

upon having a large part in their own government. Meantime, the adjustment of conflicting interests will make friction and trouble for an indefinite period.—“American Review.”

#### VALPARAISO EARTHQUAKE.

On the evening of the 16th instant, an earthquake occurred at Valparaiso involving a loss of upwards of 4,000 lives and also a very serious property loss, principally in the residential quarter of the city. This catastrophe, following so closely in the wake of the San Francisco disaster makes it appear all the more appalling. Later advices inform us that a second shock has occurred.

The more recent dispatches received, indicate that the fire losses at Valparaiso, have been somewhat exaggerated, the damage to the commercial centre not being so serious as at first reported.

We understand that the Chili insurance law, prohibits foreign companies doing a large business, British companies transacting business there, are practically exempt from any liability owing to certain clauses in their policies. Little or none of the re-insurance is held by American companies, according to all reports. Chilean insurance companies transact the largest portion of the business.

#### INSURANCE AND COMPETITION.

We are all familiar with the old adage that “competition is the life of trade.” As expressing a broad truth with reference to ordinary commercial enterprises, the saying quoted is substantially correct, for the simple reason that competition furnishes a spur to the endeavour to excel in superiority of service and in the practice of economy. Two or more parties having the same article to sell to the general public or the same kind of service to offer are necessarily put upon their mettle to furnish the best commodity or service at the lowest price practicable. But competition goes much further than this, and is one of the suent but potent forces which stimulate invention and promote the attainment of better methods of administration, based upon the gathered experiences of the past. Real life means motion, and that too a forward motion, and competition is the steady breeze moving into perpetual and healthy action the waves of our human sea, preventing that stagnation which means eventual death.

The mistake which men are constantly making is in perverting the functions and uses of true competition, or, as in many other things, carrying it to that point of excess where a virtue becomes a vice. Unquestionably in the field of insurance in all its branches, honorable competition has its place, but to be of the healthful, helpful kind it

must be a competition for the attainment on the part of the companies of the greatest degree of excellence, and on the part of the agents of the highest degree of efficiency. The men who succeed in manufacturing and placing on the market the best brand of flour or the best quality of boots and shoes at the lowest price consistent with the ability to permanently produce these commodities, will not only command the best trade, but will influence others to endeavour to reach or excel their own high standard.

Precisely the same thing should be true of insurance of all kinds, and notably so of life assurance. Unfortunately it has become a notorious fact that for some time past true competition, that which aims at superior excellence, has to a great extent degenerated into reckless rivalry among companies, and hostility and defamation of competitors among agents. Not how good, but how big, has been the motto of the former, and the latter have promptly responded by an avalanche of applications procured often by misrepresentation and rebate of legitimately required premiums, while in fire insurance, rate-cutting and sharp practice generally has marred the business.

There are not a few tokens of encouragement, however, that a better state of affairs will prevail and that a return to legitimate methods is near at hand. The influence of associations among the workers in life assurance has already done much to correct existing evils of practice in the field, and many of the executive officers of companies have declared against that kind of competition which demoralizes and imperils the business both fire and life.

#### SOME FIRE ACCESSORIES.

Besides things left undone, as the building of brick partition walls from foundation to beyond the roof line, there are some things done in this city which are accessory to the spread of fire. We are so accustomed to see the shafts, flying passage ways and outside stairs, by which upper tenements communicate with fuel sheds, that we do not realize what facilities they afford for the spread of fires. There are rows of the cheaper tenements which are provided with outside wooden steps leading to the upper floors; these stand only about 18 feet apart, some much less, between a long line of these stairways for one row of dwellings, and those for another similar row at the rear of tenements on a parallel street there is in many cases only a 10 or 12 feet space. Were one stairway to get afire, the whole double row would inevitably follow suit, and they would burn like pine chips. Access to some of these fire traps, or fire nests, for the brigade machinery would be very difficult, as rows of houses are backed up so closely together