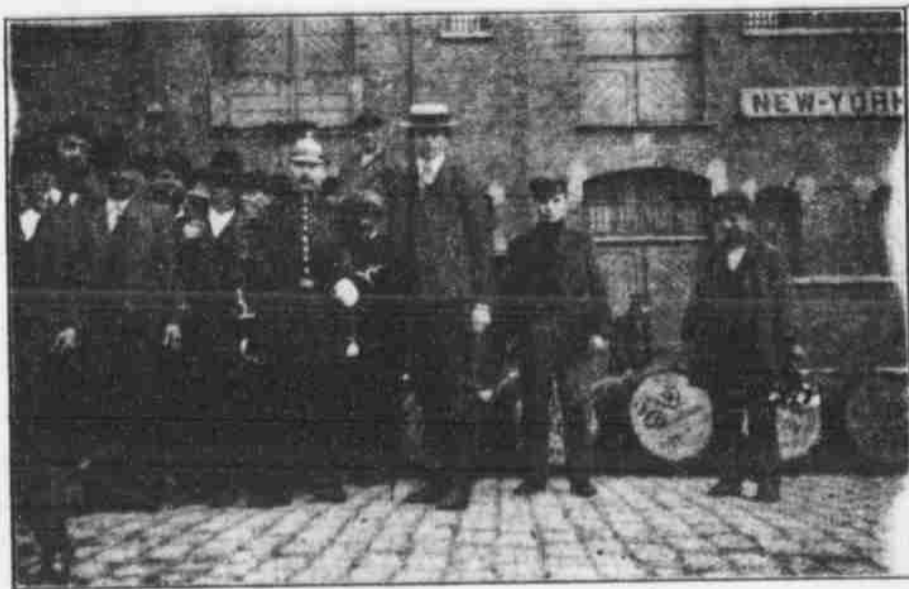


# Amsterdam, the Richest City in Europe



TYPICAL STREET GROUP IN AMSTERDAM.



AMERICAN BICYCLES SOLD ON KALVER STRAAT.

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**A**MSTERDAM, Feb. 18.—(Special Correspondence of The Bee.)—Amsterdam is one of the richest cities of Europe. It has several multi-millionaires, scores of millionaires and thousands who have luxurious incomes. It has some of the chief banking firms of the world and its stock investments are almost as varied as those of London. An enormous amount of American securities are held here, and our stocks are bought and sold every day on the exchange. I am told that the Amsterdam brokers have made something like \$50,000,000 in the past few years in American stocks and that they consider our securities as good as any of the world. Not long ago there was something like \$5,000,000 worth of United States steel stock held in Amsterdam, including 1,550 shares of the preferred and 125,000 shares of the common. There is much Southern Pacific and Grand Trunk, some Chicago, Burlington & Quincy, quite a lot of Denver & Rio Grande, some Atchison, Topeka & Santa Fe and in all more or less of about 100 different American stocks.

Among the leading securities sold on the stock exchange are those of Dutch companies doing business in Holland's East Indian colonies. There are no end of companies here which have been organized to develop Sumatra, Java, Borneo and the Celebes, and many of them are paying big dividends. They give some idea as to what our capitalists may do in the Philippines later on. Take the matter of tobacco, there are fourteen different companies which have estates in Java or Sumatra, and the stock of many of them is far above par.

The Deli Maatschappij ranges from \$400 to \$500 for \$100 shares and it pays dividends of from 10 to 28 per cent. The Senebier Tobacco company pays 28 per cent, the Amsterdam Deli from 47 to 35 per cent, and the Rotterdam Deli about 12 per cent. The Padang Tobacco company ranges from 120 to 170, and the Serdang is over 200. Some of the companies doing business in Borneo are paying good dividends.

