

FOUR HUGE FAILURES THAT PROVED GREAT BENEFACTIONS.

SUCCESS OF THE FAILURES.

Dr.	Cr.
Joseph Leiter failed for \$9,500,000.	The farmer made millions upon millions.
Arthur E. Stillwell's railroad was forced into hands of receiver.	The farmer made enough out of lower freight rates to pay for such a line.
Theodore H. Price failed for \$12,000,000.	The cotton grower got his first touch of prosperity through Price's bull campaign.
George H. Phillips failed twice within six months.	The farmer didn't lose a cent.

W RIT IN LETTERS big, high on the roll of failures are the names of Leiter, Phillips, Price and Stillwell. They are known as men of daring—men who hurled millions against millions, captains who planned great campaigns but who had their Waterloo, a did that other great captain. Their fame was fleeting, and they are but memories, yet they builded better than they knew, and there was success in their failure—success wider, more diffusive and more enduring than they or their fellows realize. There was no thought of philanthropy in their schemes says the Chicago Record-Herald yet their beneficence has been scattered over a broader field and through more channels than Carnegie's; they are not recognized as great educators, yet they have taught more men than have a hundred universities.

Leiter sought a crown of golden grain, Phillips the scepter in the domain of maize, Price the kingship of the world of cotton and Stillwell the imperial rights of ruler of the rails. To each of these men disaster came at the steps to the throne. Few are so poor as to do reverence to them; those who benefited most honor the benefactors least. Ask the farmer who lifted the most, ask that ate his yearly harvest and he will tap his broad chest or show his well-washed hands; ask him who boomed the price of corn and cotton, wheat and oats, and he will tell you the dealer is greater, the nation is richer and Europe is becoming more and more dependent upon us for supplies; ask him who lowered the transportation rates from the farm to the ship side and he will tell you of railroad comminations and political agitations and of farmers' alliances. In each and every instance he is right, but right only in part, for never has known, and never will know, how the man who failed worked for his uplifting.

Populism and free silver were but the groans of the aching, suffering follower of the plow. The medicine of money was the great cure for these ills. Leiter, Phillips, Price and Stillwell were physicians to the patient. There was a form of "absent" treatment peculiarly fitting to the time and the conditions. So one can tell how much of the wealth that has come to the producer is due to these four spectacular figures; no one can measure what will be the gain in the future through the more judicious marketing of the crops, through the better knowledge the farmer has of his power, and through the improvements he has been able to introduce and the burdens he has been able to throw off.

LEITER'S GRAIN DEAL.
Of the four men, Joseph Leiter is the most conspicuous character. What led him into the maelstrom of wheat speculation is alone can tell. He had been reared in luxury, the heir to millions, was able to indulge in any caprice. Perhaps he wanted excitement or to show the stuff he is made of. Returning from a long yachting tour in the Gulf of Mexico, he began in the spring of 1897, the most remarkable grain deal in history. He was a novice, but soon developed abilities which stamped him as a great leader. The first lot of wheat he purchased was at 72 1/2 cents a bushel. The market was heavy and seemed to have no sustaining power. As it sagged and sagged he added to his purchases. The price dropped to 68 cents. All this time the traders thought young Leiter simply was taking a "flyer" in the market and was waiting only for a good

there. He is wonderfully convincing in his arguments and has great magnetism. There is a story that in the darkest days of the road—it was called the Kansas City, Pittsburg & Gulf—Mr. Stillwell was riding in a train bound for Chicago, when he by chance got into conversation with a fellow passenger who happened to be a banker of Amsterdam. The Dutchman was looking America over for the purpose of finding some good field for investment. Mr. Stillwell talked to that Dutchman. He talked so earnestly and so well that they agreed to meet in New York, embarked on the first vessel bound Hollandward, and when Mr. Stillwell returned to this country enough Dutch capital was interested in the Kansas City, Pittsburg & Gulf to put it through with a whoop.

OBSTACLES OVERCOME.
And it was a wonderful road. Never

he desired, so the road was practically a line from Kansas City to nowhere. Unable to reach the Gulf, Mr. Stillwell hit upon a plan for making the Gulf reach him. He bought an immense tract of land on the shore of Lake Sabine, in or 15 miles north of Sabine Pass, and he started in to dig a ship canal through the shallow lake to the deep water at Sabine Pass. Immediately he was bombarded with suits. The work was stopped by the secretary of war, and once more Mr. Stillwell was high and dry, with no terminal for his railroad.

