ISEAS ASEAN ECONOMIC BULLETIN

Volume 24 Nur	nber 3
---------------	--------

December 2007

Contents

Arucies	
Determinants of Parallel Exchange Rate in Myanmar KOJI KUBO	289
Trade Structure and Trade Flows in Cambodia: A Gravity Model NORAK HUOT and MAKOTO KAKINAKA	305
The Narrow Money Demand Behaviour in Indonesia, 1970–2005 AKHAND AKHTAR HOSSAIN	320
Go with the Gang, ASEAN! SASATRA SUDSAWASD and PRASOPCHOKE MONGSAWAD	339
An Empirical Examination of East Asia's Pre-Crisis Pegged Exchange Rates JOSEPH DENNIS ALBA and DONGHYUN PARK	357
Book Reviews Islamic Banking and Finance in South-East Asia: Its Development and Future, by Angelo M. Venardos. Reviewed by Karyn Wang	372
<i>Managing Globalization: Lessons from China and India,</i> edited by David A. Kelly, Ramkishen S. Rajan, and Gillian H. L. Goh. Reviewed by Toshiki Kanamori	374

Reproduced from ASEAN Economic Bulletin Vol. 24 no. 3 (Singapore: Institute of Southeast Asian Studies, 2007). This version was obtained electronically direct from the publisher on condition that copyright is not infringed. No part of this publication may be reproduced without the prior permission of the Institute of Southeast Asian Studies. Individual articles are available at < http://bookshop.iseas.edu.sg >

<i>The Inclusive City: Infrastructure and Public Services for the Urban Poor in Asia,</i> edited by Aprodicio A. Laquian, Vinod Tewari, and Lisa M. Hanley. Reviewed by Robert L. Curry, Jr.	376
<i>Challenges to the Global Trading System: Adjustment to Globalization in the Asia-Pacific Region,</i> edited by Peter A. Petri and Sumner J. La Croix. Reviewed by Linda Low	378
<i>Malaysia: From Kampung to Twin Towers,</i> by Richard Leete. Reviewed by Anita Doraisami	380
<i>Beyond the Green Myth: Borneo's Hunter-Gatherers in the Twenty-First Century,</i> edited by Peter Sercombe and Bernard Sellato. Reviewed by Lee Poh Onn	381
Reviewed by Lee Poil Olli	381

ASEAN Economic Bulletin

Editorial Committee

Chairperson K. Kesavapany

Co-editorsNick J. FreemanDenis HewRenuka MahadevanSakulrat MontreevatRahul Sen

Book Review Editor Lee Poh Onn

Assistant Editor Sanchita Basu Das

Production Editor Rahilah Yusuf

International Advisory Committee

Mukul G. Asher National Universiy of Singapore Euston Quah Nanyang Technological University, Singapore

Prema-chandra Athukorala The Australian National University

> Anne Booth University of London, U.K.

Suthiphand Chirathivat Chulalongkorn University, Thailand

> David J. Green Asian Development Bank

Hal Hill The Australian National University

Michael G. Plummer The Johns Hopkins University, Italy Gerardo P. Sicat University of the Philippines

Hadi Soesastro Centre for Strategic and International Studies, Indonesia

Tham Siew Yean Universiti Kebangsaan Malaysia

Vo Tri Thanh Central Institute for Economic Management, Vietnam

> Shujiro Urata Waseda University, Japan

John Whalley The University of Western Ontario, Canada

ANNUAL SUBSCRIPTION RATES FOR 2007

	Individuals	Institutions
	(Print & Electronic)	(Print & Electronic)
Asia, Japan, Australia, New Zealand	US\$57	US\$106
Europe, North and South America, Africa, Middle East	US\$71	US\$133
Singapore, Malaysia, Brunei	S\$64	S\$102

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: *junainah@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

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.*

Print version: Complete sets of back issues may also be obtained from Schmidt Periodicals GmbH, Ortsteil Dettendorf, D-83075 Bad Feilnbach, Germany (Tel: 80 64-221, Fax: 80 64-557).

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

©2007 ISEAS

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

ISEAS Singapore is a member of cross ref

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 *ASEAN Economic Bulletin*, or the Institute of Southeast Asian Studies.

Printed in Singapore by Seng Lee Press 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.