NEW SPEAKER OF THE HOUSE

Personality of "Uncle Joe" Cannon, Who Has Served in Congress for Twenty-Eight Years.

THE cry, "The King is dead. Long live the King!" was heard in effect long before the adjournment of the last session of Congress. Indeed, it arose from the very minute that David B. Henderson announced that he would not be a candidate for re-election to Congress, and it has been growing in volume ever since. It has enabled Hon. Joseph G. Cannon, of Illinois, familiarly known as "Uncle Joe," to become, while yet nothing more than a Representative in Congress from a rural district, the most influential man, next to the President, in the United States. When the gavel falls tomorrow it will call to order the largest body of lawmakers which has ever assembled in the hall of the lower house of Congress, and the growth of membership is one of the several contributory factors which will give to the new Speaker greater power than any of his predecessors, in originating, directing and controlling legislation.

The circumstances under which the new Speaker comes into his own are vastly different from those which have ushered in the careers of some other occupants of the same position. Nowadays the choice of a Speaker, or at least the formal part of it, proceeds with the ease and precision of clockwork. The candidate who has been agreed upon by the members of the party in power is placed in nomination soon after the clerk has called the House to order, is immediately elected, escorted to the chair in due form, and the organization of the body follows promptly. The result of the contest is known so far in advance that, as in the present instance, the Speaker-elect is enabled to give consideration for months prior to the assembling of Congress to the distribution of those chairmanships which constitute the most coveted plums of the Congressional pie.

Not Always Cut and Dried.

As has been said, however, the choice of a Speaker was not always the cut-and-dried affair we find it at the dawn of the 20th century. One of the most memorable contests for the speakership occurred in 1859, when the leading candidates were Thomas Babcock, of Virginia; John Sherman, of Ohio, and Galusha A. Grow, of Pennsylvania. Such was the pandemonium which reigned in the House—the members were inflamed by the feeling which later culminated in the Civil War—that it was two days after the first vote ere a second ballot could be secured. The fight dragged on for more than eight weeks, but at the end of that time Sherman withdrew, and on the 44th ballot the election went to Pennington, of New Jersey, a "dark horse." In the 52d Congress the Democrats had a bitter Speakership contest, which resulted in the victory of Crisp, and it is interesting to note that just previous to this, Joseph G. Cannon was one of the competitors in a Speakership struggle in which Reed and McKinley were the principal contestants, and in which the former won out. Since the 51st and 52d Congresses there were no contests for the Speakership until the one of this year, and this latter, although participated in by many aspirants, was brought to a sudden termination by the victory of Cannon.

The selection of Mr. Cannon for the second best place in official life is remarkable from the fact that up to this time the Speakers of the House have been, for the most part, comparatively young men. Of the 34 Representatives who have wielded the gavel in the more than a century of the House's history, the oldest was Pennington, who, as mentioned above, broke the famous deadlock of 1859. He was 63 years of age when chosen as the compromise candidate. Clay and Pennington were the only men ever chosen for Speaker during their first term in the House.

Speakers Generally Young Men.

Next to Pennington, the oldest Speaker was Henderson, who has just retired and who had reached his 58th year when chosen. The House has had in its history only six Speakers who were over 50 years of age, while 18 had not passed 40 years when chosen, and of this latter number seven ranged from 30 to 35 years of age. The youngest Speaker was R. M. T. Hunter, of Virginia, who was but 30 and only in his second term when chosen. Of the most famous Speakers, Clay was 34 when chosen; Grow, 38; Blaine, 39; Crisp, 46; Carlisle, 48, and Reed, 50.

"Uncle Joe" Cannon will break all records, for he will be not only the oldest man ever chosen Speaker of the House, but the member of longest service prior to his elevation to the post of supreme power. Up to this time Henderson has led the Speakers in tenure of office. He had served 16 years in the body over which he was eventually chosen to preside, while Reed had served but 12 years; Crisp, eight; Blaine and Carlisle, six each. To put to shame the records of these comparative youngsters, there now comes Mr. Cannon, who is at his 68th milestone and has served 28 years in the House to which he was first elected in the year that General Grant defeated Horace Greeley for President.

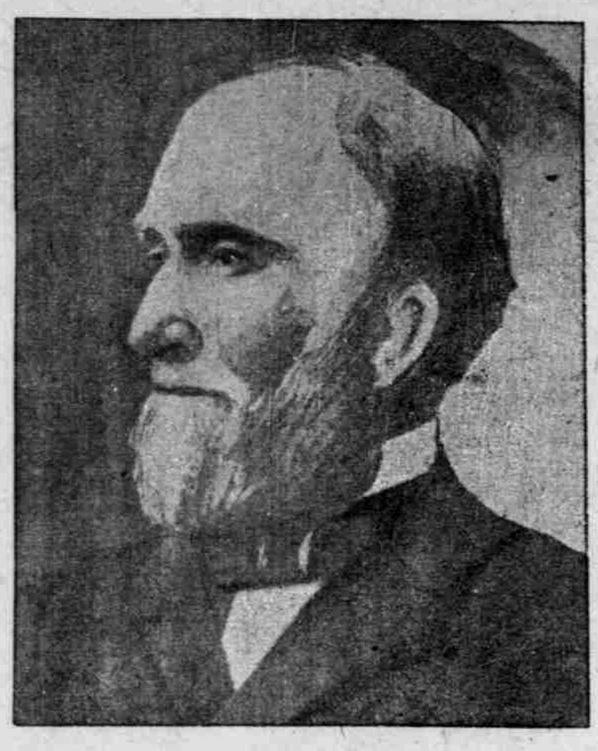
First Speaker From Illinois.

