

WHERE SIGNS ARE AS GOOD AS BONDS

By Robert H. Moulton



TELEGRAPH OPERATORS ON THE EXCHANGE FLOOR



SCENE IN THE WHEAT PIT, CHICAGO BOARD OF TRADE



PREPARING SAMPLES FOR THE EXCHANGE FLOOR



TRADER'S SIGN MANUAL

TELEPHONE OPERATOR TRANSMITTING BROKER'S ORDER TO PIT



TRADERS CHECKING UP DEALS

WHAT undoubtedly is the most unique sign language employed anywhere in the world is to be found in Chicago. It is different from other sign languages in that it is called into use only between the hours of 9:30 a. m. and 1 p. m. each week day, and because of the fact that before and after these periods its users depend upon ordinary methods of speech for communication.

But perhaps the most remarkable feature of this sign language lies in the fact that its characters while only nine in number are each of such far-reaching importance that thousands of dollars are involved practically every time one of them is made.

This extraordinary system of communication is the means by which brokers on the Chicago board of trade conduct their business of buying and selling on the open market. It is peculiar to this institution, being unlike that used on the floor of any other exchange in the world.

To the casual visitor watching the crowds congregated about the different pits during the times of a flurry in prices the signs used by the traders have no intelligible meaning, but to the experienced trader a simple movement of the hand attracts attention and at the same time conveys all the information necessary to consummate a deal.

This sign language has developed with the growth of the board and its use has long since become a necessity. The turmoil and hurly-burly resulting from a thousand traders seeking to attract attention in the excitement of the hour, added to the click of hundreds of high-keyed telegraph instruments and the noise of a small army of messenger and errand boys scurrying about, makes articulate speech practically impossible. Then, too, the eye is quicker than the ear, and the signals given with the hand or by a gesture of the head mean as much as a telegram to the party addressed and frequently permits the closing of a trade, when, if time had been taken in an attempt to reach the side of the party making an offer, some change might have taken place in the market and the opportune moment would have been lost.

The sign manual of the pit trader is simplicity itself, and with a very little practice anyone can become adept at it, although, of course, this does not mean that it will perfect him as a master in the strategy and generalship demanded of a good broker. For instance, wheat having sold at 90 cents, a trader catches the eye of some one opposite in the pit who has 50,000 bushels to sell, and partly by telepathy and partly by a motion of the clenched fist, signals that he will take the "50" wheat at 90. The seller, in reply, holds up his right hand with the index finger extended horizontally, indicating that he wants 1/4 cent more than the price quoted, or 90 1/4 cents. The buyer motions acceptance and signals back "50." The seller and buyer then note on their cards "Sold 50 at 1/4 Jones" and "Bot 50 at 1/4 Smith," respectively, the number of bushels bought and sold always meaning so many thousands. After leaving the pit the two traders meet and check the operations.

*1) prices are indicated by the hand and fingers

when held in a horizontal position. The clenched fist means the price in even cents. Each outstretched finger, the fingers being spread apart, represents an added eighth of a cent up to five-eighths; the extended hand with all of the fingers pressed together means three-quarters, and the thumb only signals seven-eighths. The hand displayed vertically refers to quantities, each extended finger meaning 5,000 bushels up to 25,000 for the entire hand. Whether the grain is being offered or bid for is shown by a slight motion of the hand to or from the trader making the signal. The official reporter stationed in each pit sees all this signaling, and partly by observation and partly on information given him by the traders, notes the latest price and gives it to a telegraph operator at his side to be "put on the ticker." Thus the price of grain is made every moment of the session and transmitted to all the markets of the world.

