

INTERNATIONAL INTEGRATION AND DEVELOPMENT OF INDUSTRIAL CLUSTERS IN THAI NGUYEN PROVINCE

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ABSTRACT

The development of industry linkages to improve the competitiveness of industrial enterprises is a policy choice of many countries in the world, enhancing their ability to participate in regional production networks as well as price chains. global. In developed countries such as the United States, Germany, Japan, Italy, or new industries such as Korea and Taiwan, industrial cluster development plays a very important role in improving the capacity of the industry. pictures of the country, business. In Vietnam in general, in Thai Nguyen province in particular, the objective of industrial cluster development is to attract and concentrate medium- and small-sized industrial enterprises in order to use common infrastructure resources, promote production trade and remediation of environmental pollution, there is little mutual support in the value chain. However, in a way, the formation of clusters will help to develop territorial space connectivity, giving businesses the opportunity to access capital, as well as technological lines. It is aimed at a commodity production, enhancing integration. This article deals with a part of the basic problem, code T2018-07-04 by myself at the University of Information Technology and Communication Thai Nguyen.

Keywords: Developing clusters, industrial clusters, economic linkages, value chains and Thai Nguyen industry

1. Introduction to phrase linking

The concept of linking phrase appeared in the late 19th century by Marshall, based on the work of concentration in northern England. This concept was developed in France and England, with different approaches. In France, researches such as Courlet et Pecqueur, Colletis, ... called SPL "Systèmes productifs localisés". Nó là hệ thống push to the earth. American-American researchers call the cluster "clique" or "district industriel" with G. Becattini's parallels; Nadviet Schmitz, ...

The author Michael Porter (1990) uses a common term for "industrial cluster" in the formulation of public policy and industrial policy. He wrote The Competitive Advantage of the New York (1990) and several other studies, including "Clusters and the New Economy of Competition" (1998) and "Local Clusters in a Global Economy". economy "(2000). The work of Michael Porter has emphasized the theory of industrial clusters. His theory deals with two core issues: the link between businesses and the particularity of the arrangement of firms in the cluster, the closer the business is, the more cohesive and cooperative interact with each other. In the diamond model of M. Porter, four factors determine the competitiveness in the industrial

sector. These are: (i) factory conditions; (ii) domestic demand; (iii) supporting industry and related industries; (iv) Industrial strategy, structure and competitiveness. It can be said that the competitiveness of a country or a territory depends mainly on the competitiveness of the industry there. Industrial Clusters by M. Porter are distinguished by four factors: (1) geographic limitation; (2) the number of industries; (3) relationship; and (4) competitive advantage. In today's world, clustering theory is used by many scientists to develop business models with the aim of establishing synergies to create a competitive advantage for one area. This is to promote the internal competitive advantage to create higher value in the whole group. In each locality, a community of high-performance businesses will be formed and developed in one sector.

Based on the testimony of economic experts, the growth of an industrial cluster often involves the growth and development of enterprises in the supporting industry. Small and medium enterprises in supporting industries will have access to investment capital, investment markets and modern technological lines. The industrial cluster will create high-quality labor force, export goods and services, link the relationship between state management agencies, universities, research institutes, support funds and related parties.

With the focus of gathering enterprises in a certain geographic area, the industrial cluster will contribute to the development of a system of synchronous space for basic infrastructure development, bringing into full play the advantages and resources of each locality. It will create a breakthrough in attracting investment in industrial development, increasing competitiveness in the process of economic integration, and continue to enhance the growth rate of the industry.

In terms of scope, a cluster can be a city, a region, a country, or even a group of states.

Structurally, the clusters are structurally diverse, depending on their depth and complexity. This structure can be divided into:

- Enterprises producing final products
- Businesses upstream and downstream
- Specialized Suppliers
- Service providers
- Related sectors (production, technology and customer relations)
- Supporting institutions (finance, education, research, and infrastructure)

The industrial clusters and clusters have been successfully tested in many countries in the world such as Italia, China, India, Japan, Singapore and Korea. This is considered to be the ideal development model for solving the problems of industrialization, modernization and rural industrialization because it contributes to the economic restructuring, The industrial structure, service-oriented, creates jobs for many local laborers and increases income for laborers. This is the result of the basic problem, code T2018-07-04 by myself research and implementation. This theoretical foundation is applied in the formation of Thai Nguyen economic territory, especially Samsung Cluster Samsung Cluster.

