

"FRENZIED FINANCE"

Extracts From the March Installment of Lawson's Story of Amalgamated in Everybody's Magazine

The crimes of Amalgamated are to the delinquencies of Bay State Gas as the screaming of eagles to the chirping of crickets. As I have reiterated, my story naturally began with Addicks and his gas ventures, and the recital of his treason and stratagems has afforded a standard proportion by which the more flagrant and audacious acts of a copper enterprise may be measured and realized. From the inception of its career there was malpractice, and the instances thereof constitute a series of frauds so numerous and so formidable as to startle even those caloused to the trickery of modern deals. I propose to deal with these in due succession.

First—Chicanery and double-dealing which preceded the formation of the Amalgamated company;

Second—Frauds perpetrated in the Amalgamated company's formation;

Third—The "hold-up" of Lewisohn Bros.;

Fourth—Malpractice connected with the flotation of Amalgamated;

Fifth—Misrepresentation and knavery used in placing it upon the stock exchange;

Sixth—Brutal penuriousness and greed which dropped it the first time and shook out the public;

Seventh—Frauds perpetrated in forming the second action of Amalgamated;

Eighth—Iniquities and deceptions perpetrated in carrying the price of copper, the metal, to 17 cents, and then smashing it to 11 cents;

Ninth—Deviltries connected with McKinley's assassination;

Tenth—The "Mafting" of Keene;

Eleventh—Frauds and outrages connected with hamstringing the dividend and scuttling the price from 130 to 33;

Twelfth—"One Million Hugh J. Grant;"

Thirteenth—"Heinze, of Montana."

The period concerned is that between 1896 and 1904, and interwoven with the narrative of the happenings in Amalgamated will be the inner history of such contemporaneous episodes as affected its career. It is a span of years crowded thick with events, for it is the period of the greatest financial "jamboree" the world has ever seen, when American financiers, glutted, gorged and frenzied with millions, in the throes of their golden delirium vied with one another in debauching the industries of the country, perverting the proud and untarnished institutions of an honorable commerce into wantons of the stock market.

Within this period United States Steel was launched, and Mercantile Marine, and United States Realty; the shipbuilding bag began her brief, disastrous, fortune telling career; American Tobacco and the Massachusetts Gas companies were spawned, and the Louisville & Nashville corner startled the world by its revelation of jobbery in high places.

Having successfully corrupted the state of Delaware, Addicks was being measured for the senatorial toga, when accidentally the blind lady dropped her scales on his unprotected head, which laid him out long enough to enable another to sneak the prize he had so long striven for.

"Talk about stealing a red hot stove; this is a case where they took the funnel with it to keep the draught going until they set it up in a new location!"

"Gold can be found in a day by anyone with eyes; silver in a week by anyone with hands, and money in a year by one with sense enough to save it. But no man gets into copper without capital, fortitude, patience and brains."

As a matter of fact it requires, even today, with all of today's facilities and rush \$5,000,000 in money and five years of spending it after a copper deposit has been found before it can be made to yield returns.

Is it surprising that a project requiring so much money for so long a time would appeal to Boston's regard for endurance? Could there be found an enterprise better calculated to discourage the upstart?

Here was a great staple, copper, a necessity of the people, which had been in use since men had begun to sit up,

and would be needed until Father Time smashed his glass.

I realize that copper, in that year, 1896, would afford a gross profit of 100 cents on each \$2 worth produced; and this great gross profit was legitimate. And yet in the old mines the cost of producing the metal sold at 15½ cents, is but 6 to 7½ cents, in some even lower.

The Steel trust in 1904 did a gross business of \$432,000,000, upon which they made a profit of \$71,400,000, and yet this vast amount was only 5 per cent. upon the trust's inflated capital of \$1,400,000,000 odd; and as the "system," in regulating the capitalization, arranged that the preferred stock (and bonds), which represented the "system's" profit, should receive 7 per cent., there was not a dollar in dividends for the \$520,000,000 of common stock which had been sold to the people far, in round figures, \$300,000,000.

At the same time the Calumet & Hecla Copper company produced and sold over \$10,000,000 worth of copper, upon which it earned, net, over \$5,000,000, that enabled it to pay to the people who invested in its 100,000 shares of stock (par value, \$25), 160 per cent., or a total of \$4,000,000, and, at the same time, carry an enormous amount of its surplus.

In the commercial world copper occupies an impregnable position. And new copper deposits are as rare and few and far between as Lincoln and Roosevelt in politics, or Grants and Lees in warfare.

