

The Stock Market – The Epitome of Corruption

by Phillip W. Weiss

There is no public institution more corrupt than the stock market. The stock market is the epitome of corruption. Far from being a bell weather of economic activity, it is a magnet for money driven by speculation and influenced by outside forces that have nothing to do with the condition of the economy. A mere word, a well-placed rumor, a hint of some impending crisis, can trigger an instantaneous panic by investors whose sole interest is to protect their investments, such as they are.

Some may liken the stock market to a thoroughbred horse race. Both involve gambling and risk. But there is one feature that differentiates the two. At the track money is bet on horses while at the stock market money is bet on humans, and if one is to choose which is more honest and lacking in guile, the horse is the obvious choice. The horse is impervious to political pressure, it cannot be corrupted. Talk to a horse and the horse will respond with indifference, its only concern being its next meal, but talk to a human and anything goes and nowhere is that more apparent than at the stock market where negotiable instruments are bought and sold by investors responding to innuendos in the hope of making a quick buck at somebody else's expense.

Others may argue that the stock market is capitalism in its purest form, that the buying and selling that goes on in the marketplace is what capitalism is all about.

That argument is wrong. The stock market is not the marketplace and what goes on in the market is not unfettered capitalism, but the trading of money driven by the most corrupting influence in the universe – politics.

Hence, the stock market opposes Donald Trump's make America great again agenda. It does so not due to any commitment to a particular political ideology. The stock market is not owned by political scientists or sociologists interested in remaking the world. In fact, it can be argued that the stock market is devoid of political consciousness, its operations a series of disconnected actions with no rhyme or reason spurred on by sheer greed. The stock market would support Hamas, Iran and North Korea if investors thought it would make them money. No organization is more amoral than the stock market. It is a place where moral principles die and are replaced by one rule: to make money. If something makes money, then it is good. If it does not make money, then it is bad. It is as simple as that. If something sells, then it is good; if it does not sell, then it is bad.

No wonder that the stock market opposes the Trump program. Stock market investors were making huge amounts of money with the open border and the importation of cheap products into the United States. Under Biden, the stock market was booming. It was the one segment of the economy that showed robust growth. So, the Trump win did not produce unrestrained joy in the stock market. Investors did not go on a buying spree like some thought it would. Instead, investors used the tariff issue to trigger a panic which in less than two weeks wiped out ten-percent of the stock market's capital assets. In this way investors communicated their displeasure with Mr. Trump's policies.

Let us be clear on something: the stock market is not a Fifth Column front. It is totally apolitical. It has no interest in supporting a particular political party on ideological grounds. The stock market does not wave the flag or display campaign buttons, nor does it go out of its way to rally around a particular political leader. Thus, Mr. Trump is not interested in the stock market. He will not pander to unprincipled investors, many of whom are not Americans and owe no allegiance to the United States. Their only allegiance is to their portfolios which exist to promote a financial agenda that is entirely devoid of political content. The only thing that will stop an investor from investing is the degree of risk. That is all. Investors will invest money in the most immoral and outrageous projects if it produces a profit.

This is not to impugn the character of investors. Investors want to make money and want to make money fast. So, investors invest in all kinds of enterprises, such as those that sell shares in the stock market. These companies, most of which are transnational, control billions and trillions of dollars in assets, and are involved in a wide range of economic projects that cover the gamut of human economic activity, some of which may be of questionable moral quality but for which there is a huge and unquenchable demand. Politics has nothing to do with this demand. It is driven strictly by human need to consume. It is on this very principle that the stock market exists. So, any political agenda that even hints at actions such as tariffs, closed borders, war, and other similar policies that can disrupt supply chains and dampen demand, will produce a negative reaction in that last bastion of unfettered capitalism and greed, the stock market.