2. Globalization has led to the formation of more industrial clusters and the strengthening of linkages between businesses

Clusters theory reflects the formation and development of high performance businesses in one industry. Sectoral clustering has highlighted the fundamentals and process of forming regional competitive advantage in a manufacturing sector. The high concentration of businesses in the same territory, operating in the same business area, will create a competitive advantage over other geographic areas. The process of internationalization of production and division of labor takes place more and more widely. Participation in global production and value chain networks has become a requirement for economies. Interdependence, integration, competition and cooperation among countries have become increasingly common. Knowledge economy flourishes, so that people and knowledge become the decisive factor for the development of each nation.

Industrial cluster development is an important tool widely used in countries around the world to enhance industrial competitiveness and increase engagement in regional production networks as well as value chains. Global. The industry cluster is geographically concentrated in a country or region of interconnected companies, specialized suppliers, service providers, and related organizations. specific areas. Porter (1990) defines industrial clusters as the geographic concentration of companies and related organizations in a particular field; consists of a series of interconnected industries and other actors that play an important role in competition; including government and other institutions, such as universities, research institutes, financial institutions, etc., providing education, training, information, research and technical assistance.

3. The impact of integration process on the change of territorial space, formation of cluster link industry Samsung Thai Nguyen (Cluster Samsung)

Samsung Group has started its investment projects in Thai Nguyen for the last four years (from 2013), but its charisma has greatly altered the economic organization of the province. organization of industrial territory. Currently, there are more than 50 auxiliary projects for Samsung that are investing in Yen Binh I, Diem Thuy and Song Cong industrial zones, forming cluster industrial cluster (industrial cluster Samsung Thai Nguyen). This is the first model in Thai Nguyen, but with the current development power will create a spurring motive and contribute to strengthening local economy as well as speed of urbanization, creating conditions for industrial restructuring. as well as encouraging inter-enterprise linkages, allowing more focused public investment resources. This will contribute to enhancing industrial competitiveness and enhancing participation in regional production networks as well as global value chains.

The investment focus of the auxiliary projects for Samsung is Diem Thuy Industrial Park (Phu Binh). There are more than 30 FDI projects to support Samsung with a total registered capital of nearly \$ 600 million. By 2017, more than 20 projects have been put into operation. In particular, the investment project of Dong Yeon Industrial Co., Ltd. - Korea with registered capital up to 267 million. The project consists of three factory complexes: Sensor Display Factory, Integrated Circuit Factory for Mobile Phones and Factory for Power Button Production, Volume Button, Memory Card Slot. In addition, some other factories in Diem Thuy Industrial Park also participate as auxiliary for Samsung such as KSD Vina; Morphine Vina; Orientech

Vina, Rftech Vina Thai Nguyen, KET Vina, Skybye Vina, Melfas Vina, CTS Vina, Dongsung Vina Thai Nguyen ... Registered capital reached nearly \$ 300 million.

In Yen Binh Industrial Park, there are 3 large projects with the capital of billions USD of Samsung Electronics Vietnam Co., Ltd - Thai Nguyen; Factory manufacturing and processing electronic products of Hansol Technics Vietnam Co., Ltd .; Factory manufacturing and assembling circuit board of Samsung Electro - Mechanics Vietnam Co., Ltd. Immediately after Samsung's investment, two auxiliary projects of Korean investors were built and put into operation as Seung Woo Vina Factory and Yen Binh multi-storey building project. These two projects have rented 12 hectares of land in the industrial park for investment with a registered capital of over \$ 30 million.

In addition, at the Song Cong Industrial Park, a number of projects supporting the printing of carton packaging, paper bags and paper boxes for Samsung were also put into operation.

In order to serve production activities at Samsung factories, Thai Nguyen has built the power grid infrastructure at An Khanh 1 Thermal Power Plant with the capacity of 115Kw; Expand Thai Nguyen fresh water plant; Construction of Yen Binh Water Plant with the capacity of 1.500m³ / day and night ... In addition, the northern power is improving and upgrading the power lines in the province, including the 220Kv transmission line connecting Hiep Hoa district (Bac Giang district to Phu Binh district, Pho Yen town and Song Cong city for development of industrial zones.

To solve the problem of waste and environment, the province has invested and built a number of waste treatment plants such as Viet Xuan Moi Environment Joint Stock Company (Hanoi) to operate in phase 1 (2015) At the waste treatment plant in Minh Duc commune, Pho Yen town, Thai Nguyen province, the investment value is over VND 120 billion. This is the first modern waste treatment plant built in Pho Yen town, contributing significantly to the treatment of waste and hazardous waste of industrial parks in Thai Nguyen and neighboring provinces.