It seemed to me, then, a curious anomaly that while capital was chasing investments which promised but 4 per cent., it eschewed copper, which yielded 16 to 25 per cent., and my investigations told me that a producing copper mine is the surest business venture a man engages in, for, by the time it begins to produce profitably, it must be so far developed that its owners are certain of ore to work on for decades ahead. A good copper mine is really a safe deposit vault of stored-up dividends, which cannot be stolen or destroyed by fire, flood or famine. Calumet & Hecla, for instance, though it cost its first owners but a dollar a share, has paid out \$87,000,000, or \$870 per share, or 3480 per cent. on its par value of \$25, and while it has been paying dividends over 35 years, it paid last year \$40 per share, and has more in sight than it has yet paid. And Copper Range, though but six years old, will be producing soon as much as Calumet & Hecla, and has in sight now ore to keep it going 50 or 60 years.

I did not pursue the argument, for I knew he inherited with his fortune a line of Boston reasoning, and I remembered once having watched a country boy put his tongue to a frosty door knob, and I knew better than to invoke again the wintry Boston smile, which in a Western or Southern community would be used for frappe mint-juleps or cold storage hogs with.

Never in all the history of business has there afforded capitalists so fair an opportunity to make honestly and legitimately so vast a sum of money and at the same time to do so much for the people. Nor was there a more honorable undertaking nor one which a man could be more justly proud of carrying to success.

Jewish Historical Society to Meet.
Cincinnati, Ohio, Feb. 23.—Elaborate plans are being made for the reception and entertainment of the distinguished visitors who will be in Cincinnati next week to attend the annual meeting of the American Jewish Historical Society. Much local interest is manifested in the meeting as it is the first in the 13 years of the existence of the society to be held west of the Alleghenies. Dr. Cyrus Adler will preside over the sessions and the participants will include eminent Jewish scholars of Baltimore, Philadelphia, Pittsburgh, Chicago, Boston and a number of other cities throughout the country.

California Y. M. C. A.
San Jose, Cal., Feb. 23.—The city is fast filling with delegates and other visitors to the annual state convention of the Young Men's Christian Association and judging from the indica-

HOSPITALS CROWDED

MAJORITY OF PATIENTS WOMEN

Mrs. Pinkham's Advice Saves Many From this Sad and Costly Experience.



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It is a sad but true fact that every year brings an increase in the number of operations performed upon women in our hospitals. More than three-fourths of the patients lying on those snow white beds are women and girls who are awaiting or recovering from operations made necessary by neglect.

Every one of these patients had plenty of warning in that bearing down feeling, pain at the left or right of the womb, nervous exhaustion, pain in the small of the back, leucorrhoea, dizziness, flatulency, displacements of the womb or irregularities. All of these symptoms are indications of an unhealthy condition of the ovaries or womb, and if not heeded the trouble will make headway until the penalty has to be paid by a dangerous operation, and a lifetime of impaired usefulness at best, while in many cases the results are fatal.

The following letter should bring hope to suffering women. Miss Lucia Adams, of the Colonnade Hotel, Seattle, Wash., writes:

Dear Mrs. Pinkham:—
"About two years ago I was a great sufferer from a severe female trouble, pains and headaches. The doctor prescribed for me and finally told me that I had a tumor on the womb and must undergo an operation if I wanted to get well. I felt that this was my death warrant, but I spent hundreds of dollars for medical help, but the tumor kept growing. Fortunately I corresponded with an aunt in the New England States, and she advised me to take Lydia E. Pinkham's Vegetable Compound, as it was said to cure tumors. I did so and immediately began to improve in health, and I was entirely cured, the tumor disappearing entirely, without an operation. I wish every suffering woman would try this great preparation."

Just as surely as Miss Adams was cured of the troubles enumerated in her letter, just so surely will Lydia E. Pinkham's Vegetable Compound cure every woman in the land who suffers from womb troubles, inflammation of the ovaries, kidney troubles, nervous excitability and nervous prostration.

Mrs. Pinkham invites all young women who are ill to write her for free advice. Address, Lynn, Mass.

tion this morning the attendance will reach the two hundred mark. As fast as the visitors arrived they were met by members of the local reception committee. A majority of the visitors are being entertained in the homes of private families. A monster welcome demonstration will usher in the regular convention proceeding this evening. The First Methodist church and the Presbyterian church, in both of which meetings of the convention will be held, have had their interiors tastefully decorated for the occasion. The sessions will continue through three days, coming to a close next Sunday with meetings in the various churches and also in several large halls secured for the purpose.

Where Doctors Agree.

When a patient is under the doctor's care for some months, with constantly varying symptoms, but ever increasing weakness from the loss of flesh and strength by the ravages of disease, all doctors will agree that the first gain of flesh indicates a change for the better. Weak, thin, fleshless people know they feel better as soon as they gain flesh. The best flesh and blood maker is Dr. Gunn's Blood and Nerve Tonic. For pimply, pale and sickly people, both old and young, a better medicine was never made. It turns the food you eat into strong, red blood, making solid flesh and muscle at the rate of 1 to 3 pounds per week. It is sold by all druggists for 75c per box, or 3 boxes for \$2. To overcome the effect of over-indulgence or dissipation use this medicine.