There is yet another feather in Mr. Cannon's cap. He is the first member from Illinois who has ever won the Speakership. It would appear as though the keystone state of the Middle West had been sadly neglected in this respect when compared with other commonwealths. Virginia, Massachusetts and Kentucky have each furnished four Speakers; Indiana, three; South Carolina, Maine, Tennessee, New Jersey and Georgia, two each. However, there is consolation for Illinois in the fact that New York, likewise, has had but one Speaker, and the President-making state of Ohio has also furnished but one Speaker, in the person of Joseph Warren Keifer, who strangely enough has lately felt a reawakening of his old ambition to serve in Congress. In the period of possession Kentucky takes the lead, her sons having held the Speakership, all told, 22 years; Virginia had the honor for 13 years, Maine, 12; Pennsylvania, 11, and Massachusetts, 10.

Early Days in Poverty.

Joseph G. Cannon, the new Speaker, is easily one of the most picturesque figures in the American House of Commons. His career has been an interesting one. He is a native of North Carolina, but his ancestors for many generations lived in Massachusetts. There would seem to be an explanation of some of Uncle Joe's characteristics and some of his mannerisms, in the fact that his mother was a Quaker, and traced her lineage back to the days of the founder of the sect. When little Joe was only 4 years of age, his parents traveled in prairie schooners to the then new West. When he was 14 his father was drowned, and the son's school days suddenly ended. The lad went to work in a country store and labored for five years, saving during the interval the sum of $500, half his aggregate compensation. This sum enabled him to spend 18 months in a law office. Without funds, and with a rather imperfect knowledge of his new profession, he hung out his shingle in a small town in Illinois, and during his first year he would have starved had not a friend advanced the amount of his board bill. Gradually, however, he forged ahead, and during the Civil War and a few years following he was State's Attorney. Cannon did not think of coming to Congress until along in the '70s. His physician ordered him to rest from his arduous law practice, and the way just opened naturally for him to come to the big legislative body at Washington.

The new Speaker is plain, unpretentious and practical. He is rich in good, old-fashioned, common sense. Cannon is fond of a good cigar, and a good story, and he can tell the latter as well as listen. If he has but a single auditor, he rests one hand on his shoulder and causes the listener to feel as though he was a life-long friend of the narrator. The new speaker is naturally democratic and good-natured, but there need be no fear that he will allow himself to be imposed upon in his new position. Said Thomas B. Reed to the late William McKinley on one occasion: "Joe knows more about parliamentary law than either of us, Mac," and this knowledge has increased rather than diminished. Cannon likewise knows the machinery of the Government down to the smallest cog, and his long experience as a rough-and-ready debater on the floor of the House will enable him to appreciate the trials and tribulations of the men who succeed him in that role.



JOSEPH G. CANNON.

Cannon's Romance.

The one bitter note in Cannon's present triumph is found in the fact that his wife cannot share in the honor for which he has waited so long. The death of his life partner a few years ago was a heavy blow to the veteran legislator. Mrs. Cannon always took the keenest interest in politics, and, indeed, politics was mixed up with her romance from the very start. As a struggling lawyer in Illinois young Joe Cannon had no sooner fallen in love with Mary Reed, a pretty schoolteacher from Ohio, than he found himself the rival candidate for Justice of the Peace against Mary's brother. At first young Cannon felt sure that if he defeated Mary's brother he would have a mighty slim chance of winning Mary, but as he pondered over the vexed problem he came to the conclusion that if he won, the brother would not let him have the girl, whereas, if he lost, the girl would be equally sure to throw him over, so he decided to go in and win the election in the hope that he would get the girl also. The hoped-for happened. He married Mary Reed soon after he was elected Justice, and, of course, the brother could not long "stay mad" at his sister's husband.

Now that he is to be Speaker, Representative Cannon, who for many years has lived in Washington hotels, is to have a home of his own at the Capital. "Uncle Joe" is a great lover of home comforts. His residence in his home town of Danville, Ill., is filled with comfortable chairs, and includes a library that is a welcome haven for any bookloving visitor. His home in Washington will be much the same sort of a temple to ease and solid comfort. The new Speaker is already planning to entertain there some of his cronies who share his fondness for cornbread and old-fashioned delicacies, and his repasts bid fair to become more famous that Senator Hanna's "corned-beef hash breakfasts." The Cannon home will be presided over by the Speaker's daughter, who is one of the best-informed women, insofar as political affairs are concerned, to be found in the country.

