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I consider it not only your province but your duty, in behalf of those you represent, to study carefully the legislation proposed in the various states and in the nation.

I wish there might be more hearty co-operation between the management of insurance interests and the supervising departments of the states. It is true that great progress has already been made, but there are still instances of too much independence, if not opposition, on the part of some companies toward the departments. There can be no reason to doubt that supervision has come to stay and whatever may have been the situation in the past, to-day there can be but one correct desire on the part of the supervising departments and that is to not only help safeguard the interest of the insured, but of the insurer as well, realizing that any injury or injustice to the latter must necessarily result in harm to the former also. It is incumbent on the companies to not only co-operate harmoniously with the departments, but to get away from past indifference toward public opinion and the feeling of smug security, of fancied immunity from the consequence of misinformed public sentiment. Through realizing the constant need of studying general conditions and influences, and by anticipating the needed readjustments companies can assist the departments in making changes before misguided legislative opinion forces conditions on the business that are antagonistic to the interest of all.

The greatest danger confronting life insurance is government interference, however efficiently and economically the business may be carried on. A very extensive practical demonstration of government life insurance is now being tried out, brought about by the stress of war conditions. The idea was just and patriotic, for the men at the front were fighting for all, and all should bear the expense. The greatest protection we could give them or their dependents was at best inadequate, but the plan adopted promises to be one of the most costly innovations the Government has ever undertaken. The result of this experiment ought to be watched most earnestly and critically by us all, and its uneconomic character should be fearlessly given publicity, to the end that the perpetuity of that system shall not take place in our Government. Those who are qualified to determine the facts may hesitate to state them publicly, fearing that such action might result in injury to the interests they represent, but you should be warned that such indifference means danger to your business, and ultimately to the nation.

During the reconstruction period now upon us, socialistic propaganda will be plentiful, with so-called advanced ideas being constantly brought out for exploitation. This condition must be carefully watched and consistently discouraged if our business institutions as now constituted are to

survive. An English philosopher recently made the wise observation that while we are making the world safe for democracy, we should exercise great care lest it be necessary later to make democracy safe for the world.

There is nothing so dangerous as power, governmental or otherwise, in the hands of irresponsible people. With this in mind we should consider it a duty to interest ourselves in the politics of the day to the end that the fundamental principles of our government may not be disturbed by the exploitation of unsound doctrines. We must reckon now, as never before, with the extremist who on account of the war has been afforded opportunity to urge his extravagant and socialistic theories on the public under the slogan of "win the war" or with the assertion that they will aid during the reconstruction period. This is no time for visionary schemes. It is a time for sober reasoning and calm, sane reflection.

In the after-war world programme of creative impulses the business of life insurance will stand squarely at the front. As an institution it has served the public and the nation as no other instrumentality could. Since its inception it has been the greatest of all agencies in calculating habits of saving and thrift. No one force has been so important a factor in moulding a true national character. Without its fundamental teachings our magnificent record as a people in supporting with ease the staggering totals in Liberty loans and war savings would have been almost, if not impossible of achievement. And in the reconstructive development of the future it is through life insurance that the people will increasingly reveal their higher appreciation of the value of sound investment and protection and the safeguarding of all those things they hold most dear.

—By Hon. Claude W. Fairchild.

LIFE INSURANCE IS NOT AN EXPENSE.

No great pains need be taken to correct the somewhat general but erroneous impression that life insurance is an expense. It is really nothing of the kind. It is a saving, pure and simple. People do not consider money deposited in a bank at stated periods, to draw against when needed, as an expense. The individual who puts ten dollars monthly into a building association towards paying for the house he lives in does not call it an expense, but a saving. Yet the life insurance policy represents both the bank deposit and the home paid for. Whether the assured dies suddenly or ten years after affecting his assurance, the premiums paid in all come back to his family in a lump, multiplied many times. Money in bank may be lost by extravagant use the house being paid for may be burned, but the life policy means cash without shrinkage or discount, available at the right time to put where it will do the most good