

AL GORE GOES TO WALL STREET

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Al Gore is going to be an investment manager.

From the November 8th issue of the *London Financial Times*...

Al Gore, the former US vice-president, is to put his expertise in global sustainability issues into practice with the launch today of a fund management firm. Mr. Gore has teamed up with David Blood, former chief executive of Goldman Sachs Asset Management, to set up Generation Investment Management, a London-based boutique that will invest in global equities. The six founder partners have contributed a total of "double-digit" millions of dollars to kickstart Generation, which plans to begin attracting funds in the new year. The firm aims to deliver higher investment returns by integrating traditional equity analysis with sustainability research, a fledgling area that combines the principles of economic growth, environmental stewardship and social accountability. Mr. Gore championed sustainability issues during his eight years as vice-president to Bill Clinton. The author of *Earth in the Balance*, he chaired the president's council for business and sustainable development and helped secure agreement on the Kyoto protocol, the convention on climate change. As Generation chairman, he expects to devote about a day and a half a week at the firm. Since leaving government he has lectured on financial services and technology issues, is on the board of Apple Computer and is a senior adviser to Google. He told the FT: "Transparency, eco-efficiency, nurturing employees and managing long-term risks are among the integral parts of a company's enduring capability to create value. You can't properly value automobile stocks without considering long-term issues such as carbon intensity."

After reading the article three times I found myself looking for some sign that this was some sort of parody or joke put together by the *Weekly Standard* or some blog.

It wasn't.

Al Gore is doing a tremendous job reinforcing one of the most important points we have brought up regarding hedge funds. **Most are operated by incompetent fools.** What business does Al Gore have running an investment fund? *The Club for Growth* took a look at Mr. Gore's track record with investments and I state, "*Among other things, appears to be the most incompetent investor on the face of the earth.*" There is a 1998 article in *Fortune Magazine* that goes into detail regarding Al's world of investing. Here is an excerpt from that article, authored by Christopher Ogden and entitled "*Al Gore's Wealth in the Balance*":

"Al Gore turns out to be one of the nation's few high-income earners who has failed to profit from the bull market. According to Gore aides and official disclosure records released in May, which give a range of income and assets, the Vice President is not the beneficiary of a family trust, has no blind trust, no stocks - not even mutual funds - and has earned no dividends since taking office. His net worth has been dropping for years."

But wait there's more...

"Gore has no savings or investment plan. He has IRAs worth less than \$15,000 total and a government pension, but what money he has is neither in checking or passbook accounts (his earned interest last year totaled \$510) or tied up in property. Could Gore have some sort of holier-than-thou hang-up about investing, a fear that if he or even a blind-trust guardian bought an

equity, somehow a conflict-of-interest accusation might be leveled? Gore's aides brush aside such a notion. It's just that Gore, for whatever reason, is content to live from paycheck to biweekly paycheck. Republican critics who charge Gore with being overly generous with other people's money should rest assured that he doesn't have a clue what to do with his own."

Once again this is NOT a parody. I couldn't make this stuff up even if I wanted to.