The new Speaker will not rank as one of the wealthy men in Congress, but nevertheless he is what his rural constituents term "well fixed." When he first came to Congress Mr. Cannon had a competence from his law practice variously estimated at from $50,000 to $100,000, and it is known that his earnings, wisely invested at that time in agricultural property, have grown in a most gratifying manner. "Uncle Joe" was party to a remarkable business partnership with his younger brother William, a banker. Their co-operation continued for full 40 years, or up to the time of the brother's death a year or so ago. Speaker Cannon will prove a notable addition to the group of distinctive Americans who are constantly in the public eye.

CHARACTERISTICS OF CANNON.

ONE of the oldest newspaper men in Washington gives The Sunday Oregonian the following estimate of the new Speaker:

Mr. Cannon is a man of pronounced personality. His rugged manhood, homely habits, quaint philosophy and characteristic expressions have united to make him picturesque; not in a ludicrous way, but in the sense that Lincoln was picturesque.

In Congress he made his reputation as chairman of the committee on appropriations, of which he has been a member for 20 years. The title "Watchdog of the Treasury" can hardly be applied to him, for others have pre-empted it. He has kept his grip on the purse strings, and he can say "No" with emphasis.

He is a strong speaker, yet no one would ever think of calling him an orator. There are two points in his forensic abilities—earnestness and common sense. If these do not win his case he fails. He is no adept in sophistries, and his oratorical manner, when he is in earnest is a sight to marvel at.

He wriggles from head to toe as he talks, his arms whirl about like the sails on a windmill, his coat tails flap, his head wags and his hands pound, first each other and then the desk. The wrenching and racking he undergoes in a five-minute speech leaves him purple and exhausted. His voice reveals his Quaker training, and when he speaks in earnest it rises and falls with the regularity of an elder's at meeting.

But what he says tells. He has a rough but ready wit. He knows whereof he speaks; he has had a voice in four-fifths of the legislation of Congress.

One of the most remarkable things about the next Speaker of the House is his tenacious memory. He seems never to forget a thing. He recalls things to the minutest detail. And with all his multifarious duties he never takes a note.

He will be walking along the street of his home town and some man will come along and ask about a matter. It may be he wants something attended to after the Congressman returns to Washington. Mr. Cannon will pay the closest attention to the speaker and say: "All right," and pass on.

The petitioner, if he does not know the Congressman's great habit of memory may think he has wasted his breath. But later on, say two or three weeks, a letter will come from the Congressman telling of the duty performed or the favor granted. He never forgets a thing, and is able to look after thousands of items without making a mistake.

Mr. Cannon has always been a worker in the House. No one has ever accused him of being one of the drones who simply helped to make up the majority. He has always helped to legislate and he has left his impress upon much important legislation. He was for years a member of the committee on postoffices and postroads, and to him more than to any other one man is due the change in the laws whereby postage on second-class matter may be prepaid according to weight. Although he has not been a member of that committee since 1879, he has championed and defended that reform against all who have attacked it. His chief distinction in Congress is connected with the appropriations. He has been a member of that committee since 1879, or for 20 years, and has been chairman for eight years. It matters not who else serves on that important committee, the country associates the name of Cannon with all appropriations, and forgets the other members.

It requires rare ability to handle the appropriations of the Government, amounting to more than a billion dollars a year—to make the appropriations come within the revenues of the Government, and so to handle them as to keep all the wheels going without charges of favoritism here or niggardliness in another place. The committee on appropriations must decide how the money shall be divided, and the chairman of the committee must in large measure be the committee. He must have a head for business affairs, for there is no other place in the Government which calls for such general knowledge and detailed information regarding so many subjects. It is easy for a member to shut his eyes to the need of appropriations in other directions and insist upon the paramount importance of his own bill, but the chairman of the committee on appropriations must consider all bills alike.

"Uncle Joe" has done this so impartially that it was only in the last Congress that his enemies got the chance to charge him with favoritism when he secured the establishment of a new branch of the soldiers' home at his town of Danville. That was a charge which could not stand, because the home had to be built somewhere and the Board of Directors had chosen Danville as the most desirable spot. Down in Mr. Cannon't home town the people laughed.

Since his first term he has been nominated by acclamation in his district every time but once, and from a majority of 300 or so at his first election he has won by as many as 3500 votes.

He knows men and how to handle them. He is himself known as a man of absolute integrity. That, some of his friends say, is the secret of his success.

But he has a kind heart, a willingness to listen to others, and a practical way of helping them. In every township in his district there are men who are glad to stand up and say: "See what Joe Cannon did for me." Maybe there is some hint of his success there.

He looks after every man's case himself. He will go out and look up matters for his constituents and when he undertakes to do anything no amount of opposition daunts him.

He has obtained places for many young men in Washington, but he looks after the appointees with great care. Woe be to the one who is amusing himself instead of attending to his duties. He will find himself sent home in short order.

He does not pay much attention to religious matters. He very seldom attends church, but is not atheistical in his tendencies or modes of thought. He is a great lover of home, and gets back to Danville as often as he can.

His constant companion is his daughter, Miss Helen Cannon, who has been in Washington a great deal of the time, especially since the death of Mrs. Cannon. Another daughter is married to E. X. Le Seuer, president of the Danville National Bank, and they, with two children, Virginia, aged 9 years, and Helen, aged 3, live in the old Cannon home.

