



**Cubicle Cuisine**  
The breakfast bar of champions p84

### Opening Remarks

6

Is congressional confirmation of nominees worth savaged reputations and grandstanding?

**Bloomberg View** Angela Merkel's choice; Kevorkian's legacy

p8

### Global Economics

11

**Cameron Swings the Ax**  
Britain cringes as the Prime Minister chops spending

India's powerful go to jail p13  
Peru's new lefty leader makes investors nervous p13  
High water, high crop prices p14  
Tom Keene's EconoChat p14  
Do high rents feed inflation? p16  
Seven Days Ahead p18

### Companies & Industries

21

**P&G: Growth from Within**  
Its strategy relies on brand extensions rather than acquisitions

Who will steer IBM after Palmisano? p22  
Chinese education: Quotations from Chairman Mouse p24  
Corporate events are back p25  
India's asbestos problems p26  
Briefs p28

### Politics & Policy

31

**The Loneliest Republicans**  
Kevin McCarthy and Tom Coburn want their party to work with Obama

Safe table saws? p32  
Washington's go-to law firm for conservative causes p33  
Some states roll back taxes for millionaires p35  
Frequent fliers on the public dime p36

### Technology

39

**Apple's App Army**  
Steve Jobs builds loyalty by giving developers coding tools and helping them make lots of money

Intel takes another run at the smartphone market p41  
What bubble? Tech stocks look cheap p41  
Chromebooks finally arrive. But is it too late? p42  
Innovator: Inkling publishes textbooks for iPads p43

### Markets & Finance

45

**Finance Hits the Ceiling**  
The sluggish economy and new regulations are limiting firms' revenue and profits

Money managers see the stock rally resuming p46  
Goldman Sachs says so long to subprime p47  
Despite investigations, cash is flowing to SAC Capital p48  
Bid & Ask: NBC's Olympics coup; Boeing p50



**Lagarde's Chance:** Ready to fill the vacuum left by Strauss-Kahn? p64

## Features

53

### How to Fix the U.S. Economy

Nine innovative ideas from around the world to break the stalemate in Washington

### Mormons Mean Business

Two Presidential candidates and dozens of CEOs learned to lead by following p58

### Lagarde, En Garde!

She's French, she's stylish, and she wants the top job at the IMF real bad p64

### Preventing Another Katrina

Can the Army Corps of Engineers save New Orleans this time around? p68

## Etc.

77

### The Mafia Management Guru

Louis Ferrante shot people, went to jail, converted to Judaism, and then wrote a book. Now the former wiseguy has some advice for executives

**Fashion** What knot to wear: Summer ties p80  
**Nation Branding** Eurovision puts the Continent's C-list countries on the map p82  
**One True Thing** The desk breakfast p84  
**Next Life** Matthew Michelsen went from managing hedge funds to managing Lady Gaga fans p85  
**The Stack** Roger Lowenstein on the relief-pitcher economy p86  
**Hard Choices** How Pimco's Bill Gross deftly avoided the subprime bubble p88

**Cameron**  
U.K. consumers shut their wallets p11

