

holders, and that the dividends to stockholders in the capitalized companies average about 8 per cent. on the capital stock.

One Congressman made the preposterous statement in a letter to a policyholder that in 1907 the insurance companies doing business in New York made a "genuine profit" of 657 per cent. on a capitalization of 20 million dollars.

One prominent Senator had serious doubts as to whether or not one of our oldest mutual companies was actually mutual, although he had been officially informed that it had no capital stock or shareholders, and it is doubtful if he is yet convinced. So long as such ignorance exists regarding the simple fundamentals of life insurance organization and management, and so long as unjust prejudices are kept alive, the duty of educating the policyholder is imperative, if his own interests are to be protected.

#### POLICYHOLDERS' SUPPORT WANTED.

Life insurance companies are in need of the support of every policyholder to prevent the enactment of unjust and discriminatory taxation laws, and unless all signs fail their assistance will be needed more and more as the years roll on.

Several companies recently called upon their policyholders to write their senators and representatives in Washington in opposition to the taxing of their insurance savings. A large number complied with the request, but the great majority of the letters came from those insured in companies that make an especial effort to keep their policyholders informed upon insurance matters.

These appeals went to thousands of policyholders who would have been glad to have given their active support to their companies, but who failed to do so because they were uninformed as to the nature and purposes of their own funds and why they should not be taxed.

The natural instinct of self-preservation should prompt every life insurance company to engage in an educational campaign to teach the insuring public the difference between the institution of life insurance and the ordinary profit-making enterprises with which they now confound it.

Notwithstanding the need for conservation in life insurance management, those in command must study the constantly changing business and social conditions and keep life insurance fully abreast with the times. Future needs must be anticipated so far as possible, and we must be prepared to meet them as they develop. This constant effort to enlarge the field of service is an important factor in the preservation of public good will.

#### AN EFFECTIVE STEP TAKEN.

Life insurance has taken an effective step in this direction by giving its moral support to the nationwide movement for the conservation of health and life.

The public has learned by experience that morbidity and mortality can be reduced by an educational campaign to teach the individual and community to apply the life saving intelligence with which science has provided us.

This is a natural and profitable field of service for life insurance companies and they should take a prominent and permanent part in this work, not only for business reasons, but because it offers them an

opportunity to use their influence to promote a great human welfare movement—a service which is appreciated and warmly commended by the public.

The 240 odd life insurance companies of our country have an immense constituency over which they possess a much greater influence in a movement of this kind than many of them realize. It is clearly their duty to exercise it.

The experience of those companies which have actively joined in this educational work indicates that a constantly increasing number of policyholders are willing to listen and be guided by advice upon health topics when it comes from a reliable and scientific source. And even those who fail to heed the advice recognize its value and freely commend these efforts to reduce sickness and life waste.

This life saving influence extends beyond the policyholder to his family, and to a great extent to the public. If properly used it gives much needed support to the public health officials throughout the country, and to the volunteer organizations, by stimulating the interest of individuals and communities in the science of disease prevention. It cannot help but have, in time, a favorable influence upon mortality, which means an increase in mortality gains and a decrease in the cost of insurance to the public.

Millions of dollars are spent annually to see that no impaired lives are insured. This is done to keep the actual mortality a safe distance below the expected, for the tables are based upon medically selected lives.

#### LIFE CONSERVATION A LIVE SUBJECT.

If it is worth while to spend this money to see that no impaired lives are insured, is it not worth while to spend at least some money to keep them unimpaired as long as possible after they are insured, to accomplish the same object—a low mortality?

It is but four years since the first company entered earnestly into this field of life conservation; that is, to the extent of spending money in carrying out a definite programme. Since that time the subject has become of such widespread interest that it is rare indeed to find a gathering of life insurance men where it is not discussed in some of its phases.

This support has come from the Association of Life Insurance Presidents, the American Life Convention, the Life Underwriters' Association and medical organizations, as well as from insurance men generally.

While but a limited number of companies have as yet adopted a specific programme, virtually all life insurance officials and field men are giving their moral support to the movement, and the value of this support should not be underestimated. It has a wonderfully stimulating effect upon the public mind and upon those who are conducting the various life conservation activities throughout the country.

Life conservation adds a dignified and an attractive feature to life insurance. It is a rational and profitable field of activity, for it not only tends to prolong human life and to reduce the cost of insurance, but it fastens the attention of the public upon the value of the service life insurance is rendering humanity in this and other directions. By increasing public appreciation of life insurance people are encouraged to take it and to stick to it after they get it.

Life conservation is therefore a most important business factor in the much needed campaign for the conservation of public good will.