Monday saw a very interesting and telling moment as the newest iteration of Treasury Secretary Timothy Geithner's banking recovery was met on Wall Street by a jump in the Dow Jones of almost 500 points, a gain of fully seven percent. The big gains on Wall Street occurred amidst several days of bad press and attacks on the banking recovery plan, the AIG bonuses and Secretary Geithner in general from across the political and media spectrum. Progressive economists such as Paul Krugman attacked the plan as being insufficient and essentially the same as the original Bush/Paulson "cash for trash" plan, while conservative Congressman Eric Cantor (R-VA) referred to Geithner's plan as a "shell game."

The vastly different reactions to the plan reveal the growing disconnect between the finance sector and the rest of the economy and the ongoing need to focus on the latter when seeking to solve our most pressing economic challenges. While the rally on Wall Street is not bad news, it would be foolish, at this time, to see this as anything more than a one time event that may have been caused by Geithner's plan, but will be extremely unlikely to lead to significant job creation, reduction of mortgage defaults or revitalized industry in the US.

During the eight years of the Bush administration, and to a lesser, but still real extent, the eight years preceding that, we saw rising fortunes on Wall Street obscure, rather than alleviate, real problems in the economy. Now is not the time to repeat that mistake. Reading too much into the rally on Wall Street only strengthens the increasingly flawed, and more importantly decreasingly relevant, notion that what is good for the finance sector is for America. The disconnect in economic, political and psychological terms between Wall Street and Main Street has grown substantially in recent years and may now be close to being beyond repair.

One of the core lessons of this economic downturn is that beyond the Bernie Madoff's, AIG bonuses, misused or misplaced TARP money and private jets which make such potent media sound bites, there are bigger, more structural problems with our finance sector. Financial media coverage that is little more than financial cheerleading, rising real estate and stock prices that are the outgrowths of real estate bubbles and sub-prime lending and the increasing absence of anything approaching serious regulations have contributed to a finance sector that does little for anybody outside the sector and has little connection to the financial concerns of real Americans, particularly now that they see that the promise of a rising stock market that would boost their retirement savings was not as rock solid as they were told.

This realization is a driving force of the anger towards Wall Street that seems to be growing every day, confounding and frightening some politicians on both sides of the aisle as well as analysts and CNBC and other business news agencies. The heart of the problem is that for many in the political and financial elite, it is absolutely axiomatic beyond any possible doubt that a strong financial sector is the key to a strong and vibrant economy, but the rest of the country is
increasingly looking around at the economic train wreck that is Wall Street and coming to a very different conclusion.

Access to credit for businesses, entrepreneurs, consumers and homeowners is, of course, central to the functioning of a modern economy; and Wall Street is the mechanism for making much of this possible. Without this key sector of our economy, families would not be able to borrow money to buy their homes and businesses would be stymied in their efforts to grow, develop and create jobs because of an inability to raise capital. However, these important functions have been substantially overshadowed as much of Wall Street has devolved into get rich schemes and a kind of post-modern investment ethos where speculation and increasing the number of investors, rather than sound economic or business practices, have become the engines of profits on Wall Street.

Thus, the financial and political elite may be right in their analysis about the centrality of the finance sector, but they have no remaining credibility on this issue. Efforts to persuade America why it is important to support a class of people who are increasingly viewed as hucksters and gonifffs, whether coming from CNBC, Secretary Geithner, President Obama, economists or other experts will fall on deaf ears until this connection is made more clearly and the stench of corruption, self-dealing and incompetence in the finance sector is confronted.