



The RSIS Working Paper series presents papers in a preliminary form and serves to stimulate comment and discussion. The views expressed are entirely the author's own and not that of the S. Rajaratnam School of International Studies. If you have any comments, please send them to the following email address: [isjwlin@ntu.edu.sg](mailto:isjwlin@ntu.edu.sg).

**Unsubscribing**

*If you no longer want to receive RSIS Working Papers, please click on "[Unsubscribe](#)." to be removed from the list.*

---

**No. 201**

**Reform of the International Financial Architecture:  
How can Asia have a greater impact in the G20?**

**Pradumna B. Rana**

**S. Rajaratnam School of International Studies**

**Singapore**

**9 June 2010**

## About RSIS

The **S. Rajaratnam School of International Studies (RSIS)** was established in January 2007 as an autonomous School within the Nanyang Technological University. **RSIS'** mission is to be a leading research and graduate teaching institution in strategic and international affairs in the Asia-Pacific. To accomplish this mission, **RSIS** will:

- Provide a rigorous professional graduate education in international affairs with a strong practical and area emphasis
- Conduct policy-relevant research in national security, defence and strategic studies, diplomacy and international relations
- Collaborate with like-minded schools of international affairs to form a global network of excellence

### Graduate Training in International Affairs

**RSIS** offers an exacting graduate education in international affairs, taught by an international faculty of leading thinkers and practitioners. The teaching programme consists of the Master of Science (MSc) degrees in Strategic Studies, International Relations, International Political Economy and Asian Studies as well as The Nanyang MBA (International Studies) offered jointly with the Nanyang Business School. The graduate teaching is distinguished by their focus on the Asia-Pacific region, the professional practice of international affairs and the cultivation of academic depth. Over 150 students, the majority from abroad, are enrolled with the School. A small and select Ph.D. programme caters to students whose interests match those of specific faculty members.

### Research

Research at **RSIS** is conducted by five constituent Institutes and Centres: the Institute of Defence and Strategic Studies (IDSS), the International Centre for Political Violence and Terrorism Research (ICPVTR), the Centre of Excellence for National Security (CENS), the Centre for Non-Traditional Security (NTS) Studies, and the Temasek Foundation Centre for Trade and Negotiations (TFCTN). The focus of research is on issues relating to the security and stability of the Asia-Pacific region and their implications for Singapore and other countries in the region. The School has three professorships that bring distinguished scholars and practitioners to teach and do research at the School. They are the S. Rajaratnam Professorship in Strategic Studies, the Ngee Ann Kongsi Professorship in International Relations, and the NTUC Professorship in International Economic Relations.

### International Collaboration

Collaboration with other Professional Schools of international affairs to form a global network of excellence is a **RSIS** priority. **RSIS** will initiate links with other like-minded schools so as to enrich its research and teaching activities as well as adopt the best practices of successful schools.

## ABSTRACT

The Asian financial crisis (AFC) of 1997–1998 had led to calls for the reform of the IFA—policies and practices of institutions that promote global financial stability. The V-shaped recovery from the crisis had, however, led to complacency and the proposed reform measures were quickly forgotten. The on-going global economic crisis (GEC) has once again ignited interest in IFA reforms. The G20 has also replaced the G8 as the premier institution for international economic cooperation. This is historic because, for the first time, systemically important developing countries have a say in IFA reforms. This paper reviews (i) recent efforts to reform the IFA and (ii) presents some thoughts on how Asia can strengthen its participation in the G20 and have a greater impact on IFA reforms.

The paper makes the case for Asian countries (i) lobbying for the formalisation and regularisation of ASEAN Chair’s and ASEAN Secretary-General’s participation in the G20 Summits, (ii) holding policy dialogue meetings of an “expanded” ASEAN+3 (regular 13 members plus India, Australia and New Zealand) just prior to the G20 Summits for coordinating policies and developing common positions to support the ASEAN representatives at the G20 Summits and (iii) supporting and joining the informal Global Governance Group (3G) convened by Singapore under the auspices of the United Nations (UN) to coordinate Asian perspectives with developing countries in other regions of the world. Once the ASEAN+3 Macroeconomic Research Office (AMRO) is established in Singapore (by May 2010), AMRO can take over the task of convening the policy dialogue meetings of the “expanded” ASEAN+3 to support participation of the ASEAN Chair and the ASEAN Secretary-General in the G20 Summits.

\*\*\*\*\*

Pradumna B. Rana is an international economist with expertise in the areas of international macroeconomics, trade, and development issues focusing on Asia. He is currently an Associate Professor at the S. Rajaratnam School of International Studies

of the Nanyang Technological University (NTU). He was the Senior Director of the Asian Development Bank's (ADB's) Office of Regional Economic Integration which spearheaded the ADB's support for Asian economic integration. Prior to that, he held various senior positions at the ADB for many years. He has teaching and research experience at the NTU, NUS, and the Tribhuvan University (Nepal). He obtained his PhD from Vanderbilt University where he was a Fulbright Scholar and a Masters in Economics from Michigan State University and Tribhuvan University where he was a gold medalist. He has published widely in the areas of Asian economic development and integration, financial crises, and economic policy reforms in transition economies. These include 15 authored or edited books, over 25 chapters in books, and over 40 articles in international scholarly journals including *Review of Economics and Statistics*, *Journal of International Economics*, *Journal of Development Economics*, *Journal of Asian Economics*, *World Development*, *Developing Economies*, and *Singapore Economic Review*. Recently, he co-authored a book on *South Asia: Rising to the Challenge of Globalization* (World Scientific Publishers) and co-edited books on *Pan-Asian Integration: Linking East and South Asia* (Palgrave Macmillan) and *National Strategies for Regional Integration: South and East Asian Case Studies* (Anthem Press, UK). Presently, he is co-authoring a book on *Asia and the Global Economic Crisis: Challenges in a Financially Integrated World* (Palgrave Macmillan).

# **Reform of the International Financial Architecture (IFA): How can Asia have a greater impact in the G20?**

## **I. Introduction**

The AFC of 1997–1998 had led to calls for the reform of the IFA—policies and practices of institutions that promote global financial stability. The AFC was triggered primarily by capital account factors associated with financial globalization—such as large inflows of foreign private capital and their sudden reversals—as opposed to current account problems.<sup>1</sup> It was felt that the International Monetary Fund (IMF) might not have adequate resources especially compared with the scale of cross-border capital flows. It was also felt that several of the policy recommendations made by the IMF in managing the Asian financial crisis were not appropriate. With the V-shaped recovery from the AFC, complacency had set in and the reform measures were quickly forgotten (see Kawai and Rana, 2009, for a review of these issues). This partially set the stage for the present crisis. At the global level, several institutions continued to recommend financial deregulation and capital account liberalisation even though they were recognized as having contributed to the crisis (UN, 2009). Moreover, many surplus countries started to individually accumulate international reserves to “self-insure” themselves, and this led to the widening of global imbalances that contributed to the present economic crisis.

The inadequacies of the responses of international financial institutions to the on-going GEC and their failure to take effective actions to prevent it, has once again ignited interest in the IFA reforms. It is argued that global finance is so interlinked that the current IFA is outdated. The G20 process for finance ministers and central bank governors, which was established in the aftermath of the AFC, has been upgraded to the summit level or Leaders process to spearhead, among others, issues related to the IFA reforms. So far, three G20 Summits have been held—in Washington DC in November 2008, in London in April 2009, and in Pittsburgh in September 2009. There are, however, concerns that faster-than-expected recovery from the on-going crisis could lead to complacency on the reform of the IFA once

---

<sup>1</sup> Kawai (2009) notes that there were at least nine capital account crises in the 1990s: Mexico (February 1995), Argentina (April 1995; March 2000-January 2003), Thailand (August 1997), Indonesia (November 1997), Korea (December 1997), Russia (August 1998), Brazil (December 1998), Turkey (December 1999-February 2002) and Uruguay (2002).

again. If so, a big opportunity to reform the IFA will have been missed and, as before, vulnerabilities of countries to future crises will remain.

