

ments exercise far less individual responsibility than English Ministers, and consequently the Council as a whole have a greater variety of business to dispose of than the English Cabinet. The most desirable arrangement would be that the First Minister should supervise all the business of the various departments which comes before Council, and which would give him quite sufficient to occupy him. For many years it has been the opinion of the most thoughtful and experienced men that the proper distribution of offices would be for the First Minister to be President of the Council, and it was supposed that Mr. Mackenzie had become so convinced of the necessity of such an arrangement that he was about to carry it into effect. It appears that the rumours in circulation to that effect were without foundation, and that the Presidency of the Council is still to be kept on the footing of a kind of sinecure. It is much to be regretted that a gentleman of Mr. Blake's abilities should find it necessary to seek relief from departmental duties, but though we regret the cause of the changes on personal grounds, we do so chiefly because it places an additional obstacle in the way of the most satisfactory distribution of the Cabinet offices.

U. S. LIFE-INSURANCE CORPORATION AND ITS PROPRIETORS.

It is bad enough for the stockholders of any corporation to be kept by its managers in ignorance of the value of their property, or the results of the management of it. But it is absolutely intolerable that the secrecy and independence in corporate management, which is now the bane of stock-dealers and investors alike, should any longer be maintained in life-insurance companies. The June number of the *Galaxy* contains a second article from the intelligent anonymous contributor whose previous paper on life-insurance has been already noticed. This writer does well to direct public attention to the anomaly of the owners of \$100,000 worth of insurance company stock absolutely controlling twenty, thirty, or forty millions of accumulations belonging to policy-holders who have no voice in its direction. The arguments of the stockholder, that he knows better than the policy-holder what is good for the latter, have no force in a free country. The writer in the *Galaxy* says:

Most of the evil practices which have made the whole system of life-insurance a by-word and the scorn of the people, have arisen under this irresponsible management. Investment in extravagant buildings, the enormous expenditures for payment of salaries to officers and to agents, are all the result of the secret plan of management. Does any one suppose that, if the affairs of the companies were fully and completely exposed to the public, such payments would be permitted or tolerated? Men are entitled to be paid for services rendered the full equivalent of those services, but they

ought not to be allowed to be the sole judges of the value of those services, and they ought to be at all times ready and willing to come before the persons interested, and submit a full, fair, and clear account of their stewardship. Human nature is of the same quality in the managers of life-insurance companies as in other men. Responsibility to some power, accountability to some persons or body, is absolutely essential to honest management. Men who know that they cannot or will not be called to account will fall into loose and unbusiness-like methods and practices.

There is an English practice that might advantageously be followed by the American companies. At their annual meetings the policy-holders are allowed to be present, and to question and complain to their heart's content. What is needed in the States is some such recognition of the rights of policy-holders, added to a providing of some machinery for maintaining their rights and defending their property. An insurance company differs from a savings bank in the inability of the policy-holder to draw out his money as the depositor may do. Hence no argument can be drawn from the management of savings banks to cover that of insurance companies. The position of the policy-holder is equitably not merely that of a *cestui que trust*; he is a part owner, a stockholder, a proprietor, who has proprietary rights, and he is as much entitled as a stockholder in a railroad company to tear aside the veils, disguises, and outworks with which almost all American corporate managements are seeking to mislead and plunder the public.

THE PARKER CASE.

In our last issue we alluded briefly to the failure of Henry Parker. Facts have meantime cropped out that lend an entirely different color to the affair, and reflect somewhat on the sagacity of some of our leading institutions and business men. Parker came to this city three or four years ago and opened in a modest way a produce commission house. His principal consignments consisted of butter, which he found sale for in this market to shippers and the local trade. It appears he was fascinated with the shipping business and soon embarked in it with little or no capital, and without any experience, as to the requirements of the markets to which he was consigning his goods, and, consequently, "came to grief," like many other adventurers of his kind. It is a very easy matter to buy goods, ship, get bills of lading, and pass drafts against the same on your consignee. But this is not the end which Parker and others have found out. As long as markets are advancing, and his banker will buy this kind of exchange, all goes well, but, when the markets show signs of weakness, or a decline takes place, the fat is all in the fire; the shipper finds his consignee has refused his drafts as the goods are not the sort he wants, or that they have been drawn for more than they will realize. The result is, if the shipper cannot put up the required margin with the consignee in order to make himself safe in accepting the draft, the goods are put into the hands of a broker to be realized upon for account of the banker here, a id generally nets half to three quarters of what they were drawn for. This difference must be borne by somebody,

and that somebody, in nine cases out of ten, is the banker, whose opinion of the shippers is not enhanced thereby. It is not only a dangerous business to countenance and assist such dealings, but a most decided impediment to those in the trade who have experience, capital, and established connections, which have to remain unemployed during the operations of such adventurers. Parker appears to have made a practice of drawing for cost of his goods and sometimes with a profit; of drawing for a greater quantity of goods than he shipped; of shipping inferior goods and drawing against them at the valuation of fine. Latterly he appears to have bought anything and everything that he could find parties willing to trust him with: corn, flour, beans, oats, pork, potatoes, hams, shoulders, &c., all these articles he would ship, hypothecate or sell, anything to convert the stuff into money. He has brought friends as well as foes into his difficulties. One very respectable firm that had befriended him to the last will suffer a considerable loss through having advanced him on butter and flour, the quality of both being very inferior to what they were led to suppose. His ability to wield so much influence is attributed by his neighbors to more than secular causes, through his having recently joined a certain society presided over by influential, well-meaning persons, who are not unfrequently led to believe in its efficacy, also, as a hypocrite manufactory. A contribution of \$500 was calculated to affect the vision of his new-found friends, and he soon began to be looked upon as a promising bright light; but, alas for man's profundity! he has disappointed them as badly as he has those who entrusted him with their worldly goods. It appears he kept no books to speak of, and employed no regular bookkeeper although doing business of a magnitude that would require the constant attention of two or three. Anybody visiting his office would scarcely imagine it the headquarters of a merchant doing the enormous business Parker was doing; in cleanliness, it was scarcely fit for a junk dealer's office, the furniture consisting of one small table, a shelf, apparently intended for a desk, and a small counter of rough pine boards. The principal question asked is, what has become of the money? Parker was well known to be a very close man, spent very little money his business expenses were light, and, what he has done with it, is a mystery not likely to be solved on this side of the great unknown. Some interested parties are trying to induce him to return to the city, but they are sure to discover sooner or later that they "can't fool Parker."

— The prospects of gold mines in the Hastings region seem to be improving, recent developments having proved satisfactory.

— The shipments from Saginaw River for the season up to June 1 are, in round numbers, 70,000,000 feet of lumber, 377,000 feet of timber, 11,000,000 shingles, besides a large quantity of laths, staves, and hoops.

— The United States public debt statement shows the amount, less cash in the Treasury, to be \$2,063,377,312.37, a decrease of the debt