

# SOME THOUGHTS ABOUT GAME STONKS

~ANONYMOUS

I'm not gonna put my name on this one, because I have spent a little time working in the field of finance and I might maybe want to maintain some of those relationships, but I think it's really important to understand the actual social significance of this whole "Reddit bankrupting the Hedge Funds" thing before it gets too badly mythologized by Interested Parties.

To start with, this isn't an existential threat to finance. There will be winners and losers, but a lot of the losers will end up being everyday people. Robinhood itself parasitizes its "customers" by encouraging incredibly risky trades at the same time that it front-runs trades to HFT for a kickback. Some people will get rich but many, many more will lose their \$600 or whatever. That itself is something we should push back on as leftists, we should be about solidarity and not lottery tickets. "Only invest what you can afford to lose" is fundamentally still a capitalist framing of investment.

In fact the other folks in finance I've talked to mostly find this as funny as everyone else. Those hedge funds were behaving irresponsibly even by the logic of hedge funds, so everyone's glad to see this except for the people who lost their shirts.

There is a risk that this triggers a wider crisis, because it's a huge movement and there's a liquidity crunch involved that can lead to unexpected financial contagion. But it's not actually an unprecedented financial event if you look purely at trading metrics. If it causes a crash, it's because the market conditions have become fragile enough that anything could be a trigger.

This does very publicly expose a lot of the outrageously over-complicated and unaccountable behaviors of finance. But a lot of those behaviors are not actually new! Funds try to gut companies, trading is frequently halted, stocks are frequently delisted. What's different here is that it's out in the open for non-professionals to see. I do hope the focus moves away from being anti-short, because shorting is a pretty arbitrary thing to be upset about. It would be way better if we could bring the focus to more obscure details like dark pools and HFT trade flow purchases and collusion between funds instead - or better yet, to capital gains and other taxation and regulatory structures that make speculation so profitable (and feed the over-complexity of the rest of the system).

There's the angle that this is an outpouring of rage against the system and therefore inherently good. We have to be careful in our analysis: who is expressing that rage, why, and how? WSB has an undercurrent of antisemitic sentiment, for example.

One worry here is that it might not actually be a truly organic outpouring. There's reasonable speculation that a lot of insiders are trying to manipulate WSB, because they're with funds positioned on the other side of some of these trades. As these spontaneous social uprisings move online, it becomes even harder to detect bad actors, false flags, and other interlopers. The left is at risk of this happening to our own online spaces, the way it has happened to our in-person protests and events.

I don't want to take the wind out of anyone's sails, either! It's pretty goddess-damned hilarious watching billionaires and the billionaire-enabling class running around like idiots and CNBC anchors trying to parse meme culture without getting fined by the FCC. Just keep your eyes open as you're munching your popcorn, because you can bet your entire stock portfolio that The System™ is hard at work figuring out how to co-opt, corrupt, and neuter it.