

By Mark Skousen

Get Rich Quick? Hah!

What are we to make of "get rich quick" schemes by self-proclaimed financial experts? Their ads show up in magazines such as *Money* and *Wealth*, as well as "think magazines" from *National Review* to *The New Republic* to *REASON*.

The way these ads tell it, you can make a fast, easy \$100,000 in 90 days...or \$25,000 in 25 days...or \$2,000 an hour. What's the secret? You can find out if you fork over a small sum of money—\$10 seems to be the going rate for get-rich-quick secrets. Why bother investing your hard-earned money in stocks, bonds, or precious metals when you can make this kind of return on a mere \$10?

Of course, pretty soon you'll have to worry more about the IRS. So naturally there are plenty of schemes also for hiding your new-found wealth in secret offshore bank accounts (earning as high as 36%!) and secret foreign trusts.

Okay, so nobody who reads *REASON* is so naive or gullible, right? Still, as the financial columnist, I thought it would be interesting to respond to some of these ads and report on the results.

For my first \$10 "investment" I was sent a 140-page booklet describing a dozen business opportunities sure to produce speedy wealth—"honest to goodness." I turned to pages 24-26 to check out the one promising \$25,000 in only 25 days.

The secret? Publishing and distributing coupon books through charities and churches. "There is absolutely no selling. The group members give the coupons away free and even are paid to do it! Groups reportedly jump at this deal." Would-be millionaires hear the story of Jack, who made only \$4,000 his first month, working 80 hours a week! But then he hired a few salesmen ("independent contractors") and made a net profit of \$25,000.

Unfortunately, this promoter reveals only the skimpiest details. You have to sell your idea to local merchants, who have to pay for the advertising booklets—but he fails to tell you how much to charge merchants. Maybe he doesn't know.

And so it goes with the other roads to riches described here: a move-in welcoming business, a collection agency, selling



gambling information, writing a get-rich-quick book, investing in real estate with "nothing down," etc. The eager seeker of wealth gets only the barest of details.

Granted, there is big money to be made in starting your own business. As I pointed out in my November 1986 column, very few rich people got that way by investing. But making an enterprise work in today's competitive and uncertain environment is not easy. Stories of overnight success abound; the real question is, are they repeatable by second-comers? Often they are not.

Many of these ads only play on your curiosity, and you have to pay up front before you become disillusioned. Another type of get-rich-quick ad I checked out is at least more honest, revealing exactly what the deal is.

This one claims you can make \$2,000 an hour by contacting heirs to forgotten, unclaimed money in bank accounts, stocks, and insurance policies. According to the ad (and imitators are already making the same pitch), lost money amounts to \$25 billion in the United States. And for...\$10 you will be sent a book that shows you how to obtain lists of individuals or heirs who have not claimed their property. Then all you have to do is track down the rightful owners and take your commission.

I figure thousands of people have al-

ready purchased this booklet, and a lot of them are going around trying to find missing people. I called the Florida Unclaimed Property Division and was told that they have been swamped with calls. It costs \$59 to obtain a missing property list, which contains about 25,000 names in Florida. But guess what? Florida just passed a law requiring you to have a private investigator's license before you can claim any missing property on behalf of someone else. I wonder how many other states are imposing similar restrictions.

