

million dollars (\$1,700,000,000), on which he has received about fifteen million dollars (\$15,000,000), of premiums. In that period he has paid losses to the amount of about two and a half million dollars (\$2,500,000), incurring expenses a little over a million dollars (\$1,000,000), making an apparent profit of the difference; but as the company is a strictly mutual company, that apparent profit of \$11,500,000 has all been paid back year by year to the assured who have combined together for the purpose of mutually insuring their factories and workshops under his supervision.

The main object of this system of mutual factory insurance in which the writer is engaged is to prevent losses by fire. Its purpose is to teach the owners of large factories and workshops that they are the only men who can insure their property against loss by fire. This they can do by building safely; by protecting adequately with all kinds of safeguards; by providing themselves with a full supply of water; and by watching and caring for their property in a suitable manner. In that way they can insure and have insured themselves against nearly every kind of loss that can be foreseen. But there are some unavoidable losses which they desire to distribute under a contract of indemnity. They therefore combine in an insurance company, appoint certain officers as their agents, pay in their premiums which far more than cover the losses and expenses, and then receive back at the end of every year what is left. At the present time they are receiving back ninety-five per cent (95 %) of what they paid in a year ago; the losses during the last twelve months on over one hundred and ten million dollars (\$110,000,000) of risks under the supervision of the writer having been less than fifteen thousand dollars (\$15,000), distributed in about one hundred (100) claims of less than one hundred and fifty dollars (\$150), each; the provision made by the owners and occupants to stop the fires having reduced the losses to less than one cent on each hundred dollars of insurance carried for twelve months. That is a true method of prevention and incidentally securing indemnity. Any man who desired to take out a valued policy and who expected to recover under it, would be considered by the writer a man unfit to be trusted and one who could not have a policy in the company of which he is president, at any price.

The trouble is that most people give no attention to the nature of an insurance policy. Very few ever read their own policies and being thus incapable of taking care of themselves they go to the legislature and ask the legislature to take care of them by very bad methods.

In one sense every contract of indemnity made with an insurance company, whether a stock company or a mutual company, is a contract of *mutual indemnity*. In the mutual company the liability to meet an assessment in case the premiums do not suffice to meet losses and expenses, serves in place of capital. In the stock company the capital stock is the safety fund on which the members rely, making payments of premiums without liability to further assessment. Each is a combination of all the members; that is to say, of all the assured in any one company for mutual support.

When people want to bet a small sum of money against a big one on a valued policy they had better be let alone. Let them bet with each other as gamblers do but let prudent people keep clear of them, and if the law does not permit prudent people to insure each other under safe conditions, then it is better to go without insurance policies and to take care of the property, than it is to attempt to cover the risk by taking unsafe policies of insurance.

Attention may be called to another point. Insurance companies exist under charters granted in their respective states. If the state of Nebraska does not permit an insurance company to refuse to issue valued policies there may be more common sense in Kansas, Iowa, or some other neighboring state. The insurance laws of these neighboring states may be safe and although the insurance companies of these other states cannot transact business in Nebraska except under the Nebraska laws, any citizen of Nebraska may go either in person or by letter into any other state and insure his property under the laws of that state without paying any regard to the insurance laws of his own state. There are many very meddling insurance acts in some of the New England and Middle States and there are many persons in each of these states, especially owners of large manufacturing property, who come to Massachusetts to get their contracts of insurance, not being willing to take the unsafe or valued policies which under the laws of their own states are the only kind of policies they can get under them.

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JUNE 15, A. D. It is well enough to remember that just 683 years ago on the 15th day of last month King John granted the Magna Charta to the barons in the meadow called "Running Mede." It was the germ of the English and the American constitutions. In fact, it was the first declaration leading up to the popular forms of government by the English-speaking races. It is the origin of the modern trial by jury. Principal among its declarations is this:

"We will sell to no man, we will not deny to any man, either justice or right."

And now after these 683 years ~~it~~ behooves us, as citizens of the Republic of the United States, to make careful self-searching and see whether justice ever is sold or ever is denied, or whether right is subverted, within the limits of our political regulations and existing statutes.

Stubbs says in his documents illustrative of English history that "The whole of the constitutional history of England is a commentary on this charter, the illustration of which must be looked for in the documents that precede and follow."

The conference between the barons and king John was held on an island in the Thames river between Staines and Windsor. The king was encamped on one side of the river and the barons held the marshy flat on the other side, which is still known as "Runnymede." There was an island in the river between the two encampments. Delegates representing John on the one side and the barons on the other met on this island for the purpose of negotiation. Here the great charter was discussed, agreed to and signed in a single day. A copy of it may be seen in the British Museum, injured by age and fire but with the royal seal still hanging from the brown shriveled parchment. No American or other English-speaking person can gaze without reverence on this earliest monument of English freedom, which we can see with our own eyes and touch with our own hands—this great Charter which from age to age patriots have regarded as the foundation of civil liberty. Yet the charter in itself was not a novelty. It did not claim to establish any new constitutional principles. The charter of Henry I formed its basis and the additions to it are for the most part formal recognitions of the judicial and administrative changes introduced by Henry II.

Every approach towards the securing of civil liberty since our race began a historic career has been the result of evolution from human experiences. It is a singular fact that these fundamental principles of justice and right were first breathed into words by unlettered instead of by scholarly men. It is a remarkable fact that the entire fabric of self-government was first founded and its superstructure shadowed forth in the minds of a sturdy but unlettered yeomanry.

That generation thought for itself. The generations succeeding seem to think that it also thought for them! When the men of today read so much, do they think as profoundly or reason as well? How would a class in original thinking for each schoolhouse affect the intellectual development of American youth?