The objectives of this paper are twofold, to: (i) outline the IFA reforms that had been implemented during the post-AFC period, including those that are now being implemented and considered under the auspices of the G20 and (ii) present several thoughts on the G20 process and how Asia can further strengthen its participation at this forum and be heard on issues related to global economic reforms.<sup>2</sup>

## **II. Post-Asian Financial Crisis Reforms of the IFA**

Reform of the IFA in the aftermath of the AFC was spearheaded by the G8, while those in the aftermath of the GEC have been spearheaded by the G20. Various organisations such as the IMF, World Bank and the Bank for International Settlement (BIS) have also played key supportive roles. These efforts are focused in the three areas of crisis prevention, crisis management/resolution, and IMF governance reforms.

### **1. Crisis Prevention**

**Standards and codes:** Standards and codes refer to provisions relating to the institutional environment or “rules of the game” within which economic and financial policies are devised and implemented. The development, dissemination and adoption by countries of international standards are expected to assist countries in strengthening their economic institutions, inform market participants to allow for more effective market discipline and avoid herding behaviour, and provide inputs for IMF surveillance and World Bank country assistance strategies.

The IMF, World Bank, OECD, IOSCO and BIS have established international standards in 12 areas, which are broadly categorised into three groups: (i) policy transparency, (ii) financial sector regulation and supervision and (iii) market integrity. Standards in policy transparency include data transparency, fiscal transparency, and monetary and financial policy transparency. Standards on financial sector regulation

---

<sup>2</sup> The three steps recommended for Asia (in Section III) will also be applicable for other regional groupings in Asia and Africa which participate in the G20 Summit.

and supervision cover five areas: banking supervision, securities, insurance, payments systems, and anti-money laundering and combating the financing of terrorism. Standards of market integrity include corporate governance, accounting, auditing, and insolvency and creditor rights. A number of these standards is now being revised because they have turned out to be “pro-cyclical”. For example, several provisions in the Basel II framework encouraged banks to decrease the amount of capital they held during business cycle expansions and increase them during contraction.

**Data dissemination:** Data-dissemination standards help to enhance the availability of timely and comprehensive statistics and transparency, which in turn contributes to designing sound macroeconomic policies and taking sound policy actions. The IMF has taken a number of steps to enhance information transparency and openness, including the establishment and strengthening of data-dissemination standards to help countries prevent future crises and diminish the effect of unavoidable ones.

The standards for data dissemination consist of two tiers. The first tier, called the Special Data Dissemination Standard (SDDS), was established in 1996 to guide countries that have, or might seek, access to international capital markets. The second tier, the General Data Dissemination System (GDDS), was established in 1997 to help countries provide more reliable data. The GDDS is focused on improving statistical systems, while the SDDS focuses on commitments to data-dissemination standards in countries that already meet high data-quality standards. Both are voluntary. Countries must also agree to post information about their data-dissemination practices on the IMF’s external website on Dissemination Standards Bulletin Board (DSBB), and establish an Internet site containing the actual data, called a National Summary Data Page (NSDP), to which the DSBB is linked.

**Financial system soundness and surveillance:** It is also realised that problems in the financial system can reduce the effectiveness of monetary policy, create large fiscal costs related to bailing out troubled financial institutions, trigger capital flight and deepen economic recessions. Financial weaknesses in one country can also trigger contagion effects on others. A sound financial system is thus essential for supporting economic growth. It includes banks, securities exchanges, pension funds, insurers, the central bank and national regulators.

The IMF has sought to strengthen its surveillance. Surveillance refers to the process of regular dialogue and policy advice provided to member countries. It covers macroeconomic and financial developments and policies. Under the new Mid-term Strategy endorsed in September 2005, the IMF conducts multilateral consultations on common economic and financial issues with the first focusing on global payments imbalances. The first such surveillance involving several systemically important members—the United States, China, the Euro areas, Japan and Saudi Arabia—had not been very effective as the global imbalance problem was serious in the pre-GEC period and contributed to the GEC.

IMF surveillance is also fine-tuned to focus more systematically on regional developments, including through increased dialogue with regional institutions and think tanks. It also starts to publish regional outlook reports for the major regions of the world. IMF-supported programmes now include measures to strengthen financial systems, including financial assistance and assisting member countries in identifying and diagnosing financial system problems, designing strategies for systemic reforms and bank restructuring, and ensuring that these strategies are consistent with appropriate macroeconomic and structural policies.

A joint IMF-World Bank initiative, called the Financial Sector Assessment Programme (FSAP), was launched in 1999. It provides member countries with a comprehensive evaluation of their financial systems, with a view to alerting national authorities on vulnerabilities in their financial sectors and assisting them in designing measures to reduce weaknesses. The FSAP also determines the development needs of the financial sector. Sectoral developments, risks and vulnerabilities are analysed using a range of financial soundness indicators and macro-financial stress tests. Other areas of financial stability are also analysed, including systemic liquidity arrangements, institutional framework for crisis management and loan recovery, transparency, accountability and governance. The IMF had reportedly requested the United States to undergo an FSAP prior to the outbreak of the subprime mortgage, but it was only at the end of 2007 that the United States agreed.

After the outbreak of the GEC, the Financial Stability Forum (FSF) has been upgraded to the Financial Stability Board (FSB) with a bigger mandate and a larger membership (all G20 countries have now been included and the total membership is 25).



**Capital account deregulation:** Financial crisis in emerging market economies have demonstrated that abrupt or improperly sequenced liberalisation of capital account can generate vulnerabilities and a crisis. A sudden surge in capital inflows and a sudden stop or reversal of capital flows can occur precipitating a crisis. This is an important lesson learnt from the AFC. The most important is the establishment of core institutional infrastructure—well-defined property and creditor rights, credible accounting standards, benchmark corporate governance, clear minority rights, stringent prudential and regulatory regimes. However, the IMF continues to promote “financial, including capital market liberalization, although Articles of Agreement clearly allow governments to use capital controls” (UN, 2009). The need for a sequenced deregulation of the capital account is an important lesson learnt from the GEC. Recently, Brazil introduced a two per cent tax on foreign purchases of equity and debt. Other countries are also considering similar measures. There are now tentative signs that the IMF is supportive of temporary controls on capital flows.

**Framework for strong, sustainable and balanced growth:** At the Pittsburgh G20 Summit, the Leaders agreed to initiate a peer review process or “a cooperative process of mutual assessment of policy frameworks and the implications of those frameworks for the pattern and sustainability of global growth” to try to prevent a financial crisis. The Leaders went on to add that “G20 members will set out medium-term policy frameworks and will work together to assess the collective implications of national policy frameworks for the level and pattern of global growth and identify potential risks to financial stability”. The IMF is to help “with its analysis of how respective national and regional policy frameworks fit together”. The World Bank is to advise on progress in promoting development and poverty reduction. The FSB is to monitor progress in implementing regulatory and supervisory reforms and, together with the IMF, is to undertake “macro-prudential” monitoring to provide early warnings of systemic risks.

