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**The Buttonwood Agreement**  
**& The U.S. Stock Market in 2000**

by  
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Much has been made of the so-called alignment of planets in May 2000 as though this wide arc has some special significance. Doubtless it will have about as much significance as the harmonic convergence and other non-events of years past. The more prosaic conjunction of Jupiter and Saturn, which is usually indicative of a downturn in stock prices, gets less attention than the supposed influences of bogus planetary alignments, but an examination of past Jupiter-Saturn conjunctions shows they have a better track record. The formation of what became the New York Stock Exchange is a still better index of stock prices and performance.

On May 17, 1792 apparently at noon according to custom, under the branches of a buttonwood tree in Lower Manhattan, twenty-four traders agreed to buy and sell only to each other, government securities, bank, insurance and canal company shares. The horoscope for this agreement is responsive to transits, and while it has been rectified often, the information available to this writer confirms that the original members of the New York Stock Exchange regularly met at noon. There appears to be no reason to meddle with a horoscope calculated for that time.

The trouble with applying transits to a horoscope more than two hundred years old is that almost three degrees of precession have accrued since then. If a telescope were aimed at a celestial object like a star, nebula or galaxy whose tropical longitude had not been revised since 1792, the object would not come into view as per the old position because the tropical zodiac moves with respect to what is an essentially fixed sky. The object would appear in the year 2000 almost three degrees to the East of its 1792 position because precession carries tropical zodiac reckoning westward, but celestial objects themselves don't move westward as they are not subject to precession. This is an essential point: any celestial object or position rendered in terms of the tropical zodiac has a constantly changing stellar address. The problem is avoided if positions are rendered in terms of the sidereal zodiac because it is a fixed frame of reference.

That is why all the national ephemerides are continuously updated to the “ecliptic of date.” Most tropical astrologers, however, rarely update their positions which produces timing problems as a person ages. For example, the tropical zodiac position of the Buttonwood Sun is  $27^{\circ} \ 8' \ 22''$ . Saturn at its station on September 12th this year will be at  $0^{\circ} \ 11' \ 59''$  (tropical). The arc between these two positions is  $3^{\circ} \ 37'$ , which although fairly close, is not as close as the true distance between these two positions which is only apparent via sidereal reckoning. In terms of the sidereal zodiac, Saturn will station in September in  $6^{\circ} \ 8' \ 14''$  which is only  $43'$  beyond the exact conjunction with the Buttonwood Sun at  $5^{\circ} \ 8' \ 31''$ . That kind of proximity is sufficient to produce a disaster, especially since the Buttonwood Sun is angular.

The transits of malefics to the angles of the Buttonwood chart have produced severe problems in the past, particularly when they have been slow in motion. In 1929 when transiting Neptune arrived at the Buttonwood ascendant—and was therefore mundane square the Buttonwood Sun—the scene was set for collapse. A prominent Neptune tends to help stock prices when it is configured with transiting Jupiter, but otherwise it is a serious impediment to market strength. Stocks declined steadily from their 1929 high on September 3, two days after transiting Jupiter was mundane square transiting Neptune exact to the second of arc. The precipitous fall however didn't occur until late October when transiting Saturn entered into a precise mundane square with transiting Neptune. On October 23rd, the market lost 6% of its value in a single day but it was stabilized by the end of the week. The real carnage began on Monday, October 28<sup>th</sup> when the market lost 12.75 % of its value and 11.5% on Tuesday the 29<sup>th</sup>. At the market close on October 28<sup>th</sup>, transiting Pluto (by sidereal reckoning) was only 18' of arc from the exact semi-square to the Buttonwood ascendant. Everything was ready symbolically for a crisis. Transiting Neptune on the ascendant was mundane square the Buttonwood Sun; transiting Pluto was semi-square the ascendant when Saturn exactly pricked the Neptune balloon by mundo square. But if the Pluto transit is considered in terms of tropical reckoning, its deviation from the exact semi-square to the Buttonwood ascendant is  $2^{\circ} \ 14'$  which is more than seven and a half times greater than 18'. The tropical longitude value gives a misleading impression of how close the Pluto-ascendant transit was because the tropical zodiac doesn't take precession into account.

