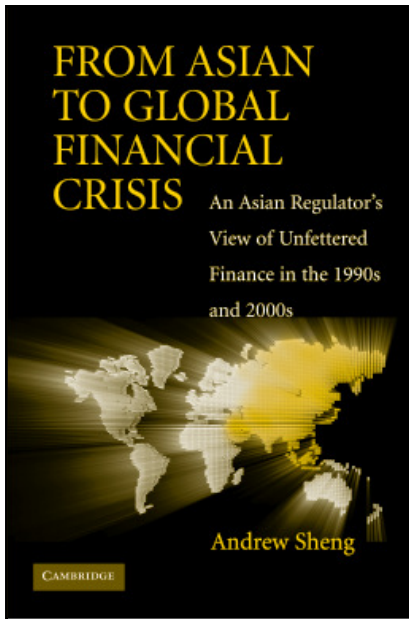


From Asian to Global Financial Crisis

An Asian Regulator's View of Unfettered Finance in the 1990s and 2000s

Andrew Sheng



This is a unique insider account of the new world of unfettered finance. The author, an Asian regulator, examines how old mindsets, market fundamentalism, loose monetary policy, carry trade, lax supervision, greed, cronyism, and financial engineering caused both the Asian crisis of the late 1990s and the global crisis of 2008–2009. This book shows how the Japanese zero interest rate policy to fight deflation helped create the carry trade that generated bubbles in Asia whose effects brought Asian economies down. The study's main purpose is to demonstrate that global finance is so interlinked and interactive that our current tools and institutional structure to deal with critical episodes are completely outdated. The book explains how current financial policies and regulation failed to deal with a global bubble and makes recommendations on what must change.

“In this fascinating study, Andrew Sheng combines the insights of a well-trained macroeconomist, a hard-nosed financial supervisor, and an astute inside observer of Asian politics and culture. The result is a broad-ranging, occasionally idiosyncratic, and always thought-provoking analysis of the Asian financial crisis; and a trove of lessons for thinking about the current global crisis.” — Sir Andrew Crockett, JP Morgan Chase

“There can be no-one better placed than Andrew Sheng to explain the Asian financial crisis of the 1990s and its links to the credit crunch we are now enduring. His deep knowledge of the dynamics of Asian economies is complemented by an insider's understanding of the networks of global finance. The result is a fascinating panorama, full of valuable insights.” — Sir Howard Davies, London School of Economics

“Andrew Sheng brings his extensive Asian and global regulatory experience and his analytic and expositional abilities to bear in this remarkable book. The bulk of the book consists of a fascinating and hard-hitting account of the Asian financial and economic crises, which is an essential read. As a bonus, the book is enriched – as is the reader – by Sheng's insightful analysis of the current financial crisis and its ramifications, with which it concludes.” — Stanley Fischer, Governor, Bank of Israel

“Andrew Sheng's knowledge of financial events and institutions in East Asia make him the quintessential insider. But this book is much more than a chronicle of the period from the great Asian crisis of 1997–98, up to and including the present global crisis. Nowhere will one find a more insightful analysis of this period, in particular of what happened in the impacted debtor economies of Thailand, Indonesia, Korea, and Malaysia, but also of the destabilizing financial events in Japan as their principal creditor, which so greatly aggravated the 1997–98 crisis.” — Ronald McKinnon, Stanford University

“Until now, there have been very few books that have compared the Asian financial crisis in the 1990s to the current global financial crisis that has also greatly impacted Asia. Mr. Sheng has a rich and unique experience in the financial sector that enables him to systematically analyze both financial crises. This book will enlighten us and deepen our understanding of the roots of the crisis, and help us in our scientific outlook on development.” — Liu Mingkang, China Banking Regulatory Commission

Contents

Introduction; 1. Things fall apart; 2. Japan and the Asian crisis; 3. The beam in our eyes; 4. Banking: the weakest link; 5. Washington consensus and the IMF; 6. Thailand: the karma of globalization; 7. South Korea: strong body, weak heart; 8. Malaysia: the country that went her own way; 9. Indonesia: from economic to political crisis; 10. Hong Kong: unusual times need unusual action; 11. China: rise of the dragon; 12. From crisis to integration; 13. The new world of financial engineering; 14. What's wrong with financial regulation?; 15. The global financial melt-down; 16. A crisis of governance; Appendices: From Asian to global crisis: chronology of notable events; Abbreviations and acronyms.

20% DISCOUNT ORDER FORM

Discount Code: MS9SHENG

OFFER GOOD UNTIL DECEMBER 31, 2009

_____ 978-0-521-11864-4/Sheng/From Asian to Global Financial Crisis/HB/List: \$90.00/Disc.: \$72.00

_____ 978-0-521-13415-6/Sheng/From Asian to Global Financial Crisis/PB/List: \$29.99/Disc.: \$23.99

TERMS OF THE OFFER: All individual orders must be prepaid by check or money order or charged on American Express, Visa card or MasterCard (libraries excepted). The use of a credit card will expedite your order. Canadian residents, add 7% GST. Shipping and handling charges for North America are \$6.00 for the first book and \$1.75 for each additional book. Outside North America (only credit card orders are accepted) - \$9.00 for the first book, \$5.00 for each additional book (surface mail).

*All prices are in US dollars and subject to change.

Name _____

Address _____

City _____ State _____ Zip _____

Institution _____

Payment Enclosed \$ _____ Visa Mastercard American Express

Credit Card Number _____ Expiration Date _____

Signature _____

Return to:

Order Dept. • Cambridge University Press • 100 Brook Hill Drive • West Nyack, NY 10994
Toll Free (800) 872-7423 / Fax: (845) 353-4141 / <http://cambridge.org/us>