**Strengthening international regulatory systems:** On strengthening the financial regulatory system, there appears to have been a broad agreement on the need for tightening regulations, both at the national and international level. However, partly reflecting the complexity of the issues, views differ on how best to regulate them and the degree of regulation. The 20 Leaders have pledged to develop internationally

agreed rules to improve the quantity and quality of bank capital by end-2010 and implement them by 2012. All standardised over-the-counter (OTC) derivatives contracts are to be traded on electronic trading platforms, where appropriate, and cleared through central clearinghouses by the end of 2012. They also endorsed guidelines for bankers' pay but mentioned that the FSB is to propose additional measures by March 2010. International accounting bodies are to develop a single set of new global accounting standards by June 2011.

## **2. Crisis Management**

**New financing instruments and credit lines:** In order to play its role in safeguarding the international financial stability, in the immediate aftermath of the AFC, in November 1998 the IMF established a New Arrangements to Borrow (NAB), thereby doubling its resources. Further increases were made in response to the GFC.

The second G20 Summit in London in April 2009 had pledged to provide more resources (\$1.1 trillion) to the IMF and other multilateral institutions. In Pittsburgh, the G20 Leaders announced that they had delivered on this promise. The G20 has committed over \$500 billion to a renewed and expanded NAB and the IMF has made a new SDR allocation of \$283 billion. However, the latter was allocated among the IMF's members in line with existing patterns of quotas, which means that the G8 members, which do not need liquidity support from the IMF, received a large chunk of it (45 per cent).

The Contingent Credit Line (CCL) was introduced in 1999 as part of the IMF's efforts to strengthen member countries' defences against the financial crisis. The CCL is intended to be a precautionary line of defence to help protect countries pursuing strong policies in the event of a liquidity need arising from the spread of financial crises. For various reasons, however, the facility was never used and, in November 2003, the CCL was allowed to expire.

In 2008, the IMF reintroduced a CCL: a new Short-term Liquidity Facility (SLF) to offer quick, large-scale financing without specific conditionality. But even the SLF proved inadequate. In March 2009, it was replaced by a Flexible Credit Line (FCL) which assures pre-qualified countries with large amounts of resources without ex-post conditions to manage financial contagion. The FCL also allows a longer

repayment period of 3¼ to five years. Three countries—Colombia, Mexico and Poland—have been provided credits totalling \$78 billion under this facility.

**IMF conditionality:** At the time of the AFC, the IMF came in for harsh criticism for prescribing too many structural reforms. For example, the Indonesian programme had over 100 conditions including the dismantling of the clove monopoly. Over time, the IMF has streamlined its programmes to limit structural conditionality to a core set of essential features that are macro-relevant and in the IMF’s core area of responsibility,<sup>3</sup> with a broader approach requiring justification based upon the specific country’s situation. More recent IMF-supported programmes appear to have been tailored to the individual country’s circumstances. To some extent, the IMF now seems ready to move away from its “one-size-fits-all” approach to stabilisation. Recent programmes for Iceland, Costa Rica, Hungary, Guatemala, Serbia and Latvia allow for fiscal stimulus and deficits, and exchange rate stabilization. But how widely this flexibility will be used remains to be seen.

**Private sector involvement:** In the post-AFC period, the international community started to explore possible mechanisms for official standstill provisions or private sector involvement (PSI). It focused on the debt restructuring of international sovereign bonds with the recognition that, at the time of a liquidity crisis, holders of sovereign bonds, along with other creditors, would need to contribute to the resolution of such crises. Two methods were recommended: a contractual approach and a statutory approach. A contractual approach considers collective action clauses (CACs) in sovereign bond contracts as a device for orderly resolution of crises; their explicit inclusion in bond documentation would provide a degree of predictability to the restructuring process. A statutory approach, such as the Sovereign Debt Restructuring Mechanism (SDRM), attempts to create the legal basis—through a universal treaty rather than through a set of national laws in a limited number of jurisdictions—for establishing adequate incentives for debtors and creditors to agree upon a prompt, orderly and predictable restructuring of unsustainable debt. The CACs approach was adopted while a more comprehensive statutory approach was put on

---

<sup>3</sup> The IMF’s core areas of responsibility include: macroeconomic stabilization; monetary, fiscal and exchange rate policy, including the underlying institutional arrangements and closely related structural measures; and financial sector issues including the functioning of both domestic and international financial markets.

hold. However, the lack of sovereign debt restructuring mechanism—a de facto international bankruptcy procedure—continues to make crisis resolution difficult (more recently, in Iceland and Baltic states).

### 3. Reform of the IMF Governance

**Governance reforms at the IMF:** These reforms refer to quotas and voting rights, executive board representation and the management of the IMF. The IMF quotas and voting rights must be substantially realigned to recognise better economic and financial weight of emerging markets including those in Asia. Presently, the industrial countries as a group hold about 60 per cent of the quotas and voting rights, with the emerging markets holding 20 per cent and the rest of the developing countries holding the remaining 20 per cent. These ratios have not changed significantly over time and do not reflect the growing size of emerging markets in the global economy. Since 85 per cent of the votes are required for decision-making, the United States, which holds 17 per cent of the quota, is the only country that has a veto power at the IMF.

At the 2006 annual meeting of the IMF and the World Bank held in Singapore, a decision was taken to increase the quotas of China, Mexico, Korea and Turkey by small amounts. In April 2008, an agreement was reached to increase quotas of a larger number of countries (54) by also a small amount. But this agreement has yet to be implemented. Quota reform is a highly charged issue as it means a loss of power for countries that have a large voice at the IMF. At the Pittsburgh Summit, the Leaders pledged to transfer at least five per cent of the quota to emerging markets by January 2011.

Occupying eight of the 24 chairs and represented in another constituency at the IMF Board, there is a feeling that European countries are over-represented at the IMF. With the establishment of a monetary union, Europe should occupy fewer seats. Aside from the broad statements made, little concrete action has been taken so far.

Finally, as Mahbubani (2008) has pointed out, the rule that the head of the IMF should be a Western European automatically disqualifies 88 per cent of the world's population from leadership of this global economic institution. As he and many others have argued, the choice of the IMF head should be based on merit and qualifications and not on nationality. This issue has also not been addressed as yet.

The slow progress in reforming the IMF continues to be a problem. This was the case in the aftermath of the AFC when many felt that the IMF had lost legitimacy in its operations and was sidelined. Its lending operation had declined significantly and it was also suffering from a precarious financial situation. The IMF credit outstanding, which had peaked at almost \$100 billion at the end of 2005, had declined to about \$10 billion by the end of September 2008. The IMF's income, which is related to its lending operations, had dwindled and staff retrenchments had begun. In the aftermath of the GEC, questions related to legitimacy and effectiveness continue to be raised as little progress has been made in reforming its governance.

### **III. The G20 and Asia**

As outlined above, while some progress has been made in the areas of crisis prevention and crisis management, progress in reforming the IMF governance has been limited. Can the faster-than-expected recovery from the GEC that we are now witnessing all over the world, once again lead to complacency and postponement of reforms? Probably not this time around. This is because the present round of reforms is being overseen by the G20 in which systemically important developing countries, who are stakeholders, have a voice. In contrast, earlier efforts were under the auspices of the G8 where only the industrial countries were included.

Although it is still too early to judge, there are two ways of looking at the achievements of the G20 Summits so far. A clear winner has been the IMF. As mentioned above, in the immediate pre-crisis period the IMF was perceived by many as an institution that had lost legitimacy and was heading towards irrelevance mainly due to its mismanagement of the AFC. The on-going GEC has elevated the IMF to an innovative crisis-responder. The IMF's lending volume, which had dwindled to \$10 billion in 2007, has increased to \$160 billion (the peak was \$150 in 2005). The recent request by the European Union to the IMF to take part in the rescue of Greece has also enhanced the clout of the IMF. The IMF's lending capacity has been tripled to \$750 billion by the G20. The G20 has also given the IMF, together with the FBS, an important role in its newly established "peer review process".

