

HIGHLIGHTS OF THE YEAR

JANUARY:

■ Daniel Barenboim is named successor to Georg Solti as music director of the Chicago Symphony. Barenboim, who first performed publicly as a pianist at age 7 and debuted at 15 with Leopold Stokowski, takes over in 1991.

FEBRUARY:

■ The city's human rights ordinance goes into effect. It bars discrimination on the basis of race, color, sex, age, religion, disability, national origin or sexual orientation.

MARCH:

■ Sun-Times editorial cartoonist Jack Higgins wins a Pulitzer Prize, the newspaper's seventh.

JUNE:

■ New York sports agent Norby Walters and associate Lloyd Bloom are sentenced to federal prison after being convicted of luring college athletes to sign improper contracts and threatening to harm them if they reneged.

JULY:

■ Former Harold Washington aide Clarence McClain and former Circuit Court Clerk Morgan Finley, a protégé of the late Mayor Richard J. Daley, are convicted in the Operation Incubator scandal involving bribery to steer contracts to a New York parking ticket collection firm. McClain later gets eight years in prison, Finley 10.

■ Popular Bulls coach Doug Collins is fired, and Phil Jackson is tapped for the job. A disgruntled fan pens a letter saying that the "dream of a basketball dynasty in Chicago has been spoiled."

SEPTEMBER:

■ Thousands of revelers celebrate at Clark and Addison after the Cubs win the National League East title. The Cubs lose the pennant to live San Francisco Giants.

DECEMBER:

■ 500 mourners pack the church and 500 more stand outside in the cold to pay respects to fireman Kevin Anderson, 27, the first firefighter in more than two years to die while fighting a blaze. It took 18 hours for Anderson's colleagues to find his body in the rubble of Rose of Sharon Community Baptist Church, 2950 W. Warren.

ALSO IN 1989:

■ Two former aldermen become radio talk show hosts. Clifford Keiley, convicted in the Operation Incubator corruption scandal, signs on with black-oriented WGCI-FM. Ed Vrdciyok, a Harold Washington nemesis, becomes a co-host on WLS-AM with veteran black radio personality Ty Wansley.



Members of the Chicago Mercantile Exchange ply their trades in 1989 even as federal agents probe the exchange and the Chicago Board of Trade. By the end of the year, most traders were vindicated.

■ 1989 began with a world-class winter storm and a federal probe of the futures exchanges, but by the end of the year, the FBI sting was rebuffed.

Stormy year for traders

BY LEO MELAMED

For Chicago and arguably for its primary economic engine—the futures exchanges—1989 began with the winter of despair.

No question about it, Chicago's winter storms are world class, and 1989 was no exception. But that year, January also brought a storm of federal agents with subpoenas in hand upon the homes of futures traders.

This culminated a two-year investigation of trading on the floors of the Chicago Board of Trade and the Chicago Mercantile Exchange. FBI agents, posing as traders with hidden tape recorders, had penetrated the trading pits of both exchanges and allegedly found evidence of major wrongdoing.

Both the local and national media had a field day reporting on the so-called Operations Hedge-clipper and Sourmash.

This sad chapter in media coverage caused the spread of baseless accusations, rumors and innuendoes. Our traders were presumed guilty even before a shred of credible evidence was available for scrutiny.

In April, Chicagoans turned their backs on the winter of despair and overwhelmingly elected Richard M. Daley mayor of the city that had become synonymous with his family name.

At the age of 46, the eldest son of the former Richard J. Daley, having completed three terms as Cook County state's attorney, became the city's fifth chief execu-

tive in a decade. He and his wife, Maggie, told their supporters that to thank the citizens of Chicago, they would do their very best in the years ahead. They did just that.

Daley's election signaled a rejection of the age of foolishness and a return to the age of wisdom. As the strife at City Hall of previous years became a distant memory, as Chicago resumed its role as the city that works, so ceased the unwarranted attacks on Chicago futures exchanges.

After two years of intense investigation of more than 6,000 brokers and traders, after the disruption of a nationally vital industry for almost a year, after months of media blitz, after some 500 subpoenas were issued and as many interviews held, and after the review of more than a million documents, a mere handful of traders was indicted, mostly for misdemeanors.

The investigation turned out to be a colossal government fiasco and a huge waste of taxpayers' money. By the end of 1989, the integrity of Chicago futures traders was vindicated, the eminence of our markets was restored, and our membership values resumed their record climb.

Not only was the FBI sting rebuffed, the brutal attack on our markets in the aftermath of the 1987 stock market crash was equally discredited. The myriad academic and government studies that probed the cause of the crash unequivocally proved to the financial world that the Chicago futures exchanges were exemplary in providing an indispensable modern



Judge Abraham Lincoln Marovitz (right) swears Mayor Daley into office as his wife, Maggie, and children Patrick (obscured behind Daley), Nora (in hat) and Elizabeth watch. In April 1989, Daley became Chicago's 45th mayor.

risk management mechanism for hedging and trading, especially during moments of crisis and upheaval.

As a result Chicago—and its exchanges—rose in prominence and importance. Indeed, the Chicago Mercantile Exchange, home of the world's most liquid stock-index instrument, the Standard & Poor's 500 contract, for the first time in its history equaled the prestige of the New York Stock Exchange.



100 YEARS IN 100 DAYS

Today: Leo Melamed (above) is chairman emeritus and senior policy adviser to the Chicago Mercantile Exchange and CEO of Sakura Dellsber, a commodities firm.

Tuesday: Sun-Times staff reporter John Carpenter describes how the last decade of the 20th century opens in 1890 with Comiskey Park being demolished, a tornado hitting Plainfield and the 708 telephone area code going into effect.

Coming soon—a hardcover compilation of this series, 20th Century Chicago: 100 Years, 100 Voices, \$29.95 plus shipping and handling. Reserve your copy by calling toll-free 1-877-424-BOOK (2665). Proceeds benefit the Sun-Times Charitable Foundation to promote literacy programs through the Chicago area.