

"200 Percent Of Nothing"

Charley Reese

While you are contemplating the president's scheme to gut Social Security, you should remember that Wall Street and Las Vegas have a lot in common. They are both in the gambling business.

When most people buy stocks, they are gambling that the price of those stocks will rise. What most don't think about is that the price will have to rise a heck of a lot to avoid the law of zero return. That means to determine your real return on an investment, you have to subtract the commissions (both buy and sell), inflation and taxes.

And, as in Las Vegas, if you want to win big, you have to bet big. The limits the president has in mind practically guarantee that the low-wage worker will end up with nothing plus reduced Social Security benefits. You would be better off going to Las Vegas. The casinos at least are honest. They will tell you the odds against you on every game in their buildings. If the president has been honest with the American people on any subject, I must have missed it.

There are already plenty of programs that will allow working men and women to save for retirement, and, of course, Congress can create more. What they need most is a living wage. There is no logical reason whatsoever for the president's scheme other than to fatally injure Social Security and provide a bonus for his Wall Street buddies.

Social Security is not going bankrupt. The estimated shortfall in the year 2052 won't even exist if the economy grows at the rate the president talks about when he's touting his private-investment scheme. This is a clear example of his dishonesty. When he touts private investment, he bases his numbers on a high rate of growth; when he predicts bankruptcy for Social Security, he bases his

numbers on a low rate of growth. Well, you can't have it both ways. If the growth rate is high, Social Security will prosper; if it's low, private investments will tank.

There is a wonderful book I urge everyone to acquire and read. It's called "200 Percent of Nothing," by A.K. Dewdney. It's about what he calls innumeracy and math abuse. In a chapter on government, Dewdney writes:

"Politicians and government officials usually abuse numbers and logic in the most elementary ways. They simply cook figures to suit their purpose, use obscure measures of economic performance, and indulge in horrendous examples of chart abuse, all in the name of disguising unpalatable truths the levels of taxation and the realities of economic performance, to name just two."

For the life of me, I don't understand why at this point in history so many Americans blandly accept as gospel whatever comes out of the mouths of politicians. I guess some used-car salesmen and TV evangelists could probably explain it. A competitor of P.T. Barnum's was probably right when he said there is a sucker born every minute, and H.L. Mencken once observed that nobody ever went bankrupt underestimating the intelligence of the American public. Even Mark Twain observed that America had no native criminal class "except Congress."

I'm not playing elitist here. I include myself. Plenty of times I've been suckered into believing in a politician or a political party, and in all those years only one, a former governor of Florida named Claude Kirk, proved to be the genuine article. He was, of course, hated by the press and his own Republican Party for his honesty and his blunt way of talking.

But no matter how often we are disappointed in public officials, we can't give up on the political process. We are all going to be ruled by somebody, and the only choice is who. Furthermore, there are only two methods of choosing rulers ballots and bullets. Better to quibble over miscounted or missing ballots than to dodge bullets