To its credit, the IMF under Dominique Strauss-Kahn who took over in late 2007 has also re-invented itself to a large extent by streamlining conditionality and by introducing new credit lines. This turnaround of the IMF is to be applauded.

Nevertheless, the institution continues to lack legitimacy and trust of many members and continues to be viewed as an agent of western countries. When Korea faced financing difficulties in 2009, it went to the Federal Reserve rather than the IMF. One Korean finance official was reported to have said, “South Koreans tremble and financial markets turn sensitive whenever they hear the word ‘IMF’.” Furthermore, as Subramanian (2009) warned, “The IMF remains more lenient to Europeans than others and risks being labelled a ‘Euro-Atlantic Monetary Fund’.” Several Eastern European countries, including Hungary, Romania and Ukraine have large IMF programmes. The lack of legitimacy stems from the limited progress made in reforming its governance as Western countries are reluctant to give up their political clout at the IMF. Eventually, the G20 must put its money where its mouth is and place reform of the IMF governance on the top of its agenda, otherwise all its other achievements will lack effectiveness. If so, as noted by the Stiglitz Commission (UN, 2009), the future global architecture could comprise a network of regional monetary funds (such as the Asian monetary and the African monetary funds) working in coordination with a trim IMF.

A broader view is that the developing world has also come out as a winner. At the Pittsburgh Summit, the Leaders designated the G20 as the “premier forum” for international economic cooperation replacing the G8, which is to focus more on security and foreign policies issues. At that Summit, President Obama also announced that the G20 would replace G8. As compared to the Western-dominated G8, the G20 brings the main industrialised countries together with systemically important developing countries such as China, India and Brazil. This decision is historic because it recognises the growing economic weight of developing countries in the world economy and represents the passing of the baton to them. Notably, in his State of the Union address in January this year, unlike in the past, President Obama did not mention the G8.

Another reason why the Pittsburgh Summit is historic is that it introduced a “peer review” system of each member’s macroeconomic and financial policies.<sup>4</sup> This is because in a globalised world, policies spill over national boundaries. The IMF is to help G20 assess collective implications and potential risks of the sum of their

---

<sup>4</sup> This “peer review” process is historic because aside from the Trade Policy Review Body of the WTO where peer review of trade policies is conducted, there is no institution where representatives of both the industrial and the developing world sit across or around the table to conduct a peer review of macroeconomic or financial sector policies.

disparate growth strategies. The World Bank is also to help in promoting development and poverty reduction as part of the rebalancing of global growth. And the FBS and IMF are to help jointly in “macro-prudential” monitoring to help prevent credit and asset price cycles from becoming forces of destabilisation.

The G20 Summit should, however, be seen as a process and not an event. The group is self-appointed and at this point it is difficult to see how it will evolve in the future. The first Summit was held in November 2008 and so far only three Summits have been held. Two more are slated for this year—Canada (June) and Korea (November). One important issue facing the G20 is that of inclusiveness. The G20 represents 4.2 billion people of the world but not the other 2.6 billion people. How can their views be incorporated and the legitimacy of the G20 enhanced? While addressing this question, it must be borne in mind that there is a trade-off between effectiveness and inclusiveness. The more inclusive the group, the less effective it can be. Three possible approaches can be considered. The first is for the left-out countries to form a coalition of the unrepresented, a group of their own. But even if the left-out countries were successful in establishing such a coalition, it is not clear how the coalition could obtain a seat at the G20 table unless their representative is invited to the G20 as in the 3G proposal made by Singapore (discussed towards the end of the paper). The second is inclusiveness through the involvement of the United Nations. The Stiglitz Commission notes that decisions concerning necessary reforms to the IFA must not be made by a self-selected group (such as the G7, G8 or the G20) but by all countries of the world, working in concert. Better representation and democratic legitimacy will not require the presence of all countries in all deliberations. Working committees chosen by a democratic process can be limited to a size that ensures effective decision-making (UN, 2009). This proposal certainly merits further consideration but the view that the UN lacks competencies to engage on matters of systemic reform has to be overcome. The third approach would be to continue the present G20 practice of inviting representatives of various regional groupings. Under the present G20 practice, various regional organisations, such as ASEAN, APEC, the African Union Commission and the New Partnership for Africa’s Development, are invited in the G20 Summits. Other representatives of regional groupings could also be invited as appropriate.

A related issue is that of the G20 agenda. So far the focus has been on the continuation of stimulus packages that has brought about faster-than-expected

recovery globally, coordination of exit strategies and designing a new international financial regulatory framework. Issues of trade and the IMF governance that are of relevance to developing countries have figured less prominently in the G20 discussions. For example, the Leaders' statement mentions, "We are determined to seek an ambitious and balanced conclusion to the Doha Development Round in 2010". But no concrete actions are mentioned on how this important objective is to be achieved. Some have made the case for the G20 to address long-term issues such as the reform of the UN and actions on climate change. Despite the above issues, it is unlikely that the G20 will simply fade away any time in the future.

Now that they have been invited to participate in the discussions, the onus is on developing countries to make sure that they are heard effectively at the G20. In particular, how can Asia leverage its growing economic weight into more effective participation in the G20? Asia is represented by six countries in the G20: Australia, China, India, Indonesia, Korea and Japan. How can these countries further synergise and leverage their individual country's economic and political weight and come up with Asian perspectives for a more effective participation in the G20?

First, realising the centrality of ASEAN in Asian regional architecture, Asian countries should lobby to formalise the membership of the ASEAN representatives in the G20. Under the present G20 practice of inviting representatives of regional groupings, the ASEAN Chair and the ASEAN Secretary-General had participated at the London and the Pittsburgh Summits. Asian countries should lobby to formalise and regularise the participation of the ASEAN Chair and the ASEAN Secretary-General in future G20 Summits.<sup>5</sup> In this context, the ASEAN Leaders' Statement from the Hanoi Summit of 9 April 2010 that "ASEAN strongly believes that it can contribute to the deliberations of the G20 through the continued participation of the ASEAN Chair and the ASEAN Secretary-General in the future G20 Summits"<sup>6</sup> is a step in the right direction.

Second, Asian countries should organise meetings of the "expanded" ASEAN+3 just prior to the G20 Summits to coordinate policies and develop common views and opinions to support the participation of the ASEAN representatives in the G20. After the AFC, a number of fora has been established in the region for policy coordination. These include the Executives' Meeting of East Asian and Pacific Central Bankers

---

<sup>5</sup> As discussed later in the paper, the G3 also supports this idea.

<sup>6</sup> ASEAN Leaders' Statement on Sustained Recovery and Development, Hanoi, 9 April 2010.



