

The Dalai Lama has stated that “a lack of transparency results in distrust and a deep sense of insecurity”. Myself and other individuals believe that the free market that we’ve been advertised on has succumbed to the manipulation, deception, and fraud that accompanies a lack of transparency. Such instances of this are openly spoken in the media we consume; SEC Chair Gary Gensler has been cited saying that 90-95% of all market order trades are routed off exchange into dark pools. I ask how can the American people find value in the securities that they possess when the supply is manufactured and the demand is hidden behind closed doors. I firmly believe that these proposed rules will not only help level the playing field found within the securities exchanges but also usher in a new era of economic prosperity, one which encourages the freedom of information and critical thinking.

To be blunt, I laud the rule changes that the SEC has presented to the American people for public comment. Within Rule 9J-1, I believe that in a world where the computational data is becoming more efficient and streamlined. There is no fundamental excuse for the federal government as to why anti-manipulation provisions aren’t in place. One can even argue that such provisions should’ve been established and heavily enforced since the conception of the SEC, but that is a discussion that will be saved for another time. Insider information on such security-based swaps should at the very least be disclosed to the public. I believe a critical parallel to such a lack of transparency is the “wild west” atmosphere of cryptocurrency and NFTs, where regular individuals can pour their savings into some obscure, genitalia designed coin, only to have the rug pulled out from under them.

Furthermore, in proposed Rule 10B-1, the disclosure of large positions in security-based swaps, related loans or groups of loans, and loans underlying the security-based swap position, are fundamental actions that need to be enforced and observed by the American people. I have learned that you can come to a logical and rational conclusion on the future value of any security. However, if a financial institution such as Goldman Sachs or JPMorgan Chase believes otherwise, there is a near certain chance that the trade of such securities will benefit the financial institutions over the retail investor by just comparing the amount of capital used. Recent discussions have surfaced in the financial world of high ranking politicians profiting from insider trading. I believe that the same sort of transparency and knowledge is best placed in the hands of the people.

I truly believe that these proposed rules and upcoming changes are going to be beneficial to the free markets as a whole. I ask for nothing more but enforcement upon such rules. The SEC has had a sordid history of litigating rather than regulating, and with the arrival of new individuals such as SEC Chair Gary Gensler and Director of Enforcement Gurbir S. Grewal, I’m genuinely hoping for a return to enforcement basics. The SEC was founded by then president Franklin Delano Roosevelt in 1934 to protect the American people from market manipulation after the horrendous stock market crash of 1929. As we reach the organization’s 88th anniversary, we must remember that the decisions made will directly or indirectly affect millions of hard working Americans of all races, genders, ethnicities, and levels of income. I leave the SEC with one crucial message: please do the right thing for the people, not for the few.