

CONGRESS OF THE UNITED STATES

July 20, 1989

Mr. Charles Bowsher
Comptroller General of the
United States
General Accounting Office Building
441 G Street, N.W.
Washington, D.C. 20548

Dear Mr. Bowsher:

On July 11th, the directors of the Chicago Board of Trade ordered the emergency sale of large holdings of July soybean futures to reportedly prevent a single trader from gaining control over the price of the commodity. Subsequently, on July 14th, the Commodity Futures Trading Commission (CFTC) announced that the Commission would review the emergency action taken by the Board, and I am enclosing a copy of CFTC's news release on this matter.

I continue to have concerns about this action and the ability of the CFTC to investigate the Board's activities. Therefore, I am requesting that the General Accounting Office review the CFTC's actions and its oversight of the Board of Trade's order. In particular, I believe you should review and evaluate the actions and positions of July 9th and 10th of Board members who voted to take the emergency action. Finally, it would be helpful to have your recommendations of any possible regulatory changes to ensure accountability and safety for America's farmers.

Thank you for your consideration of this request. Many Members of Congress, who like myself represent agricultural communities, are concerned about this situation and would benefit from your observations and comments. Please let me know if I can be of additional assistance.

Best wishes.

Sincerely,

Tom Tauke
Member of Congress

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COMMUNICATIONS SHOULD BE DIRECTED TO THE OFFICE INDICATED.

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