Contents

Articles

Southeast Asia Beyond the Global Financial Crisis: Managing Capital Flows
JAYANT MENON and AEKAPOL CHONGVILAIVAN 107

Foreign Direct Investment in Southeast Asia: Is Malaysia Falling Behind?
PREMA-CHANDRA ATHUKORALA and SWARNIM WAGLÉ 115

Reducing Vulnerability in Transition Economies:
Crises and Adjustment in Cambodia
HAL HILL and JAYANT MENON 134

Back to Basics: Post-crisis Macroeconomic Rebalancing in ASEAN
MOLLY LESHER and MICHAEL G. PLUMMER 160

Does FDI Enhance Economic Growth? New Evidence from East Asia
POLPAT KOTRAJARAS, BANGORN TUBTIMTONG and
PAITOON WIBOONCHUTIKULA 183

Is Capital Being Pushed or Pulled into Southeast Asia?
THIAM HEE NG 203

Foreign Investor Participation in Emerging East Asian Local Currency
Bond Markets
SABVASACHI MITRA, ROSELLE DIME and ANTHONY BALUGA 221

Cross-listings and Financial Integration in Asia
TONY CAVOLI, RON MCIVER and JOHN NOWLAND 241
### Annual Subscription Rates for 2011

<table>
<thead>
<tr>
<th>Region</th>
<th>Individuals (Print &amp; Electronic)</th>
<th>Institutions (Print &amp; Electronic)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asia, Japan, Australia, New Zealand</td>
<td>US$63</td>
<td>US$117</td>
</tr>
<tr>
<td>Europe, North and South America, Africa, Middle East</td>
<td>US$78</td>
<td>US$146</td>
</tr>
<tr>
<td>Singapore, Malaysia, Brunei</td>
<td>S$71</td>
<td>S$113</td>
</tr>
</tbody>
</table>

These annual rates include electronic document delivery as well as the printed copy by air. The ASEAN Economic Bulletin is published three times a year, in April, August, and December.

Correspondence concerning subscriptions should be addressed to:

The Managing Editor
Institute of Southeast Asian Studies
30 Heng Mui Keng Terrace, Pasir Panjang
Singapore 119614
Fax: (65) 6775-6259  E-mail: meilin@iseas.edu.sg

### Electronic Access

The contents page of the current issue as well as the article abstracts are available on-line at the ISEAS Publications Unit website at [http://bookshop.iseas.edu.sg](http://bookshop.iseas.edu.sg). The electronic version of this journal is free to all subscribers. Access to the electronic version is by User ID and password for individual subscribers. Institutional subscribers are bound by terms and conditions. Electronic Document Delivery service is also available to non-subscribers at S$12.20/US$7.20 per article. For more information, access [http://bookshop.iseas.edu.sg](http://bookshop.iseas.edu.sg) and click on “Journals”.

### Back Issues

**Electronic version:** All back issues starting from volume 1 (1984) are now available in electronic form and may be purchased on-line at [http://bookshop.iseas.edu.sg](http://bookshop.iseas.edu.sg).

**Print version:** Complete sets of back issues may also be purchased from ISEAS. For more information, contact Ms Junainah (e-mail: junainah@iseas.edu.sg).

### Indexing

The ASEAN Economic Bulletin is indexed in the Asian Pacific Economic Literature; Business Source Elite; Corporate ResourceNet; EconLit; Expanded Academic ASAP; InfoTrac Custom Journals; International Bibliography of Book Reviews of Scholarly Literature (IBR) Print/Online/CD-ROM; International Bibliography of Periodical Literature (IBZ), Print/Online/CD-ROM; Journal of Economic Literature; OneFile; PAIS International; Peace Research Abstracts; ProQuest Information and Learning; Resources for Economists; South-East Asia Product Database; and World Affairs Online.

### Published by the Institute of Southeast Asian Studies, Singapore

©2011 ISEAS

ISSN 0217-4472 (Print) / ISSN 1793-2831 (Electronic)

ISEAS Publishing is a member of [crossref](http://crossref.org) and participates in [MUSE](http://muse.jhu.edu). Today’s Research. Tomorrow’s Inspiration.

Reprint permission may be obtained by writing to the Managing Editor at the above address or to publish@iseas.edu.sg

World Wide Web: [http://bookshop.iseas.edu.sg](http://bookshop.iseas.edu.sg)

The responsibility for facts and opinions presented in the articles rests exclusively with the individual authors. Their interpretations do not necessarily reflect the views or the policy of the Editorial Committee, the International Advisory Committee, the sponsors of the ASEAN Economic Bulletin, or the Institute of Southeast Asian Studies.

Printed in Singapore by Markono Print Media Pte Ltd
**Submissions**

Submissions of articles to *ASEAN Economic Bulletin* are welcome. We particularly encourage article submissions from young professionals, including those who have recently completed their Ph.D. or are at an advanced stage in their doctoral research.

Articles should be of contemporary economic interest and have clear policy relevance. They should be pertinent to the Association of Southeast Asian Nations (ASEAN) or its member countries. Each article should be between 3,000 and 6,000 words in length. Articles should also be of an acceptable standard of English (i.e., they should be clear and comprehensible). The broad format should be scholarly, but tables, figures, citations, footnotes, and quotations should be kept to a minimum level essential for the analysis or descriptions intended. Articles must be accompanied by an abstract of approximately 100 words.

Articles submitted to the journal should be original contributions and should not be under consideration by any other publication. They are subject to external blind refereeing. Electronic submissions are preferred and should be sent as an e-mail attachment to: aeb@iseas.edu.sg. Alternatively, articles can be sent by post, in duplicate, together with a soft copy in a diskette to:

The Co-editors  
*ASEAN Economic Bulletin*  
Institute of Southeast Asian Studies  
30 Heng Mui Keng Terrace  
Pasir Panjang  
Singapore 119614

For more information, please contact the Co-editors at e-mail: aeb@iseas.edu.sg

---

The **Institute of Southeast Asian Studies (ISEAS)** was established as an autonomous organization in 1968. It is a regional research centre for scholars and other specialists concerned with modern Southeast Asia, particularly the many-faceted problems of stability and security, economic development, and political and social change.

The Institute’s research programmes are the Regional Economic Studies (RES, including ASEAN and APEC), Regional Strategic and Political Studies (RSPS), and Regional Social and Cultural Studies (RSCS).

The Institute is governed by a twenty-two-member Board of Trustees comprising nominees from the Singapore Government, the National University of Singapore, the various Chambers of Commerce, and professional and civic organizations. An Executive Committee oversees day-to-day operations; it is chaired by the Director, the Institute’s chief academic and administrative officer.