For sale by Dr. S. C. Stone, druggist.

Y. W. C. A. Convention.

Rochester, N. Y., Feb. 23.—Arriving trains today brought scores of delegates to the annual state convention of the Young Men's Christian Association, and those who have attended the previous meetings declare that this is to establish a new attendance record. All parts of the state are represented among the visitors.

The regular program of the convention will be inaugurated late this afternoon with a service of prayer led by Miss Mary L. Babcock, religious work secretary of the Harlem Y. W. C. A. Following the formal organization tonight the delegates will be addressed by Robert F. Spear, of New York City. The convention will continue through the next three days, three sessions being held daily in addition to a number of sabbath conferences and religious meetings.

West Virginia in Commission.

Newport News, Va., Feb. 23.—The United States cruiser West Virginia was placed in commission today. The flag of the commanding officer was run up to the accompaniment of the usual salute and the mustering of the crew of 300 men on the decks of the warship.

JOURNAL OPEN FORUM

Correspondents need not sign names to communication in good faith, and not personal, and of local interest.

Suggestions About the New School House.

Ed. Journal: As a citizen and taxpayer, I wish to inject a few thoughts about the proposed new school house for this city. I do not reside in the city, but in the district, but suppose I have a right to say something about the matter. We are not satisfied with the way the thing has been gone about. I am told by a reputable contractor that he will not bid on the work, as he was told early in December, before anything was done, that a certain combination on the board had promised the job of engineering and construction to a certain friend to help him out. We are the second largest district in the state, and we should have the best high school building that the money can build. Why have not the board made an estimate of the probable revenues they will have, say for three years, and then decide to build within that amount? Why did they not ask to have submitted photographs of school houses of other cities, and let the public see them? We all have ideas and some sense, if we are not on the school board. We have children to send to school and taxes to pay, if we have no friends among the architects and contractors to reward. What harm would it do to have 100 or 200 pictures of school houses, such as cost \$50,000, to let the people look at, and even the members of the board might learn something. They are not so all-wise, but what they might learn something by seeing what other towns are doing in the way of school house construction. This city, as you have said, is under obligation to erect a fine building from the standpoint of progressive architecture. We want the best for the money, and we want competition among architects, as well as contractors. The old plan of favoring your friend at public expense ought to be out of date in the second city of Oregon. The board of education should have taken the open road for plans and specifications. By giving the choice of plans five per cent and a premium for second and third plans they would have got better results, and with understanding that the plans taken become the property of the board. All should be taken within a fixed maximum expenditure.

That would have been business. The people want business. They want personal favoritism to cease. The talk about one man having the thing in his pocket savors of old-fashioned bossism and worse. The talk about awarding the work out "piece-meal" is intolerable for such a community as this. All through there will be scent of jobs, whether there are any or not, and no honest public officer should want favoritism from start to finish, and that is about what we will get. Let us have BUSINESS.

The Salem Abstract

And Land Company will hereafter represent the Phoenix Assurance Company, replacing H. B. Thielsen. In case Phoenix policy holders desire any

OREGON'S

EXPOSITION

Is described in

SUNSET MAGAZINE

March Number

Has a finely illustrated article on the Great Centennial—just the thing to send east. Many news articles, some good stories, clever verses and interesting miscellany. Vigorous work by entertaining writers.

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The Only Firstclass Eating Place in the city.

Regulators and all will receive courteous attention. French dinners and oysters any style. Come and see.

change in their contract, kindly present the same to the newly authorized agents. Renewals and applications for additional insurance will receive prompt attention. 2-21-34*

A New Deal

We live and learn, and Eppley has not lived in vain. He has learned that by the same outlay he can give his patrons a small percentage more of Perfection Baking Powder by avoiding cost of the package. Hereafter he will give

5 ounces for 15c
9 ounces for 25c
1 pound for 40c
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Each in an attractive glass package, useful to the housekeeper. Try it, and for once get your money's worth and a trifle more.

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It's Pure



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Before your time. Proper care of your stomach and diet will keep your health good. In this particular the Wild Rose flour is a known enemy of dyspepsia, as it makes the best of good, white, sweet, nutritious bread—it is the housewife's favorite.

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Disappoint you if you give us an order for groceries or fruit. We know we can do the right thing by you, and our prices are not exorbitant.

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In purity, smoothness, mellowness or richness of flavor the distillers of the Cedar Brook whiskey will if we call on them. No one should be without a bottle of this choice whiskey in the house as a preventive of grip, pneumonia and other maladies coming from colds. A little Cedar Brook whiskey will warm the blood, stop or prevent chills and cure colds like a charm.

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Sold in Salem by S. C. Stone

Have you a friend who has a hard cold?

Then tell him about Ayer's Cherry Pectoral. Tell him how it cured your hard cough. Tell him why you always keep it in the house. Tell him to ask his doctor about it. Doctors have known the formula for over sixty years.