

Contents

Foreword **xi**

Acknowledgments **xiii**

Abbreviations and Acronyms **xv**

- 1** Multiple Currencies and Regional Cooperation **1**
Giovanni Capannelli and Jayant Menon

PART I: MONETARY AND EXCHANGE RATE POLICIES IN CLV COUNTRIES

- 2** Forces of Regional Economic and Financial Integration **13**
Giovanni Capannelli and Maria Socorro Gochoco-Bautista

- 3** Cambodia: Coping with Dollarization **51**
Huot Pum and Khan Vanak

- 4** Lao People's Democratic Republic: Dealing
with Multiple Currencies **99**
Phouphet Kyophilavong

- 5** Viet Nam: Dealing with Stabilization **131**
Nguyen Van Dinh

- 6** Measuring Dollarization **191**
Eric Girardin

- 7** CLV Countries: Common Ground in Policy Formulation **219**
Toshiki Jinushi

PART II: ISSUES FOR MONETARY COOPERATION

- 8** Monetary Frameworks and Exchange Rate Regimes **233**
Patricia Alvarez-Plata and Alfred Steinherr

- 9** Monetary Policy Issues in Multiple-currency Economies **255**
Jayant Menon

- 10** Dollarization and Monetary Stability **267**
Patricia Alvarez-Plata and Alicia García-Herrero

- 11** Incentives, Initiatives, and Obstacles to Monetary Cooperation **291**
Erik Klär and Stefan Kooths

- 12** European Monetary Cooperation: The Role of Small Countries **307**
Alfred Steinherr

- 13** Policy Options for CLV Countries **317**
Erik Klär, Stefan Kooths, and Jayant Menon

Appendix: Exchange Rate and Monetary Policies in Indochina during the Colonial Period <i>Henri Bourguinat</i>	347
---	------------

Contributors	369
--------------	------------

Author Index	375
--------------	------------

Subject Index	379
---------------	------------

Boxes

3.1. History of the National Bank of Cambodia	52
3.2. Short History of Cambodia's Monetary and Exchange Rate Policies	55
6.1. Sources of Data for Cambodia, the Lao People's Democratic Republic, and Viet Nam	194

Figures

2.1. CLV Countries: Real GDP Growth	19
2.2. CLV Countries: Trade/GDP Ratio	19
2.3. Intra-regional Trade Share in Selected Regional Groups	21
2.4. Intra-regional Trade Intensities in Selected Regional Groupings	23
2.5. Asian Opinion Leaders' Views on Creating an Asian Common Currency	30
2.6. Timing for an Asian Common Currency: ADB Survey's Responses	31
3.1. Cambodia: Quarterly Real GDP Growth Rates	60
3.2. Cambodia: Poverty Rates	60
3.3. Cambodia: Exchange Rate and Inflation Rate	61
3.4. Cambodia: Economic Growth Rates	61
3.5. Cambodia: Loans and Deposits Growth	62
3.6. Cambodia: Banking System (as of 30 April 2009)	65
3.7. Cambodia: Impact of Dollar Auctions on the Exchange Rate	69
3.8. Cambodia: Changes in the Consumer Price Index, Year-on-Year	74
3.9. Cambodia: Shares of Subgroups in Consumer Price Index's Changes	74
3.10. Cambodia: De-dollarization Process	79
3.11. Cambodia: Purchases and Sales of Dollars and Exchange Rate Fluctuation	85
3.12. Cambodia: Riel-Dollar Exchange Rates	87
4.1. Lao PDR: Number of Banks, 1988-2008	106
4.2. Lao PDR: FCD/M2 and M2 Growth Rates	112
4.3. Lao PDR: Monthly Exchange Rates	118