

A Place Where the Moral Hazard Is. The Argentine Republic has, in the past, given bankers and bondholders lots to think about and speculate upon, and now insurance men are becoming thoughtful over an illustration of what is the moral hazard for companies conducting business in happy Argentina. A Rosario judge is reported to have ruled that the mere finding of bundles of straw saturated in kerosene in a house on fire was no reflection on the owner, because no one appeared to have seen him place the straw in the house.

The Silver Bogy Re-appears. In attempting to account for the return by Europe to the United States of American securities, the financial papers of the latter country are not content to believe that the advance in the price of these securities induced European holders to sell. Neither are they disposed to regard the movement as an indication of a favorable trade balance being settled for in securities instead of money.

The New York "Commercial Bulletin" of Wednesday last estimates that the States have spent \$375,000,000 in less than eighteen months in redeeming these securities, and now attributes the flow of same westward to the unsettled currency question. The "Bulletin" says:—

It cannot be denied that the main reason why European holders have been improving the opportunity afforded by good prices here to get rid of their American securities is the possibility that by legislation, or by the force of circumstances which we might arrange in advance to control, but we refuse to, this country may substitute the silver for the gold dollar and cut every public and private obligation in half.

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The foreigner not unnaturally asks: "If the American people are by a decisive majority in favor of maintaining the gold standard, why is it that their government is afraid to say so definitely in the laws and to take the steps necessary to prevent the Treasury from being forced to silver payments."

The Utility of Vaccination. A valued correspondent, writing from London, Eng., while thanking us for many interesting articles upon small-pox and vaccination, refers to the latter as a delusion, and says its penal enforcement is a crime. He quotes from an essay by an eminent scientist who, declining to accept the statements of medical men as to the annual mortality from small-pox before and after the introduction of vaccination, says "doctors are bad statisticians, and have a special faculty for misstating figures." However, the large majority of insurance offices still show that they, at any rate, believe that vaccination is neither useless nor dangerous. In response to a request for information made by a medical journal, sixty-nine offices have set forth their method of dealing with those who from conscientious

objections or for any reason whatever, show want of belief in Jenner and his followers. Out of these 69 offices, 13 decline to accept proposals from unvaccinated persons; 11 exclude from their contracts death from small-pox; 5 only pay surrender value in case of death from small-pox in unvaccinated persons; 19 offices charge extra premiums on such persons; 8 offices add a certain number of years; 5 offices deal with proposals from unvaccinated persons on their merits; 1 office discourages them, and only 7 offices make no difference between vaccinated and unvaccinated applicants.

The eminent scientist may continue to nurse his doubts about the doctors' aptitude for statistics, but he will hardly complain of their collection of facts regarding the views upon vaccination entertained by the insurance companies.

Insolvency Legislation.

Possibly the postponement of any action by parliament in the matter of framing a bankruptcy act, may be due to a desire to obtain further information as to the working of the national bankruptcy law, passed by the United States Congress at its last session. Our neighbours had been agitating for many years the necessity of such a law, and, although many defects therein are being discovered, they are, like a practical people, taking steps to remedy these imperfections. The New York "Commercial Bulletin" says of the new national bankruptcy law: "The imperfections of the measure were generally recognized. To a great extent it was a mere patchwork of compromises all tending to "liberalize" the effect of the law on the debtor. The one satisfactory feature of the Act consisted in its uniform application to the whole country, and in the basis which it presented for future amendment. The Chairman of the Judiciary Committee of the House, from which the original of the present bill was reported, said that his committee believed the provisions they had recommended were the most liberal that could be enacted while at the same time recognizing the theory of the Constitution in respect to laws providing for a uniform system of bankruptcy. But when the bill came back from the Senate and was finally adjusted in conference, the liberality of the provisions of the Judiciary Committee was greatly exceeded, and most of the penalties against fraudulent bankruptcy were reduced to meaningless vagueness. It is not, therefore, surprising to find the Credit Men's Association already agitating for extensive amendments to the bankruptcy law. The test of actual experience has demonstrated the weakness of the law in places where it should be strongest, and has confirmed most of the apprehensions that were felt on the score of its excessive leniency. There is no work of greater importance to the general business community than that which has been undertaken by the legislative committee of the Credit Men's Association. The fact must, however, be re-