

IT'S OK TO HATE POLITICS

RICK HENDERSON

As the 1992 election campaign approaches, we're going to hear a lot about the disturbing levels of voter apathy. Voters keep staying away from the polls, and good-government types can't stand it. Turnout is at its lowest point in 70 years; most people seem genuinely uninterested in politics.

Unfortunately, political reformers routinely define apathy as "not voting." While this hypothesis is easy to test (all you have to do is count heads), it ignores the proud tradition of, say, the Constitutional Convention delegates who threatened to walk out unless the document included a Bill of Rights. Sometimes not voting reflects the belief that the lesser of two evils is evil.

People also stay away from the polls for less explicitly principled reasons. Many potential voters see career politicians as an entrenched interest group immune to the will of the electorate. That's why populists call lifelong Democratic and Republican legislators "the Washington Party."

Other nonvoters find ballots cluttered with initiatives they don't understand and office seekers they don't know. These folks may care deeply about the world around them, but they stay home on Election Day.

It's easy to worry about empty ballot boxes. But worrying doesn't mean you'll come up with helpful remedies. Look at what political journalists and Common Cause members tout as The Way to get people excited about politics: campaign reform. (The crowd yawns.)

One proposal, pushed by columnist Charles Krauthammer and *The New Republic*, among others, would require television networks and local affiliates to set aside blocks of free time for candidates to speak directly to voters. No visual aids. The candidate as talking head.

Defenders of such schemes routinely

dredge up Willie Horton and the Reagan campaign's "Morning in America" ad. To them, political debate that evokes emotional responses isn't sophisticated enough. No, you have to make candidates seem like policy wonks. Important issues are too complex for Roger Ailes and John Sasso to manipulate. (Ironically, many of these reformers confess that much of our best political commentary comes from cartoonists.)

Such reforms are red herrings. If your idea of the perfect vacation is watching C-Span around the clock, these plans might sound attractive. But they won't make more people vote; they'll just make them switch to ESPN. And reformers incorrectly assume that electoral politics and voting are all that matters in life—and if you don't agree with their vision, they'll force you (and the networks) to pay for it anyway.

In truth, disturbing trends in the country are emerging. But as some astute observers recognize, these trends only peripherally relate to voting.

A fine new book by *Washington Post* writer E.J. Dionne explains *Why Americans Hate Politics*. In part, Dionne identifies a lack of connection between Americans and their political institutions. People see a professional government run by lifetime bureaucrats and conclude, It doesn't matter who gets my vote. Things won't change.

Despite his good reporting, Dionne offers an unconvincing prescription. He wants Americans to form a coalition that he calls "the new center"—which sounds like little more than government run by neoliberals, people who hate bureaucracy but love politics.

You won't find the solution to America's political malaise on "Washington Week in Review." But political activists could learn much from the recent travails

of their daily newspapers.

People view newspapers as civic institutions. Papers cover city council meetings and report crimes. But they're also private enterprises driven by the marketplace. Right now, newspapers are struggling. But unlike political pundits, profit-oriented publishers can't afford to sit around and gripe about reader apathy. They have to sell papers.

The recession (a depression in the publishing industry) has damaged many newspapers, some fatally. So editors and publishers are testing all kinds of formats and designs to draw in new readers and regain old subscribers.

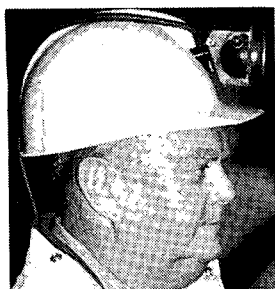
And they may have inadvertently discovered the way to energize Americans about their institutions: Embrace diversity. This concept of diversity means more than hiring minorities in the newsroom, which is merely another form of nose counting. Diversity means newspapers cover politics—but you also get sports pages, wedding announcements, and "Calvin and Hobbes."

To celebrate diversity you accept people as individuals with differing tastes. At its best, liberal society lets us spend our time doing both the profound and the mundane. It's OK to play softball, work in a homeless shelter, or watch "Cheers."

Reformers correctly see dangers in a society disconnected from its institutions. Our inner cities, for example, are becoming an explosive mix of fear, frustration, and violence. If political activists would stop scolding voters and instead address their concerns, Americans might care more about politics. You don't measure apathy by toting up ballots. And you don't cure political alienation by having Madonna threaten to give nonvoters a spankie. ■

■ Reprints of this issue's cover story are available at \$1.00 each. For further information, contact Kevin Teasley at the Reason Foundation.

■ REASON will take its annual one-month hiatus after this issue. Our next edition will be dated October. See you then.