At the close of trading on October 28th, the transiting Sun, which is often the chronocrator or timer of events, was applying from 42' of arc to the exact semi-square with the Buttonwood Mars, which means the aspect was exact on the morning of the 29th. But these positions are by sidereal reckoning. By tropical reckoning, at the close of the trading day on October 28th, the Sun was separating, 1° 14' beyond the exact semi-square to the Buttonwood Mars. This may seem trifling until it is observed that the exact semi-square of the Sun to Buttonwood Mars had occurred some thirty hours before on Sunday morning October 27th. The market was closed on Sunday. The action was on Monday the 28<sup>th</sup> and Tuesday the 29th, which is reflected by sidereal reckoning. Unless the tropical positions are ex-precessed to take account of precession, current transits in terms of the tropical zodiac are meaningless compared to another era. The problem gets bigger as the distances in time become greater. In order for transits to be meaningful, the horoscope of the Buttonwood Agreement is given here in terms of the sidereal zodiac, which is not subject to precession.

The issue at hand is that Saturn in its station next summer at 6° ∅ 14', will be less than three-quarters of a degree beyond the Sun of the Buttonwood Agreement. There have been only four other stations of Saturn, since the founding of the New York Stock Exchange, when Saturn was within three degrees of the conjunction to the Buttonwood Sun: 1794, 1882, 1913 and 1972. Except for 1882, which was the end of a period of significant expansion, and the beginning of a recession which became a depression, the other three Saturn stations had not been immediately preceded by a run-up in stock prices that remotely resembles this past decade; even so, they had a pronounced effect.

The first half of the 1790's was an inflationary period but the scale of our country was small. The first U.S. census in 1790 revealed a population of almost four million but there were only twenty-five communities then within the entire country with populations greater than 2,500 people. So while it is true that wholesale prices, interest rates, inflation and business activity were on the increase in 1794, the country's business stalled in the late summer and early fall by the first real test of federal authority via the so-called "Whiskey Rebellion," which threatened the stability of continued expansion. The most profitable commodity in the early years of our republic was whiskey, which even served as a medium of exchange in western Pennsylvania.

The federal government had imposed an excise tax of nine cents per gallon on whiskey in 1791 which Pennsylvania farmers had steadfastly refused to pay. Washington had had enough of their refusal in the fall of 1794 when violent resistance to federal tax collectors spurred him to act. Thirteen thousand men from four state militias were assembled under the command of President Washington who rode at their head into Pennsylvania. This force was larger than any he had commanded in a single engagement during the Revolutionary War. The country held its breath, as it were, as this force marched into Pennsylvania with social, political and hence, economic stability of the entire republic at stake. Significantly, while this was happening, transiting Saturn was stationary in September 1794,  $2\frac{1}{2}^\circ$  from the Sun of the Buttonwood Agreement. The "Whiskey Rebellion," actually an insurrection, was a matter of no small significance because it underscored federal authority, legitimacy, and the willingness of the government to enforce the law. Washington dealt with it decisively, treated the perpetrators with leniency, ensured the gathering of the tax and by the end of October the matter was concluded and business soon returned to normal.

Saturn stationed again within  $2\frac{1}{2}^\circ$  of the Buttonwood Sun in September 1882. Prosperity had been general in the U.S. since 1879 but it gradually ebbed away and fell into recession in 1882 when credit and capital for railway expansion became scarce in the second half of the year. The years 1883, 1884 and 1885 were bona fide depression years and therefore worse than 1882 in terms of the numbers of bank and business failures, unemployment and reductions in wages, which ran to 30% in the textile industries and 22% in the iron and steel industries. This crisis followed upon a period of solid but not spectacular growth compared to the unprecedented 1990's. The crisis persisted and deepened from recession into depression when Pluto replaced Saturn astride the Buttonwood Sun after Saturn moved off the Sun of the 1792 agreement. Pluto remained close enough to the Buttonwood Sun to create havoc until 1885.

