

Russell Sage, Moneylender, at Eighty-Eight

HIS OFFICE AND ITS IRON BOXES & SOME GOOD ADVICE TO YOUNG MEN

NEW YORK, Jan. 7.—(Special Correspondence of The Sunday Oregonian.)—I have heard many new things concerning Russell Sage during my stay in New York, and the report is that he will not be in active business much longer. He seldom comes to his office more than once a week, and he sometimes keeps away for months. His enormous money-lending matters are now in the hands of his clerks, and many of the transactions are consummated without reference to him. I called at his office this morning and was told it would be almost impossible to see the old gentleman at his residence, and that when he came down town he devoted himself solely to business. The truth is, Russell Sage is now 88 years of age, and time is beginning to tell upon his cast-iron constitution.

Great Boxes of Bonds.
The office of Russell Sage is an interesting place. Many a lawyer has a larger one. It consists of several small rooms facing upon a hall, and walled off from it by doors and grating windows, like those through which letters are delivered at a postoffice.

As I presented my card at one of these windows today, a rosy-faced man with a silver mustache took it and told me that Mr. Sage was not well enough to see me. A moment later a banker came in with a great bunch of bonds, and the silver mustache man, in return for them, signed a check representing a snug fortune in gold. As the banker left, I saw the silver mustache clerk raise the door of an iron chest as big as one of the old-fashioned wood boxes that stand beside a country stove and dump the bonds into it. There were other bonds and stocks there already, and, in fact, the box was filled with them. There are two such boxes under that window in Russell Sage's office, and no one but the clerks know what they contain. At the different times I have called I have seen great bundles of Pennsylvania Railroad bonds, Chicago, Milwaukee & St. Paul bonds, Rock Island bonds, and scores of other securities brought out and passed upon. At one time, I remember, a man came in to extend a loan. As the clerk looked over his bundle, which may have contained half a million dollars worth of securities, the envelope which held them began to tear at the corner. As he noticed this the clerk said to the debtor:

"I think you had better send me around a new envelope, or Mr. Sage will have to call that loan."

Think of that! Asking for a new 6-cent envelope on a transaction that probably brought in interest at the rate of \$2,990 a year!

Nevertheless, if I were doing business with Russell Sage, I would not hesitate to send in the envelope in a case like that. He has been noted as being a honest man, but also as a very particular one. In an interview which I had with him a few years ago he told me that the coat he then had on had cost him \$2, and that it was part of a suit which he was willing to pay \$150. He was not ashamed to wear a suit of that price, although he had bought it, he told me, in order to illustrate his position on the matter, and to show his friends that low duties made cheap clothing.

Russell Sage's Four-Cent Check.
Not long ago Russell Sage cashed a check for 4 cents, and as he did so it is said that he remarked: "It was just like finding money, just like picking it up from the sidewalk." The check came in a letter. It was from a theatrical firm, calling for the amount of the bill for a performance at the theater, and inclosing this check to pay for the time used in reading the letter. This was the note:

"Assuming that your income is \$100,000 a year, and that you are willing to invest that time in money, we inclose check for 4 cents in payment of two minutes of your time at that rate, to be employed in carefully reading a brief and honest statement of the novel, suspense-winning features in our new musical farce."

Such letters were sent to many wealthy New Yorkers, but it is said that Mr. Sage was about the only one who cashed the check. The sender had, however, no idea of his actual income, or the check would have had to be enormously larger. Mr. Sage's income is probably somewhere between \$2,000,000 and \$3,000,000 a year, and, according to the same calculations, two minutes of it would be worth between \$5 and \$10. I mean that Mr. Sage's income probably amounts to at least \$12 a minute, every hour of every day and every night, year in and year out. At any rate, Mr. Sage indorsed the check and it went with others of many times its value to the deposit clerk of the bank.

