the brain into unhealthy excitement and tend to keep it chronically in a state of partial inflammation.

An inspired writer speaks of the highest phase of morality having the "promise of the life that now is." That is a profound truth, but no medical diagnosis can detect any traces of the most potent influences for preserving or destroying life, which are found in the moral and mental nature. When these are thoroughly healthy the body has watchful guardians that act as the agents of Providence in preserving it from perils common to those who are not so protected.

HOW SHALL FIRE INSURANCE RATES BE MADE AND BY WHOM?

It seems a natural answer to the question, "How shall Fire Insurance Rates be made and by whom?" to say, those who sell any article, or service, or who enter into any undertaking, have the right to fix the terms of such sale or agreement. That is elementary, and supposes that the person to whom it applies is acting individually. If, however, a number of persons having widely extended interests spread all over the country, in which area the market conditions vary, deem it desirable for their common interests to establish uniform rates, or rates variable with local conditions, it is evident that the questions as to how those rates shall be fixed and by whom, become somewhat complicated. At the recent gathering of the National Association of U.S. Local Fire Insurance Agents these questions were discussed briefly by Mr. J. H. Washburn, President of the Home Insurance Company, by whom they were spoken of as "burning questions amongst underwriters." The agreement of the companies upon rates and their promulgation from a central point for the whole country was regarded as satisfactory. Neither was the plan of having several centres from which rates shall emanate for the surrounding section, nor, the selection of rates for one or more States with delegated power to make local rates; nor, was the third alternative approved of giving agents in local boards the sole power to act as a local rating authority. It is obvious that rates established at a central point are open to the objection of being made without the definite and intimate knowledge of the localities where they are applicable, which is needful for perfect adaptation to local conditions. However expert a professional underwriter may be there must necessarily be a lack of elasticity in his rating which renders it not adaptable to the varied conditions of a number of localities. To attempt to stretch every district on the Procrustean bed, made at a remote centre, is not likely to prove an agreeable process to policyholders, or a profitable one to companies. Mr. Washburn considers, however, that the most serious objection to above method is that rates so fixed and promulgated having been arranged without consultation with the agents are not likely to be warmly welcomed by them, consequently they are apt under such conditions, to seek relief from the rates imposed upon them on the slightest pretext. An agent who regards the rates fixed for his district as unsuitable feels himself handicapped in his business, he becomes discouraged, he is not in sympathy with the rates he has to charge, therefore he is unable to pursue his duties with cheerful energy and confidence. If his services are valued by the company the agent who wishes to have some freedom from rigid observance of rates of which he disapproves, is very likely to be given discretionary powers. This inevitably leads to trouble with. Other agents and risks, dissatisfaction being aroused amongst some policyholders. Any variation from the schedule rates is certain to leak out, and the agent who has given rates varying from those agreed upon is apt to find himself in a disagreeable position, other companies will give their agents similar freedom in offering "cut rates," hence the whole fire insurance business of that district becomes demoralized, property owners are irritated, and all the agents suffer because of the original fault of establishing rates unsuitable to their locality. Mr. Washburn does not consider it feasible to adopt a permanent scheme for rating. He said:

"Schedule rating in some form must be the basis, but should not enter into too minute details. And no schedule which the ingenuity of man can devise will work automatically or without modification in individual cases. Companies and agents should act together in making rates. Using rules and schedules prepared by the companies, agents should make the rates applicable to the individual risks in their territory under the supervision of the special agents of the companies. In this way rates would be made with a reasonable degree of intelligence, would be varied according to the character of risks as shown by personal knowledge, and agents would feel the responsibility of observing rates in the making of which they had shared and there would be no occasion for any relief system. In all this there is nothing new; but sometimes an old idea makes a new impression when it is uttered by a voice heretofore unheard and the matters briefly touched upon are of such importance to the interests of companies and agents alike that they cannot be too often considered."

The adapting of fire insurance rates to the particular conditions of each district, and each section of a large city, so as to be equally fair to all interests is a task of extreme difficulty. It is continually under the consideration of the Underwriters' Association by whom advance has been made in solving the intricate problems raised by the varieties of local conditions.