

of data for analysis but it was found to be littered with far too many abbreviations in the text. The chapter on the possibility of mergers and acquisition activity in Southeast Asia was also well written by Bartels and, once again, his illustrations of existing companies in the region provided the necessary focus on various issues.

The opening up of the second largest economy in the world, China, and its grand entry into WTO was also analysed in the light of its implications on FDI into Southeast Asia, and viewed with apprehension and appreciation. The overview of FDI flows into the transition economies of Laos, Cambodia, and Vietnam was a definite welcome in providing a broader picture of FDI in the region. The chapter on the future of foreign portfolio investment added breadth to the discussion on foreign investment. This is a crucial topic in the wake of the financial crisis experienced by the region.

Another appropriate inclusion was the ASEAN regional co-operation in investment and attracting FDI. Here, issues on investment promotion, investment facilitation, investment liberalization and surveillance was extensively discussed but the thirty-three page appendix highlighting “selected investment issues” could have done with better selection as the length of this appendix was longer than most of the chapters themselves! Perhaps if more space was provided to the one and only empirical investigation on the impact of the ASEAN free trade agreement implemented in 1993, it might have improved considerably. The empirical chapter was disappointing on many grounds — it was hardly appropriate to study the impact of this agreement for just the last four years using data from 1968–97. The chapter was cluttered with far too many tables. The error correction model (ECM) for each country was estimated using different sets of variables without any explanation or justification. The estimation of the ECMs also suffered from insufficient degrees of freedom for any of the results to matter. With the panel data estimation, it was unclear if it was based on the fixed or random effects model. All these econometric issues were not discussed, rendering little faith in the results and any implications based on it.

The other chapter that could have been more focused was the second chapter that attempts to highlight the challenges of the new economy for multinational firms. While the new economy was narrowly defined to mean e-commerce, the discussion itself was too general and did little to focus on the region itself or draw specific examples from e-commerce firms to validate the discussion. Apart from these weaknesses, overall, the book is very well put together and makes an excellent contribution to the understanding of the dynamics underlying FDI in Southeast Asia.

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The Economic Development of Southeast Asia, Vols. I to IV. Edited by Hal Hill, Cheltenham, U.K. and Northampton, U.S.: Edward Elgar Publishing Co., 2002. Pp. 631 (Vol. I), pp. 650 (Vol. II), pp. 622 (Vol. III), pp. 618 (Vol. IV).

The four volumes cover analytical contributions on the ten economies of Southeast Asia, namely, Brunei, Cambodia, Indonesia, Laos, Malaysia, Myanmar, the Philippines, Singapore, Thailand and Vietnam, which form the Association of Southeast Asian Nations (ASEAN). In six parts, these volumes survey Southeast Asia’s development record by individual experts in and outside the region, in previously published book chapters, journal articles and other papers. The areas covered include macroeconomics management and international dimensions, social and distribution issues, institutions, actors and public policy, which attempt to offer explanations as they record the performance.

By structure, the four volumes are:

- Vol. I Part I: Introduction — 1. Historical backdrop; 2. Country overviews.
Part II: Macroeconomics and International Economics — 1. Outcomes and policy instruments; 2. Exchange rate policy; 3. International financial markets; 4. Financial policy; 5. Domestic saving

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- and external debt; 6. ASEAN economic co-operation.
- Vol. II Part III: Explanation — 1. Growth; 2. The crisis.
Part IV: Social and Distributional Issues — 1. Poverty and income inequality; 2. Labour markets and human resources; 3. Demographics; 4. Environmental issues; 5. Rural development.
- Vol. III Part V: Public Policy, Institutions and Ownership — 1. Overviews; 2. Case studies of intervention and reform; 3. Ownership and business structures.
- Vol. IV Part VI: Sector — 1. Agriculture; 2. Services: Finance; 3. Industries.

On selection of materials, Hill acknowledges the very large literature, an enormous range from static to polemic, analytical to philosophical, historic to contemporary, cautious to opinionated. The period also matters: had the volume been compiled in the mid-1990s, the mood would have been rosy, bordering on complacency with thirty years of strong growth; by early 2000 when the selection was finalized, the sentiment has turned more pessimistic, from boom to gloom. Hill manoeuvred a careful path, steered and guided by a few criteria including individual seminal articles and a sense of balance between history and contemporary. A third criterion is the Asian crisis which is deemed more than a passing “blip” on the development record, and sufficient heed is paid accordingly while not having the crisis obliterate the decades of strong, exemplary performance prior to that miasma.

The editor has also to ensure a mix of country-specific and region-wide analysis though it is unsurprising as in all volumes of this nature, the primary focus is on the original five members in ASEAN and Vietnam. They are the largest by gross domestic product terms, most internationally-oriented economies and best documented while the other four, comprising Brunei and the other three transition economies are relatively sparse and weak in the literature. In any case, a reasonable regional representation is assembled in terms of authorship, some inevitably

more voluble than others. The selection is admittedly arbitrary, adding or subtracting fifty of the articles or papers may not have made a terribly big difference one way or the other.