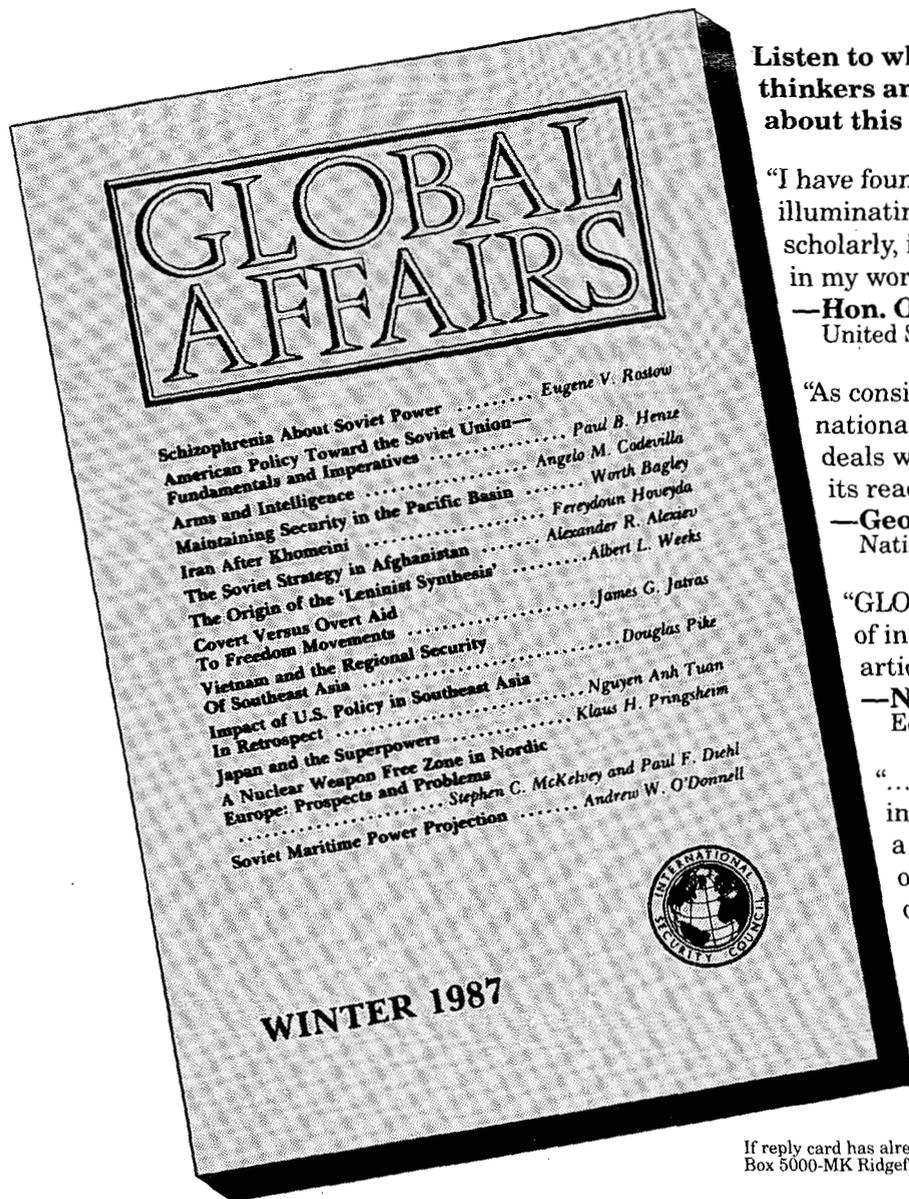
The "get rich quick" schemes may only cost you \$10 each, but others could be far more expensive—they could get you into trouble with the IRS. For instance, I sent away for a "free" promotional piece on offshore banking. The authors imply that tax laws can be ignored as easily as the 55-mile-an-hour speed law. Another offers to set up "contractual trusts" in the Bahamas—for \$2,800 plus an annual maintenance fee. My advice is to stay clear of "secret" foreign trusts or other questionable deals. They can only get you into trouble.

Now I'm not strictly opposed to magazines running these lowbrow "get rich quick" ads. I got started in the financial business 10 years ago by responding to an enticing ad, "Lazy Man's Way to Riches," by Joe Karbo. Joe revealed the secrets of the mail-order business, and it eventually made me financially independent.

But the other side of *REASON's* *laissez-faire* coin is *caveat emptor*. Don't conclude that just because you see an ad in a high-class magazine, the offer is legitimate. *REASON*, for example, shouldn't have to be *Good Housekeeping* or the Federal Trade Commission. If you do want a healthy dose of skepticism, I strongly recommend the newsletter *INVESTigate* (P.O. Box 2606, Winter Park, FL 32790, \$48). Each issue looks in some detail at specific investment schemes and their backers.

Don't act under a false sense of security. Let the buyer beware!

Mark Skousen, author of 10 books on economics and finance, is the editor of Forecasts & Strategies.



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By John Dentinger

The Bridge from Texas To the Stars

Kerry O'Quinn believes in making your dreams come true. "When I was a kid, I imagined traveling to the moon and all that science would bring. Everything I looked forward to in my life seemed to come down to science fiction—monorails, glass elevators—all the futuristic stuff I dreamed about. It was an optimistic view of the future."

In the process of making his own dream (being "100 percent master of my own fate") come true by publishing *Starlog*, the largest science-fiction fan magazine, he encourages his 250,000 mostly mid-teen to mid-twenties readers to do likewise. Files bulging with fan mail attest to the inspiration provided by his opening editorials, "From the Bridge."

