

Reddit users say GameStop rocket is revenge of the masses

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GameStop shares have soared in a clash between a new activist movement and hedge funds

For some Reddit users, GameStop's dizzying rocket ride on Wall Street is a case of the masses rebelling against one-percenters hoarding the world's wealth.

The social media-fueled movement has sent shares in the US video game retail chain soaring from less than \$20 weeks ago to a peak of \$492 on Thursday, dearly costing [hedge funds](#) that bet GameStop stock would tank.

GameStop shares ended the formal trading day down some 44 percent as some cashed out. But they lifted off anew after-hours, after Tesla chief Elon Musk seemingly urged individual investors to punish hedge funds for short selling, tweeting "Get Shorty."

A Reddit group—or "sub-reddit"—called WallStreetBets that boasts some 4.7 million members has been an online rallying spot for those urging people to buy and hold GameStop shares, punishing short sellers by sending prices soaring.

"We constantly see the 1 percent make trillions a year, even through the pandemic... versus the millions of Americans who had to file for unemployment," Reddit user Responsible-Height77 told AFP via the forum.

"I think it's time to show that the masses have a say and that our voice matters."

The hardship of 2020 inspired the 21-year-old to take part in the campaign to drive up GameStop shares, punishing hedge funds in the process.

The US college student said he has suffered during the pandemic, as have friends who got sick from Covid-19 and who lost livelihoods.

New players at the casino?

Hedge funds pounded with losses due to the market-manipulating

campaign decried the movement and its sometimes aggressive online tactics as foolish and potentially illegal.

"Gotta admit it's really something to see Wall Streeters with a long history of treating our economy as a casino complain about a message board of posters also treating the market as a casino," US Congress member Alexandria Ocasio-Cortez said in a widely shared tweet.

Her comment sparked a contentious exchange on Twitter between those echoing her sentiment and critics.

"Notice how so many complain when the rules they have been manipulating are used against them?" responded a tweet from educator Ken Shelton.

"This is a prime example of what happens when a large group of people get organized and use the system to their advantage."

US Senator Elizabeth Warren expressed similar thoughts, saying that while wealthy investors have prospered in the stock market, it has not represented the economic reality of millions of people in this country.

Game on

Responsible-Height—who declined to reveal his real name—told AFP that he has been a video game player much longer than he has played the market.

WallStreetBets is tinted with video game culture, the page playfully making use of the well-known Fallout Boy character from blockbuster franchise Fallout.

"Their motto has always been power to the gamer!" the student said.

"Which I feel we have taken to ourselves as power to the people."

He reasoned it is people taking back power while applying the basic principle of supply versus demand.

"Investors need to realize the market isn't always driven by fundamentals; we are in a new age where everyone can be involved in the market. And if enough people want a stock it will go up. That's the basics of economics."

WallStreetBets is an open group at Reddit, seemingly driven more by group sentiment than any leader, but championing GameStop shares appears in tune with a millennial, gamer-generation crowd.

Chatter on Reddit has now encouraged similar campaigns for companies with low [share](#) prices and a place in old-school US culture such as AMC, BlackBerry, and American Airlines.

Back to Earth?

A Reddit user going by the acronym DFV is credited with putting GameStop shares on the launch pad late in 2019, taking a \$50,000 stake in the company that has turned into a fortune.

"I'm seeing so many people talking about how their life is going to be changed; this is insane," user DontTrustJack said on the group chat.

"This truly is a moment where the haves transfer money to the have-nots."

But another user advised having an exit strategy, because driving up GameStop shares could cost them if they are holding large stakes when financial reality hits.

"Have a plan guys," cautioned the Reddit member. "The drop will come so fast."

WallStreetBets founder Jaime Rogozinski, who says he is no longer associated with the group, told AFP that he had watched with fascination as small investors wield the power of the crowd.

"They're able to do what Occupy Wall Street was never able to do," Rogozinski said.

"The little guy figured out a different way around it, which was, well, if you can't beat them, join them."

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