sists in presenting the business of underwriting life, fire, and all other risks. In rejoinder to a 'note' of mine on this subject, a writer in this admirably-conducted journal remarks as under." (Here follows our article as above cited.)

Pertinax then continues as follows :

"Now to all this little exception can be taken, save to the conclusion that, for the reasons stated, 'all kinds of insurances are *controlled by chance.*' To assert this is, in my mind, to render the investigation and statistical experience of actuaries and experts almost nugatory and virtually to deny that, underlying the *admitted* uncertainty of death in the individual, there is a law of average which governs the ultimate result in the aggregate. The real question between us—on all else we are agreed—is whether the uncertainty of individual experience on the average disclosed by aggregate experience, fortified by the exercise of due care and judgment, is, on the whole, to be regarded as exerting a predominating and *controlling* influence. I am of the latter opinion, and decline to believe that our Insurance Companies are merely engaged in gambling on a large scale—that, in a word, 'insurance is a game of chance.' Accident and crime, as unknown quantities, at times intrude to vitiate ordinary calculations, but this notwithstanding, the rule of average exists, and in the end prevails. The exception only proves the rule."

All of this reads very well ; it is all assertion and no argument ; nor does it disprove our assertion that "insurance is a game of chance ;" and we now venture even further, though in doing so we may shock the sensitiveness of our friend *Pertinax*—who, by the way, does honor to his pseudonym by his persistency, and declare that insurance, in its underlying essence, is *simple gambling*. Its foundation is the "doctrine of chances :" in fire insurance the contingency insured against may happen, or it may fail, or it may partly happen or partly fail,—that is, there may be a total loss, or a partial loss, or no loss at all ; while life insurance is based more upon the "science of probabilities." The event insured against—if this expression may be permitted—is *sure to happen*, and the loss is always total, the "chance" assumed is simply the "probability" as to the proximity or remoteness of the event. If *Pertinax* is at all *au fait* with current life insurance literature as studied by the actuary, he must know that fully one-half of this literature are works treating upon "Arte Conjectandi" or the doctrine of permutations and combinations, essential and fundamental parts of the doctrine of chances. Fire insurance has not yet progressed so far as to have any mortality tables for reference, as in the life branch ; and the business is one of guessing whether a risk will burn or not during the life of the policy, and what it is worth to carry it for the time. It is yet a "game of chance" to all intents and purposes.

That we are not alone in our opinions, we cite some standard authorities holding to the same ideas. We go back to the 13th edition of Blackstone's Commentary, Dublin, 1796, and we find the editor of that edition, Edward Christian, says :

"Insurance, in effect, is nothing more than a wager, for the underwriter, who insures at five per cent., receives five pounds to return one hundred, upon the contingency of a certain event, and it is precisely the same in its consequences as if he had betted a wager of ninety-five pounds to five that the ship arrives safe, or that a certain event does not happen."

Another English Judge, Buller, a century since said : "Taken in its narrow form it is only a wager ; but more liberally construed it is an indemnity."

Insurance would not be a game of chance if the insured only recovered the same amount, say with interest added—that he paid in ; but when he pays $5, and receives $5,000 upon the happening of a contingency, which might not have happened at all, then it is wagering in fact.

Elizur Wright, Esq., the well known veteran Actuary of Boston, Mass., said, many years since :

"Insurance is always a game of chance, and is no better than any other sort of gambling, except by having a good motive and accompanying a desirable object. * * * What a man really does, if he only knew it, when he pays down for the insurance, is to make as many separate bets with the Company as he has years to live." Or, in other words, "insurance is gambling made useful" for human purposes, by confining it within certain bounds or limits. In the early part of the 18th century *wagering* policies without, interest, were common and recognised as legitimate ; and they were speculated in upon every subject as Mr. Walford tells us—against highwaymen, house breakers, thieves, lying, death from drinking Geneva, insuring female chastity, against divorces, on marriage, "little goes." And Magens, in his Essays on Insurance, A. D. 1755, says :

"The making of insurance vastly increased ; for gamesters, wagerers, and cunning fellows, who pretend to deal in speculations, began to be almost as much concerned as the merchants, so that a policy of insurance, in a short time, acquired rather the effect of a box of dice than a contract to secure trade ; and as gamblers seldom play fair after a few of the first games, it was not long before foul play in assurance began to appear, which has ever since continued to increase, insomuch that it is now almost as common to hear of a wilful and fraudulent loss as an inevitable loss at sea."

To such an extent were these speculations carried that a law was enacted in 1746 (19 Geo. 2d chap. 37) prohibiting the issuing of wager policies, "interest or no interest." The celebrated decision of Lord Mansfield in the case of gambling policies on the sex of D'Eon de Beaumont was the first legal ruling making an "insurable interest" the basis of a legal insurance contract, and putting an end to what were called wager or gambling policies. So that, while insurance, based upon an existing insurable interest in the person insured, is now not only legal, as well as beneficial to mankind, and generally practiced throughout the world, it is none the less a game of chance for both parties, insurer and insured, and all that the actuary in the life branch has been able to do has been, by myriads of computations of deaths and disease, to come to a close approximation as to the occurrence of these "chances" in an aggregate of thousands of lives, to enable them to deduce therefrom another approximation as to the average rate at which deaths occur, and the rates at which such "chances" can be assumed by the Company and leave a margin for the future. With all of their "conjecturing" and consequent combinations, they have not removed insurance from its status as "a game of chance," though they have approximated a price at which they will assume these "chances," come when they may ; hence it is that the subjeet of insurance is termed the "hazard" or "risk" ; How can there be a risk or hazard without its corresponding chance?