

the verge of bankruptcy; or an irresponsible, thieving concern secures a license to do business in a particular State just because of the ability of its officers to "pull the wool over the eyes" of the department official by false representations, or, as has been frequently hinted at, 'soaping the slide.' Such things have happened, and are liable to happen again. Naturally enough such things raise questions as to the value and efficiency of State supervision, and create a demand for its abolishment as a needless expense.

"But the plan itself is all right. The defect lies back of this, and exists mainly in the methods by which the officials in charge are placed there. In a few States the office is an elective one, but in the majority, the incumbent is appointed by the Governor. In either case, the result is the same—the office degenerates into a political affair, and becomes a factor in the running of the political machine. "To the victors belong the spoils," and one of these spoils, and by no means an insignificant one, is the office of insurance commissioner or whatever it may be designated. Hence, after every "political revolution" involving a change in the party in power, there is a scramble for this as well as other fat positions. Therefore, in States where the two parties are about evenly balanced, bringing about an oft repeated change in administrations, it happens that there are frequent changes in insurance officials. Some States have had four and five such officers in a period of ten or twelve years, one officer hardly becoming accustomed to the duties of the position before he is compelled to step down and out for a successor of the other political stripe. But this state of things, bad as it is, is made worse by the fact that the office, instead of being bestowed upon a man versed in the insurance business, and even recommended by the insurance fraternity, is given to some politician as a reward for services rendered to the party in power. Such men know almost nothing about the insurance business or the requirements of the position, and while they are learning both they make mistakes for which the people suffer. And then, if they succeed in overcoming these difficulties, and developing into efficient officials, the political wheel revolves once more, and out they go. There are notable exceptions to this, prominent among them being the Insurance Commissioner of Michigan, who is an expert accountant, and had been connected with the department for some time as chief examiner under his predecessor, and was well qualified to fill the position of commissioner. His case, however, is an exception to the rule.

"If a man could be selected for the position on account of his fitness for it, and regardless of his political bias, and then appointed for a long term, say ten years or more, the State insurance department would be conducted on their merits. The duties are peculiar and require peculiar qualifications. The men who can best fill the bill are not of those, as a rule, who

grow on political trees, and must be looked for elsewhere. And there is need for reform in this direction. The interests involved are of too great magnitude to be trifled with, but, on the contrary, are entitled to the best services obtainable. If it is worth the while of a State to supervise the insurance business in its borders, it is certainly worth its while to see that it is done as well as possible. This is not true now as a rule, and until it becomes so there will be a recurrence of those cases which tend to create the feeling that insurance departments are inefficient and of little value. The fact might as well be recognized that State supervision is here to stay; that it is defective in its methods of application, and remedies should be devised to improve it if possible."

Even if National supervision may never be a reality, the "Indicator" agrees with our statement of January last, made during the discussion of the Platt Bill, namely, that the weakness of the present system of separate State Departments is due to the frequent removal of capable and efficient supervisors to make room for the representatives of a new administration.

FIRE RISKS IN COTTON.

This subject is a large one in the sense, both of its importance to fire companies, and the scope of treatment needed to do it even partial justice. Cotton has been so much discussed for many, many years that but little that is new remains to be said about it. The dangers incidental to its transportation, storage and handling are well known, and yet it remains the same dangerous, treacherous commodity it always has been, and, in all human probability, always will be. Precautions of a practical character are constantly being suggested, but cotton remains a burning king. There now seems to be a strong belief that the recent terrible destruction of life and property at Hoboken is traceable to fire breaking out among some cotton bales.

The inflammability of cotton makes its packing the first consideration when preparing same for storage or shipment, and still the system of packing and loading cotton is continually the subject of discussion. The staple is known to be an exceedingly hazardous risk under even the most favourable conditions, and yet experience is constantly showing that those who handle cotton and provide accommodation for its storage have little regard for fire prevention or protection. Perhaps, if the rates for insuring cotton were made adequate, it might lead to the general adoption of some of the many methods proposed from time to time for preventing its destruction by fire. The risk attached to cotton in warehouse, and the minimizing of said risk by proper compression and baling, received the special attention of the British Fire Protection Committee less than two years ago. Owing to great fires caused by the storage of cotton in Liverpool, an investigation was held, and the fires were made the means for comparison between the immunity from