Following is a list of the previous Speakers of the House:

1789-91—F. A. Muhlenberg, Pennsylvania.
1791-93—J. Trumbull, Connecticut.
1793-95—F. A. Muhlenberg, Pennsylvania.
1795-99—Jonathan Dayton, New Jersey.
1799-01—Theodore Sedgwick, Massachusetts.
1801-07—Nathaniel Macon, North Carolina.
1807-11—J. B. Varnum, Massachusetts.
1811-14—Henry Clay, Kentucky.
1814-15—Langdon Cheves, South Carolina.
1815-20—Henry Clay, Kentucky.
1820-21—J. W. Taylor, New York.
1821-23—P. P. Barbour, Virginia.
1823-25—Henry Clay, Kentucky.
1825-27—J. W. Taylor, New York.
1827-34—A. Stevenson, Virginia.
1834-35—John Bell, Tennessee.
1835-39—James K. Polk, Tennessee.
1839-41—R. M. T. Hunter, Virginia.
1841-43—John White, Kentucky.
1843-45—J. W. Jones, Virginia.
1845-47—J. W. Davis, Indiana.
1847-49—R. C. Winthrop, Massachusetts.
1849-51—Howell Cobb, Georgia.
1851-55—Linn Boyd, Kentucky.
1856-57—N. P. Banks, Massachusetts.
1857-59—James L. Orr, South Carolina.
1860-61—W. Pennington, New Jersey.
1861-63—G. A. Grow, Pennsylvania.
1863-69—S. Colfax, Indiana.
1869-75—J. G. Blaine, Maine.
1875-76—M. C. Kerr, Indiana.
1876-81—S. J. Randall, Pennsylvania.
1881-83—J. V. Keifer, Ohio.
1883-89—J. G. Carlisle, Kentucky.
1889-91—Thomas B. Reed, Maine.
1891-95—C. F. Crisp, Georgia.
1895-99—Thomas B. Reed, Maine.
1899-03—D. B. Henderson, Iowa.

WM. H. F. BECKHAM.

Mr. Caesar Explains.

New York Times.

The reporter of the Roman Forum was interviewing Julius Caesar after his return from Pontus. "Tell me," he said, "how you came to use those words which are likely to become immortal, 'Veni, vidi, vici'?"

The great warrior smiled as he replied: "To tell the truth, it was an accident—all owing to my ignorance of the new telegraph rates."

"I am afraid that I don't understand you," said the reporter.

"I thought I was saving telegraph tolls; I hadn't learned that you can send ten words for 25 cents."

PIKE'S PEAK OR BUST

By Edwin Lefevre

HE was only 17, fair-haired and rosy-cheeked, with girlish blue eyes, when he applied for the vacancy in the office of Tracy & Middleton, bankers and brokers. His name was Willis N. Hayward, and he was a proud boy indeed when he was selected out of 20 applicants to be telephone clerk for the firm.

From 10 A. M. to 2 P. M. he stood by Tracy & Middleton's private telephone on the floor of the Stock Exchange—the board room—receiving messages from the office—chiefly orders to buy or sell stocks for customers—and transmitting the same messages to the board member of the firm, Mr. Middleton; also telephoning Mr. Middleton's reports to the office. He spoke with a soft, refined voice, and his blue eyes beamed so ingenuously upon the other telephone boys in the same row of booths that they immediately nicknamed him Sally.

He learned the business, as nearly all boys must do in Wall street, by absorption. He heard nothing but speculate! speculate! in one guise or another, many words with the same meaning. It was all buying or selling of stocks—a concentrated and almost visible hope of making much money in the twinkling of an eye. The air was almost unbreathable for the innumerable tips to buy or sell securities and insecurities of all kinds. The brokers, the customers, the clerks, the Exchange doorkeepers, all Wall street read the morning papers, not to ascertain the news, but to pick such items as would, should or might have some effect on stock values. There was no god but the ticker, and the brokers were its prophets!

As time wore on the glamor of the game wore off; likewise his scruples. His employers and their customers—all gentlemanly, agreeable people—speculated every day, and nobody found fault with them. It was not a sin; it was a regular business. And so, whenever there was a "good thing" he "chipped in" one dollar to a telephone boys' "pool" that later operated in a New street bucket shop to the extent of ten shares. His means were small, his salary being only $8 per week; and very often he thought that if he only had a little more money he would speculate on a larger scale and profit proportionately.

Now, the position of telephone boy is really important, in that it requires not only a quick-witted but a trustworthy person to fill it. In the first place, the boy knows whether his firm is buying or selling certain stocks; he must exercise discrimination in the matter of awarding the orders should the board member of the firm happen to be unavailable when the boy receives the order. For example: International Pipe may be selling at 108. A man in Tracy & Middleton's office, who has bought 500 shares of it at 104, wishes to "corral" his profits. He gives an order to the firm to sell the stock, let us say, "at the market," that is, at the ruling market price. Tracy & Middleton immediately telephone over their private line to the Stock Exchange to their board member to "sell 500 shares of International Pipe at the market." The telephone boy receives the message and "puts up" Mr. Middleton's number, which means that on the multi-colored checkered strip on the frieze of the New street wall, Mr. Middleton's number, 611, appears by means of an electrical device. The moment Mr. Middleton sees that his number is "up," he hastens to the telephone booth to ascertain what is wanted. Now, if Mr. Middleton delays in answering his number, the telephone boy knows he is absent, and gives the order to one of the "two-dollar" brokers, who always hover about the booths looking for orders. He does the same if he knows that Mr. Middleton is very busy executing some other order, or, if in his judgment, the order calls for immediate execution.