The issue of housing for workers is also focused on investment in industrial zones. On May 26, 2015, at Yen Binh Industrial Zone 1 in Pho Yen District, Thai Nguyen Province, Yen Binh Investment and Development Joint Stock Co in cooperation with Vinacapital Group started construction of housing project for Laborers at Yen Binh Complex. The project of building residential quarters for laborers with the scale of 16 high-rise buildings with over 8,000 apartments, each apartment has an average area of 45 - 60m² with a capacity of over 30,000 laborers. The project is implemented on an area of 35ha, with a total investment of about 4,000 billion VND, invested by Vinacapital - a leading foreign investment fund in Vietnam.

According to the design and planning of housing projects for laborers with technical and social infrastructure suitable with reasonable rent. The project is expected to be completed and put into operation in 2019.

4. Solutions for development of industrial zones, clusters, handicraft clusters and craft villages

Thai Nguyen has the highest number of industrial zones and clusters in comparison with the Northern Midland and Mountain areas. In order to promote the operation of industrial zones and clusters and effectively exploit the industrial zones and clusters in the province, the province should have solutions on capital, investment attraction, planning and site clearance, training and employment, good environmental issues.

Thai Nguyen needs to develop a plan and allocate budget sufficiently to implement incentive policies and investment incentives, and to evaluate and grant investment incentives to projects. In addition, it is necessary to create favorable environment for infrastructure construction projects, investors of industrial zones, industrial clusters and small and medium enterprises to receive preferential loans from banks according to the progress of the project. Project. To provide capital support for the construction of infrastructure for industrial parks and clusters in geographical areas with difficult socio-economic conditions and underdeveloped industries. For infrastructure outside the fence of the industrial cluster, the province also needs to have a part of local budget for construction investment.

In industrial development, the province should coordinate with localities in the construction of industrial zones and industrial production so as to make full use of the potential and advantages of the locality. Develop and deploy regional-scale industrial development projects, replicating from the Samsung model, especially large projects involving neighboring provinces, prioritizing projects with high technology content, large investments.

Some industrial parks and clusters in the province are relatively efficient, attracting investors to develop production, such as Yen Binh industrial zone and Diem Thuy industrial zone. a lot of. Therefore, it is necessary to develop, attract investment and arrange occupations into industrial zones, clusters, handicraft clusters and craft villages to be in line with the planning, ensuring production efficiency and sustainable development. To formulate and promulgate policies on land rent for investment in industrial parks and clusters. Specifically: Assigning the right to the investor to choose the form of payment of land rent, prolonged and flexible lease time (as for projects with large capital but slow return of capital, the first project The term of land allocation or lease is 70 years at the maximum. . Implementing the "one-stop" and "one-stop shop" mechanism in dealing with administrative procedures related to registration, investment certification, land allocation, land lease, construction and environmental management. To invest in technical infrastructure and support services outside the fence in order to create a favorable environment for encouraging and attracting domestic and foreign investment, ensuring high efficiency in industrial development and Utilizing the benefits of technical infrastructure as well as public services.

It is necessary to strengthen the management of pollution control and control in enterprises, requiring enterprises to comply with the Environmental Law; building environmental management systems for industrial clusters; To assist enterprises in converting and using new technologies to thoroughly handle the environmental pollution or relocate them into industrial parks and clusters. For industrial zones and clusters in operation, attention should be paid to the improvement of waste water and surface water networks, the increase of public utilities and

ensuring hygiene between factories and residential areas. current standards, while increasing the area of planted land.

Investors, when implementing projects in industrial zones and clusters, require the commitment of local labor, ensuring that households with land recovered are assigned to work in industrial zones and clusters. . To adopt policies to associate and cooperate with universities and colleges in training and technology transfer in order to attract high-quality human resources for working in industrial parks. It can be done by specific measures such as: giving scholarships to excellent students, transferring machines and equipment so students have practical tools, experiments, receiving interns, practical short term in the facilities ... This will take advantage of quality labor at universities and colleges in the province, save on training costs for businesses, contribute to economic development in the direction quality, sustainability.

5. Conclusion

Industrial cluster development is considered a new direction in the context of integration. The industry portfolio reflects the impact of linkages and spillover effects between enterprises and related organizations in competition. Developing industry in the direction of forming clusters will increase productivity; reduce social costs; promote innovation, commercialization and the formation of new businesses. However, it is necessary to attract capable businesses, large production potential to participate in the cluster to make the pull factors for the cluster. To create a connection between enterprises to create joint ventures, jointly jointly deploy projects to develop industrial goods to meet domestic demand or export.

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