

Remarks by David S. Ruder, Chairman
Securities and Exchange Commission
at his Swearing-In Ceremony
Washington, D.C.

August 7, 1987

Justice Scalia, Fellow Commissioners, family, friends,
and members of the staff of the Securities and Exchange Commission.

This has been both the shortest and the longest summer of
my life. The shortest because the events leading to my swearing
in today have seemed to rush by in a blur. The longest because
confirmation seems to have taken forever. I am glad that I may
now begin my new duties.

May I express my thanks to President Reagan for appointing
me, to the fine White House staff which shepherded me through
the confirmation process, to the Senate for voting to confirm me,
to the many SEC staff members who filled me with the information
necessary to respond to Senatorial questions, and to my wife
Susan, whose support has and will be invaluable to me.

These are truly amazing times in our financial markets,
and I view the role of the Securities and Exchange Commission
as crucial. We must -- and I am delighted finally to be able
to say "we" when speaking of the Commission --

1. We must ensure the honesty of the securities markets
by vigorously enforcing insider trading and other antifraud
provisions.

2. We must insist that brokers deal fairly with their
customers.

There are other areas which demand attention, and which we must also address, including:

Securities activities of banks

The disclosure system for sale of municipal securities

Regulation of investment advisers and other financial planners who are managing the money of others, and

The arbitration system for customer disputes with brokers.

Finally, I believe the time has come for the securities industry and the investing public to remember that the excellence of our capital markets in large part depends upon the integrity of its participants. Use of inside information, distribution of false financial statements, churning of customer accounts and other fraudulent practices of course cannot be condoned. But more important, the attitude that sharp practices are permissible cannot exist if the honesty of our markets is to be preserved. As Chairman, I will ask private investors, institutions, and market professionals to look inwardly and to recognize that in the long run their own best interests as well as those of the public will be well served by adherence to strict standards of integrity.

The solutions to the many problems I have described will require ability, imagination, forcefulness, and cooperation. I am delighted to join a Commission which exhibits all of these qualities.

Thank you.