How Sage Lends Money.
It may interest the money-borrowers of the United States to know how the greatest money-lender on earth gives credit. The most of Mr. Sage's loans are on call, and as a rule an ample amount of good bonds or gilt-edged stocks must be left as collateral. The interest rates are not over high. Millions are loaned at 4 per cent per annum. Here is the form of note often used:

Stock Note NEW YORK, 1905.
\$100,000.00.
On demand for value received we promise to pay
RUSSELL SAGE, or order,
Five Hundred Thousand Dollars, at his office, with interest at 4 per cent per annum, having deposited with him collateral security for payment of this or any other liability or liabilities of to said Sage, due or to become due, or that may hereafter be contracted, the following property, as per memorandum envelope dated
The market value of which is now \$ with the right on the part of said Sage from time to time to call additional collateral security should the market value thereof decline and upon our failure to comply with such demand, this obligation shall forthwith become due, with full power and authority to him or his assigns in case of such default or of the nonpayment of any of the liabilities above mentioned at maturity, to sell, assign and deliver the whole or any part of such securities, or any substitutes therefor or additions thereto, at any broker's board, or at public or private sale, at his option, at any time or times thereafter, without any notice to us, and with the right on his part to become purchaser thereof at such sale or sales freed and discharged of any equity and redemption, and after deducting all legal or other costs and expenses for collection, sale and delivery, to apply the residue of the proceeds of such sale or sales so made, to pay any, either or all of said liabilities, as said Sage shall deem proper, retaining to us the balance of the undersigned, and will still remain liable for any amount so unpaid.
(Signed)

How a Young Texan Made a Fortune.
The most of Russell Sage's loans are to bankers and brokers. He has been ready, however, to lend to anyone upon security, and if the business history of New York could be written, I venture many a story would be told as to how falling houses have been propped up by Sage's money. One of the queer deals was that by which young White, a Texan, made \$100,000 out of a loan he got from Sage. It was during the latter part of Cleveland's second administration. The Gov-



RUSSELL SAGE AT 88

ernment was hard up for money, and a large block of bonds had been sold at high prices through Pierpont Morgan. A second block was ready for sale; but this was offered to the public and subscriptions might be made by anyone. Among the subscribers was a young Texan named Abraham White. He had figured out that the bonds would increase in value just as soon as they were issued, and he made bids for several million dollars' worth of them. His bids ranged from \$96 to \$112, and the bids for \$100,000 worth were higher than the bids made by Pierpont Morgan and his syndicate. As a result that much of the bonds were awarded to him.

At the time White made the bid he had not a dollar in his pocket, and his sole capital was about 44 cents, which he used in postage stamps, and in addition a little small change. As soon as the award was made he called upon several bankers and tried to get a loan to enable him to pay for the bonds, but they all refused. He then went to Russell Sage, and frankly told him just how he was situated. Mr. Sage said:

"Mr. White, you are asking for a good deal of money, but I will let you have it at 4 per cent per annum." He had White make out the proper papers and loaned him the money, whereupon White forwarded the cash to the treasury and got the bonds. He sold them and returned the money to Sage. Out of that deal White is said to have made a clean \$100,000.

It is said that Russell Sage never bor-

The Charitable Countess of Limerick

Will Give Concerts in America to Raise Funds for Dublin College.



LONDON, Dec. 21.—(Special correspondence of The Sunday Oregonian.)—Decidedly characteristic is the Countess of Limerick's plan to make a concert tour of the United States. Her idea is, of course, to get money for the proposed musical college in Dublin, in which she is keenly interested, and to which she will give a series of pianoforte recitals in American cities, beginning in February, and covering three months. That her ladyship will please her audiences there seems no doubt, for she studied under Paderewski in Paris, plays the piano like a professional and was complimented on her performance by the late Queen Victoria.

Lady Limerick, whose husband is, of course, the Earl, is a typical Irishwoman, of the best class, rather tall, with fine

eyes, dark hair, a bright complexion and small, well-formed features. Charitable work is a hobby of hers, and she has a real faculty of hitting on clever schemes for making money and carrying them through to success. It was she who originally thought of selling boxes of shamrock—the "old native-grown article"—to the Irish "Soldiers and Sailors' Families Association." On the eve of the first St. Patrick's day after that a large sale was secured, the practice has been maintained, and the "shamrock industry" is now a regular institution.

The Countess of Limerick was formerly Miss May Irwin, a clergyman's daughter. She married the Earl in 1890, and they have one son, the little Viscount of Glenworth. The Earl, who is the fourth of his title, is descended directly from the Plantagenets. He owns 2800 acres and resides at Drumore Castle, County Limerick.

Advice to Young Men.
Russell Sage has always been ready to advise young men, and his advice is always good. Like Hetty Green, he believes in Providence, and he thinks that Providence has favored him in giving him his fortune. He believes that Providence helps those who help themselves, and that he is always looking out for the young man who thinks, plans, works and economizes. Mr. Sage has no sympathy with the idea that a rich man is necessarily a dishonest man, and says that the great financiers of the world have become so by honest work and hard work. He told me once that his first thousand dollars was made by small savings, and that he thought it better for a boy to be born poor than rich. He believes that penny savings banks should be connected with the schools, and that thrift should form a part of every boy's education. He preaches the value of money, and advises every young man to live within his income, to spend what he makes, and to invest what he saves. He thinks one should have 25 cents out of every dollar, and more if possible.

