



Cornered
An Indian billionaire puts his toys on the line p87

Opening Remarks

6

One year after the death of Steve Jobs, Apple is stronger than ever. Can Tim Cook keep it up?

Bloomberg View A road map around the fiscal cliff; has the Fed declared war on Brazil? p10

Global Economics

13

Afraid to hire

Despite profits near record highs, many executives are planning to trim their payrolls

Chávez's Chinese super PAC p14
Spain's bailout dilemma p15
The downside of recent Mexican oil finds p16
Tom Keene's EconoChat p17
Charlie Rose/Joe Stiglitz p20

Companies & Industries

23

CEO shoots, CEO scores!

Boards set performance targets, but many move the benchmarks later to allow big CEO payouts

Flying Allegiant? You may need gas money p24
Australia's ugly cigarettes p25
Pizza Patrón's Latin appeal p26
Really small cars in Japan p27
Briefs: Insurance in a box p28

Politics & Policy

31

Capital-gains facts

Studies show that lower capital-gains rates don't help the economy, though they can benefit politicians

The tortoise vs. the solar energy project p33
Oversight for shifty movers p34
Alabama needs refugees p34
China's got the U.S.—on TV p35
Funny campaign ads p36

Technology

41

The anti-Zynga

Activision's aversion to social gaming has paid off with the billion-dollar Skylanders franchise

Sprint's long, slow crawl toward profitability p43
The incubator that doesn't always take a stake p44
Innovator: Anatomy-based industrial design software p46

Markets & Finance

49

Raising the roofs

With demand returning, America's leading homebuilders are breaking ground again

Risking Warhols to save a newsprint empire p51
A new indication of insider tips at SAC Capital p52
Facebook's IPO chill p52
Bid & Ask: The week's deals p54

Risk Management

57

Too safe to fail

A back-to-basics approach for setting banks' capital requirements is gaining momentum

A New Orleans utility prepares for the next big one p58
Hospitals and nursing homes brace for Medicare cuts p59
The mobile-payments business may be vulnerable to fraud p62



Friends like these Zuckerberg ponders his next billion users p64

Features

64

Breaking the Billion-User Barrier

Facebook reached the milestone thanks to Zuckerberg's "move fast, break things" philosophy. Now about those broken things ... p64

If Only T. Boone Pickens Had Died

The billionaire had a plan that would enrich Oklahoma State University once he and other alumni passed on. They're still here p72

Sicily Is Sinking

Plagued by debt and a bloated public sector, the once-proud island is a symbol of Italian dysfunction p78

Etc.

83

Coming to a Political Theater Near You

Want to make money in the movies? Pick a political side—and produce something extreme

Next Life A former fashion model and Goldman Sachs analyst launches an online marketplace for clothes and accessories p86
Billionaires India's booze tycoon risks his high-end toys to keep an airline aloft p87
Office Envy Ogilvy & Mather's Guangzhou office feels more like a fun house p88
Stack Salman Rushdie's memoir of his fatwa years, *Joseph Anton*, reveals the perils—and perks—of being a marked man, plus loads of publishing world gossip p90
Hard Choices Czech President Václav Klaus on dropping the former Czechoslovakian currency following the Velvet Revolution and what Europe could learn from it p92