Street, in their quaint quackenomic jargon, insisted upon calling a "rescue plan."

"With the signing of this agreement, we are bringing this crisis to a close," said Secretary of State Warren Christopher.

THE RECOVERY THAT WASN'T

By January 1, 2000, the Mexican economy had long since collapsed, taking much of Central and South America with it. Even Asia, the jewel of "emerging markets," is being torn by labor unrest and depression.

Western capital and industry had set up business in Third World countries for two chief reasons: to take advantage of cheap labor and to avoid regulatory interference. Just as workers in the West rebelled against inhumane working conditions and poor wages during the middle years of the Industrial Revolution, so similar conditions provoked a similar and foreseeable response in these so-called emerging markets.

Steeply decreased demand for goods and services by the consumer nations provoked widespread unemployment, which contributed to the mounting unrest throughout the Philippines, Malaysia, Thailand, Sri Lanka, India, Pakistan, Brazil, and Indonesia. And Hong Kong, the financial capital of the East, has not been able to survive the long-planned 1997 takeover by China.

All over the world, house-of-cards economies built on a foundation of low interest rates and glued together with derivatives, hedge funds, and other high-risk financial instruments have collapsed. As the economies went down, so did the currencies.

So out of control was the speculation, so huge were the amounts of money being gambled, that the world's central bank intervention could no longer influence or support imperiled financial markets by quick fixes. By 1995, over a trillion dollars a day was being bet by foreign-exchange traders. The world's central banks had only billions at their disposal to salvage sinking currencies. Adroitly coordinated intervention into the money market could provide short-term relief but could not cure the diease.

The currency crisis that blew Mexico apart would eventually rampage across the globe, sparing nobody. The yen, lira, pound, kroner, dong, yuan, escudo, guilder, riyal, rupee, peseta, shekel, dollar—all succumbed before the blast. It wasn't just inflation; it wasn't just depression; it wasn't just stagflation plus recession. It was a combination of all these factors, with each country producing its own mix. The conventional old labels no longer applied.

A new trend, a long-term descending economy, had settled over the world.

PROACTION

Still, if you were one of those few who did not rely upon junk news for information, and if you saw through the Middle Muddle, you could have seen it coming. You could have taken protective, proactive action. Perhaps you've positioned yourself in a job or profession, ideally with growth potential, but at least with survival value; you take measures not to get caught up in the imminent real estate slump; your children are being educated to prepare them for the new society that can be seen taking root in the midst of the chaos; your retirement is secured, not by underfunded or otherwise-shaky pension programs but by long-term, low-risk, and/or visionary investment strategies. From foreign investment to high tech, from health care to home-based businesses, these opportunities exist.

With the currency crisis both chronic and acute, your immediate concern was to protect the value of your bat-