Another bit of his advice to young men is to join the church and to carry in the Christian movement. He believes in charity, and says every young man should give as much as he can consistently. I doubt not that Mr. Sage gives a great deal of money to the church and his wife. Her charities, at least, are known everywhere.

I have already spoken of Mr. Sage's habits. He was a teetotaler, and he has been told that his good health had been due to his careful eating, drinking and sleeping. He does not believe in club life. When he first came to New York he joined the Casino Club, but he never attended more than three dinners there; and when his membership ran out he did not renew it.

He has all his life had a splendid physique, and he is largely to his work while a boy, and to the fact that he has led to some extent an outdoor life, having been fond of fast horses and driving. He has a great deal of energy, and an autograph letter of his in which he speaks of one of his horse deals was sold at an auction sale not long ago in New York for 40 cents. A copy of this letter lies before me. It reads:

Office of Russell Sage, No. 71 Broadway, New York, Oct. 15, 1883.
Dear Sir:—I have found and purchased a pair of stallions, as you were, and a match "Louis" and believe I have a very good and promising horse. They were driven together a half-mile in 1:13 at Fleetwood. Frazier is good. If you are interested, please let me know for my purchase I should have arranged with you for him. As it is, I have to thank you most sincerely for sending him to me as you said, and I am sure I shall be able to find a buyer for him whenever opportunity offers. You can send for him at your convenience. Yours truly,
RUSSELL SAGE.

Indeed, Mr. Sage is a man of many talents. He is a collector of rare books, and the lines of his money-making life run through the texts of numerous sermons.—(Copyright, 1905.) FRANK G. CARPENTER.

The Drudgery of Literature

BUCKLE devoted nearly 20 years to the collecting of materials for his "History of Civilization." He wrote only a portion of the introduction, which remains—a great monument to his literary and philosophical teachings. If the work had been finished on the same scale as begun a hundred volumes would not have sufficed.

Cruden labored 15 years on his "Concordance to the Bible," and immediately after its publication he went to the United States. He never fully recovered from the mental disease brought on by this gigantic undertaking.

Hancroft devoted nearly 20 years to his "History of the United States," which is not a history of the country at all, since it ends where the history of the country properly begins. Had the work been continued on the same scale, down to the present time, he must have written 75 or 80 volumes.

Scott is said to have written "Waverley" in less than six weeks. He wrote very rapidly, seldom revised, and as a consequence his writing was full of blunders, errors and anachronisms.

Burns committed his poems to memory before he wrote them, and when he sat down to write he had before him no labor of composition, but only the task of writing down what he had already finished.

Gibbon devoted over 20 years of his life to the labor of reading for the writing of "Decline and Fall." It is one of the most stupendous literary feats accomplished by one man.

Thomas Moore often wrote a short poem almost impromptu. He composed over two years in reading and preparing material for "Lalla Rookh" and two years more in writing that immortal poem.

George Eliot is said to have written "Middlemarch" in four months. Some doubt is thrown upon this statement by the fact that she commonly worked slowly, writing with great care and deliberation, and making few erasures after the work was done.

Dickens was in the introduction of "David Copperfield" that he spent two years in the composition of that novel. He did not usually require so long a time, many of his novels being finished in a year and most of the shorter stories in a few days.

Though it is said that Congreve could prepare a drama for the stage in a few days, four or five times this period was given to the work of revision and reconstruction after the play had been given to the actors.

Newly years of Irving's time was consumed in writing "The Life of George Washington," though it required no more than ten days to write the first 125 pages of "Bracebridge Hall," which "The Mirror" was written during the three months he spent in that palace.

Froude passed seven years in collecting materials and making his "History of England." He was in every rate and often spent days in an effort to verify a single date or fact.

Charity.

The right Christian mind will find its own way wherever it exists, it will seek for what it loves, and draw it out of all dens and caves, and it will believe in its being often that it cannot see it and always turn away its eyes from beholding vanity and it will be truly over all the faults and rough places of the human heart, as the snow from heaven does over the hard and black and broken mountain rocks, following their forms truly, and yet catching the light to make them fair, and that must be a steep and unkindly crag indeed which it cannot cover.—John Ruskin.