Young Hayward attended to his business closely, and when Mr. Middleton was absent from the floor or busy he impartially distributed the firm's telephoned buying or selling orders among the two-dollar brokers, for Tracy & Middleton did a very good commission business indeed. He was a nice-looking and nice-acting little chap, was Hayward—clean-faced, polite and amiable. The brokers liked him and they "remembered" him at Christmas. The best memory was possessed by "Joe" Jacobs, who gave him $25 and insinuated that he would like to do more of Tracy & Middleton's business than he had been getting.

"But," said Sally, "the firm said I was to give the order to whichever broker I found first."

"Well," said Jacobs, oleaginously, "I am never too busy to take orders from such a nice young fellow as yourself if you take the trouble to find me; and I'll do something nice for you. Look here," in a whisper, "if you give me plenty of business I'll give you $5 a week." And he dived into the mob that was yelling itself hoarse about the Gotham Gas post.

Hayward's first impulse was to tell his firm about it, because he felt vaguely that Jacobs would not have offered him $5 a week if he had not expected something dishonorable in return. Before the market closed, however, he spoke to Willie Simpson, McDuff & Wilkinson's boy, whose telephone was next to Tracy & Middleton's. Sure enough Willie expressed great indignation at Jacob's action.

"It's just like that old skunk," said Willie. "Five dollars a week when he can make $100 out of the firm. Don't you do it, Sally. Why, Jim Burr, who had the place before you, used to get $20 a week from old man Grant and $50 a month from Wolff. You've got a cinch if you only know how to work it. Why, they are supposed to give you 50 cents a hundred." Willie had been in the business for two years, and he was a very well dressed youth, indeed. Sally now understood how he managed it on a salary of $12 a week.

He did not say anything to the firm that day nor any other day. And he didn't say anything to Jacobs in return, but by Willie's sage advice contented himself with merely withholding all orders from that oleaginous personage until Mr. Jacobs was moved to remonstrate. And Sally, who had learned a great deal in a week under Willie's tuition, answered curtly: "Business is very bad; the firm is doing hardly anything."

"But Watson told me," said Jacobs, angrily, "that he was doing a great deal of business for Tracy & Middleton. I want you to see that I get my share or I'll speak to Middleton and find out what the trouble is."

"Is that so?" said Sally calmly. "You might as well tell Mr. Middleton that you offered me $5 a week to give you the bulk of our business."

Jacobs came down to business at once. "I'll make it $8," he said conciliatingly.

"Jim Burr, who had the position before me," expostulated Sally indignantly, "told me he received $25 a week from Mr. Grant, with an extra $10 thrown in from time to time, when Mr. Grant made some lucky turn, to say nothing of what the other men did for him."

"You must be crazy," said Jacobs angrily. "Why, I never got much more than a thousand shares a week from Tracey & Middleton, and usually less. Say, you ought to be on the floor. You are wasting your talent in the telephone business, you are. Let's swap places, you and I."

"According to our books," said Sally to the irate broker, having been duly coached by Mr. William Simpson, "the last week you did business for us you did 3800 shares, and received $76."

"That was an exceptional week. I'll make it $10," said Jacobs.

"Twenty-five," whispered Sally determinedly.

"I'll give you $15 a week, but you must see that I get at least 2500 shares a week."

"All right. I'll do the best I can for you, Mr. Jacobs."

And he did, for the other brokers gave him only 25 cents, or, at the most, 50 per hundred shares. In the course of a month or two Sally was in possession of an income of $40 a week. And he was only 18.

Time passed. As it had happened with his predecessor, so did it happen now with Sally. He began by speculating, wildly at first, more carefully later on. From the bucket shops he went to the Consolidated Exchange. Then he asked Jacobs and the other $2-dollar brokers to let him deal in a small way with them, which they did out of personal liking for him, until he had three separate accounts and could "swing a line" of several hundred shares.

At last the blow fell which Sally had so long dreaded—he was "promoted" to a clerkship in Tracy & Middleton's office. The firm meant to reward him for his devotion to his work, for his brightness and quickness. From $15 a week they raised his salary to $25, which they considered quite generous, especially in view of his youth and that he had started three years before with $8. He was only 20 now. But Sally, knowing it meant the abandonment of his lucrative perquisites as telephone "boy," bemoaned his undeserved fate.

He took the money he had made to Mr. Tracy and told him an interesting story of a rich aunt and a legacy, and asked him to let him open an account in the office. Tracy congratulated his young clerk, took the $5500, and thereafter Sally was both an employe and a customer of Tracy & Middleton.

Sally speculated with varying success, running up his winnings to $10,000, and seeing them dwindle later to $6000. But, in addition to becoming an inveterate speculator, he gained much valuable experience. He became friendly and even familiar with Tracy & Middleton's clients, among whom were some very wealthy men, for a stock broker's office is a democratic place.