(EMEAP) and the ASEAN Surveillance Process, which brings together the 10 ASEAN finance ministers and their deputies. Although ASEAN plays the central role in the region's institutional architecture, it is the ASEAN+3 Economic Review and Policy Dialogue (ERPD) which brings together the finance ministers and deputies of 13 countries (ASEAN plus China, Japan and Korea) that is much more comprehensive and has strong technical support which is critically important. Under the ASEAN+3 ERPD, Finance Ministers of the ASEAN+3 countries meet once a year and their deputies twice a year for two days at a time to (i) assess global, regional, and national conditions and risks, (ii) review financial sector (including bond market) developments and vulnerabilities and (iii) discuss other topics of mutual interests. These issues are then elevated to the Finance Ministers' meeting. The ASEAN+3 ERPD has been strengthened significantly to support the Chiang Mai Initiative Multilateralization (CMIM).<sup>7</sup> Among others, it has established a system to monitor financial sector vulnerability and an early warning system of banking and financial crisis. In addition to the ASEAN+3 countries reflecting their growing economic linkages with the region, India, Australia and New Zealand should also be invited to participate in these regional meetings. The deliberations of the "expanded" ASEAN+3 prior to the G20 Summits will provide a robust agenda for the ASEAN representatives to table at the Summit.<sup>8</sup> The ASEAN representatives can contribute substantive ideas to the global body and participate effectively in these meetings.<sup>9</sup> Once the ASEAN+3 Macroeconomic Research Office (AMRO), an independent surveillance to support CMIM is established in Singapore (by May 2010), the AMRO can convene the policy dialogue meetings of the "expanded" ASEAN+3 (see Joint Statement of the 14th ASEAN Finance Ministers' Meeting of 8 April 2010 available in [aseansecretariat.org](http://aseansecretariat.org) for the decision to establish the AMRO).

Third, Asian countries should coordinate their views and positions with those of developing countries in other regions of the world by supporting and being members of the informal 3G. This group presently comprises about two dozen small and medium states (of which four are from Asia (Brunei, Malaysia, Philippines and

---

<sup>7</sup> CMIM refers to \$120 billion multilateral currency swap scheme or crisis fund launched by the ASEAN+3 in March 2010.

<sup>8</sup> Both the ASEAN Chair and the ASEAN Secretary-General participate in the ASEAN+3 ERPD.

<sup>9</sup> The East Asia Summit (EAS) group comprises the 16 countries under discussion, but it has so far focused on cultural and social issues and does not yet engage in economic policy coordination. The first informal East Asia Summit Finance Ministers' meeting was held in Taskent, Uzbekistan in May 2010.

Singapore), which have come together to develop a constructive dialogue on coordination and cooperation between G20 and non-G20 members. The 3G has been convened by Singapore under the auspices of the UN since July 2009. The 3G has put forward a few ideas (Menon, 2010). First, the G20 should undertake consultations as widely as possible with non-G20 members before the G20 Summits. Second, the UN Secretary-General should be an active participant in all aspects of the G20 process. Third, the G20 process should take on a “variable geometry” configuration to allow non-G20 states to participate in Ministerial and other gatherings and other working groups involving senior officials/experts on specialised issues. Fourth, the G20 should continue the practice of inviting established regional groupings to the Summits. In fact, the presence of regional groupings at the G20 meetings should be formalised. These ideas have been incorporated in a 3G paper entitled “Strengthening the Framework for G20 Engagement with Non-members” and circulated as a UN document.

## References

ASEAN Leaders' Statement on Sustained Recovery and Development, Hanoi, 9 April 2010, available in [aseansecrertariat.org](http://aseansecrertariat.org).

Joint Media Statement of the 14th ASEAN Finance Ministers' Meeting, Nha Trang, Viet Nam, 8 April 2010, available in [aseansecrertariat.org](http://aseansecrertariat.org).

Kawai, M. 2009. "Reform of the International Financial Architecture: An Asian Perspective". Forthcoming March 2010, *Singapore Economic Review*.

Kawai, M., and Rana, P. B. 2009. "The Asian Financial Crisis Revisited: Lessons, Responses and New Challenges", in Richard Carney (Ed.), *Lessons from the Asian Financial Crisis*. New York: Routledge, pp. 155–197.

Mahbubani, K. 2008. *The New Asian Hemisphere: The Irresistible Shift of Global Power to the East*, Public Affairs.

Menon, Vanu Gopal. 2010. "Global Governance: The G20 and the UN", available at [www.ipsterraviva.net/UN/print.aspx?idnews+N7370](http://www.ipsterraviva.net/UN/print.aspx?idnews+N7370).

Subramanian, A. 2010. "IMF Crisis Balance Sheet", available at [www.iie.com/realtime/?p=942](http://www.iie.com/realtime/?p=942).

The Pittsburgh Summit 2009, "G20 Leaders Statement", The Pittsburgh Summit 2009 Official Website (25 September 2009), available at <http://www.pittsburghsummit.gov/mediacenter/129639.htm>, accessed 29 January 2010.

United Nations. 2009. Report of the Commission of Experts of the President of the UN General Assembly on Reforms of the International Monetary and Financial System, New York, 12 September. (Stiglitz Commission Report).

*RSIS Working Paper Series*

1. Vietnam-China Relations Since The End of The Cold War (1998)  
*Ang Cheng Guan*
2. Multilateral Security Cooperation in the Asia-Pacific Region: Prospects and Possibilities (1999)  
*Desmond Ball*
3. Reordering Asia: “Cooperative Security” or Concert of Powers? (1999)  
*Amitav Acharya*
4. The South China Sea Dispute re-visited (1999)  
*Ang Cheng Guan*
5. Continuity and Change In Malaysian Politics: Assessing the Buildup to the 1999-2000 General Elections (1999)  
*Joseph Liow Chin Yong*
6. ‘Humanitarian Intervention in Kosovo’ as Justified, Executed and Mediated by NATO: Strategic Lessons for Singapore (2000)  
*Kumar Ramakrishna*
7. Taiwan’s Future: Mongolia or Tibet? (2001)  
*Chien-peng (C.P.) Chung*
8. Asia-Pacific Diplomacies: Reading Discontinuity in Late-Modern Diplomatic Practice (2001)  
*Tan See Seng*
9. Framing “South Asia”: Whose Imagined Region? (2001)  
*Sinderpal Singh*
10. Explaining Indonesia's Relations with Singapore During the New Order Period: The Case of Regime Maintenance and Foreign Policy (2001)  
*Terence Lee Chek Liang*
11. Human Security: Discourse, Statecraft, Emancipation (2001)  
*Tan See Seng*
12. Globalization and its Implications for Southeast Asian Security: A Vietnamese Perspective (2001)  
*Nguyen Phuong Binh*
13. Framework for Autonomy in Southeast Asia’s Plural Societies (2001)  
*Miriam Coronel Ferrer*
14. Burma: Protracted Conflict, Governance and Non-Traditional Security Issues (2001)  
*Ananda Rajah*
15. Natural Resources Management and Environmental Security in Southeast Asia: Case Study of Clean Water Supplies in Singapore (2001)  
*Kog Yue Choong*
16. Crisis and Transformation: ASEAN in the New Era (2001)  
*Etel Solingen*
17. Human Security: East Versus West? (2001)  
*Amitav Acharya*
18. Asian Developing Countries and the Next Round of WTO Negotiations (2001)  
*Barry Desker*