In January 1913 Saturn stationed within  $2^\circ$  of the Buttonwood Sun. The years 1913 and 1914 were both years of mild depression. Production of iron and steel declined; railroad profits declined and the Dow-Jones industrial average declined by as much as 15% compared to 1912 highs. The passage of the Federal Reserve Act, tariff reductions, and President Wilson's proposals for new anti-trust laws, all in 1913, spooked the business community and raised fears

of tight credit. As World War I drew near and finally erupted, the business climate worsened in the U.S. even though Saturn by 1914 was well away from the Buttonwood Sun. Two other serious transits which had exacerbated the 1913 situation were making in 1914 even tighter aspects to the Buttonwood chart: transiting Neptune was partile T square the natal Neptune-Saturn opposition in mundo and transiting Pluto was very closely mundane square natal Pluto. The result was that the market was shut down in 1914 for three months after the start of World War I. The economic situation in the U.S. did not improve until early in 1915 when these configurations passed away.

Saturn stationed on February 1, 1972 within  $\frac{1}{2}^\circ$  of the Buttonwood Sun. President Nixon devalued the dollar by 7.9 % in December 1971, the first of two devaluations designed to save our dwindling gold reserves and stabilize our over-valued currency. Bond yields and short term commercial paper immediately shot up, but because Nixon had imposed wage and price controls in August 1971, the effect of the devaluation was minimal at home; still it badly hurt the strength of the dollar overseas and contributed significantly toward the international damage which was done by floating exchange rates. No business could plan for what the value of its national currency or what any currency might be in the near future. Despite the turmoil that was created by the first semi-float of the dollar, the Dow-Jones industrial average, which had been flirting with 1000 since 1966, continued to do so. Saturn soon moved off the Buttonwood Sun, and the Dow Jones average climbed past 1000 briefly in November of 1972. There had been no run-up in stock prices and even though the failure to raise taxes to pay for the Vietnam War was finally coming home to roost in terms of trouble managing both monetary policy *and* political opposition to curbing inflation, the resulting inflation had finally eroded the strength of the dollar to the extent that the rest of the world forced Washington's hand. So it is noteworthy that when Saturn was on the Buttonwood Sun in 1971-72 everyone's investments were instantly worth 7.9% less by executive fiat (in terms of other currencies); and with no opportunity to compensate for it due to the wage and price controls in place, American investors were handed their heads on a platter.

The summer of 2000 is extraordinary because Saturn has never before made a station on the Buttonwood Sun at the top of an unprecedented run-up in stocks like the present market.

This bull market which was more than twelve times higher at its high in 1999 than when it began in 1982 will certainly end this year. Not only will Saturn station on the Buttonwood Sun, but the Sidereal Solar Return of the Buttonwood Agreement for the year 2000 features the Buttonwood natal Mars in the M.C. with Pluto rising exactly in mundo on the ascendant and therefore mundo square the natal Mars and precisely opposite the solar return Mars. That is dangerous, plain and simple. It suggests a crisis of huge proportions. which is likely to unfold soon after the solar return becomes operational on May 20, 2000. This writer predicts a massive collapse of stock prices, although a significant drop will have been experienced before the opening of the Sidereal Solar Return on May 20, 2000. The crisis will continue into July only becoming worse. A rally late in July will also come to nothing, as the market will ratchet down until a short-lived winter respite.

*The year 2000 was the market's first losing year in ten years and its worst losing year since a 9.8% Dow-Jones Average loss in 1981, another Jupiter-Saturn conjunction year. Note that the Nasdaq's year-end close was less than half of its all-time high on March 10, 2000.*

*Dow-Jones began year: 11,497      High for the Year: 11,723  
Dow-Jones ended year: 10,787      Low for the Year: 9,862  
Percent change: - 6.2%*

*Nasdaq began Year: 4,069      High for the Year: 5,048  
Nasdaq ended Year: 2,470      Low for the Year: 2,333  
Percent change: -39.3%*

