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Somewhere beyond the reach of the average-Joe investor, there is a realm of wealth creation that makes buying and selling stocks, bonds, and mutual funds look like child's play. And what happens inside this exclusive enclave is roiling the U.S. economy in a way that it never has before. BY RIK KIRKLAND

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Steve Schwarzman of Blackstone Group wants to buy your company and has a \$125 billion war chest to do it. As a hedge against a downturn in private equity, the 60-year-old Schwarzman has taken the firm beyond LBOs and into hedge funds, distressed debt, asset management, and real estate. BY NELSON D. SCHWARTZ

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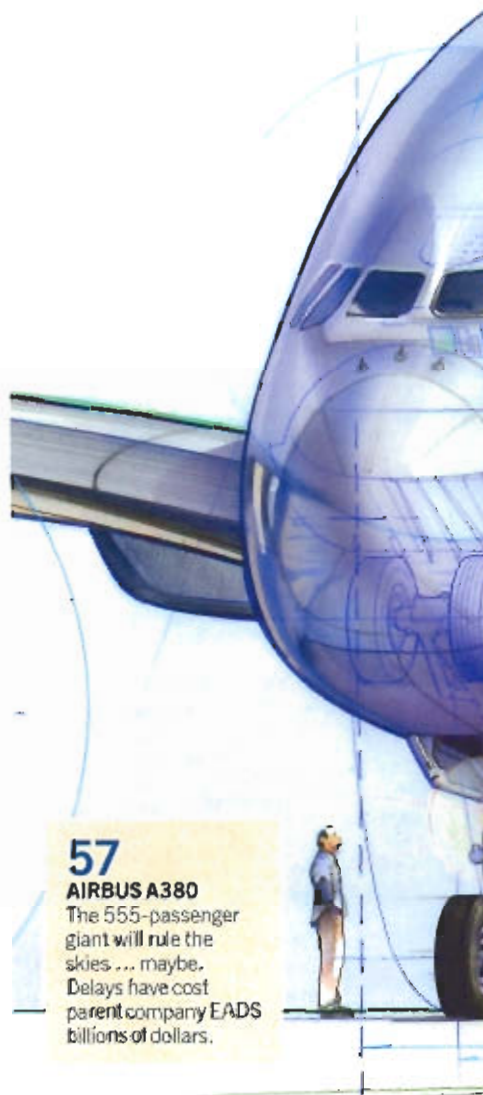
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