About the Book:

Title: The World is Curved: Hidden Dangers to the Global Economy

Author: David M. Smick

Publisher: Penguin Group (USA) Inc.

Length: 273

Price: $26.95 (hardback)

Reading time: 5 hours

Reading rating: 7 (1 = very difficult; 10 = very easy)

Overall Rating: 3 (1 = average, 4 = outstanding)

The author David Smick, the ultimate insider, presents a compelling analysis of the downside of globalization of financial markets. He provides great insight into the workings of the global financial system. His book actually picks up from where Tom Friedman’s “The World is Flat: A Brief History of the Twenty First Century” leaves off. In his book, Friedman describes globalization as it is while concentrating on the global supply chain for goods and services. According to Friedman, the USA must adapt to this new world or face dire economic consequences. However, according to Smick, from the perspective of financial markets, the world is anything but flat. Unlike the world of goods and services, in the financial world, nothing happens in a straight line. Instead, there is a continuous presence of uncertainty in the world’s financial markets; our sights are limited, and it is impossible to see what lies ahead along the twists and turns. This is what makes the world appear more curved than flat.

The book is divided into nine chapters and they are: The End of the World, A Dangerous Ocean of Money, Entrepreneurs in a World of Private Equity and Hedge Fund Troublemakers, Tony Soprano Rides the Chinese Dragon, Japanese Housewives take the Commanding Heights, Nothing Stays the Same: The 1992 Sterling Crisis, The Incredible Shrinking Central Banks, Class Warfare and the Politics of Globalization, and Surviving and Prospering in the Age of Volatility.

In essence, Smick explains how a single nation, like China, can be a threat to the common man in the United States; why nations that save more matter to the USA; why and how greedy bankers destroyed the common man’s pension fund; why the central banks may not be able to bail us out any more, and why there is a gigantic shift in the financial power of nations.

Sprinkled throughout the book are stories that maintain the reader’s interest. There are narratives of apparently risky entrepreneurial ventures that ended up to be huge success stories, an example being the story of Xerox, and several others. Smick also writes of his high profile meetings with top-ranking officials from other countries, heads of states, etc.

The book speaks to Wall Street as much as it does to Main Street.

Debasish Banerjee is an Associate Professor of CIS in the College of Business at Western Carolina University. His current interests include Ethics, Information Systems, and Globalization.