19. Multilateralism, Neo-liberalism and Security in Asia: The Role of the Asia Pacific Economic Co-operation Forum (2001)  
*Ian Taylor*
20. Humanitarian Intervention and Peacekeeping as Issues for Asia-Pacific Security (2001)  
*Derek McDougall*
21. Comprehensive Security: The South Asian Case (2002)  
*S.D. Muni*
22. The Evolution of China's Maritime Combat Doctrines and Models: 1949-2001 (2002)  
*You Ji*
23. The Concept of Security Before and After September 11 (2002)  
a. The Contested Concept of Security  
*Steve Smith*  
b. Security and Security Studies After September 11: Some Preliminary Reflections  
*Amitav Acharya*
24. Democratisation In South Korea And Taiwan: The Effect Of Social Division On Inter-Korean and Cross-Strait Relations (2002)  
*Chien-peng (C.P.) Chung*
25. Understanding Financial Globalisation (2002)  
*Andrew Walter*
26. 911, American Praetorian Unilateralism and the Impact on State-Society Relations in Southeast Asia (2002)  
*Kumar Ramakrishna*
27. Great Power Politics in Contemporary East Asia: Negotiating Multipolarity or Hegemony? (2002)  
*Tan See Seng*
28. What Fear Hath Wrought: Missile Hysteria and The Writing of "America" (2002)  
*Tan See Seng*
29. International Responses to Terrorism: The Limits and Possibilities of Legal Control of Terrorism by Regional Arrangement with Particular Reference to ASEAN (2002)  
*Ong Yen Nee*
30. Reconceptualizing the PLA Navy in Post – Mao China: Functions, Warfare, Arms, and Organization (2002)  
*Nan Li*
31. Attempting Developmental Regionalism Through AFTA: The Domestic Politics – Domestic Capital Nexus (2002)  
*Helen E S Nesadurai*
32. 11 September and China: Opportunities, Challenges, and Warfighting (2002)  
*Nan Li*
33. Islam and Society in Southeast Asia after September 11 (2002)  
*Barry Desker*
34. Hegemonic Constraints: The Implications of September 11 For American Power (2002)  
*Evelyn Goh*
35. Not Yet All Aboard...But Already All At Sea Over Container Security Initiative (2002)  
*Irvin Lim*

36. Financial Liberalization and Prudential Regulation in East Asia: Still Perverse? (2002)  
*Andrew Walter*
37. Indonesia and The Washington Consensus (2002)  
*Premjith Sadasivan*
38. The Political Economy of FDI Location: Why Don't Political Checks and Balances and Treaty Constraints Matter? (2002)  
*Andrew Walter*
39. The Securitization of Transnational Crime in ASEAN (2002)  
*Ralf Emmers*
40. Liquidity Support and The Financial Crisis: The Indonesian Experience (2002)  
*J Soedradjad Djiwandono*
41. A UK Perspective on Defence Equipment Acquisition (2003)  
*David Kirkpatrick*
42. Regionalisation of Peace in Asia: Experiences and Prospects of ASEAN, ARF and UN Partnership (2003)  
*Mely C. Anthony*
43. The WTO In 2003: Structural Shifts, State-Of-Play And Prospects For The Doha Round (2003)  
*Razeen Sally*
44. Seeking Security In The Dragon's Shadow: China and Southeast Asia In The Emerging Asian Order (2003)  
*Amitav Acharya*
45. Deconstructing Political Islam In Malaysia: UMNO'S Response To PAS' Religio-Political Dialectic (2003)  
*Joseph Liow*
46. The War On Terror And The Future of Indonesian Democracy (2003)  
*Tatik S. Hafidz*
47. Examining The Role of Foreign Assistance in Security Sector Reforms: The Indonesian Case (2003)  
*Eduardo Lachica*
48. Sovereignty and The Politics of Identity in International Relations (2003)  
*Adrian Kuah*
49. Deconstructing Jihad; Southeast Asia Contexts (2003)  
*Patricia Martinez*
50. The Correlates of Nationalism in Beijing Public Opinion (2003)  
*Alastair Iain Johnston*
51. In Search of Suitable Positions' in the Asia Pacific: Negotiating the US-China Relationship and Regional Security (2003)  
*Evelyn Goh*
52. American Unilateralism, Foreign Economic Policy and the 'Securitisation' of Globalisation (2003)  
*Richard Higgott*

53. Fireball on the Water: Naval Force Protection-Projection, Coast Guarding, Customs Border Security & Multilateral Cooperation in Rolling Back the Global Waves of Terror from the Sea (2003)  
*Irvin Lim*
54. Revisiting Responses To Power Preponderance: Going Beyond The Balancing-Bandwagoning Dichotomy (2003)  
*Chong Ja Ian*
55. Pre-emption and Prevention: An Ethical and Legal Critique of the Bush Doctrine and Anticipatory Use of Force In Defence of the State (2003)  
*Malcolm Brailey*
56. The Indo-Chinese Enlargement of ASEAN: Implications for Regional Economic Integration (2003)  
*Helen E S Nesadurai*
57. The Advent of a New Way of War: Theory and Practice of Effects Based Operation (2003)  
*Joshua Ho*
58. Critical Mass: Weighing in on Force Transformation & Speed Kills Post-Operation Iraqi Freedom (2004)  
*Irvin Lim*
59. Force Modernisation Trends in Southeast Asia (2004)  
*Andrew Tan*
60. Testing Alternative Responses to Power Preponderance: Buffering, Binding, Bonding and Beleaguering in the Real World (2004)  
*Chong Ja Ian*
61. Outlook on the Indonesian Parliamentary Election 2004 (2004)  
*Irman G. Lanti*
62. Globalization and Non-Traditional Security Issues: A Study of Human and Drug Trafficking in East Asia (2004)  
*Ralf Emmers*
63. Outlook for Malaysia's 11<sup>th</sup> General Election (2004)  
*Joseph Liow*
64. Not *Many* Jobs Take a Whole Army: Special Operations Forces and The Revolution in Military Affairs. (2004)  
*Malcolm Brailey*
65. Technological Globalisation and Regional Security in East Asia (2004)  
*J.D. Kenneth Boutin*
66. UAVs/UCAVS – Missions, Challenges, and Strategic Implications for Small and Medium Powers (2004)  
*Manjeet Singh Pardesi*
67. Singapore's Reaction to Rising China: Deep Engagement and Strategic Adjustment (2004)  
*Evelyn Goh*
68. The Shifting Of Maritime Power And The Implications For Maritime Security In East Asia (2004)  
*Joshua Ho*
69. China In The Mekong River Basin: The Regional Security Implications of Resource Development On The Lancang Jiang (2004)  
*Evelyn Goh*

70. Examining the Defence Industrialization-Economic Growth Relationship: The Case of Singapore (2004)  
*Adrian Kuah and Bernard Loo*
71. "Constructing" The Jemaah Islamiyah Terrorist: A Preliminary Inquiry (2004)  
*Kumar Ramakrishna*
72. Malaysia and The United States: Rejecting Dominance, Embracing Engagement (2004)  
*Helen E S Nesadurai*
73. The Indonesian Military as a Professional Organization: Criteria and Ramifications for Reform (2005)  
*John Bradford*
74. Maritime Terrorism in Southeast Asia: A Risk Assessment (2005)  
*Catherine Zara Raymond*
75. Southeast Asian Maritime Security In The Age Of Terror: Threats, Opportunity, And Charting The Course Forward (2005)  
*John Bradford*
76. Deducing India's Grand Strategy of Regional Hegemony from Historical and Conceptual Perspectives (2005)  
*Manjeet Singh Pardesi*
77. Towards Better Peace Processes: A Comparative Study of Attempts to Broker Peace with MNLF and GAM (2005)  
*S P Harish*
78. Multilateralism, Sovereignty and Normative Change in World Politics (2005)  
*Amitav Acharya*
79. The State and Religious Institutions in Muslim Societies (2005)  
*Riaz Hassan*
80. On Being Religious: Patterns of Religious Commitment in Muslim Societies (2005)  
*Riaz Hassan*
81. The Security of Regional Sea Lanes (2005)  
*Joshua Ho*
82. Civil-Military Relationship and Reform in the Defence Industry (2005)  
*Arthur S Ding*
83. How Bargaining Alters Outcomes: Bilateral Trade Negotiations and Bargaining Strategies (2005)  
*Deborah Elms*
84. Great Powers and Southeast Asian Regional Security Strategies: Omni-enmeshment, Balancing and Hierarchical Order (2005)  
*Evelyn Goh*
85. Global Jihad, Sectarianism and The Madrassahs in Pakistan (2005)  
*Ali Riaz*
86. Autobiography, Politics and Ideology in Sayyid Qutb's Reading of the Qur'an (2005)  
*Umej Bhatia*
87. Maritime Disputes in the South China Sea: Strategic and Diplomatic Status Quo (2005)  
*Ralf Emmers*