DUG TO HIS OWN POINT.
Ever resourceful, he changed his plans and dug his ship canal across the prairie to Sabine Pass. At the town he built on the lakeshore—called Port Arthur in his honor—he put up one of the finest hotels in the southwest. Near by he established probably the largest

Mr. Price was able to organize a firm which soon took high rank. It was the house of Price, McCormick & Co. The McCormick was one of the sons of the maker of reapers. The "Co." was George Crocker of San Francisco and New York, one of the largest stockholders in the Southern Pacific Railway.

This firm was to do a general banking and brokerage business, dealing in stocks, bonds, grain and cotton. Mr. Price knew cotton better than he knew anything else, and when, in the summer of 1899, drought ruined the crop of the southwest he saw an opportunity to sell fame and fortune in short order. At that time conditions in the south were deplorable. The crops for several years had been very large, but the price had been fearfully low. Walls went up from all sections that the price was below the cost of production. All the great dumping grounds of cotton—Liv-

erpool, London, Calcutta, Bombay and Shanghai—had occasionally, but they came out all right by following the prophet and disregarding the alarmists.

So they sold futures instead of buying actual cotton, and so added to Price's burden.

Price had managed to get cotton a trifle above 7 cents, but it seemed impossible for him to get it any higher. He had made a magnificent fight, but the season wasn't half over when, on Jan. 1, 1900, at a conference in his house in New York city, he and his friends determined to issue an address to the cotton men of the south advising them to sell spot cotton and declaring that the advance in cotton was all that the conditions could stand.

Such a wave of indignation as swept through the south hadn't been known since the war. Price had been looking up by the cottongrowers as a great captain. Now he was denounced as a traitor. He had acknowledged defeat in the height of the campaign, and for a moment it seemed as if the sentiment he had built up and the feeling of antagonism to the "oppressor" he had fostered would, by reason of his desertion, turn the tide and result in demoralization in the market owing to the rush to unload spot cotton.

THE CROP REALLY SHORT.

But it didn't. The crop was really shorter than Price believed it was and his agitation had been more powerful than he realized. There was a short period of weakness and then the market got into a rut. It wouldn't go up much nor it wouldn't decline much. There it remained week in and week out. What Price was doing meantime he alone can tell. He seemed bullish for a time, then bullish; then bearish and again bullish. Apparently he had lost his reckoning.

Meanwhile the market was slowly but surely becoming healthy, and the facts were sinking home to the grain spinners. Consumption was greater than any one had anticipated, the mountainous surplus stocks in the dumping stations of Liverpool, Havre, Bremen and New Orleans indicated an astonishing rate, and then suddenly the spinner awoke to the fact that he had to get more cotton or his looms would not be kept busy until fall. Once the real buying started there seemed to be no end to it. Cotton prices began to jump and the way values were enhanced made old-timers gasp. Liverpool became cotton crazy. The bears became panic-stricken.

And Price failed for \$12,000,000. Every prediction Price made early in the season was verified. His campaign as planned was magnificent. As execution to the time he lost heart it was superb. And yet the great monument he builded was his undoing.

DETHRONING A CORN KING.

George H. Phillips, who twice has been forced to lay down the corn crown, has had more intimate relations with the farmer than any speculator who has played a large part in the market arena. In the fall of 1900 his operations in cash grain were so large as to recall the days of Leiter. He worked a corner on corn, and, sustained by hundreds of wealthy farmers who did as he advised and who were powerful enough to control a good deal of grain, he had the shorts panic-stricken. Phillips was less showy and spectacular than any man who had been a great plunger. He was content to plod along and work out his schemes, and when he put through his corner successfully and gathered hundreds of thousands of dollars in profits for himself and party, he was hailed as one of the most remarkable of young men. He came to New York in May, 1901, and was welcomed at the produce exchange as the "corn king."

On Aug. 2 came the surprising news that the "corn king" had failed. Then it developed that his books were all in a tangle and only expert examination would show whether he owed several hundred thousand dollars or had that much still to his credit. The accountants found that Phillips had \$134,000 more than he claimed, and with this he resumed business. He had lost none of

his ambition or courage, and soon was cornering corn and oats. It appeared he was about to shake up the shorts once more, when a sudden drop in prices found him unable to meet margin calls, and on Jan. 14 of this year he failed for the second time. The loss Phillips taught the farmer and the one by which he has profited most, is the power of the producer.