Paul Sarnoff, Editor
GOLD STOCKS ADVISORY

"In my half century as an investment pro...

I've never seen Wall Street more wrong-headed about gold shares."

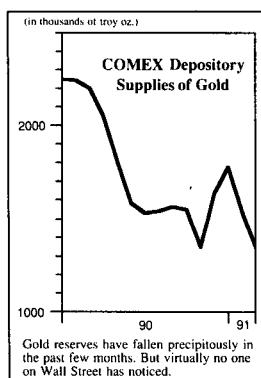
"Their bias is showing. Their view of gold production is 3 years out-of date. I do NOT think this unique situation will last long. In this letter, I'm going to tell you about three gold shares I'm convinced can help you rack up profits of 100%, 500%, even 1,000%."

I'm Paul Sarnoff, Editor of *Gold Stocks Advisory*. What I will tell you in this letter directly contradicts the conventional Wall Street "wisdom" about gold and gold shares.

We are at the dawning of a new era in gold production. The era of rapidly increasing production is over. We're entering an era of sharply lower gold production.

- South Africa's gold mining industry is in crisis. In 1990, 21 of South Africa's 48 gold mines lost money. This year, with gold around \$360, more than half their mines will lose money.
- In Australia, repeal of a critical tax break for miners will help slash production 40%. An estimated one hundred tons of gold production per year will be lost by 1993.
- Even here in the United States, where gold production has taken an enormous leap, the gold rush is winding down. As *American Metal Market* phrased it, the "easy-to-find gold has been found." Indeed, in the past three years, 44 US gold mines closed down due to ore depletion or lack of profitability.

Meanwhile, silently, and totally unnoticed by



Wall Street, the demand for physical gold has been surging. There has been a huge outflow of physical gold from the Comex Exchange warehouses. As you can see from this chart, investors and fabricators have gobbled up about one-third of the gold that was in the warehouses in early 1990. When you put

the surge in demand together with falling supplies, you can see why I have turned so bullish on gold shares.

Profits from gold stocks... despite falling gold prices

When *Gold Stocks Advisory* lured me out of retirement in August of 1988, gold was trading at \$450. Today, gold is trading around \$360, about \$90 lower. Wall Street tells you it's virtually impossible to make money in gold stocks in a declining gold market.

But in the September 1988 *GSA* issue, I recommended American Barrick while it was trading at \$9.50 a share. Today, American Barrick trades at \$19.50. That's a 105% profit for my readers in just two years.

Another of my recommendations -- DeBeers -- is up 128%. Our publisher bought the stock as an anniversary present for his wife shortly after my recommendation. His wife was very happy then. She's a lot happier now.

A third recommendation, this one a junior producer, is up 150%. Had you invested \$5,000 on this recommendation, you could walk away with a cool \$12,500 today.

I have my share of losers, just like anybody else. But because I use old-fashioned methods -- like hunting for mining shares offering real value -- so far the losses have been relatively minor. . . a point here. . . a half point there.

A good example came when we recommended to readers one of the world's greatest gold producers, then \$8.50. The company is a low-cost producer (about \$160 an ounce) with huge reserves. Yet, as the gold price fell to \$360, this company went down a bit -- to \$7.87. You see, we had made a first-rate selection offering real value. So, even though we got stuck in a rotten gold market, our readers didn't take a bath.

Of course, my past track record is absolutely NO GUARANTEE that future recommendations will be as profitable -- or profitable at all. You and I both know that ANY investment carries real risks.

But wouldn't you rather have a savvy old pro advising you, who doesn't depend on a rising gold market to make money for his readers? If I can steer my readers through the reefs and shoals in a rotten gold market like we've had, what sort of profits do you think are possible in a bull market?

Special Introductory Offer

I recently published a Special Situation Report "A New Era for Gold Stocks." We're offering it free to new subscribers, as a part of this Special Introductory Offer. In it you'll learn...

- ✓ Why Wall Street's picture of gold production is **three years out of date**.
- ✓ Why a **steep rise in the price of gold** seems inevitable -- even if the recession continues

✓ The **single greatest impediment** to opening gold mines today. The mining industry is groaning under this burden. They devote entire industry conferences to bemoaning it. But Wall Street blithely ignores it.

✓ Why I warn that **many gold stocks will decline** even when the bullion price rises. How I find gold stocks that represent old-fashioned values, virtually forgotten today on Wall Street.

✓ Why I think right now is the **best time** I've seen -- in my over 5 decades as an investment pro -- for buying good gold shares. Plus...