*S & P began year: 1,469  
S & P ended year: 1,320  
Percent change: -10.1%*

**The Buttonwood Agreement**

**Natal Chart**

May 17 1792

11:56:03 AM LMT +4:56:04

New York, New York

40N42 074W01

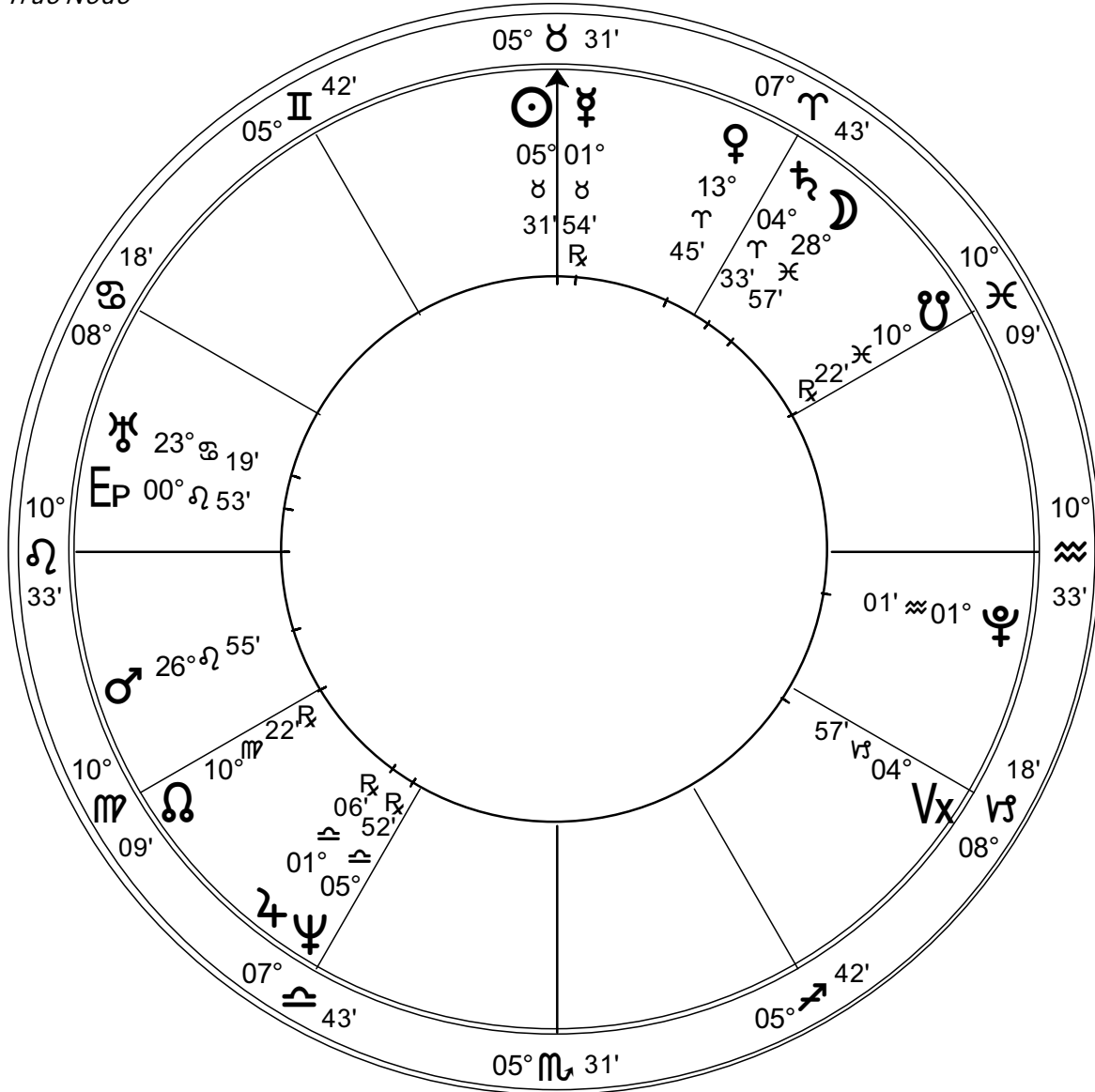
*Geocentric*

*Fagan-Allen*

*Campanus*

*True Node*

Figure 1



Inner Wheel  
**The Buttonwood Agreement**  
**Natal Chart**  
 May 17 1792  
 11:56:03 AM LMT +4:56:04  
 New York, New York  
 40N42 074W01  
*Geocentric*  
*Fagan-Allen*  
*Campanus*  
*True Node*

Figure 2

Outer Wheel  
**The Buttonwood Agreement**  
**Solar Return**  
 May 20 2000 (±20 secs)  
 8:25:08 PM EDT +4:00  
 New York, New York  
 40N42 074W01  
*Geocentric*  
*Fagan-Allen*  
*Campanus*  
*True Node*

