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Financial Integration in East Asia

Financial Integration in East Asia examines the degree of domestic and international financial openness in ten Asian countries (Japan, Australia, Hong Kong, Indonesia, South Korea, Malaysia, and the Philippines, Singapore, Taiwan and Thailand) and the effect financial openness has on the structure of the macroeconomy. After examining the reasons behind the 1997–8 financial crisis, Dr de Brouwer puts these in context by summarising the literature on the costs and benefits of financial reform. He then assesses the information that interest rate parity conditions and consumption smoothing have for financial openness, and sets out theoretical and empirical models to explore the link between market interest rates and intermediated interest rates on deposits and loans. *Financial Integration in East Asia* also contains reviews of the literature and regional developments, with clear policy analysis throughout.

Financial Integration in East Asia is the latest title in the Cambridge series Trade and Development.

GORDON DE BROUWER is Chief Manager, International Markets and Relations, at the Reserve Bank of Australia. He has previously worked for the Department of Treasury in Australia, the University of Melbourne and Westpac Bank in Tokyo. He has published papers on money markets in east Asia and Japan, and on topics including inflation modelling, output determination and monetary policy.

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