Contents

Acknowledgments ix
Introduction xi

CHAPTER 1  A WORLD IN CRISIS  1

A Subprime Outlook for the Global Economy
Save the Day
Coping with a Different Recession
Davos Diary: 2008
Double Bubble Trouble
Even When the Worst Is Over—Watch Out for Aftershocks
Pitfalls in a Postbubble World
Panic of 2008: Enough Scapegoating
Global Fix for a Global Crisis
Changing the Fed’s Policy Mandate
An Early Leadership Opportunity for Barack Obama
Dying of Consumption
Uncomfortable Truths about Our World after the Bubble
A Postbubble Global Business Cycle
America’s Japan Syndrome
Whither Capitalism?
After the Era of Excess
Same Old, Same Old
Depression Foil
CHAPTER 2  THE GLOBALIZATION DEBATE  89

Open Macro
The Battleground of Globalization
The Global Delta
Beggars Can’t Be Choosers
Perils of a Different Globalization
Bad Advice and a New Global Architecture
Doha Doesn’t Matter
Global Speed Trap
Hitting a BRIC Wall?
Global Comeback—First Japan, Now Germany
Labor versus Capital
Global Lessons
From Globalization to Localization
Unprepared for Globalization
The Currency Foil
The Shifting Mix of Global Saving

CHAPTER 3  CHINESE REBALANCING  169

China’s Rebalancing Challenge
A Commodity–Lite China
Scale and the Chinese Policy Challenge
China’s Great Contradiction
Soft Landing Made in China?
The Great Chinese Profits Debate
China Goes for Quality
Heavy Lifting
Two Birds with One Stone
Unstable, Unbalanced, Uncoordinated, and Unsustainable
China’s Global Challenge
Consumer-Led Growth for China
China’s Macro Imperatives
Manchurian Paradox
CHAPTER 4 PAN-ASIAN CHALLENGES

The Next Asia
Rebalancing Made in Japan?
From Beijing to Dubai
A Tale of Two Asias
Kim’s Boost to Globalization
Japan’s Missing Link
India on the Move
The Cranes of Dubai
Asian Decoupling Unlikely
The Korea Test
Asia’s Policy Trap
Complacency Asian Style
The End of the Beginning
Another Asian Wake-Up Call
India’s Virtuous Cycle
Risks of an Asian Relapse

CHAPTER 5 U.S.-CHINA TENSIONS

A Slippery Slope
Past the Point of No Return
Debating U.S.-China Trade Policy
Who’s Subsidizing Whom?
Protectionist Threats—Then and Now
The Ghost of Reed Smoot
China’s Pace, America’s Angst
The Politics of Trade Frictions
A Wake-Up Call for the United States and China:
Stress Testing a Symbiotic Relationship

Afterword
Sources
About the Author
Index