

perty by fire. "Under these laws a citizen is liable for any loss which might be caused directly or indirectly by him, upon the theory that a man should be responsible for the consequences of his own negligence or neglect, which, besides being the law, would seem to be good, sound common sense also." But not from a common law standpoint, where responsibility for negligence or neglect must be of an official character before legal consequences will attach.

There is a thought pervading the "commentary" that the true interest of the insured is intertwined with the real interest of the insurer, and that both are served best when harmony exists between the company and its clients; that building laws and water supply, co-insurance and standard policy, in fact, everything which reduces the loss, reduces the premium and reacts for the benefit of the property owner. And yet Mr. Beddall finds that:

"In no other country in the world have the powers of the underwriter been so hampered by legislation as in the United States, every discontented policyholder looking to the legislature for the redress of his grievances, imaginary or real. A man in Virginia suffering from defective vision succeeded in getting the enactment of a law compelling the insurance companies to print the conditions of their policies in a bolder and more legible type, failing to observe which the conditions were rendered null and void. In many of the States there exist valued policy laws which provide that the sum insured shall be regarded as proof of the value of the property described in and covered by the policy, regardless of what its actual value may be. Another State requires that not only the conditions of the policy, but the headings and all the printed matter shall be printed by all companies in the same type, and that the size of the policy shall be uniform. This policy form, while valid in the State demanding it, is illegal if issued in a neighboring State. Many of the States now have what are called resident agents' laws, under which the company is made subject to certain pains and penalties for writing a risk in such State, except through an agent resident in the State. Indeed, it requires of the underwriter the proverbial astuteness of a Philadelphia lawyer to determine what he can and cannot do under the conflicting laws of the various States as they exist today."

In contrast with the superabundant and conflicting legislation in the United States, Mr. Beddall shows that "there are no laws governing the insurance contract in Great Britain, each company being free to make such contracts with the property owner as he may be willing to accept, and that contract, whatever its provisions may be, will be sustained by the courts." Neither is there anything in the laws of Great Britain "to prevent a company which has been legally organized from taking an office, putting out a sign, and writing all policies which property owners will pay for, whether its capital be a hundred dollars or a million," and that the people of that country, as well as of

this, "are perfectly able to take care of themselves if left to their own devices, and that no law is necessary to protect them against their own foolishness." To all of which we readily assent, but unfortunately the people in this country, who make the laws, don't agree with that view of their ability to do without paternalism when dealing with corporations.

In Great Britain, where freedom from paternal legislation exists, "the result proves that there are fewer irresponsible companies and a smaller opportunity of imposing upon the ignorance of the people than here, where the most elaborate laws exist for their protection." But in this connection it must not be forgotten that this country covers a continent, and is not like Great Britain, where every part is in instant connection with the capital or with the locality where the company may hang out its sign. The "wildcat" prowls away from his lair, and unless the traps are set in the paths which he frequents in distant States he will certainly grow fat upon the "foolishness" of the people. The "wildcat" is unlike a "fraudulent merchant," in that the latter is at home with his customer, while this insurance feline keeps away from its home, and when run down by the insurance press, it skips to other localities, swaps away its name and starts fresh and sleek for more preying upon the "foolishness" of the people.

And now we come to another bit of stinging sarcasm:—

"The insurance commissioner for the State of Kansas sympathizing, as doubtless he does, with the troubles of the insurance companies and the harassing character of their business, has apparently determined to see that the salaries paid to their officers are made proportionate to the anxieties and difficulties to which they are subjected, and in order to carry out the philanthropic idea has called upon each one of them to give a list of the salaries which they pay. While prompted by the highest and purest motives, so far as I know, no good result has yet come from the movement—at least none has come to me. Indeed, it would seem that the officers of many of our companies had failed to appreciate the efforts made in their behalf and had resented interference by withdrawing from the State."

Very neatly said. But we cannot, as we would like, make further extracts from this admirable paper. That it will be carefully read by the insurance profession goes without saying, and we wish it could be brought to the attention of legislators, both State and National, for its suggestions are all conducive to better legislation, and explanatory of the business methods of sound underwriting, whether by home or foreign companies.—*Baltimore Underwriter.*

AMERICAN FIRE INSURANCE CO

The American Fire Insurance Company of New York is opening for business, in Canada, with Mr. J. Boomer as Manager for the Dominion. Mr. George W. Wensley as President, has charge of the affairs of "The American" in the United States. The company is controlled by the Manchester Fire Assurance Co., and Mr. Boomer will manage both of the companies named in Canada.