Bright Americans Behind Old-World Thrones

SEVERAL INSTANCES WHERE MONARCHS HAVE UTILIZED YANKEE BRAINS AND AGGRESSIVENESS

AMERICAN brains and aggressiveness, having accomplished every-thing possible at home, are now being utilized in the government of a dozen or more of the kingdoms and monarchies of the Old World. This is no mere figure of speech, but an actual existing fact. Aboard we are popularly known as "Yankees," and the occupants of some of the most ancient thrones of Europe and Asia have not disdained to accept the services of Yankee advisers. In recent years the Dowager Empress of China, the Mikado of Japan, the King of Siam, the Emperor of Corea and the Sultan of Turkey have openly availed themselves of the brains, the industry and the aggressiveness of shrewd Americans, whose acknowledged usefulness have earned for themselves medals of merit, royal titles and, in some instances, handsome private fortunes.

Shrouded in Mystery.
The work of these remarkable men is not always performed in the full glare of the footlights of the world. Indeed, in many cases their identity has been shrouded behind a mist of mystery, elusive as it is impenetrable. For years strangers traveling in the land of the Sphinx have been puzzled over the personality of an American who has been the power behind the throne of a man whose name has been law and whose influence has apparently been able to accomplish anything from the arranging of an audience with the Khedive to permission for the carrying away of one of the pyramids of Egypt. In other instances monarchs desirous of securing the best talent obtainable for strengthening and upholding their thrones have openly and directly appealed to the Government of the United States to assist them in finding Americans versed in international law and the strategy of statecraft. Sometimes these applications assume the form of official communications. Again, they are entirely informal, and take the shape of friendly negotiations between American representatives abroad and the ambassadors of foreign potentates located in Washington. The individuals selected for these responsible posts almost invariably justify the confidence reposed in them. The most successful immediately assume the manners and the garb of the men and women they are to serve, and the remainder of their lives are spent in a foreign clime, amid strange scenes and among strange people.

Adviser of Siam's Ruler.
Edward H. Strobel, who is now the right-hand man of the Emperor of Siam, is a typical illustration of the kind of men who have won fame in other lands. He was formerly Assistant Secretary of State, and after that became professor of Law at Harvard University. A few years ago he was tendered the position of legal adviser to the Emperor of Siam, and accepted the offer. He has been away for several years, and his friends in the United States only hear from him at rare intervals, but it is known that he is officially called "The Political Counselor" to the Siamese government. It is quite evident that he has impressed his individuality very deeply upon the ruler of the land of the white elephants, and that he has adapted himself naturally to the picturesque nation which he is serving. In the international complications that have been arising from time to time in the Old World during the last few years it will be noticed that Siam, of all the other countries, has been singularly peaceful and tranquil. How much of this is due to the quiet, plodding, steady-going adviser of the Emperor is not difficult to guess.

While Mr. Strobel was in the department at Washington he won the good-will of all his associates and those that had business with the office. He daily gave evidence of having a well-balanced, analytical mind. He was extraordinarily well versed in international law, and when he left this country for Siam he probably knew more about that nation, its people, their habits and history than any other man in the United States. If he had the desire, he could write a marvelously interesting book concerning the country which he has voluntarily adopted as his home.

Sultan's Right-Hand Man.
Another interesting character, quite the opposite of Mr. Strobel, is Captain Ransford D. Bucknam, the American adviser of the Sultan of Turkey. The manner in which he came to occupy this unique position is more fascinating than a dime

novel. Captain Bucknam for many years occupied a responsible position with the famous Cramp Shipbuilding Company, in Philadelphia. That concern constructed the cruiser *Mejidia* for the Sultan's government, and Captain Bucknam was selected as the proper person to deliver it formally into the custody of the much-talked-about potentate who resides within the musical sound of the Bosphorus. The vessel was inspected and accepted, and so was Captain Bucknam. The Sultan was so impressed with his personality and with his ability as a navigator that he immediately made him part of the imperial household. His position probably corresponded to that of a Vice-Admiral in the Turkish navy. Just what the actual title was and it will probably never be known. A halo of mystery has always surrounded Captain Bucknam's work in Turkey, and he held all of the most responsible positions around the throne of the dagger-dreading, much-bedeviled Sultan.

