

The Securities and Exchange Commission Historical Society

Current Progress and Future Plans

**(Remarks delivered by Professor David S. Ruder Chairman
of the Securities and Exchange Commission Historical Society at the
Inaugural Reception of the Society held at the National Building
Museum, Washington, D.C., May 11, 2000)**

It is my great pleasure to welcome you to the Inaugural Reception of the Securities and Exchange Commission Historical Society. Today we celebrate the creation of a vehicle for preserving the history of the securities markets and the history of the vital role played by the Securities and Exchange Commission in regulating those markets.

Your attendance here, the willingness of an illustrious group of SEC alumni and others to participate as Trustees in governing the Society, and the enthusiastic support of Chairman Levitt and the SEC staff offer the promise of great success for this ambitious enterprise.

Those of us involved in planning the Society began with modest expectations. We believed it would be a good idea if the papers of SEC Commissioners and staff members could be collected in a single place so that the atmosphere surrounding regulatory events could be preserved. The papers of former Chairman Manual Cohen, housed partly in the Commission's offices and partly in the basement of his former partner Art Matthews, provide a good illustration of the potential for collecting important papers in a single place.

And, if we were collecting papers, wouldn't it be a good idea to record the oral histories of those connected with important events? Wouldn't it be fascinating to learn about the Special Study from Milton Cohen, about corporate bribery from Stan Sporkin, about the 1987 market break from Rick Ketchum, or about the development of insider trading law from Irv Pollack?

Of course collections of papers and oral histories alone are not enough. They should be surrounded by the in depth studies produced by the Commission, Congress, the stock exchanges and others. The 1963 Special Study of the Securities Markets, the Wheat Report on Disclosure to

Investors, the various studies underlying the Securities Acts Amendments of 1975, and the studies following the 1987 market break are excellent examples of excellent, informative, and detailed background material.

We also concluded that gathering information is not enough. Information must be catalogued, stored, and made available to the public. If the Society collects information, it must do so responsibly. To be successful, the Historical Society must find a home for its collection, and it must hire archivists, librarians and other staff. Although the collection can exist in temporary quarters, ideally the Society should have its own permanent library and museum building open to the public. In addition, the collection should be available in electronic form for communication with members, scholars and others.

The progression from a simple archival idea to a broad vision of a library and museum has both surprised and motivated all of us. We hope you will be motivated as well.

Even the broad and ambitious archival and library goals may not be enough. As we all know, history offers important lessons for the future. Hopefully, the Society will be able to participate with the Commission, self-regulatory organizations and others to support important research and to sponsor policy conferences. I am happy to say that the Society is currently discussing with the Commission the possibility of a jointly sponsored SEC Major Issues Conference designed to review the important regulatory events and policies of the past and to offer recommendations for policy initiatives for the future.

Perhaps our enthusiasm for the Securities and Exchange Commission Historical Society is unrealistic, but I do not believe so. The fact that so many of you have gathered here today to celebrate the beginning of the Society gives me great hope for success.

It is my good fortune to be able to make several introductions.

First, may I introduce Harvey Pitt and Paul Gonson who have worked tirelessly during the past year to incorporate the Society and plan this event.

Not only did Harvey spend countless hours on this Society, but his law firm, Fried, Frank, Harris, Shriver & Jacobson has provided important legal advice and administrative support. I am particularly appreciative of the fine work of Joan Imperato, a Fried, Frank administrator who has been wonderful in planning this reception.

I would also like to acknowledge the fine work of Pete Wentz, Associate Dean at Northwestern Law.

We have number of Trustees here:

Mr. Kenneth Bialkin

Mr. Robert Kueppers

Mr. James Cheek, III

Mr. Alan Levenson

Mr. James Doty

Mr. Richard Phillips

Mr. Daniel Goelzer

Mr. Harvey Pitt

Mr. Paul Gonson

Ms. Linda Quinn

Mr. Stephen Hammerman

Mr. Thomas Russo

Mr. Stanley Keller

Ms. Mary Schapiro

Mr. Richard Ketchum

Mr. A.A. Sommer

Would each of you please raise your hands?

Last, and certainly not least, it is my pleasure to introduce Arthur Levitt, Chairman of the Securities and Exchange Commission.

Arthur, I have followed your career as Chairman during last six years and more. You have excelled in protecting the investing public. You have been courageous in taking steps to improve the operation of our securities markets. You surely have been an exemplary Chairman of the Securities and Exchange Commission. I welcome you to the inaugural reception of the Society and thank you for your support.