88. China's Political Commissars and Commanders: Trends & Dynamics (2005)  
*Srikanth Kondapalli*
89. Piracy in Southeast Asia New Trends, Issues and Responses (2005)  
*Catherine Zara Raymond*
90. Geopolitics, Grand Strategy and the Bush Doctrine (2005)  
*Simon Dalby*
91. Local Elections and Democracy in Indonesia: The Case of the Riau Archipelago (2005)  
*Nankyung Choi*
92. The Impact of RMA on Conventional Deterrence: A Theoretical Analysis (2005)  
*Manjeet Singh Pardesi*
93. Africa and the Challenge of Globalisation (2005)  
*Jeffrey Herbst*
94. The East Asian Experience: The Poverty of 'Picking Winners' (2005)  
*Barry Desker and Deborah Elms*
95. Bandung And The Political Economy Of North-South Relations: Sowing The Seeds For Revisioning International Society (2005)  
*Helen E S Nesadurai*
96. Re-conceptualising the Military-Industrial Complex: A General Systems Theory Approach (2005)  
*Adrian Kuah*
97. Food Security and the Threat From Within: Rice Policy Reforms in the Philippines (2006)  
*Bruce Tolentino*
98. Non-Traditional Security Issues: Securitisation of Transnational Crime in Asia (2006)  
*James Laki*
99. Securitizing/Desecuritizing the Filipinos' 'Outward Migration Issue' in the Philippines' Relations with Other Asian Governments (2006)  
*José N. Franco, Jr.*
100. Securitization Of Illegal Migration of Bangladeshis To India (2006)  
*Josy Joseph*
101. Environmental Management and Conflict in Southeast Asia – Land Reclamation and its Political Impact (2006)  
*Kog Yue-Choong*
102. Securitizing border-crossing: The case of marginalized stateless minorities in the Thai-Burma Borderlands (2006)  
*Mika Toyota*
103. The Incidence of Corruption in India: Is the Neglect of Governance Endangering Human Security in South Asia? (2006)  
*Shabnam Mallick and Rajarshi Sen*
104. The LTTE's Online Network and its Implications for Regional Security (2006)  
*Shyam Tekwani*
105. The Korean War June-October 1950: Inchon and Stalin In The "Trigger Vs Justification" Debate (2006)  
*Tan Kwoh Jack*

106. International Regime Building in Southeast Asia: ASEAN Cooperation against the Illicit Trafficking and Abuse of Drugs (2006)  
*Ralf Emmers*
107. Changing Conflict Identities: The case of the Southern Thailand Discord (2006)  
*S P Harish*
108. Myanmar and the Argument for Engagement: *A Clash of Contending Moralities?* (2006)  
*Christopher B Roberts*
109. TEMPORAL DOMINANCE (2006)  
Military Transformation and the Time Dimension of Strategy  
*Edwin Seah*
110. Globalization and Military-Industrial Transformation in South Asia: An Historical Perspective (2006)  
*Emrys Chew*
111. UNCLOS and its Limitations as the Foundation for a Regional Maritime Security Regime (2006)  
*Sam Bateman*
112. Freedom and Control Networks in Military Environments (2006)  
*Paul T Mitchell*
113. Rewriting Indonesian History The Future in Indonesia's Past (2006)  
*Kwa Chong Guan*
114. Twelver Shi'ite Islam: Conceptual and Practical Aspects (2006)  
*Christoph Marcinkowski*
115. Islam, State and Modernity : Muslim Political Discourse in Late 19<sup>th</sup> and Early 20<sup>th</sup> century India (2006)  
*Iqbal Singh Sevea*
116. 'Voice of the Malayan Revolution': The Communist Party of Malaya's Struggle for Hearts and Minds in the 'Second Malayan Emergency' (1969-1975) (2006)  
*Ong Wei Chong*
117. "From Counter-Society to Counter-State: Jemaah Islamiyah According to PUPJI" (2006)  
*Elena Pavlova*
118. The Terrorist Threat to Singapore's Land Transportation Infrastructure: A Preliminary Enquiry (2006)  
*Adam Dolnik*
119. The Many Faces of Political Islam (2006)  
*Mohammed Ayoob*
120. Facets of Shi'ite Islam in Contemporary Southeast Asia (I): Thailand and Indonesia (2006)  
*Christoph Marcinkowski*
121. Facets of Shi'ite Islam in Contemporary Southeast Asia (II): Malaysia and Singapore (2006)  
*Christoph Marcinkowski*
122. Towards a History of Malaysian Ulama (2007)  
*Mohamed Nawab*
123. Islam and Violence in Malaysia (2007)  
*Ahmad Fauzi Abdul Hamid*

124. Between Greater Iran and Shi'ite Crescent: Some Thoughts on the Nature of Iran's Ambitions in the Middle East (2007)  
*Christoph Marcinkowski*
125. Thinking Ahead: Shi'ite Islam in Iraq and its Seminaries (hawzah 'ilmiyyah) (2007)  
*Christoph Marcinkowski*
126. The China Syndrome: Chinese Military Modernization and the Rearming of Southeast Asia (2007)  
*Richard A. Bitzinger*
127. Contested Capitalism: Financial Politics and Implications for China (2007)  
*Richard Carney*
128. Sentinels of Afghan Democracy: The Afghan National Army (2007)  
*Samuel Chan*
129. The De-escalation of the Spratly Dispute in Sino-Southeast Asian Relations (2007)  
*Ralf Emmers*
130. War, Peace or Neutrality: An Overview of Islamic Polity's Basis of Inter-State Relations (2007)  
*Muhammad Haniff Hassan*
131. Mission Not So Impossible: The AMM and the Transition from Conflict to Peace in Aceh, 2005–2006 (2007)  
*Kirsten E. Schulze*
132. Comprehensive Security and Resilience in Southeast Asia: ASEAN's Approach to Terrorism and Sea Piracy (2007)  
*Ralf Emmers*
133. The Ulama in Pakistani Politics (2007)  
*Mohamed Nawab*
134. China's Proactive Engagement in Asia: Economics, Politics and Interactions (2007)  
*Li Mingjiang*
135. The PLA's Role in China's Regional Security Strategy (2007)  
*Qi Dapeng*
136. War As They Knew It: Revolutionary War and Counterinsurgency in Southeast Asia (2007)  
*Ong Wei Chong*
137. Indonesia's Direct Local Elections: Background and Institutional Framework (2007)  
*Nankyung Choi*
138. Contextualizing Political Islam for Minority Muslims (2007)  
*Muhammad Haniff bin Hassan*
139. Ngruki Revisited: Modernity and Its Discontents at the Pondok Pesantren al-Mukmin of Ngruki, Surakarta (2007)  
*Farish A. Noor*
140. Globalization: Implications of and for the Modern / Post-modern Navies of the Asia Pacific (2007)  
*Geoffrey Till*
141. Comprehensive Maritime Domain Awareness: An Idea Whose Time Has Come? (2007)  
*Irvin Lim Fang Jau*
142. Sulawesi: Aspirations of Local Muslims (2007)  
*Rohaiza Ahmad Asi*