Organized Japanese Customs.
The American customs system has also been emulated in other lands. Scores of Americans have been employed in introducing our regulations into foreign ports. This began about 1872, when Henry Denison, at one time an officer in the department of the Commissioner of Customs in Washington, accepted a proposition to reorganize the customs service in Japan. He was so successful that he was decorated by the Mikado, and is now one of the titled men of the Flowery Kingdom. Very little has been heard of Mr. Denison in recent years—indeed, his old associates in Washington can not say whether he is in the land of the living—but long ago he was reckoned among the successful and wealthy men of Japan.

Many years later H. F. Merrill, an American who had served faithfully in the Chinese service, became Inspector-General of Customs at Corea. The position of Inspector-General of Customs in that country was regarded as one of the most responsible outside of the post occupied by the Emperor himself. It was one of the first positions that foreigners were permitted to fill. At the time of Mr. Merrill's appointment the work of the office was attended by very great difficulties, the affairs of the customs being in a wretchedly corrupt and confused state. There was never any reason why the customs service should not be self-sustaining, but highly profitable; but up to that period the general government had not received a single dollar, the whole of the receipts having been disbursed in impracticable schemes. It is significant that when the government began an investigation of the work of one of the officials in the custom-house at Chempois the edifice was suddenly burned down and all the records destroyed.

Behind Corea's Throne.
Burham White Stevens, another brilliant American diplomat, only a few months ago was made the legal adviser to the Emperor of Corea. He has hosts of friends in Washington and other American cities, and they rate him as a man of remarkable ability. His selection is credited to the sagacity of the Mikado of Japan, who, seeking an understanding of the embarrassing position of the Emperor of Corea during the present great war, suggested that an educated and experienced American be appointed as legal adviser to the monarch of that much-troubled island. There is no question but what Mr. Stevens will have great power at the Korean court. For many years he occupied the position of counselor to the Japanese Legation in Washington, and it was his work there—which was of a very high order—which led the Japanese government to interest itself in the movement to send him to Corea, where his services might be utilized at a crisis when the quick judgment of a man versed in international law is of the greatest importance. Whether Mr. Stevens' employment is to be temporary or permanent no one can say at the present time, but in any event it is likely to raise him to a point of importance that might well be envied by the diplomats of Europe.

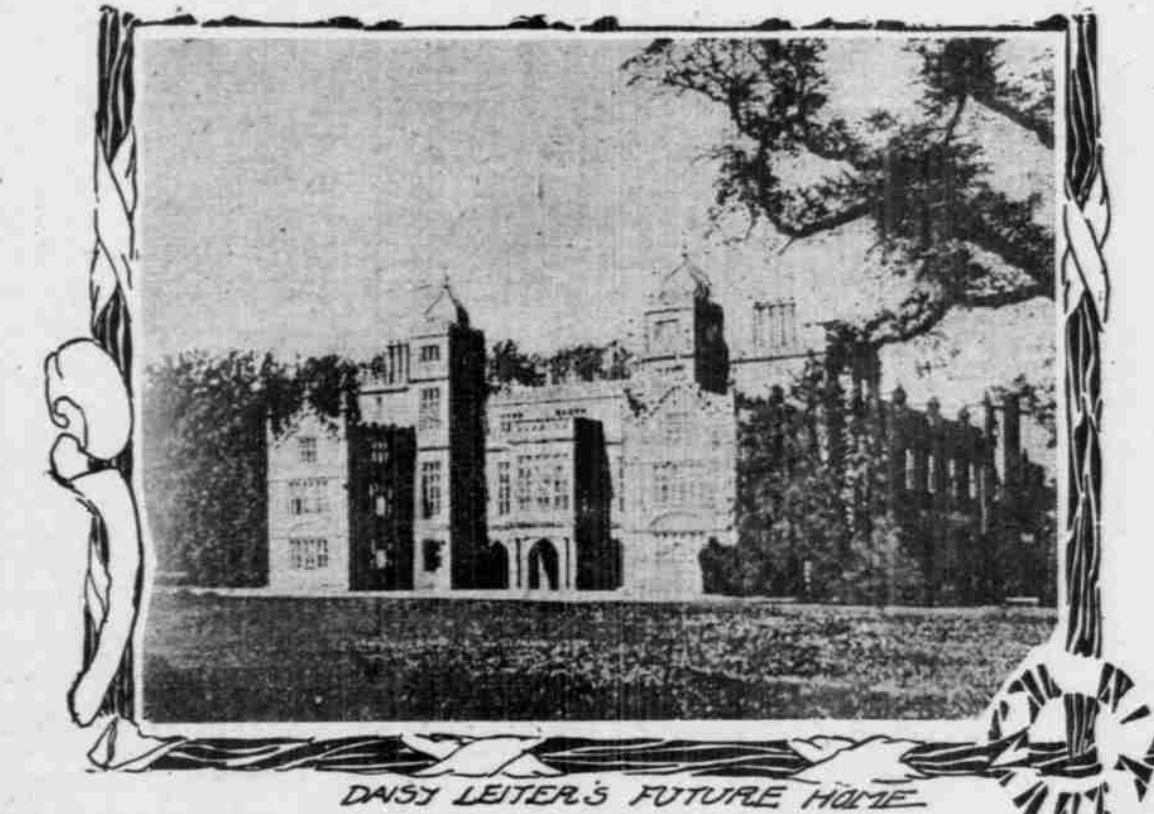
The Mikado's Selection.
It is not in diplomacy alone, however, that quickwitted Americans are in demand on the other side of the ocean. Wise kings and emperors recognize their abilities in other paths of human endeavor. As an instance of this the case of General Horace Capron, many years ago, at the earnest solicitation of the Mikado, accepted the position of commissioner and adviser of the Kaitaku-kushi (or Agricultural Department) of Japan. The work of opening up and developing the island of Yezo was entrusted to his care, and so well and wisely was it done that it is pointed out to this day as a model of advanced agricultural work. When General Capron began his mission, he carefully examined the influence of the climate and the capabilities of the soil. Incidental to this, he instituted a system of transportation by means of improved roads. The natives were taught how to make farming profitable. Ex-