For a quick round-up, in Hill’s introductory essay on outcomes and issues, he found no single Southeast Asian model of development. Only an immutable geographic situation and rather an embryonic ASEAN as a grouping can be noted as even Southeast Asia remains a recent event. The region is not a quiet one with ill-defined boundaries causing territorial conflicts from a chequered historical past ranging from Western imperialism to kingdoms to arbitrary divisions of modern Southeast Asia. But what is very clear from the first selection by Hla Myint (1967) from the *Malayan Economic Review*, in the volumes with all the usual suspects or favourites, anyone interested or serious in Southeast Asia would not be disappointed.

However, apart from how the selection were selected, the editor left it to the imagination and needs of the readers, regarding for whom, why and how the volumes are to be used. From the academic tenor of the selection, clearly the demand would be from the academic and research community, faculty and students, both as background and references as well as teasers for other researchers and academicians to continue or follow certain lines of theoretical and empirical evidence. No review can be too kind or unkind on a set of volumes of this nature except to salute the editor and his team for their patience and perseverance in tracking, sifting through the voluminous literature before identifying and selecting what is deemed desirable and representative.

As expected, the volumes are a good start, yet to be ever finished by any definition as long as Southeast Asia forges forward. However, in the next set of volumes that anyone else is brave enough to take on, a few thoughts may be noted which may make a difference in contrast to this set. First, the next later compilation cannot be deemed an update of the subject matter in the present volumes as different authors have crafted their scope and content very individualistically.

Second, while the physical geography, concept and definition of Southeast Asian states may remain unchanged (plus or, more likely, minus as in secession), the economics, political economy, and regional context of relations and interactions have changed and are still evolving.

This is witnessed by ASEAN itself in an additive process in terms of regional trade agreements with China, Japan, India, ASEAN Plus Three which has Korea, all still within Asia, as well as extra-regional pacts as with Australia and New Zealand in their Closer Economic Relations, the United States or the European Union at some future time. Finally, the role of multilateral institutions cannot be discounted, like the World Trade Organization, International Monetary Fund, International Labour Organization, Asian Development Bank, even academic and tripartite ones like Pacific Economic Co-operation Committee, Asia-Pacific Economic Co-operation or nebulous and more controversial ones like the East Asian Economic Grouping or Asian Monetary Fund which have spawned more credible mutants.

All in all, libraries, institutions, and universities cannot miss such a set in their collection. The set would give first-timers as well as veteran Southeast Asian intellectual workers much to work on in their respective ways. It is a handy set of references and for such a diversified and complex region, it may be the most expeditious way to wade through specific and cross-cutting issues.

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Autonomy and Disintegration in Indonesia.
Edited by Damien Kingsbury and Harry Aveling. London: Routledge Curzon, 2003.
Pp. 219.

Since the passage of regional autonomy laws in Indonesia, that country has moved headlong into

one of the most massive transfers of political power in recent history. But Indonesia choose not to grant autonomy to the provinces but to the almost 400 regencies across the archipelago. Jakarta has also made special deals with the two most troublesome and independence-minded provinces of Aceh and Papua, granting them exceptions with the devolution of power to the provincial level. *Autonomy and Disintegration in Indonesia* is an exploration of this. It also grants considerable space to the problem of independence and communal-related conflicts.

A central theme that runs through this book is whether Indonesia will be able to continue in its current form — the book's title gives the first hint. A number of authors raise question marks over Indonesia's future. Kingsbury writes in the introduction: "Since 1997, Indonesia has been heading down a path towards what has very often seemed like disintegration." (p. 1). Ruth McVey ponders whether or not Indonesia has lost some cohesion in recent times (p. 11) and Ann Kumar leaves the question hanging: "Can the central government hold Indonesia together?" (p. 45). Rizal Sukma, Indonesian academic and political advisor, also mentions that Indonesia is in danger of breaking up into a collection of smaller units (p. 66). Certainly the spectre of Indonesia's coming collapse is a national obsession among the Indonesian political elite. The reader gets a slightly different reflection on this problem in Edward Aspinall's chapter, which, although largely on the problem of Aceh, indicates that Indonesia as an entity may have stronger bonds than the others suggest. Otherwise how can Indonesia's cohesion outside of Aceh and Papua be explained? Aspinall notes for example that anti-Jakarta sentiment in Riau and Banten failed to generate widespread independence movements in both cases because they lack the history of military repression, which is highly evident in Aceh and Papua (p. 145). The barriers to Indonesia's dissolution are still formidable, and range from the strength of Indonesian nationalism outside of Aceh and Papua, and the extreme reluctance of the international community to see Indonesia fail.