



**Commodity Futures Trading Commission**

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## Remarks

### **Opening Remarks by Commodity Futures Trading Commissioner Bart Chilton, CFTC Cooperative Enforcement Conference, Washington, DC**

**(As Prepared for Delivery)**

**September 17, 2008**

Thanks for inviting me to be with you this morning—I appreciate this opportunity to let you know, face to face, “up close and personal,” how much I appreciate your efforts to police the U.S. commodities markets. Since I’ve come to the Commission, I’ve developed a great respect for your professional efforts; indeed, at times I’m astounded at the sheer size, number, and complexity of cases you are prosecuting at any given time. And I’m particularly pleased to be able to participate in this cooperative enforcement event—the ability to criminally prosecute wrongdoers in these critically important markets, in addition to the civil penalties that our agency can levy, is of the highest significance in my estimation. My hat is off to all of you, those on our staff and those from other agencies with whom we work; we have a common goal of ensuring safe, honest and effective markets, and your efforts are critical to achieving those objectives.

We are living through some tough times right now—you’d have to be under a rock not to know that. And I think some (not insignificant) part of that is of our own making. The de-regulatory pendulum, under this administration, has simply swung too far, and it’s time to bring it back into equilibrium. Before folks start to panic, I’m not suggesting a Sarbanes-Oxley-type of response, but I am talking about more than simply moving regulatory boxes around in Washington, as some have recently suggested.

Indeed, I believe the basic financial regulatory structure in the United States is sound—I think Congress got it right. What I’m talking about is ensuring that regulators have the necessary tools to make sure markets are safe, honest and work as they should for all American consumers and businesses. In my view, rather than shifting staff with subject matter expertise around the city of Washington, we should be enabling those dedicated

public servants to see everything that is occurring in the markets that they police so they can carry out the job that taxpayers expect them to do—and that is to protect Americans from harm.

A certain presidential candidate (I won't name names) advocated earlier this week that he'd solve our regulatory oversight problems by merging the CFTC and SEC. Now, as I've said numerous times previously, there's not much about that idea that makes any sense whatsoever. Frankly, and for all the reasons that I expressed a moment ago, that would essentially take the expert agency, with the proven track record of superlative enforcement efforts in these markets, and just remove the "cop on the beat."

Without a doubt, we need to begin to talk about real regulatory reform. We need to talk about beefing up our oversight arsenal, so that we can see into "dark markets." We need to talk about providing more staff for our enforcement teams, so that we can prosecute more, and increasingly complex, cases.

But, first, and perhaps most importantly, as enforcement divisions from across the government spectrum, we need to talk to one another about establishing, improving, and perfecting our cooperative regulatory efforts. These aren't necessarily "overnight" fixes, but they can be done and I'm extremely pleased to welcome each of you who, by your presence here today, are taking a necessary step in that direction.

Once again, thank you for your efforts; you are, in my estimation, the keystone in keeping America's commodities markets safe and honest. I appreciate your public service, and I look forward to working with you in the coming years.