

I support Kalshi's bid to host election markets because I believe in democracy. To claim that election markets are gaming would be to claim that elections do not have predictable consequences for the world.

Clearly the actions of policymakers DO have consequences (something directly impacting my bottom line is the decision made by the government around the forgiveness of student loans). Thus the relevant question is whether such decisions/outcomes are predictable based on which party wins an election.

If these outcomes are not predictable, despite the platforms/goals of the two parties clearly differing from one another, then the democratic system is a failure. Why bother voting if outcomes are not predictable? What would be left of the claim that America has a globally-envied political system if its premier financial regulator says that, actually, the American people are chumps for expecting their votes (the expression of their collective political desires) to actually change the country in the manner they desire?

At a time when democracy is threatened, both at home and abroad, I hope the CFTC doesn't do further damage by undermining the intellectual justification for voting.