STILL FIGHTING FOR FORTUNE.

These four young men have not been content to nurse their wounds and live in the memory of the disasters they have met. Leiter, bold and intrepid as ever, has been in dozens of big operations and is said to have retrieved in part his losses. Price, who got married two days after his failure, is on his feet again and gives promise of shaking up the dry bones in the cotton market. Stillwell is the head of the Kansas City, Mexico and Orient railroad, and has obtained from President Diaz the most valuable concession Mexico ever granted to any corporation. Phillips is organizing a new company and will try once more.

These men have distributed great wealth and have been great educators, failures they may be, but the world benefits by failures of their kind.

PUNISHMENT FOR CRIME.

Sir Samuel Romilly was the first who endeavored to soften the rigor of the criminal law. In 1808 he passed a bill repealing the statute of Elizabeth, which made larceny punishable by death, and three or four years later he carried other bills of a similar nature; indeed, it is chiefly owing to his efforts that our criminal system is indebted for its present characteristics of humanity.

One or two of the former punishments are so curious that it may be interesting to notice them. In the time of Henry VIII poisoning was made treason, and the punishment was to be boiled alive, which was carried out in the case of one John Rous, who threw poison into a pot of broth prepared for the Bishop of Rochester's family. This, in common with many more of Henry VIII's barbarous laws, was repealed by Edward VI. The law of retaliation was introduced by statute 37, Edward II, as a punishment for those who preferred malicious accusations. It did not answer, however, and was repealed after one year's trial. Crimes of an unnatural nature, such as a wife killing her husband, a servant his master, an ecclesiastic his superior, were held petty treason, and a man was drawn and hanged and a woman drawn and burned. We see something of a similar nature in the ancient Roman law that enacted that the murder of a parent should be scourged, and then tied up in a leather sack with a dog, cock, viper, and ape, and then thrown into the sea. Publius Maelcius, who killed his mother, was the first who suffered this punishment in the year of Rome 652. But the punishment has existed in modern Europe.