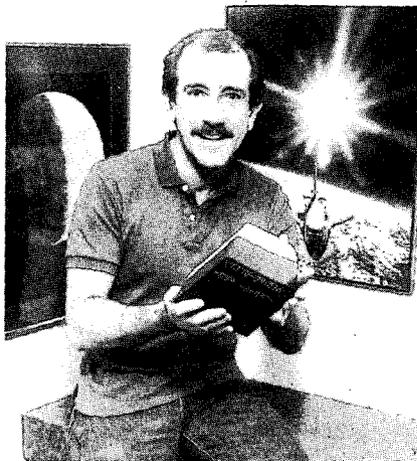
In his writing, O'Quinn goes beyond tolerance of human differences to glorify the "Star Trek" ideal of "Infinite Diversity in Infinite Combinations," which celebrates the multiplicity of races, colors, ages, goals, beliefs, and lifestyles of all sorts.

His editorial subjects have ranged from a defense of nuclear power to a eulogy to novelist-philosopher Ayn Rand—whom he knew—to a tale of traveling with friends to watch a space launch. The magazine, featuring garish covers and interviews with people involved in science-fiction movies, is read by such SF luminaries as Isaac Asimov and Arthur C. Clarke.

For O'Quinn, the path to "the bridge" was a tortuous one. He grew up in Austin, Texas, his father an attorney, his mother a journalist. As a child, Kerry drew cartoon strips and put on magic shows. On Halloweens, he turned the family home into a "fun house," complete with weird lighting effects and props like slimy liver to scare the kids. His high-school grades were average, but he was good in art, acted in school plays, and made movies on weekends.

From the day he got his driver's license at age 15, he loved driving out to the hills and lakes of central Texas, all by himself. He left the radio off "because there was too much glorious music playing inside my head." It was part of finding himself, a rather drawn-out process.

He registered at the University of Texas



Kerry O'Quinn: "It is the individuals who do not sand themselves down to a smooth, nondescript shape who create magnificence."

in 1956 as a drama major, intending to be an actor. But he fell in love with set design, then with fine arts. His college career stretched to six years. While creating a cartoon for the campus humor magazine late one night, he "accidentally" slipped in the f-word. The magazine was suspended and O'Quinn's U.T. career pretty much ended.

At 24, he designed sets for summer musicals in Ohio, then headed for New York. Without connections, it was a hard city to crack, and he learned the coarse art of inexpensive dining. Most cheap hot dogs were 15 cents, but he found a stand at 42nd Street and 6th Avenue that sold two for a quarter. He changed jobs as frequently as he'd changed majors in college. At age 30, he still didn't know what he wanted to be when he grew up.

During this period, a friend took him to a lecture at Rand's Nathaniel Branden Institute (NBI). "Branden was talking about the existence of God. I had never heard anyone talk like that; it was quite exciting." Kerry designed covers for three NBI books and also designed, animated, and filmed an introduction to splice to the beginning of old movies: "NBI presents 'The Romantic Screen.'" Under this aegis, he ran a weekend theater in his apartment for several years.

Working in the art department of a magazine publisher, he met Norman Jacobs. "He was this Yankee with a Brooklyn accent with a Jewish background—he was so different from me, a slow walking, slow talking hick from Texas."

He and Jacobs teamed up to start what is now *Starlog* Press. With \$900 of their own money and an advance from a national distributor, they started with a one-shot magazine, *The Beatles Forever*, on which they did all the work. It sold 100,000 copies and made "tons of money"—money that helped sustain them during the first three and a half years, while they paid other people poverty wages and themselves nothing.

"Norman had a wife and two kids to support. I could go without eating for a day and it didn't kill me," recalls O'Quinn. "What kept us going was money from free-lancing and my teaching a children's art class on Saturday mornings—plus Norm's Wednesday night poker games in Brooklyn."

They published magazines, a newsletter, and a nationally syndicated newspaper column—all devoted to soap operas—then, in 1976, the first issue of *Starlog*. It featured "Star Trek." Distributors said, "Great, but there will never be a second issue because there's nothing to put into it."

But the duo found a winning combination of "nostalgic SF—*Flash Gordon*, *The Day the Earth Stood Still*—with the current offerings—'Space: 1999' and the bionic person shows," Jacobs recalled in an editorial celebrating the magazine's 100th issue. *Starlog* Press is now in "a beautiful high-rise building in the center of New York City."

It's hard not to be ground down by conformist pressures in one's youth, O'Quinn tells his readers, but "it is the individuals who do not sand themselves down to a smooth, nondescript shape who are the people who solve great problems, forge new trails, invent important wonders and create magnificence." With his example and encouragement, many "Starloggers" may also make their dreams come true.

John Dentinger is a free-lance writer in Los Angeles.