amples in the rearing and breeding of foreign stock were presented to them. Besides this, General Capron made a splendid collection of foreign fruit seeds, grains and vegetables, and capped it all off by introducing labor-saving machinery on the island. General Kiyetaki, the Governor of the island, praised the work of the American very highly, and said, through it a prosperous future for the island had been insured. When General Capron left Japan, a few years ago, he was received by the Mikado in a special farewell audience, and on the occasion of his remarks the Mikado said: "Indeed, your services were extremely valuable, and they deserve our high appreciation, and in this matter of doubt but that the future progress of this island, the fruit of your labor, will much advance the happiness of my whole empire."

Congress of French Scientists.
According to the British Medical Journal, the next congress of the British Scientific Societies will be held at Algiers in 1906. The following are the questions proposed for discussion in the section of medicine: Tuberculosis and the means of diminishing contagion; antitoxins at high altitudes and by the seaside; hygiene of hot countries; methods of disinfection against contagious diseases and the results obtained in terms of rural districts and in the institutions where the disinfection of dwellings and living rooms is practiced; the conveyance of water, with the different forms of plague and its propagation; the part played by insects in the dissemination of disease; the *Suffolk* is now made in North Africa; trypanosomiasis in Algeria.

THE FUTURE HOME OF DAISY LEITER

As the Countess of Suffolk, She Will Repair the Fortunes of a Vanst Estate.



Early in the 18th century the then Lord Andover, heir to the Earldom, made a marriage which bade fair to repair the shattered fortunes of the family. His wife owned in her own right extensive property, which included no fewer than four country seats, two of them with deer parks. She died leaving an only daughter, to whom she bequeathed her entire estate. The daughter in due time married Colonel Upton, but had no children. She long survived her husband. In her will she ignored the late Earl of Suffolk, leaving most of her property, including Castle Rising, to his brother, the Honorable Greville Howard. Had she left her estate to the head of the house, the present young nobleman would have been under no necessity of seeking a marriage with an American heiress to replenish the family exchequer. And then, cynical British matrons are now saying, Daisy Leiter would have stood small chance of ever becoming the Countess of Suffolk.

It may be remembered that it was the Delhi Durbar, Daisy Leiter, it was reported, refused to curtsy to her sister, Lady Curzon, who, as wife of the Viceroy, took precedence of all womenkind there, laughingly protesting that she was a "free-born American." The Earl of Suffolk's Earldom dates back to 1260, Lord Curzon's title was created only in 188. Although he will eventually inherit the Scarsdale honors, created in 1761, the Suffolk Earldom will still rank as the senior one, and be entitled to precedence at state functions. But thus far the Earl of Suffolk has given no promise that he will ever make the name for himself which Lord Curzon has won.