He really was a bright, amiable fellow, very obliging—he was paid for it by the firm—and he made the most of his opportunities. The customers grew to like him exceeding well, and to think with respect of his judgment, market-wise. One day W. Basil Thornton, one of the wealthiest and boldest customers of the firm, complained of the difficulty of "beating the game" with the heavy handicap of the large brokerage commission.

Jestingly, yet hoping to be taken seriously, Sally said: "Join the New York Stock Exchange, or buy me a seat, and form the firm of Thornton & Hayward. Just think, Colonel, we would have your trade, and you could bring some friends, and I could bring mine, and I think many of these"—pointing to Tracy & Middleton's customers—"would come over to us. They all think a lot," diplomatically, "of your opinions on the market."

Thornton was favorably impressed with the idea, and Sally saw it. From that moment on he worked hard to gain the Colonel's confidence. It was he who gave Thornton the first hint of Tracy & Middleton's condition, which led to the withdrawal of Thornton's account and his own from the office. It was a violation of confidence and of business ethics, but Thornton was very grateful when, two months later, Tracy & Middleton failed under circumstances which were far from creditable and which were discussed at great length by the street. He showed his gratitude by adding a round sum to Sally's $11,500, and Willis N. Hayward became a member of the New York Stock Exchange. Shortly afterward the firm of Thornton & Hayward, bankers and brokers, was formed. Sally, then in his 25th year, had become a seasoned Wall Street man.

From the start the new firm did well. Colonel Thornton and two or three friends who followed him from Tracy & Middleton's office, all of them "plungers," were almost enough to keep Hayward busy on the exchange executing orders, and, moreover, new customers were coming in.

Thornton was a rich man, and protected his own speculations more than amply. He noticed the development of his young partner's gambling proclivities, and remonstrated with him in a kindly, paternal sort of way.

Sally vowed he would stop.

Within less than three months he had broken his promise twice, and his unsuccessful operations in Alabama Coal at one time threatened seriously to embarrass the firm.

Colonel Thornton came to the rescue.

Sally promised with a solemnity born of sincere fear, never to do it again.

But fright lasts only a little space, and memory is equally short lived. Wall Street has no room for men with an excess of timidity or of recollection. He had gambled before he joined the New York Stock Exchange.

And then, too, Willis N. Hayward, the board member of Thornton & Hayward, was a very different person from Sally, the nice little telephone boy of Tracy & Middleton's. His cheeks were not pink; they were mottled. His eyes were not clear and ingenuous; they were shifty and a bit watery. He had been in Wall Street eight or ten years, and he had overworked his nerves every day from 10 A. M. to 3 P. M. on the Stock Exchange; also from 5 P. M. to midnight at the cafe of a big uptown hotel, where Wall Street men gathered to talk shop. His system craved stimulants; gambling and liquor were the strongest he knew.

When, after two years, the firm expired by limitation Colonel Thornton withdrew. He had had enough of Hayward's plunging. To be sure, Sally had become a shrewd "trader," and he had made $75,000 during the big bull boom; but he was at heart a "trader," which is to say a mere gambler in stocks, and not a desirable commission man.

But Sally, flushed with success on the bull side, did not worry when Thornton refused to continue the partnership. The slogan was: "Buy A. O. T. It's sure to go up!" the initials standing for "Any Old Thing!" The most prosperous period in the industrial and commercial history of the United States begot an epidemic of speculative madness such as was never before known and probably never again will be. Everybody had money in abundance and the desire for speculation in superabundance. Sally formed a new firm immediately—Hayward & Co.—with his cashier as partner.

All mundane things have an end, even bull markets and bear markets. The bull markets saw Hayward & Co. doing a good business, as did everybody else in Wall street. It ended, and the firm's customers, after a few bad "slumps" in prices, were admonished to turn bears in order to recoup their losses. Bears believe prices are too high and should go lower; bulls, optimists, believe the opposite. Tht public can't sell stocks "short" any more than the average man is left-handed. These customers were no exception, so they did nothing.

Hayward had "overstayed" the bull market, though not disastrously; that is, he was in error regarding the extent and duration of the upward movement of prices. He proceded to fall into a similar error on the bear or downward side. The market had been extremely dull following what the financial writers called a "severe decline," but which meant the loss of millions of dollars by speculators. Hayward's customers, like everybody else's customers, were not speculating. So he used their money to protect his own speculations. Office expenses were numerous and heavy and commissions few and light.

Hayward was very bearish. He had sold stocks, sharing the belief of the majority of his fellows that the lowest prices had not been reached. As a result he was heavily "short" and he could not "cover" at a profit, because prices had advanced very slowly, but very steadily.

