



## PACIFIC INVESTMENT MANAGEMENT COMPANY

INVESTMENT

OUTLOOK

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### Conditionally Yours

*"I have high expectations," he said, all the while missing the anguish spreading instantly across his lover's face that interpreted the message in its only possible way. She stored that moment, loaded it in her cranium like a verbal bullet targeted for another day, and fired it back when it was her turn to hurt and her turn to leave. "I have high expectations too.", she said several months later, knowing that he would remember, relishing the triumph as she walked out of his life.*

*There had, in fact, been simply too many expectations for the both of them. But more than anything else, they had run head on into that potential killer of all adult relationships--unconditional love. Not "Will you love me in the morning?", but "Will you love me forever, for anything, for whatever I do?" They had decided no, and the answer, in its innocent naivete' had closed the bar, had finished the dance. Only later would they learn that all grown up love has conditions: love me and I'll love you in return; be faithful; have my/give me a baby; be my friend; change as I change. Somewhere along the line, one or more of those inevitably failed expectations was going to derail the relationship express, and a marriage would stand or fall based on the strength of the remainder. Being young, however, and uncommitted, they were more inclined to remember the totally unconditional love of their parents and wonder why it could not be transposed into their new world. Hadn't Mom always forgiven him no matter what? Hadn't Daddy always followed his screaming with the quickest kiss and the biggest hug she'd ever known? Why had there been no conditions then, and so many now? Ah, who can really say. Blood runs thicker than water? A mother's instinct? A father's need to carry the name? Whatever the answer, the reality now was that there were conditions and they took an edge off this new kind of love that was at once more intense, yet infinitely more vulnerable. Adult love was a gift from heaven, but it took work and it could hurt as well as heal. Love had become conditional.*

Love's not the only conditional thing these days, especially when you sling your arrow in the direction of Japan and its roiling financial and real estate markets. Both entities have been classic "bubble"

phenomena, especially the more visible and verifiable Nikkei-Dow stock index which has collapsed from 38,000 two years ago to its present level of 18,000. The term "bubble" implies, of course, a hyper-inflated

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