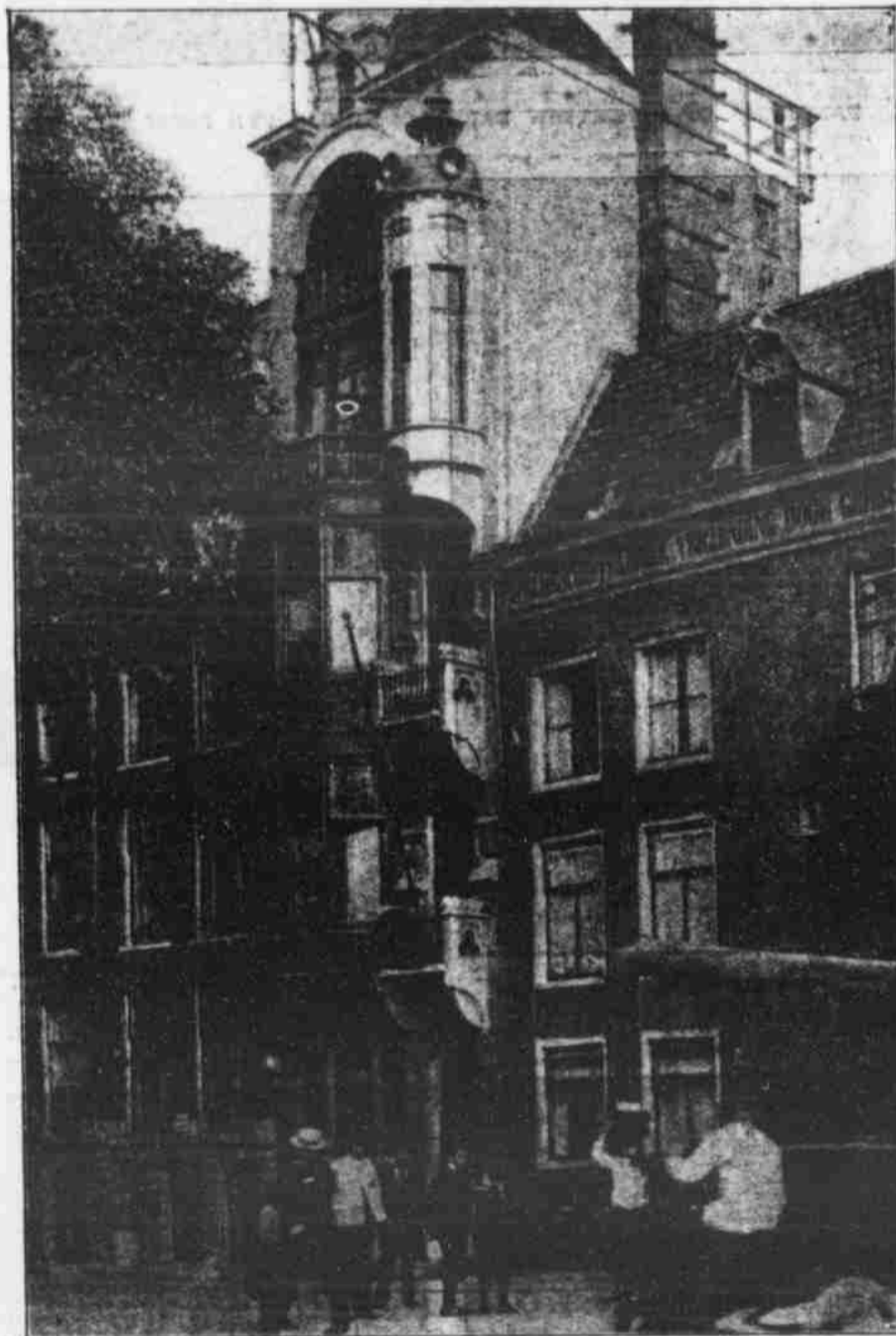
The Dutch petroleum enterprises are less prosperous. The companies here have oil fields in Sumatra and Borneo, but so far the oil is much below that of the United States in character and the output is not large.

There are many big banks here, some backed by Jews and some by Christians. The Jewish population is large, comprising altogether some 34,000. Many of the Jews are descendants of those who came here from Lisbon during the middle ages and engaged in lending money and in shipping projects. Others came from Germany and eastern Europe. The Dutch themselves are among the safest and best business men of the world and with the Jews make a strong combination. They have never been afraid to invest in ventures that promised well and they have always pushed out for new things.

Amsterdam laid the foundation of its wealth through its spice trade with the Dutch East Indies. It had the monopoly of this trade when the Dutch East India company was formed and it is today one of the chief spice markets of the world. It has had to have plenty of money to back its enterprises and this has led to the growth of a large banking business.

One of the oldest banks is that of the Netherlands, which is quoted at 200 per cent and upward. The French bank shares are worth as high as \$60 and the German Government bank shares sell at 165. Then there is the Java bank, which does a large trade in the East Indies, paying between 7 and 8 per cent; a Netherlands Bank and Credit association for South Africa, the Amsterdam bank, the Rotterdam bank and a number of others.

Within the past few years quite a deal of speculation has been done in mining shares of the Dutch colonial companies, which are exploiting mines of gold, coal and tin. The companies operate in Borneo, Sumatra, Banks, the Celebes and in Dutch Guiana on the north coast of South America. So far the gold mines of the East Indies have not amounted to very much, but the shares of Guiana companies are quoted at 200 or more



THE AMERICAN CONSULATE IS SITUATED ON ONE OF THE BEST STREETS.

and appear to be doing well. The tin mines of the island of Banks are very profitable. One tin company has recently doubled its dividend, and the Billiton mines are turning out even more than in the past.

The Dutch steamship companies are making money. The Holland-American Line pays good dividends. The great company that has the monopoly of the trade of the Malay archipelago is prosperous and there are a number of other companies which pay from 6 to 15 per cent right along.

The Dutch are making fortunes out of diamonds. They buy them in the rough and cut and polish them for the markets. They have been doing this for generations and have made Amsterdam the chief diamond cutting and polishing place of the world. The work is mostly done by Portuguese Jews, who have been engaged in it from father to son for hundreds of years. There are 12,000 such men here who do nothing else, and they are the most skilled of their kind in the world. They work for the capitalists at regular wages, some in little shops and others in factories. There are in all about sixty factories in the city, with 700 or 800 polishing stones, in which the men work day in and day out upon diamonds for export.