One day a big gambler in Chicago, bolder or keener than his Eastern brethren, thought the time was ripe for a "bull" or upward movement in general, and particularly in Consolidated Steel Rod Company's stock. He was the chairman of the board of directors. Mr. William G. Dorr decided upon a plan whereby the stock would be made attractive to that class of speculative investors, so to speak, who liked to buy stocks making generous disbursements of profits to their holders. Mr. Dorr's plan was kept a secret. The first step consisted of sending in large buying orders, handled by prominent brokers, and synchronously the publication in the daily press of various items, all reciting the wonderful prosperity of the Consolidated Steel Rod Company and its phenomenal earnings; also the unutterable cheapness of the stock at the prevailing price. Mr. Dorr and associates, of course, had previously taken advantage of the big "slump" or fall in values to buy back at 35 the same stock they had sold to the public some weeks before at 70. Having acquired this cheap stock, they "manipulated"—by means of further purchase—the price so that they could sell out at a profit.

It so happened, however, that once before dividend rumors about "Con. Steel Rod" had been disseminated, with the connivance of Dorr, and they had not come true, to the great detriment of credulous buyers and greater profit of the insiders, who were "short" of the stock "up to their necks"—a typical bit of stockjobbing whereat other and more artistic stockjobbers had expressed the greatest indignation. Instead of putting the stock on a dividend-paying basis, the directors had decided—at the last hour—that it would not be conservative to do so, whereupon the stock had "broken" 17 points. The lambs lost hundreds of thousands of dollars; the insiders gained as much. It was a "nice turn."

Hayward remembered this and when the stock, after several days of conspicuous activity and steady advances, rose to 52 he promptly sold "short" 5000 shares—believing that the barefaced manipulation would not raise the stock much above that figure and that before long it must decline. Only a month previously it had sold at 35 and nobody wanted any of it. He was all the more decided in his opinion that the "top" had been reached by prices, because Mr. Dorr, in a Chicago paper, had stated that the stockholders would probably receive an entire year's dividends at one fell swoop by reason of the unexampled prosperity in the steel rod trade. Such an action was unprecedented. It had been talked about at various times in connection with other stocks, but it had never come true. Why should it come true in this instance?

Hayward, familiar with Dorr's record, promptly "coppered" his tip to buy, banking on Dorr's consistent mendacity. But Mr. William G. Dorr, shrewdest and boldest of all Western stock gamblers, fooled everybody—he actually told the truth. That week the directors did exactly as he had predicted. When a speculator of his caliber lies he fools only one-half—the foolish half—of the street. When he tells the truth he deceives everybody. Before Wall street could recover from the shock the price of the stock was up 5 points, which meant that Hayward was out $25,000 on that deal alone. But, in addition, the general list was carried upward sympathetically. Money rates and bear hopes fell; stock values and bull courage rose! Hayward began "covering" Steel Rod. He "bought in" 5000 shares and after he had finished he had lost $26,750 by the deal. He was still "short" about 12,000 shares of other stocks on which his "paper" losses, at the last quoted prices, were over $35,000; but if he tried to buy back such a large amount of stock in a market so sensitive to any kind of bull impetus he would send prices upward in a jiffy, increasing his own losses very materially.

He went to his office that morning in a tremor. He consulted the cashier, and found he had only $52,000 at the bank, of which two-thirds belonged to his customers. He was already, morally speaking, an embezzler. He was ruined if he didn't cover, and he was ruined if he did. His "seat" on the Stock Exchange was worth possibly $40,000, not a cent more; and as he personally owed his out-of-town correspondents nearly $38,000, he could not avoid being hopelessly ruined. Moreover, his bankruptcy would not be an "honest" failure, for, as he told himself bitterly, after the harm was done, "I had no business to speculate on my own hook with other people's money."

Now he was face to face with the question that every gambler dreads: "If I stood to lose all, how desperate a risk would I take in order to get it back?"

As he left his office to go to the "Board Room" he put to himself the fateful query. But he would not let himself answer it until he had stopped at "Fred's," the official barroom of the Stock Exchange, and had taken a stiff drink of raw whisky. Then the answer came.

He was ruined anyhow. If he failed without further ado, that is, without increasing his liabilities, he would be cursed by 25 of his customers and by 15 of his fellow-brokers who were "lending" stocks to him. But if he made one last desperate effort, he might pull out of the hole; or, at the worst, why, the number of cursing customers would remain the same, but the fellow-brokers would rise to 20 or 30.

He took another stiff drink. The market had become undoubtedly a bull market. The bears had been fighting the advance, and there still remained a stubborn short interest in certain stocks, as, for example, in American Sugar Company stocks. Now if that short interest could be stampeded it might mean an eight or ten-point advance. If he bought 10,000 or 15,000 shares and sold them at an average profit of four or five points, he would put off the disaster, and if he made ten points he would be a great operator. He had, to be sure, no business to buy even 1000 shares of Sugar; but then he had no business to be on the verge of bankruptcy.

The liquor was potent. Sally said to himself aggrievedly: "I might as well be hung for a flock as for one measly old mutton."

He walked a trifle unsteadily from "Fred's" across the narrow asphalted New street to the Stock Exchange. He paused at the entrance. There was no escape. Unless he could make a lucky strike he would fail ignominiously.

"Pike's Peak or bust!" he muttered to himself, and walked into the big room.

"Good morning, Mr. Hayward," said the doorkeeper. Hayward nodded absently, caught himself repeating "Pike's Peak or bust!" and walked straight toward the Sugar post.

