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[How Many Americans Really Benefit From Record High Stock Market?](#)



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With the Presidential Election quickly approaching, it is expected that the US economy will be a topic of debate and a contentious issue. Reviewing the year so far, we are at record highs in many important categories, often headlined by record growth in the stock market. The benefit Americans gain by the strength of the ongoing record highs of the stock market are what is often undervalued. It's not very few as media often "report" the number of Americans who hold stocks, it's 62%-- an enormous number. These facts could also inform the voting public.

2024 has been great for stock owners, highlighted by DOW reaching an all time high at 40,000 points, now fluctuating at over 39,000. Another good metric to look at is the S&P 500 index, who have upped their end of year projections to 5,600 points, 3 percent higher than 2023 and higher than their original projections for this year. Data shows that 62 percent of Americans own stocks, which is slightly higher than last year, but a drastic increase from 2020 and 2021, where percentage of stock ownership was in the mid 50s. These numbers match what was seen in the early 2000s before the 2008 market crash, but this time with greater overall market stability. This is all despite reported fears of market volatility, which is changes of market prices in the stock market. The economists' consensus of a post-Covid recession never happened--because the economy was jacked up by a successful bipartisan Infrastructure jobs program, the Inflation Reduction Act, and other actions the World Bank reported allowed the US to "power" the world's economy.

This investment is nicely spread out with most stock ownership coming through pension funds and retirement plans. There are a higher number of people with retirement funds or investments, mostly through 401k accounts, and through some other popular funds such as 403b(public education) or individual IRA accounts. These funds take up 40% of overall stock investment. While less common, people are investing into the stock market through direct ownership of shares and pooled investing at around 21 percent since 2022, a rise from 15 percent in 2019. Through 2024, there has been an increase in ownership of all of them with direct investment rising by just over 6 percent since 2019. Despite positives in the stock market, people don't know that they have access to stocks that impact them. According to recent polls by Morgan Stanley, 70 percent of Americans are not maximizing their stock options and benefits offered by their jobs.

When asked who really benefits from the record high economy and stock market the answer is simple, everyone does. While prices are rising, which is seen as a knock on both Trump and Biden's terms and a concern for our lives right now, it is important not to overlook the stable growth that has been seen in the stock market. With a rising and healthy stock market, we are also seeing higher numbers of investors, which is spread across many different demographics. When it comes to race, White Americans still participate the most, with that group's number continuing to climb. However, there are encouraging measures of growth with minority investors. One group to note here is African American investors, as growth has remained rather low compared to the group's high in the 80s, but a group bringing in record values with the year's highs. There are encouraging signs with African American investors being the highest growing new investment group according to a recent Wall Street Journal Article. Along with that, African Americans have been noted to be on the trend of starting to invest in the market at an earlier age as 68 percent of African Americans under 40 invest in stocks, higher than White Americans at 57 percent, an encouraging sign in the booming market.

The age breakdown is also interesting, as there are encouraging signs with younger generations. As expected, a vast majority of stocks are owned by those age 55 and up, as baby boomers have a massive amount of their earnings(the group has a lot of their life finances tied to stock options) going towards a 55 percent hold of the market. Gen X is recovering from a major dip in stock ownership from 2020, as the number of investors and overall value is back on the rise at 20.9, opposed to 19.8 in 2022. Millennials have been a consistent growing group, now at 7.3 percent ownership. The most interesting group to look at is younger Americans of Gen X, ages 18-25, who have the lowest participation(people get smarter with investing as they age) but encouraging signs for the future. According to NASDAQ, 73 percent of Gen Zers have invested in stock in their lifetime, and the stock market is their number one means of investment. This shows an overall trust of this group in the legitimacy and stability of the US. stock market.

As the election approaches, the economy is a dominant topic. While prices are rising, a concern for our quality of life, it is important not to overlook the stability that can be found through the stock market. For any Americans looking to invest, the stock market option is historically powerful. Moreover, Its success could help you make election decisions.

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