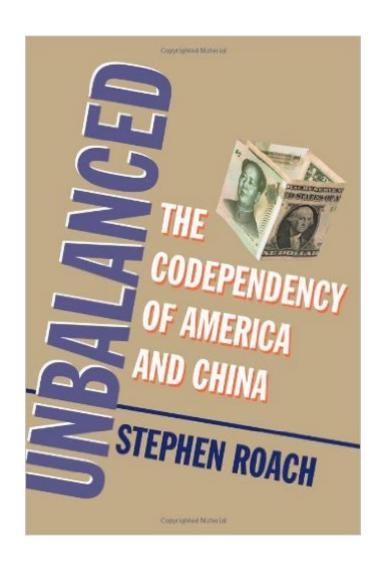
### The book was found

# Unbalanced: The Codependency Of America And China





#### **Synopsis**

The Chinese and U.S. economies have been locked in an uncomfortable embrace since the late 1970s. Although the relationship initially arose out of mutual benefits, in recent years it has taken on the trappings of an unstable codependence, with the two largest economies in the world losing their sense of self, increasing the risk of their turning on one another in a destructive fashion.ÂÂÂ Â In Unbalanced: The Codependency of America and China Stephen Roach, senior fellow at Yale University and former chairman of Morgan Stanley Asia, lays bare the pitfalls of the current China-U.S. economic relationship. He highlights the conflicts at the center of current tensions, including disputes over trade policies and intellectual property rights, sharp contrasts in leadership styles, the role of the Internet, the recent dispute over cyberhacking, and more. A A firsthand witness to the Asian financial crisis of the late 1990s, Roach likely knows more about the U.S.-China economic relationship than any other Westerner. Here he discusses:Â Why America saving too little and China saving too much creates mounting problems for bothHow China is planning to re-boot its economic growth model by moving from an external export-led model to one of internal consumerism with a new focus on service industries How America, shows a disturbing lack of strategy, preferring a short-term reactive approach over a more coherent Chinese-style planning frameworkThe way out: what America could do to turn its own economic fate around and position itself for a healthy economic and political relationship with China In the wake of the 2008 crisis, both unbalanced economies face urgent and mutually beneficial rebalancings. Unbalanced concludes with a recipe for resolving the escalating tensions of codependence. Roach argues that the Next China offers much for the Next Americaâ "and vice versa. Â

## **Book Information**

Hardcover: 344 pages

Publisher: Yale University Press (January 28, 2014)

Language: English

ISBN-10: 0300187173

ISBN-13: 978-0300187175

Product Dimensions: 6.1 x 1.1 x 9.2 inches

Shipping Weight: 1.4 pounds

Average Customer Review: 4.3 out of 5 stars Â See all reviews (20 customer reviews)

Best Sellers Rank: #640,755 in Books (See Top 100 in Books) #132 in Books > Politics & Social

Sciences > Politics & Government > International & World Politics > Trades & Tariffs #139

in Books > Business & Money > International > Exports & Imports #1023 in Books > Business & Money > International > Economics

#### Customer Reviews

For decades the U.S. and China relied on a 'marriage of convenience' that guaranteed China a huge market for exports, while American consumers received a cornucopia of inexpensive products and a buyer of its debt. Roach basically contends that it's time for the two nations to switch identities - more savings and less consumption in the U.S., less savings and more consumptionin China. The new China is here, yet we're fixated on the old China. China is now moving to a more balanced consumer-led growth model via services-led job growth (China's services sector overtook the combined shares of manufacturing and construction as the economy's largest segment in 2013), urbanization-driven income leveraging, and a stronger social-safety net. Services generate about 30% more jobs/output unit than do manufacturing and construction, allowing China to meet its labor absorption and social stability goals with economic growth of only 7-8%. China now has the smallest services sector of any major economy, and Roach sees it possibly increasing by about \$12 trillion by 2015, providing an opportunity for the U.S. Roach suggests pursuing that opportunity rather than continued Chinese currency bashing - reality is we had deficits with 102 nations in 2012 which Roach contends is the result of a U.S. savings gap. Besides, the renminbi has risen 35% since 7/2005 and its current account surplus is less than 3% of GDP. Roach would also like to see cyberattack issues raised to high-priority status. As for rebalancing - China needs to save less and consume more, and the U.S. the opposite. Phasing out the one-child policy and reforming the residential permit system (hukou) are early steps; another is earmarking 30% of China's SOE profits for funding its safety net programs.

I understand that Stephen Roach is one of the most widely respected economic analysts, and he's generally managed to resist popular \_optimistic\_ bromides that have had wide circulation. Roach has won a lot of respect for avoiding the "this time is different" disease, or "privatization = magic"(1) dogma that still seems to dominate Western economic thought. Still, whatever one thinks of his overall worldview, this book came as a great disappointment.A: CONVENTIONAL THINKINGTake pretty much every mainstream media interpretation of economics, when times were bad: those interpretations are here. For example, he treats economic policy for both countries as exogenous, meaning decisions are wholly outside the economic systems of both countries. Other readers may disagree with me here, but I felt that Mr. Roach was content to treat the countries' policy choices as

emerging from on high, and imputed them to simple delusions by the presumed architect.

Unsurprisingly, US policymakers were supposedly weak, pandering to a sheeplike public with a distaste for sacrifice (2). In contrast, the authorities in reform-era China are mostly wise and far-sighted--they are supposed to be able to avoid adverse political feedback.(3)Additional aspects of conventional economic thinking are: fallacies of composition in the sectoral balances of the US/Chinese economies, equating the loss of the gold standard as a moral failing of the nation, trade deficits as a decline in moral character (mostly) and so on.

#### Download to continue reading...

Unbalanced: The Codependency of America and China Oola Find Balance in an Unbalanced World When People Are Big and God is Small: Overcoming Peer Pressure, Codependency, and the Fear of Man (Resources for Changing Lives) Beyond Codependency: And Getting Better All the Time China: Land of Dragons and Emperors: The Fascinating Culture and History of China Manchu Decadence: The China Memoirs of Sir Edmund Trelawny Backhouse, Abridged and Unexpurgated (China History) Poorly Made in China: An Insider's Account of the Tactics Behind China's Production Game 2010 Special Report: China Life & Non-Life - Market Review. China: A Dangerous Wind or An Opportunity? A.M. Best's Perspective Poorly Made in China: An Insider's Account of the China Production Game Introduction to Sourcing, Importing & Private Label Branding Products From China For .com Sellers: Building a branded product foundation for your ... to Sourcing From China Book 1) The Import Bible Part 3: Take your importing business to the next level, go to China! Business in China The Great Wall of China: The History of China's Most Famous Landmark Six Myths that Hold Back America: And What America Can Learn from the Growth of China's Economy China Shakes the World: A Titan's Rise and Troubled Future -- and the Challenge for America 1421: The Year China Discovered America The China Collectors: America's Century-Long Hunt for Asian Art Treasures The Hundred-Year Marathon: China's Secret Strategy to Replace America as the Global Superpower An American's Guide To Doing Business In China: Negotiating Contracts And Agreements; Understanding Culture and Customs; Marketing Products and Services Dynamical Vision: ICCV 2005 and ECCV 2006 Workshops, WDV 2005 and WDV 2006, Beijing, China, October 21, 2005, Graz, Austria, May 13, 2006, Revised Papers (Lecture Notes in Computer Science) Asian Pickles: Sweet, Sour, Salty, Cured, and Fermented Preserves from Korea, Japan, China, India, and Beyond

**Dmca**