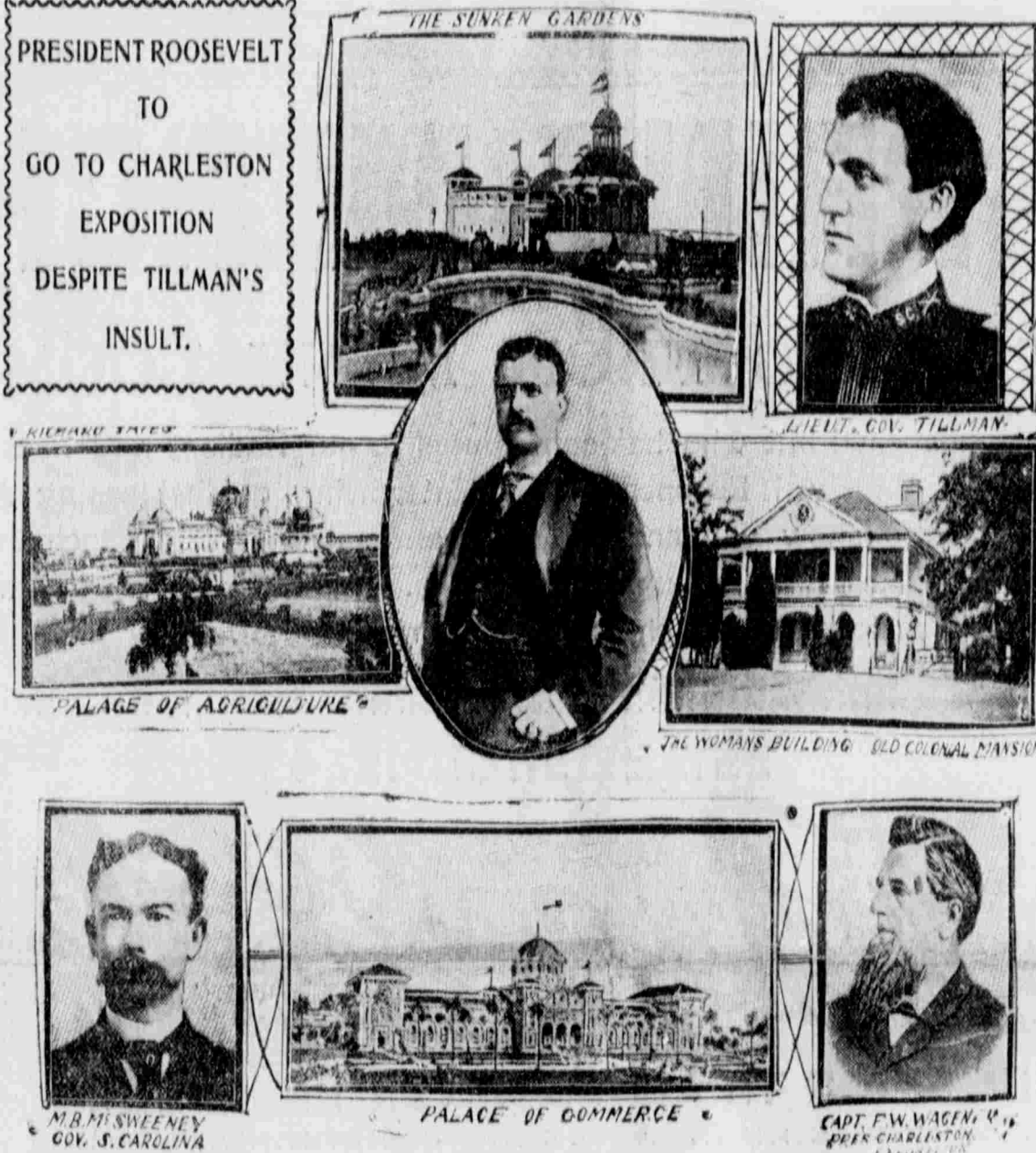
Thus, in Spain, at Jaen, on March 1, 1832, a man, for murdering his daughter-in-law, after being placed in a barrel with a cock, a snake, a monkey, and a toad, was thrown into the river. Another common punishment, now long obsolete, was disfigurement, as every one acquainted with the records of the Star Chamber knows. Ears and noses were most frequently cut off, the excuse being that the loss of them did not tend to weaken the culprit, whereas the loss of an arm or finger does. Early law always advocated death for murder, forgetting that on a repetition of the offense the punishment cannot be repeated—Gentleman's Magazine.

S. DUMONT COMING HERE.



Santos Dumont, the world famous aerial navigator, who has been performing some thrilling feats at Monte Carlo, is coming over to America next summer. He will visit New York to fly his wonderful airship over the Brooklyn bridge. The plucky skykipper is now in London. The above authentic snapshot shows Dumont and his balloon falling into Monaco bay.

PRESIDENT ROOSEVELT TO GO TO CHARLESTON EXPOSITION DESPITE TILLMAN'S INSULT.



Despite the insult of Lieut. Gov. Tillman of South Carolina, President Roosevelt will hearken unto the entreaties of the friends of the exposition and pay his promised visit to Charleston. The above combination halftone illustrates the coming visit, showing, besides the chief buildings of the exhibition, Gov. McSweeney of South Carolina, Capt. Wagner, president of the exposition; Lieut. Gov. Tillman, who perpetrated the insult upon the chief executive and the very latest portrait of the distinguished visitor.

was there a line that had so many obstacles to overcome. First, Mr. Stillwell wanted to make Galveston his Gulf outlet, but negotiations for the purchase of the Gulf and Interstate Road, which would have given the entrance he desired, failed. He cast his eye on New Orleans, but was blocked by the Southern Pacific and the Texas & Pacific. The Goulds and the Huntingtons harnessed him at every turn. As a last resort he determined upon Sabine Pass, the existing line between Texas and Louisiana. Sabine Pass was at that time a thriving seaport of about 115 inhabitants.

Most of the town and the land contiguous was owned by Kountze Brothers, bankers of New York. Mr. Stillwell wouldn't pay the price Kountze brothers asked for right of way through the territory and the wharf frontage

and most important agricultural export station in America. A few miles north he built a town called Nettlerlands, and he brought over hundreds of Dutch farmers and started them growing rice, fruits and vegetables. He tapped the living streams and put in systems of irrigation, by which thousands of acres of barren lands were made to blossom with many crops, and at Port Arthur he put up an export grain elevator and wharves and piers for the loading and unloading of the vessels and to keep all the rolling stock employed. The Kansas City, Pittsburg and Gulf, having been kicked and buffeted by all rival lines, now began to hit back.