While the visitor who sits in the gallery overlooking the floor, and who understands nothing of what is going on below, is likely to be impressed with the thought that he is looking at the vitals of a lunatic asylum, there is really no other business so well organized that one man will accept a nod and a shake of the finger for thousands of dollars without argument. This means that it is a business embedded in honor. No contract, either written or oral, is more binding than the contracts to which a member of the association is a party. No informality, no absence of legal technicalities, will avail under the rules of the association to absolve a man from undeviating compliance with every term and every feature of his business obligation. Every pretext for the avoidance of such obligation is brushed aside by a jury, not of a court, but of business men, his peers, and is not permitted to obscure the spirit and intent of his promises, or to release him from his responsibilities as a man and as a merchant. When it is considered that in a single year more than 500,000,000 bushels of grain have been dealt in on the board, the success of the system employed is apparent.

The system of buying and selling for future delivery, as applied to grain especially, and as practiced upon and safeguarded by the rules of the grain exchanges located in our great primary markets, is much discussed and regarding which there is more or less misunderstanding. It was devised solely in the interest of the farmer and interior grain buyer. It provides for the economical marketing of the chief grain crops of the West, and creates and maintains a broad, active

and constant market for the sale of grain and provisions, independent of an immediate, actual, existing consumptive demand. What is more important to the agriculturist, it provides him with ready money, which in turn finds its way through the country stores to wholesale merchants in great centers of trade, and, more than any other measure, keeps the complicated machinery of business in harmonious activity. It also has the effect of bringing to the knowledge of the grain dealer and the farmer all facts which are necessary for them to know. In order to arrive at the intrinsic value of their grain, as measured by the supply and the demand the world over and the year through. Under its operation, all information concerning the movement of grain, and of the markets of the world, is placed at the service of the public.

In the arena of speculation every buyer and every seller is a free lance. If the "bull" thinks the "bear" has pulled down the crop prospects warrant, the "bull" puts his neck and horns under the quotations and hurls them upward. They stand there, to change the figure, like two game cocks. There can never be an alliance between these two opposing interests. But between these two self interests equilibrium is established.

Unfortunately, the public knows to its sorrow the methods of the bucketshop better than it does the legitimate boards of trade. Bucketshops in outward appearance are exactly the same as the offices of a private wire company. They are intentional counterfeiters. Bucketshops do not trade in grain at all. They simply bet with their customers on the fluctuations and frequently hold back or make fluctuations to suit themselves.

The real broker, however, who is a member of regular authorized grain exchange wants his customers to make money, and if it is in his power, they make money. If they don't he knows that he will lose their trade because their commission is all that he makes.

It is interesting to trace the handling of a car of grain from arrival until it is delivered into the elevator. First, it is necessary to provide for the protection of cars from thieves after reaching the neighborhood of the city. Railroad yards, as a rule, are located in remote parts of large cities, and this remoteness, together with the fact that they attract to their neighborhood numbers of petty pilferers, makes special protection necessary. For this reason the Chicago board of trade maintains a detective service.

Upon arrival, under the protection mentioned, the first official handling of the contents of a car of grain occurs when it reaches the Chicago inspection yards of any given railroad, whereupon the seals are broken by an employe of the state grain inspection department, to permit inspection and sampling by the state inspectors and the receivers' agents. The cars of a train are then revealed and ordered to the various unloading points, such as public and private elevators, transfer houses, mills, and some large wholesale feed stores, where they are unloaded and weighed under the supervision of the board of trade weighing department, which has stationed at each of these points one or more men to look after such work.

Each car, when unloaded, is thoroughly cleaned out and swept with a broom, in order that all grain may be accounted for.

IN THE LIMELIGHT

VOTED FOR HIM TWICE ON SAME DAY



Representative Michael Donohoe of Philadelphia, who, his friends boast and his enemies admit, won his election less upon political issues than his attractive personality, talks but a small part in practical politics.

"I'm very green at the game," he declares (a good color for a native-born Irishman, by the way), "which makes me somewhat of a shining mark in some respects. The morning after my last election there breezed into my office a fellow, large and pleasant. He effusively congratulated me with both hands and every breath—which was alcoholically overcharged—and assured me of the satisfaction it had given him to vote for me. Thanking him, I asked:

"What part of the district do you live in?"