About \$20,000,000 worth of rough stones are bought every year and when polished are sent to all parts of the world. Within the last few years of good times in the United States some of the best stones have come to us, and we are now taking about \$5,000,000 worth every year. We have now the green Hope diamond, for which Pierpont Morgan is said to have offered a quarter of a million dollars, and several other large stones are now being cut which may

go into the hands of American millionaires.

In company with Mr. Frank D. Hill, our American consul, I was shown over one of the largest and richest of the Dutch diamond works this afternoon. It was that of Mr. Koester, on Zwaneburger straat, the factory that cut the Kohinoor for Queen Victoria, the one in which the Grand Mogul was shaped and the one where the Orloff diamond was polished up for the czar of Russia. It is, I venture, the most important diamond-cutting mill of the world.

And still it is anything but imposing. It is a dirty three-story brick building in the Jewish quarter of Amsterdam, situated on a narrow street and looking more like a tenement house than a mill which grinds ornaments for millionaires and their heiresses. The hall which we entered was narrow and the wooden stairs we climbed were no better than those of many a barn in Pennsylvania. The walls as high up as your shoulder were painted dead black and white-washed above. The steps were black and everything was so colored that if any white thing like a diamond fell upon it it could be easily seen.

But from this you must not suppose that the diamonds are carelessly handled or that they lie around loose. They are counted and weighed again and again, and every diamond atom brought in, even to the dust, must be accounted for.

But if you will come with me I will show you how the precious stones are handled. We first enter the room where the splitting is done. It is the same in which the great Kohinoor diamond was polished. It is of the size of an ordinary parlor, but the floor is as bare as that of a kitchen, and the two men who are handling the stones are work-

ing at a table which a country carpenter would knock up for 75 cents. The men wear caps and rough suits, over which are smocks made of blue jeans. Their clothes altogether would not sell for \$5 to a second-hand clothier; and the furniture of the room all told, tools included, would not bring more than \$10. Still these men are daily handling stones worth many thousand dollars. They split single stones worth a fortune, and each has a fortune in his little workbox.

But let us see how they do it. One of the men speaks English, and he shall give you the process as he gave it to me.

"This," said he, as he picked up what looked like an irregular piece of mica or half-transparent crystal as big as the end of your little finger, "is a diamond in the rough. It is just as it was taken from the mine, with all its flaws and imperfections. All of these must be split off before it can go to the polishers, and it is my business to know how to do it. I have to split at the flaws, and to do that must first cut a notch, to hold my splitting wedge."

"Now, nothing but a diamond will cut a diamond," he went on, as he picked up a little piece of white stone not bigger than the head of a pin, "so I take a little diamond with a sharp edge like this, and fix it in some cement at the end of this splitting tool," and he thereupon stuck it in some cement on the end of a stick not unlike the handle of a shoemaker's awl. He softened this cement in a gas flame and cooled it after the stone was fixed by dipping it in some water. As it became cold the cement hardened and the diamond was firmly held. He then fixed the rough diamond into a similar tool, and taking the first diamond, which he called his diamond knife, he scratched with it again and again upon the flaw, making a noise as though sharpening a gritty slate pencil. It was only a moment until he had cut a little notch in the diamond. He then stood the tool holding the diamond in a hole in a lead plate fastened to the table in front of him. He picked up a blade of steel, an inch wide and about three inches long. He fitted the blunt edge of this into the flaw, and gave the back of the blade a slight tap with a little steel bar about a foot long. A moment later he took off the cement, pointing out that one of the pieces was flat and the other almost round.

"This flat stone," said he, "will be used to make a rose diamond and the other a brilliant. All diamonds are cut as rose diamonds or brilliants. The brilliants have fifty-eight facets and the rose diamond twenty-four."

"But," said I, "are the pieces always large enough to make individual stones?"

"No," was the reply. "Many are too coarse for even rose diamonds. Some are very small, but we keep them all and use them in various ways. Even the dust is saved. We burn this cement and save every atom that comes from the diamonds. The diamond dust is employed in polishing and grinding other diamonds and some of the small pieces are used for glass cutters."

Leaving this room we go to see the polishers. They are on the third floor in a long hall filled with belts and grinding tools. The room is walled with windows and the men sit with their backs to the light before long benches over which move flat wheels of soft iron at the rate of 2,000 revolutions per minute. Each wheel is as big around as a dinner plate and it goes so fast that you cannot tell it is moving at all. Fastened to handles like those with which I saw the diamonds split, four diamonds rest on each plate. They are set in a frame so that they just touch the wheel. Each diamond is covered with a mixture of diamond dust and water and it is the friction of this upon it as it moves around the plate that grinds it into the many faces or facets which so much increase its brilliancy. The most valuable stones are cut in this way and it takes a long time to transform a rough diamond into a brilliant.

During my tour I asked one of the experts whether an imitation diamond had

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