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***Southeast Asia's Credit Revolution: From Money Lenders to Microfinance*. Edited by Aditya Geonka and David Henley.** London and New York: Routledge, 2010. Pp. xx, 212.

This twelve-chapter edited volume provides some historical, institutional and economic perspectives of how banking has replaced financial transaction and accumulation of gold, livestock, gift exchange and farmland in even Southeast Asia's most remote areas. It asks if formal financial institutions embody the right technical strategies for poor borrowers and savers or are banks the causality of more productive financial development as a by-product of economic development which also creates better opportunities.

After the Introduction and the roles of micro-financial institutions (MFIs) in Chapters 1 and 2 respectively, Chapter 3 offers comparisons from East and South Asia and Europe. Southeast Asian MFIs invested into agriculture, education and small and medium enterprises (SMEs) in sensible socio-cultural familial contexts may yet be exemplary. Grameen Bank remains the first astoundingly successful MFI from Bangladesh compared to German or Irish attempts as even the British imperialists seem to have left no better alternatives. The next nine country-chapters range from Vietnamese informal small credit activities to philanthropic ones in Thailand and Indonesia. Cambodia, Laos and Burma may play catch-up in due time with the appropriate political regimes.

Microfinance is defined as the provision of financial services to the poor on a scale appropriate to their needs, including micro-insurance and the mobilization of the working poor by money transfers or remittances from family members working abroad (p. 1). A virtuous circle is created either way with policy implications. The change in legal and institutional terms implies that "dead" capital of land and property are activated as collateral to guarantee loans for entrepreneurs, however defined to break out of their vicious circle of poverty.

The focus is on the relevancy of MFIs, given the culture and philosophy of Southeast Asia's thrifty rural poor. In contrast, the U.S. subprime mortgage episode arose when homes as collateral financed subprime homeowners' excessive spend-thrift behaviour. The erroneous assumption of ever-rising house prices simply turned houses into automated teller machines (ATM) to fan dubious financial discipline of subprime borowers. It triggered the global great recession when greedy bankers met with loose regulatory oversight on both sides of the Atlantic. What is new is applying old development principles under a more volatile combination of globalization, information and communication technology, and financial innovations. The human condition of greed is as universal.

It is not a triumphalism of winners or losers, groups or individuals, males or females. More actors as state, private sector, cooperatives or non-governmental organizations (NGOs) including Grameen-like models provide subsidized credit or commercialization of old financial practices. What matters is history and anthropology are worked into the multi-disciplinary volume. Money-lenders, pawnbrokers, commodity traders, shopkeepers, landlords and patrons join families and friends as enhanced capability and capacity of MFIs in Chapter 2. Chapter 3 also sets the scene from nineteenth-century Europe as philanthropy and self-help to community-owned cooperatives with legal frameworks evolved.

Customized to Southeast Asian rural communities, Vietnam in Chapter 4 has the recurring salient themes as in all the country-chapters. These include asymmetry of information as borrowers have credit information, but lenders have financial power with selective social criteria for clients. Families as the nearest and dearest coupled with filial piety and in-built intergenerational transfers and provisions are, however, as unreliable as any state social safety net. Microfinance investment strategy implies society embedded in economic relationships to maintain and commit to income distribution and mutual insurance. Even Singapore pawnshops in Chapter 5 exemplify the poor's needs. They have no access to credit with regulatory barriers to banks plus higher transaction costs in a more stringent financial environment.

Indonesia merits two chapters, (Chapter 6 specifically on the People's Credit Bank and Chapter 11 on historical trial-and-error evolution of MFIs in the twentieth century). Without state intervention, village credit since the 1980s had mass outreach with institutional innovations along the way as the consequence of Indonesian MFIs' evolution. Similar failure before success is witnessed in the Philippines in Chapter 7 where state agricultural subsidies to one-third of rural cooperative banks had to close because of loan arrears in the 1980s before a new era of Grameen-like MFIs by the non-profit NGO, Centre for Agriculture and Rural Development. These case-studies show that it is not so much as usury is eliminated, but high transaction costs are with more down-to-earth, figuratively and literally NGOs with a compassionate cause for the poor. In the end, NGOs seem more effective and efficient than state entities, but all are susceptible to corruption when corporate social responsibility wears thin.

The same sentiment prevails in Thai NGOs as critical historically as the change agent in socio-financial networks in the post-Asian financial crisis. Chapter 8 has theory meet up with rural Thai empirical evidence applied to group lending. Three conclusions as lessons include risk-averse selection attracts risky borrowers and scare of the safer ones; tapping social capital of other groups as inimical to these groups, not to their own groups; but in turn affect MFI effectiveness as correlated risks of groups in similar roles if all default simultaneously. In contrast, Chapter 9 for Malaysian aborigines offered by Christian NGO philanthropic aid creates new social roles for the recipients.

Chapter 10 is also group-based for inaccessible northeast Thai maize farmers locked in a vicious debt-dependent circle by middlemen money-lenders in commercial farming without savings. Three projects under the United Nations Development Programme in Burma in Chapter 12 face inhospitable soil and inflationary conditions as badly as a hostile policy regime. For all seven Southeast Asian economies covered, the emerging conclusions include widespread if not dominant MFIs with institutional simplicity and highly selective criteria, but repeated lending to imply inability to save or repay loans. Commercialized MFIs under-serve the extremely poor as they are geared more towards the richer (Chapters 7 and 11). External help (Chapters 9 and 11), state or donor (Chapter 12) remains for the very poor who are also geographically isolated. Even potential commercial markets (Chapters 4 and 10) still depend on lower transaction costs of informal MFIs.

As traditional rotating credit pools with inflexible timing and size or unreliability are re-engineered into productive financial innovations, the cautionary note for Southeast Asia is to have socio-cultural values to help avert financial weapons of mass destruction as those in the U.S. subprime mortgage case. Lessons from the Asian financial crisis remains valid. Corporate governance and corporate social responsibility with state regulation and oversight are imperative while not compromising simple interface and access for the less literate and sophisticated rural clients. As rich as the volume is in spanning Southeast Asian geography and time-spans, it is unsurprising that there is no unique one-size-fits-all model though nuanced lessons for critical success factors are aplenty.

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Exchange Rates, Currency Crisis and Monetary Cooperation in Asia. **By Ramkishen S. Rajan.** Basingstoke: Palgrave Macmilllan, 2009.

In many respects, the Asian crisis of the late 1990s acted as a very important circuit-breaker in the areas relating to the policies of international macroeconomics and finance. We saw large, persistent and (as it turned out) unsustainable