It wasn't much at first, but soon it began to hurt, and the Missouri, Kansas and Texas, the Gulf, Colorado and Santa Fe, and other north and south roads were forced to compete with the Kansas City, Pittsburg & Gulf or let their young rival run away with the business. Then it hurt the east and west lines severely, and rates were cut to meet the gulf competition.

THE FARMER PROFITS.

And here is where the farmer came in. Every cent a bushel of a cut in the transportation rate meant just that much added to the farmer's pocket. When it is considered that the bulk of the export grain of America comes from the transmississippi belt, and that this amounts to hundreds of millions of bushels, some slight conception of what Mr. Stillwell's action meant to the producers of the west can be gained.

It was not alone in grain, but in pack- inghouse products, in ores, spelter and a host of commodities that these rates were cut. The fight was long and hard and bitter. Just at the moment when it seemed Mr. Stillwell was going to be able to dictate terms to his rivals he was forced to the wall. The struggle had sapped the money energy of the road. The Dutch bondholders and some American creditors swooped down upon him. His great scheme is now one of the baubles owned by George Gould, John W. Gates and others.

But the rates he established had the effect of making the Gulf lines the balance or check on the East and West roads, and the exports he attracted by reason of cut rates added Leiter materially in his debt. It has been estimated that the gain to the farmers of Kansas in three years by the establishment of this Gulf line would pay for the building of the road.

PRICE'S CAREER IN COTTON.

It is not many years since Theodore H. Price was a cotton clerk in Virginia learning the difference between "ordinary," "middling" and "good middling." When he came to New York he had a great deal of grain added Leiter material in his debt. It has been estimated that the gain to the farmers of Kansas in three years by the establishment of this Gulf line would pay for the building of the road.

erpool, Havre, Bremen, New Orleans—were choked with bales.

NEILL HIS NEMESIS.

Worse than all else was the fact that Liverpool absolutely dominated the cotton market and dictated prices. Whether the yield was large or small it seemed to be impossible for the planters to get a fair return for the lint. If the price did not suit the Liverpool brokers or the Manchester spinners they ceased buying and the price of the market until the planters were forced to let go and sacrifice their bales. Henry M. Neill of New Orleans acted as guide, philosopher and friend of the British cotton men. He issued circulars upon which they relied for their information regarding the growing crop. Many, many times Neill was outrageously wrong, but his errors were of a kind that brought profit to the British cotton men.

Neill, the prophet of the Liverpool bales, predicted the yield of 1899-1900 would be the greatest ever grown. Price, basing his deductions on fact, predicted one of the approximately 60,000,000 bales. A crop of that size meant disaster. Price had a few millions back of him. The bears had hundreds of millions. Price started out to arouse sentiment among the producers. He flooded the south with literature regarding the curtailment of the crop, the needs of the spinners, the opportunity to appreciate values, if the planters would go slow and not dump the crop on the market in a lump. He invaded Liverpool and Manchester with his information regarding the drought in the south. Thousands of dollars were spent by him in putting before the Englishmen the truth regarding the crop.

ENGLISHMEN SCOFFED.

But the Englishmen scoffed. They preferred to depend upon Neill, whom they paid for his services, rather than this newcomer, who gave his services gratuitously.