The #1 Gold Stock for the 1990's

In my Special Situation Report "A New Era for Gold Stocks" I also give you a full report on a **behind-the-scenes giant of the gold industry** that's my favorite gold stock today. This huge holding company owns or controls 2 of the largest gold mines in the world; has virtual control of two major international gold refiners and wholesalers; has a major piece of the world's two largest platinum mines; and dozens and dozens of other important gold properties and mines.

They just acquired another major North American gold producer, paid cash, and still have an immense war chest with over \$1.5 billion in cash for future acquisitions. They earn about \$300,000 a day in interest alone.

Headquartered in Luxembourg, this company is controlled by one of the wealthiest and most private families in the world. Despite its immense holdings in gold and platinum operations, it is still virtually unknown among hard-money investors. So there is a whole new crop of would-be buyers waiting in the wings.

Moreover, because this great company has significant holdings in South Africa (as well as in every other part of the world where gold is mined) -- it has been the target of heavy institutional selling. So right now, its shares are selling at a **deep discount** to its net asset value.

This little talked-about giant could double and double again with any sort of a decent gold market.

GOLD STOCKS ADVISORY, Box 531, Bethel, CT 06801

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☐ 12-months, \$132. I receive twelve issues of *Gold Stocks Advisory* and your Special Situation Report: "A New Era for Gold Stocks (\$69 value)." As an added bonus, I receive your "How to Read a Gold Mining Company's Financial Statement" (\$12 value).

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Editorial, Advertising, and Production Offices
2716 Ocean Park Blvd., Suite 1062
Santa Monica, CA 90405
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Founding Editors:
Manuel S. Klausner, Tibor R. Machan,
Robert W. Poole, Jr.

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LETTERS

Lincoln's Log

It was flattering indeed that Steven Hayward judged *Lincoln on Democracy*, the volume Gov. Mario M. Cuomo edited with the help of 49 Lincoln scholars in 1990, worthy of attention in the ongoing debate over the true meaning of the Lincoln legacy ("The Children of Abraham," May). But Mr. Hayward was unfair to suggest that the book was an attempt by a Democrat to seize the mantle of Lincoln from the Republicans.

In fact, the governor's "Lincoln on Democracy Project" was initiated not by the Democratic governor but at the request of Polish teachers who visited him in 1989 and asked him to recommend books on American democracy for their rapidly democratizing country. When he suggested Lincoln, they replied sadly that his writings had been long banned there. The governor promised to help produce a new collection, and we are proud to report that 1,500 copies of the Polish translation, *Lincoln O. Demokracji*, arrived at the Education Ministry earlier this year.

The ministry plans to print 30,000 more copies. Even more heartening have been the unsolicited letters from Polish educators. The headmaster of the Liceum Ogolinkszalcace wrote: "I think this book will help us in the knowing of democracy and will become one of the very important books in our library."

And its creation was a wholly nonpartisan effort. Its eight contributing scholars and 41 consulting scholars came from the broadest range of historical thought and included one of the great writers cited in your article, Don E. Fehrenbacher.

As for the governor's supposed "moral indignation" over the idea of accumulating wealth, it is clear that Mr. Hayward knows little about his views on opportunity—even those that spring directly from Lincoln. In his 1989 speech at Get-

tysburg, which Mr. Hayward mentioned but did not quote, Gov. Cuomo made quite clear that he shares Lincoln's "vision for a country where every citizen would be guaranteed a fair opportunity. In Lincoln's earlier words," he added, this means providing "an ever widening path," where "the weights should be lifted from the shoulders of all," where all "should have an equal chance." That, he said, was Lincoln's view of "the mission of democracy." And it is the governor's view as well.

It is exciting that Lincoln's words continue to provoke debate and discussion, but disheartening whenever clichéd preconceptions muddy the waters. Mario Cuomo no more favors "redistribution of the wealth" than Lincoln favored dictatorship, although both suggestions unfortunately found their way into Mr. Hayward's otherwise engaging article.

One area where Mr. Hayward and Gov. Cuomo appear to differ on purely philosophical grounds is the question of how actively Lincoln would be prepared to fight for "small-d" democracy in a 20th-century context. Mr. Hayward seems to think that the aspiration for equality and the concept of "limited government" were compatible to Lincoln, and possible for us. The governor maintains that neither is the case. As Lincoln himself put it, in another passage Gov. Cuomo repeated at Gettysburg in 1989, the question is not whether we can all "imagine better" but "can we all do better." Lincoln thought we could, and so does Mario Cuomo.

Harold Holzer
Co-editor

The Lincoln On Democracy Project
New York, NY

THE DECLARATION OF independence asserts "that whenever any form of Government becomes destructive...it is the Right of the People to alter or to abolish it." That's *whenever*, not "unless a major-