Journal of Southeast Asian Economies

Special Focus on “The Global Debt Crisis and Southeast Asia”,
edited by Jørgen Ørstrøm Møller

Volume 30 Number 2 August 2013

Contents

Articles
Introduction and Overview
Jørgen Ørstrøm Møller 117

ASEAN Financial Integration in the Light of Recent European Experiences
Ulrich Volz 124

The Global Debt Crisis and the Shift of Japan’s Economic Relations with
Southeast Asia
Martin Schulz 143

American Defence Policy and the Challenge of Austerity: Some Implications for
Southeast Asia
Michael Evans 164

Impact of Eurozone Financial Shocks on Southeast Asian Economies
Jayant Menon and Thiam Hee Ng 179

The Effects of Global Debt Problems on the ASEAN Economy
Djamester A. Simarmata 201

Research Note
The Political Economy of an EU-Malaysia FTA
Christopher Napoli 213
Book Reviews

Ordering Power: Contentious Politics and Authoritarian Leviathans in Southeast Asia, by Dan Slater
Reviewed by Matthew Linley 228

Malaysia’s Development Challenges: Graduating from the Middle, edited by Hal Hill, Tham Siew Yean, and Ragayah Haji Mat Zin
Reviewed by Guanie Lim 229

No Miracle: What Asia Can Teach All Countries About Growth, by Mitchell Wigdor
Reviewed by Laurids S. Lauridsen 231

Aid Dependence in Cambodia: How Foreign Assistance Undermines Democracy, by Sophal Ear
Reviewed by Su-Ann Oh 233

The Capability Approach: Development Practice and Public Policy in the Asia-Pacific Region, edited by Francis Panzironi and Katherine Gelber
Reviewed by Peter Larmour 235
Journal of Southeast Asian Economies

Editorial Committee

Chairperson
Tan Chin Tiong

Managing Editor
Francis E. Hutchinson

Co-editors
Sanchita Basu Das    Aekapol Chongvilaivan
Lee Poh Onn    Jayant Menon

Assistant Editors
Thanut Tritasavit    Reema Bhagwan Jagtiani

Production Editor
Rahilah Yusuf

International Advisory Committee

Richard Barichello
The University of British Columbia, Canada

Euston Quah
Nanyang Technological University, Singapore

Anne Booth
University of London, U.K.

Ramkishen S. Rajan
George Mason University, USA

Le Dang Doanh
Central Institute for Economic Management,
Vietnam

Razeen Sally
National University of Singapore

Hal Hill
The Australian National University

Reza Y. Siregar
ASEAN+3 Macroeconomic Research Office
(AMRO), Singapore

Fukunari Kimura
Keio University, Japan/Economic Research
Institute for ASEAN and East Asia, Indonesia

Tham Siew Yean
Universiti Kebangsaan Malaysia

Cassey Lee
University of Wollongong, Australia

Juzhong Zhuang
Asian Development Bank, Philippines

Michael G. Plummer
Johns Hopkins University, Italy
Annual Subscription Rates for 2013

<table>
<thead>
<tr>
<th></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$76</td>
<td>US$140</td>
</tr>
<tr>
<td>Europe, North and South America, Africa, Middle East</td>
<td>US$94</td>
<td>US$175</td>
</tr>
<tr>
<td>Singapore, Malaysia, Brunei</td>
<td>S$82</td>
<td>S$130</td>
</tr>
</tbody>
</table>

These annual rates include electronic document delivery as well as the printed copy by air. The *Journal of Southeast Asian Economies* 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. 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 and click on “Journals”.

Back Issues

The *Journal of Southeast Asian Economies* was formerly published under the title of *ASEAN Economic Bulletin* from 1984 to 2012.

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

Print version: Complete sets of back issues may also be purchased from ISEAS. For more information, contact Ms Yuen Mei Lin (e-mail: meilin@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 on the Humanities and Social Sciences (IBR) Print/Online/CD-ROM; International Bibliography of Periodical Literature on the Humanities and Social Sciences (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

©2013 ISEAS

ISSN 2339-5095 (print) / ISSN 2339-5206 (electronic)

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

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 *Journal of Southeast Asian Economies*, or the Institute of Southeast Asian Studies.

Printed in Singapore by Markono Print Media Pte Ltd
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.

Submissions

First published in 1984 as the ASEAN Economic Bulletin, the Journal of Southeast Asian Economies (JSEAE) is an authoritative source on economic issues facing countries in the region addressed to both researchers and policy-makers.

Submissions of articles to the Journal are welcome. Past contributors to our publication include renowned scholars as well as younger professionals. Articles should be of contemporary economic interest and have clear policy relevance. They should be pertinent to Southeast Asian countries or regional economic groupings such as the Association of Southeast Asian Nations (ASEAN).

For full research articles, each manuscript should be between 7,000 and 8,000 words in length, while research notes should be between 5,000 and 6,000 words. Articles should also be of a high standard of English (i.e. they should be clear, well-articulated 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 100–150 words and 4 to 5 keywords.

Submissions to the journal should be original contributions and not 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: jseae@iseas.edu.sg.

Alternatively, articles can be sent by post, in duplicate, together with a soft copy in a diskette to:

The Co-editors
Journal of Southeast Asian Economies
Institute of Southeast Asian Studies
30 Heng Mui Keng Terrace
Pasir Panjang
Singapore 119614

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