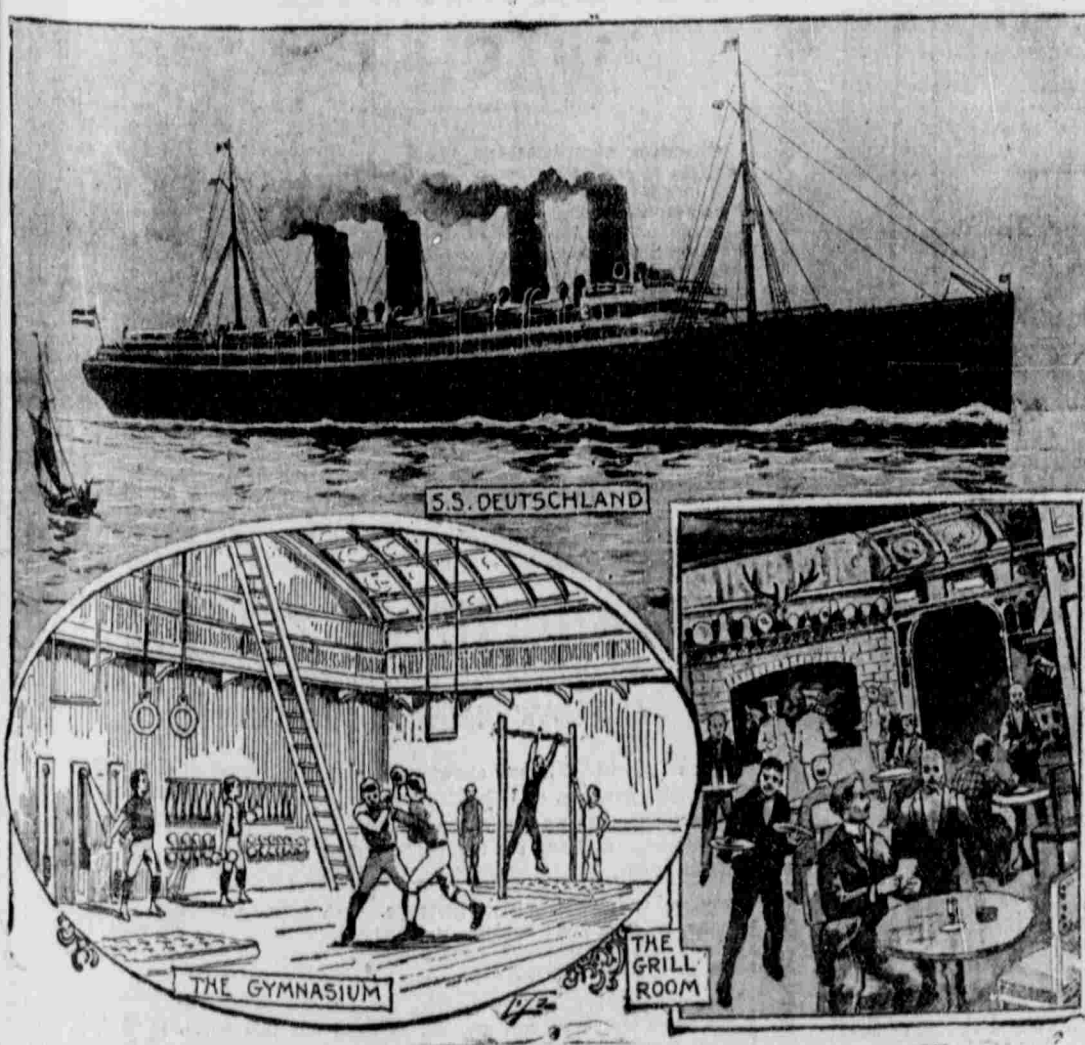
But Price, despite the tremendous opposition he had engendered, forced values up. From a level of about 5.80 in August, 1899, the market advanced to above 7 cents in December.

This had been accomplished only after the most violent of fits and starts. At times it seemed as though the market was going to the dogs. When the bears would find a soft spot they would start raining and Price, the bull leader, would be compelled to step in and bolster up the market. Many times he had to step into the breach. As the season advanced the movement of the crop went to confirm the predictions of a pronounced shortage. John Hyde, statistician of the agricultural department, came out with an official estimate confirming Price. Buxton, one of the leading hoards of Liverpool, made a tour of the cotton belt, and declared the crop was a failure, and would be millions of bales short of what Neill predicted.

UNLOADING ON PRICE.

But the Liverpool people would not be convinced. They had no faith in the planters' stories, and they relied upon these reports much as the old one of "wolf." They had heard bad crop tales before; had stuck to Neill and had come out all right. To be sure, Neill was wrong many times and crops were

EXTERIOR AND INTERIOR VIEWS OF THE MAGNIFICENT DEUTSCHLAND ON WHICH PRINCE HENRY OF PRUSSIA, IS MAKING HIS RETURN TRIP.



The American steamship Deutschland, on which Prince Henry is making his return trip to Germany, is one of the most palatial liners afloat. A unique feature of the boat is a splendid, well equipped gymnasium. Here is an authentic snapshot of the Deutschland and interesting views of the interior.