He began to bid for stock. One thousand shares at 116; he got it. Another thousand; it was forthcoming at 116½. So far, so bad. Then he bid 117 for 2500 shares, and it was promptly sold. But when he bid "117 for any part of 5000!" the crowd hesitated, the brokers were not altogether sure Hayward was "good for it"; his ability to pay for the stock was not undoubted. So Sally, taking advantage of the hesitation, bid 117¼ and 117½ for 5000 Sugar, at which "Billy" Thatcher, a two-dollar broker, sold it to him. It made 10,500 shares Hayward had bought, and the stock had risen only 1½ points. The shorts were not frightened a wee bit. But Sally was. He rushed out of the crowd to his telephone and made a pretense of "reporting" the transaction to his office, as he would have done had they been bona fide purchases. He was followed by a hundred sharply curious—and curiously sharp—eyes. They saw him hold the telephone receiver to his ear with an expression of great interest, as if he were listening to an important message. But the only message he heard was that of his heartbeats, that seemed to say, almost articulately: "You have played and you have lost; you have played and you have lost. Therefore, you are that much worse off than before. You must play again, and not lose!"

He left his telephone and rushed back to the Sugar crowd. He was less excited, less like a drunken man; his face was no longer flushed, but pale. And anon there flashed upon him the words: "Pike's Peak or bust!"

But Pike's Peak glowed dully, feebly, while the alternative was of a lurid splendor. And he blinked his eyes and made a curious, impatient motion with his hand, as one waves away an annoying insect.

He gave an order for 5000 Sugar to his friend, Newton Hartley.

"Is this for yourself, Sally?" asked Hartley.

"No. It's for one of the biggest men in the street, Newt. It's all right. Absolutely O. K."

And thus reassured, Hartley bought the stock. The price was 118. The seller would hold Hartley responsible for the purchase money if Hayward "laid down"—refused to pay.

Sally wiped his forehead twice, quite unnecessarily. The shorts were not stampeding. Any attempt to sell out the 15,000 shares he had bought would result only in depressing the price five points at least. It was worse than bad, the outlook for him.

He gave an order to buy 5000 shares to "Billy" Lansing, an old reliable two-dollar broker, but Lansing declined it. He tried another, but the order was not accepted. They mistrusted him; but he could not even bluster, for they excused themselves on the ground of having important orders elsewhere. So he had recourse to another personal friend—J. G. Thompson.

"Joe, buy 5000 Sugar."

"Are you sober?" said Thompson, seriously.

"See for yourself," said Sally laughingly. He had nerve. "Old man, I've got a big order from one of the biggest men in the street. Some important developments are going on."

"Sally, are you sure you've got an order from some one else?" asked the unconvinced broker. His incredulity was obviously in the nature of an insult, but it was pardonable, for there was too much at stake.

"Joe, come over to the office and I'll show you. Really, I can't tell you. But I can advise you, as a friend, to buy Sugar for all you are worth." And as he uttered the lie he looked straight into Thompson's eyes.

"Hayward, are you sure? Are you sure you're not making a mistake?" He wanted the commission of $100, but he did not feel certain of his friend.

"Oh, hell, no. I've got a lot more to buy. It's all right. Go ahead, Joe."

And Joe went ahead. He bought the 5000 shares. The stock rose to 119½, and Hayward, warned by his experience with Hartley and Thompson, did not ask either friend or foe to buy another 5000 shares for him. What he did was to distribute buying orders for 10,000 shares in lots of 500. Brokers now accepted his orders, for they were not so large as to be dangerous. And the stock rose to 122¾. A few shorts were frightened. He might win out after all; he might make Pike's Peak. He began to bid up the stock. He even bought "cash" stock—that is, stock for which he paid cash, had to pay cash outright, receiving the certificates forthwith, presumably to hand over to some investor of millions. Everybody on the "floor" was talking about Hayward. The entire market had risen in sympathy with Sugar.

But at 124 it seemed as if the entire capital stock was for sale. He ceased buying. He had accumulated 38,000 shares. To pay for the stock necessitated about six and one-half millions. But if he could unload on an average of only 122 he might "come out even" in his other troubles.

He gave an order to sell 10,000 shares to a broker to whom he had always been a good friend. It was a fatal mistake. The broker, Louis W. Wechsler, had previously sold 1000 shares to Hayward for "cash" at 122. He suspected what was coming, and, declining the order, he himself went to Hayward's office and asked for a check. The cashier sought to put him off with excuses, and Wechsler, now being certain of the true state of affairs, returned to the board and began to sell Sugar short for his own account. If a crash came he would make instead of losing it. Hayward was sure to be ruined, and Wechsler told himself sophistically that he was only profiting by the inevitable. In the meantime Sally had sold the 10,000 shares through another broker, and the price had declined to 121¾. But Wechsler's 5000 shares put it down to 120½. And somebody else sold more, and the shorts recovered from their fright, and the fatal hour was approaching when Hayward would have to settle. Pike's Peak or bust! He did, indeed, need a veritable Pike's Peak of dollars to pay for the 28,000 Sugar he had on hand. So he busted.

He threw up his hands. He acknowledged defeat to himself. The tension was over. He was no longer excited, but cool, almost cynical. On one of the little slips of paper on which brokers jot down memo