Our society will be prospered if the entire citizen is full of comprehensive knowledge, skills and experiences that can be categorized into the world class standard in addition to the recent regional economic and financial integration—ASEAN Economic Community (AEC).

3. Conclusion

“Everything thanks to Korea & KAIST”.

Korea and KAIST exposed me to a new world where I have never ever imagined in my whole life. It is absolutely difficult to describe everything in words as the only way to truly understand it is to experience it. I can see a huge difference before and after getting education in Korea. That is the development of my mindset, which is now more open to new environments, new people and new ideas. Also, it is my fortune for being with the central bank for more than seven years since I was recruited to work at this institution in 2009. I can say that we are lack of sharing knowledge in the workplace but I do not think it is too late to overcome this limitation together. What I like doing most is to conduct a knowledge sharing program within my core team on what we have learnt and seeking creative ideas.

Last but not least, I see myself as an ambassador of changes to Cambodian society. I firmly believe that I have the potential to become the future leader in my community and undoubtedly it was the main reason why I was selected to study in Korea among the others. Similarly, because of that reason my management team decided to send me to obtain another Master's degree specializing in Banking and Finance at Luxembourg

School of Finance, the University of Luxembourg. I will continue to absorb new knowledge and skills and disseminate all what I have to my colleagues and institution upon the completion my degree.

Attachment: Professional training courses

Period	Courses	Venues
Aug 29, 2016 - Present	FPP.2x: Financial Programming & Policies, Part 2: Program Design	IMF Online Learning
Jun 27 - 8 Jul, 2016	IMF STI Training Course: Monetary and Exchange Rate Policy	Singapore
Jun 15, 2016 - Present	DSAx: Debt Sustainability Analysis	IMF Online Learning
Jun 3, 2016 - Present	FSI Connect Courses	FSI Online Learning
May 11, 2016 - Present	FMAx: Financial Market Analysis	IMF Online Learning
May 9-13, 2016	Seminar: Financial stability, systemic risk and macroprudential policy	Deutsche Bundesbank, Frankfurt, Germany
Apr 10-15, 2016	Training Course: Crisis management and Resolution	Kuala Lumpur, Malaysia
Apr 4, 2016	FPP.1x: Financial Programming & Policies, Part1: Macroeconomic accounts and Analysis	IMF Online Learning
Apr 1, 2016	ESRx: Energy Subsidy Reform	IMF Online Learning
Mar 16-25, 2016	IMF STI Training course: Macroeconomic management & financial sector issues	Bangkok, Thailand
Jan 4, 2016	MFx: Macroeconomic Forecasting	IMF Online Learning
Nov 16-20, 2015	Workshop: Interaction of monetary and financial stability	Surabaya, Indonesia
May 18-22, 2015	Workshop: Implementing Monetary Policy	Deutsche Bundesbank, Frankfurt, Germany
May 4-8, 2015	Seminar: Financial Stability, Financial Crises and Monetary Policy	Istanbul School of Central Banking, Turkey
Apr 12-24, 2015	Training course: The Analytics of Macroeconomic and Monetary Policy Management	Bandar Seri Begawan, Brunei Darussalam
Oct 26-31, 2014	Training course: Macroeconomic and Monetary Policy Management	Bentota, Sri Lanka
Sep 7-20, 2014	Training course: Co-operative Microfinance	Co-operative College of Malaysia, Malaysia