143. Islamic Militancy, Sharia, and Democratic Consolidation in Post-Suharto Indonesia (2007)  
*Noorhaidi Hasan*
144. Crouching Tiger, Hidden Dragon: The Indian Ocean and The Maritime Balance of Power in Historical Perspective (2007)  
*Emrys Chew*
145. New Security Dimensions in the Asia Pacific (2007)  
*Barry Desker*
146. Japan's Economic Diplomacy towards East Asia: Fragmented Realism and Naïve Liberalism (2007)  
*Hidetaka Yoshimatsu*
147. U.S. Primacy, Eurasia's New Strategic Landscape, and the Emerging Asian Order (2007)  
*Alexander L. Vuving*
148. The Asian Financial Crisis and ASEAN's Concept of Security (2008)  
*Yongwook RYU*
149. Security in the South China Sea: China's Balancing Act and New Regional Dynamics (2008)  
*Li Mingjiang*
150. The Defence Industry in the Post-Transformational World: Implications for the United States and Singapore (2008)  
*Richard A Bitzinger*
151. The Islamic Opposition in Malaysia: New Trajectories and Directions (2008)  
*Mohamed Fauz Abdul Hamid*
152. Thinking the Unthinkable: The Modernization and Reform of Islamic Higher Education in Indonesia (2008)  
*Farish A Noor*
153. Outlook for Malaysia's 12th General Elections (2008)  
*Mohamed Nawab Mohamed Osman, Shahirah Mahmood and Joseph Chinyong Liow*
154. The use of SOLAS Ship Security Alert Systems (2008)  
*Thomas Timlen*
155. Thai-Chinese Relations: Security and Strategic Partnership (2008)  
*Chulacheeb Chinwanno*
156. Sovereignty In ASEAN and The Problem of Maritime Cooperation in the South China Sea (2008)  
*JN Mak*
157. Sino-U.S. Competition in Strategic Arms (2008)  
*Arthur S. Ding*
158. Roots of Radical Sunni Traditionalism (2008)  
*Karim Douglas Crow*
159. Interpreting Islam On Plural Society (2008)  
*Muhammad Haniff Hassan*
160. Towards a Middle Way Islam in Southeast Asia: Contributions of the Gülen Movement (2008)  
*Mohamed Nawab Mohamed Osman*

161. Spoilers, Partners and Pawns: Military Organizational Behaviour and Civil-Military Relations in Indonesia (2008)  
*Evan A. Laksmana*
162. The Securitization of Human Trafficking in Indonesia (2008)  
*Rizal Sukma*
163. The Hindu Rights Action Force (HINDRAF) of Malaysia: Communitarianism Across Borders? (2008)  
*Farish A. Noor*
164. A Merlion at the Edge of an Afrasian Sea: Singapore's Strategic Involvement in the Indian Ocean (2008)  
*Emrys Chew*
165. Soft Power in Chinese Discourse: Popularity and Prospect (2008)  
*Li Mingjiang*
166. Singapore's Sovereign Wealth Funds: The Political Risk of Overseas Investments (2008)  
*Friedrich Wu*
167. The Internet in Indonesia: Development and Impact of Radical Websites (2008)  
*Jennifer Yang Hui*
168. Beibu Gulf: Emerging Sub-regional Integration between China and ASEAN (2009)  
*Gu Xiaosong and Li Mingjiang*
169. Islamic Law In Contemporary Malaysia: Prospects and Problems (2009)  
*Ahmad Fauzi Abdul Hamid*
170. "Indonesia's Salafist Sufis" (2009)  
*Julia Day Howell*
171. Reviving the Caliphate in the Nusantara: Hizbut Tahrir Indonesia's Mobilization Strategy and Its Impact in Indonesia (2009)  
*Mohamed Nawab Mohamed Osman*
172. Islamizing Formal Education: Integrated Islamic School and a New Trend in Formal Education Institution in Indonesia (2009)  
*Noorhaidi Hasan*
173. The Implementation of Vietnam-China Land Border Treaty: Bilateral and Regional Implications (2009)  
*Do Thi Thuy*
174. The Tablighi Jama'at Movement in the Southern Provinces of Thailand Today: Networks and Modalities (2009)  
*Farish A. Noor*
175. The Spread of the Tablighi Jama'at Across Western, Central and Eastern Java and the role of the Indian Muslim Diaspora (2009)  
*Farish A. Noor*
176. Significance of Abu Dujana and Zarkasih's Verdict (2009)  
*Nurfarahisinda Binte Mohamed Ismail, V. Arianti and Jennifer Yang Hui*
177. The Perils of Consensus: How ASEAN's Meta-Regime Undermines Economic and Environmental Cooperation (2009)  
*Vinod K. Aggarwal and Jonathan T. Chow*

178. The Capacities of Coast Guards to deal with Maritime Challenges in Southeast Asia (2009)  
*Prabhakaran Paleri*
179. China and Asian Regionalism: Pragmatism Hinders Leadership (2009)  
*Li Mingjiang*
180. Livelihood Strategies Amongst Indigenous Peoples in the Central Cardamom Protected Forest, Cambodia (2009)  
*Long Sarou*
181. Human Trafficking in Cambodia: Reintegration of the Cambodian illegal migrants from Vietnam and Thailand (2009)  
*Neth Naro*
182. The Philippines as an Archipelagic and Maritime Nation: Interests, Challenges, and Perspectives (2009)  
*Mary Ann Palma*
183. The Changing Power Distribution in the South China Sea: Implications for Conflict Management and Avoidance (2009)  
*Ralf Emmers*
184. Islamist Party, Electoral Politics and Da'wa Mobilization among Youth: The Prosperous Justice Party (PKS) in Indonesia (2009)  
*Noorhaidi Hasan*
185. U.S. Foreign Policy and Southeast Asia: From Manifest Destiny to Shared Destiny (2009)  
*Emrys Chew*
186. Different Lenses on the Future: U.S. and Singaporean Approaches to Strategic Planning (2009)  
*Justin Zorn*
187. Converging Peril : Climate Change and Conflict in the Southern Philippines (2009)  
*J. Jackson Ewing*
188. Informal Caucuses within the WTO: Singapore in the "Invisibles Group" (2009)  
*Barry Desker*
189. The ASEAN Regional Forum and Preventive Diplomacy: A Failure in Practice (2009)  
*Ralf Emmers and See Seng Tan*
190. How Geography Makes Democracy Work (2009)  
*Richard W. Carney*
191. The Arrival and Spread of the Tablighi Jama'at In West Papua (Irian Jaya), Indonesia (2010)  
*Farish A. Noor*
192. The Korean Peninsula in China's Grand Strategy: China's Role in dealing with North Korea's Nuclear Quandary (2010)  
*Chung Chong Wook*
193. Asian Regionalism and US Policy: The Case for Creative Adaptation (2010)  
*Donald K. Emmerson*
194. Jemaah Islamiyah: Of Kin and Kind (2010)  
*Sulastri Osman*
195. The Role of the Five Power Defence Arrangements in the Southeast Asian Security Architecture (2010)  
*Ralf Emmers*

196. The Domestic Political Origins of Global Financial Standards: Agrarian Influence and the Creation of U.S. Securities Regulations (2010)  
*Richard W. Carney*
197. Indian Naval Effectiveness for National Growth (2010)  
*Ashok Sawhney*
198. Exclusive Economic Zone (EEZ) regime in East Asian waters: Military and intelligence-gathering activities, Marine Scientific Research (MSR) and hydrographic surveys in an EEZ (2010)  
*Yang Fang*
199. Do Stated Goals Matter? Regional Institutions in East Asia and the Dynamic of Unstated Goals (2010)  
*Deepak Nair*
200. China's Soft Power in South Asia (2010)  
*Parama Sinha Palit*
201. Reform of the International Financial Architecture: How can Asia have a greater impact in the G20? (2010)  
*Pradumna B. Rana*