

WEDNESDAY: TICK-TOCK STOCK

In this post: A short film depicts a failed/successful love story found in electronic debris and the tick-tock behind yesterday's stock market's scramble.

Short film for this week by Victoria Mapplebeck examines personal technology detritus. Some of us have been through many generations of electronic devices used for communications, in which highly intimate details may be found. In Mapplebeck's case, a failed love story followed by a lifelong relationship are bounded by text messages. What's in your digital scrap heap? What would pixels you've left behind tell about you? Will you decode them as Mapplebeck has, or will they be decrypted by others in this life or after you've left it? Food for thought.

Tick-tock stock

Something doesn't sit right about the brief tanking of Boeing's stock yesterday, besides the absurdity of a president-elect rage-tweeting about the company just before the stock market opened. Let's take a look at how events unfolded.

FRI 02-DEC-2016 12:00-14:00 CST – Aircraft manufacturer Boeing CEO Dennis Muilenburg gave a keynote speech to Illinois Manufacturers Association's annual luncheon in Chicago. He advocated the incoming Trump administration to keep and reopen the Export-Import Bank (Ex-Im Bank) as it has aided U.S. manufacturers like Boeing to do more business overseas when other forms of financing are unavailable.

FRI 02-DEC-2016 17:58 EST – Bloomberg published a report on Muilenburg's keynote, with an unspecified update at 19:29 EST.

SAT 03-DEC-2016

SUN 04-DEC-2016

MON 05-DEC-2016 15:24 EST – Washington Post

reported, As Trump vows to stop flow of jobs overseas, U.S. plans to make fighter jets in India

TUE 06-DEC-2016 6:40 EST – According to a summary, Fox & Friends cited the Washington Post report that Boeing is building F-16 and F-18 jets in India instead of in the U.S.

TUE 06-DEC-2016 8:30 EST – Chicago Tribune published a story on Muilenburg's remarks on Trump's trade policies. The piece does not mention Ex-Im Bank or alternate financing to encourage trade but focuses more closely on Trump's approach to China and free trade agreements.

TUE 06-DEC-2016 8:52 EST – Trump tweeted, "Boeing is building a brand new 747 Air Force One for future presidents, but costs are out of control, more than \$4 billion. Cancel order!", apparently misunderstanding the costs in the contract and the nature of the aircraft specifications, which must include the ability withstand certain military threats, unlike any aircraft Trump has purchased for himself or his businesses.

TUE 06-DEC-2016 – 10 seconds later, the market began to sell off of Boeing stock. (In comparison, average human response time required for braking while driving is +3 seconds)

TUE 06-DEC-2016 9:30 EST – New York Stock Exchange opened and the sell-off continued (Note that 9:30 EST = 14:30 London (LSE) = 15:30 Frankfurt (FWB) = 17:30 Moscow (RTS) and all these markets were also open at the same time.)

TUE 06-DEC-2016 ~15:30 EST – A CNBC report asked if algorithms traded on Trump's tweet.

TUE 06-DEC-2016 12:50 EST – The Atlantic's David Frum tweeted, asking if "we are to accept [Trump's] unverified word that he sold all his stocks in June?" Frum linked to The Hill's report, Boeing Responds to Trump: Air Force One deal is for \$170 Million, not \$4 Billion.

TUE 06-DEC-2016 18:45 EST – Senator Ron Wyden replied, “.@davidfrum @RealDonaldTrump: I look forward to seeing proof of these stock sales as required by law:
<https://www2.oge.gov/Web/278eGuide.nsf/Content/Chapter~0GE+Form+278e>”, referring to U.S. Office of Government Ethics’ OGE Form 278e.

The timeline spawns questions:

– What’s in Trump’s current investment portfolio besides real estate? It’s alleged Trump sold his stocks in June this year, but there is no evidence to that effect. (Timing of such sales is also interesting based on the outcome of the Brexit referendum and Trump’s relationship with pro-Brexit Ukip front man Nigel Farage, but that’s another story.) Will Trump comply with U.S. law and inform the government of his investments? Or will he be as opaque and difficult as he has been so far about his tax returns?

– Trump has been in trouble with the Federal Trade Commission and the Securities and Exchange Commission before, paying \$750,000 in fines back in 1988 without admitting “any violation of the law” after he had purchased large quantities of casino company stock in 1986 without proper notice under the Hart-Scott-Rodino Act. The transactions then had been masked as “put-call option agreements.” Is it possible Trump or someone close to him has done the same with Boeing stock, avoiding high-frequency trading but operating within a tight time frame?

– When exactly did Trump hear about Muilenburg’s comments; are we to believe he didn’t see the Bloomberg report and relied on the Chicago tribune piece as some suggest? Or instead was he riled up by Fox & Friends’ second-hand report, or by the original Washington Post article on Monday afternoon? It seems odd that two to three entire days went by after Muilenburg’s keynote without reaction until Tuesday morning.

– Was Trump’s real problem with Boeing the creation of jobs in the U.S., continuing the

craptastic narrative behind the Carrier Corporation jobs story last week? Was the rage-tweet Tuesday morning about a perceived attack on Trump's China policy? Or was it really about Trump's position on Ex-Im Bank, masked by the three-plus day delay in response and two other news pegs (Fox & Friends and Chicago Tribune)?

– If Trump's real problem with Boeing is Muilenburg's protective stance on Ex-Im Bank which Trump wants to eliminate, why is Trump so adamant that the U.S. can't provide alternative financing to encourage purchasing of U.S. goods and services? Why would he refer to Ex-Im Bank as "featherbedding"?

– If Trump has a problem with Muilenburg's position on trade policy, why is Boeing's former CEO Jim McInerney meeting with Trump during the first week of the administration as part of the "kitchen cabinet"? Especially since McInerney derided Trump's trade policies earlier this year?

The timing and tone of Trump's tweet just don't make sense given the complexity of Boeing's situation. How are we supposed to believe his rage-tweet was only about the (misunderstood) cost of the next Air Force One aircraft – the guy who's going to cost us more than a billion dollars during his term for Secret Service at Trump Towers in NYC?

Especially since Boeing is a client renting office space from a Trump building in Turkey.

Especially since Boeing's contract to build fighter jets in India maintains a relationship with a potential partner against the spread of radical Islamic fundamentalism.

Especially since Boeing's relationship with Chinese companies aided by Ex-Im Bank financing creates jobs here in the U.S. (though at a possible loss to Russian competitor United Aircraft Corporation).

[Longread: Iceland's Birgitta Jónsdóttir on reforming democracy](#)

This piece was written nearly two years ago by Jónsdóttir who had been elected an MP in 2013 and co-founded the country's Pirate Party in 2012. Her concerns then about of the rise of totalitarianism, fascism, and populism, appear prescient now. Worth the time to read what Iceland was doing to address these threats as we may need to do the same here in a hurry. Bonus: she's a reminder of what WikiLeaks once was for comparison against the organization we see today.

À demain, mes copains!