"O'm from over th' bridge," he replied in rich County Carlow brogue! (Mr. Donohoe doesn't have to make any effort to get that brogue.)

"What ward do you live in?"

"And O'm in Kelly's ward, to be sure, y'r honor," he replied.

"Kelly's ward?" I queried, for I did know enough to identify a well-known local leader. "Why Kelly's ward isn't in my district at all!"

"Sure, an' it isn't at all, at all," exclaimed the sly rogue, with delightful coolness. "But I voted for yez, Misher Donohoe," he added with a chuckle—"twice!"

"JERRY" DONOVAN'S CHANGE OF HEART

Representative "Jerry" Donovan, a Democrat from Connecticut, who bristles indignantly when he contemplates absenteeism in the house, renounced the other day an opportunity to preside over that body and gave to Speaker Clark the credit of unintentionally preventing a night session.

Under the special rule for the consideration of the antitrust bills the house was to hold night sessions while general debate continued. When the hour for the dinner recess arrived one Saturday Representative Webb asked unanimous consent that adjournment be taken until Monday, setting aside the night session.

"I object," said Mr. Donovan.

"We have nobody to speak," said Mr. Webb, casting his eye over the twenty-odd members present.

"Then go ahead with the reading of the bill," said Mr. Donovan.

"Where is everybody? Where are the distinguished gentlemen who ought to be on the Republican side?"

"Where are the Democrats?" interjected a voice from the Republican side.

"Well, I'm tired of all this debate," said Mr. Donovan. "You must meet tonight unless the gentleman in charge of the bill agrees to knock off five hours from the time."

Mr. Webb said he couldn't think of doing this.

"The chair names the gentleman from Connecticut to preside at the night session," said Speaker Clark.

"Rather than preside over this body," said Mr. Donovan, who is serving his first term, "I will withdraw my objection."



WINGO TELLS ONE ON HIMSELF

Representative Otis Wingo of Arkansas looks more like the southern congressman imaged in the popular mind than any man in the capital's public life. In Prince Albert coat, black slouch hat and black string tie falling over a capacious expanse of white shirt front, as he walks sedately down the corridor, he seems to have stepped bodily from the pages of some political novel.

And Mr. Wingo knows it; also he is proud of it. Hence, when he told the following little story on himself it was only upon the solemn oath of his auditor that not a word of it should appear in print.

It seems that Mr. Wingo, having in tow a visiting constituent whom he wished to impress with his political magnitude, was standing waiting at the door of an elevator in the House office building. Mr. Wingo rang the bell; but to his disgust the descending elevator swept airily by without even hesitating. This hurt.

"Why didn't you stop for me on your way down just now?" queried Mr. Wingo sourly as they were descending on the next trip.

"Couldn't stop for you," replied the elevator boy with lofty finality. "Had a congressman on board."

"And this," ejaculated Mr. Wingo, as he told the story, "before that constituent!"

MAN WHO CAPTURED SANTA ANNA

"And so Gen. Santa Anna surrendered to me," said Sergt. Peter Daly. "And I introduced him to the line sergeant, and off we all went to Gen. Winfield Scott. And" Sergeant Daly added, impressively, "that ended the war."

On the porch of his daughter's comfortable frame cottage in the Bronx, New York city, on these warm days sits Peter Daly, and smokes his pipe, and tells what he remembers of "the war." There is only one war for Peter Daly; and although he is ninety-one years old, and no one thinks of calling him "Sergeant" nowadays, the salient episodes of his career as a fighter stand out as clearly, and as significantly, as if they had happened yesterday. Sergt. Peter Daly has almost forgotten that the Civil war was ever fought, or that he had battles in 1898 in the West Indies and Manila bay. The Mexican war was his war, and Winfield Scott was his general. And he, Peter Daly, was the man to whom the Mexican commander surrendered.

"It wasn't any of my doing," he explains, lest pride in his good fortune be mistaken for a false self-esteem. "I just happened to be on the end of the line. That was how it was I took charge of him."

