

THE RADICAL VIEWPOINT

THE danger of revolutionary agitations arising out of the war may prove to be small compared with the more subtle and widespread danger of a tendency to ignore what is good and to magnify what is evil in interesting institutions. This is emphasized in "The Review," a New York weekly, the first issue of which has just appeared. This is accompanied by a readiness to throw overboard any conviction or tradition, however fundamental it may be, which seems to obstruct the immediate realization of some scheme of improvement. The most serious feature of this situation is the fact that it has spread among all classes of people.

Continuing, the "Review" says:—

"And there can be no greater error than to ascribe this phenomenon to the war. Not only was it with us, and in great force, a number of years before the war, but it may be doubted whether it has in any essential respect been modified by the war. All that the war has done is to give it a larger mass of material to act upon, an unexpected opportunity to manifest itself in concrete ways which, in more settled times, did not easily present themselves. Minds, for example, that are not gravely disturbed by the program of a Lenin or a Bela Kun are minds that were so "open," before Lenin or Bela Kun had been heard of, that nothing which these prophets of a new day might propose would come as a real shock to them. That this is so—if one doubts it—a single consideration should suffice to show. The curious spectacle has been presented of intense hostility and abhorrence on the part of veteran socialists like Spargo and Russell to that which has been looked upon with philosophical serenity by the "open minded" reformers who had been coquetting with socialism while never ranging themselves under its banner. The explanation of the paradox is not far to seek. The seasoned socialist has been fully aware, all along, that it was a grim business he was dealing with; he was willing to go thus far and no farther, because he realized how deep a break was involved in going even thus far. He was prepared to sacrifice so much of what human life and human civilization has hitherto been built upon, for the sake of what he conceived to be a higher civilization; and precisely because he knew what that sacrifice meant he shrank with a genuine and instinctive abhorrence from the more sweeping sacrifice which the Bolshevik program demanded. But to the dilettante, whose hospitality for socialist ideas was merely the result of a loss of grip upon the values of life as it is and has been, there was only a faint and intellectual difference between Lenin's Bolshevism and the more or less misty socialism upon which he had for years been bestowing his platonic affection. Bolshevism, like socialism, he said to himself, is probably not half so black as it is painted; and since a "bourgeois" civilization is not worth saving anyhow, who knows but that Bolshevism may prove to be the best way to get rid of it?"

RECORD PRICE FOR MONTREAL EXCHANGE SEAT

A Montreal Stock Exchange seat sold this week for \$30,000, equal to the highest price ever paid for a membership on that exchange. The previous sale took place about two months ago, the price being \$26,500, or \$3,500 under the level now established.

LARGE AUTOMOBILE INDUSTRY AT SARNIA

Definite announcement has been made that the gigantic automobile industry locating in Port Huron on a plant site of 3,000 acres will locate an immense plant on a part of which is now the Indian reservation, south of Sarnia, as the Canadian end of the new motor concern.

The local legal representatives of Messrs. Wills and Lee, the former Ford directors, who are putting the new car on the market, have taken out options on nearly 300 acres of the Indian reserve.

SAFETY OF A LIFE INSURANCE INVESTMENT

LIFE insurance agents have frequently to meet the objections of prospects who claim they do not require protection and who fail to see that a policy has certain desirable investment features. It can always be urged in reply that the investment of funds on a large scale furnishes an opportunity for diversification which cannot be obtained by the private investor of ordinary means. Then there is also the fact that the company's organization for purchasing securities, mortgages, etc., has a wider field for selection than has the private individual.

Underwriters should not fail to emphasize the fact that the policyholder of a life insurance company has the first claim upon its assets and the shareholder's claim is to what remains, that is to the surplus. At December 31st, 1918, this surplus in the case of Canadian companies totalled \$38,455,590; total assets were \$347,507,696 and all liabilities, including reserves but excluding capital, were \$309,052,106. In other words the assets exceeded liabilities by about 12 per cent. The paid-up capital stock was \$5,921,342. This surplus was greater than any single class of assets with the exception of loans on real estate, which totalled \$90,653,299, bonds and debentures which totalled \$153,486,418, and policy loans \$43,886,661. Total holdings of real estate were \$17,915,818, so that if in any way this property should be wiped out the policyholders would not, generally speaking, be affected, although in the case of some individual companies the holdings of real estate might exceed the surplus to policyholders. Holdings of stocks totalled \$20,967,662, or just about half the surplus. Policy loans, it will be observed, only slightly exceeded the surplus, and loans on real estate could depreciate to the extent of over forty per cent., or the value of bonds and debentures by about twenty-five per cent., before the policyholders' equity in the assets of Canada life insurance companies would be affected.

This is in fact the strong point of the insurance company which has a capital investment. In return for assuming primary risk of loss and the danger that the organization of the company may not be successful, the shareholder is, of course, entitled to a substantial dividend. The relative position of the policyholder and of the shareholder, from the purely investment point of view, is similar to that of the bondholder and the stockholder in ordinary industrial enterprise. The insurance company has contracted to pay to the policy holder under certain circumstances a specified sum of money and the entire assets of the company are pledged for this purpose. The shareholder's equity is the margin after proper provision is made for all these contracts and any other liabilities, and his profits arise from the difference between the interest paid to the policyholder and the interest earned on investments. There is also, of course, an allowance necessary in consideration of the protection afforded the insurance policyholder.

TO CREATE BOARD OF GRAIN APPEALS

Amendments have been made to the Canada Grain Act which creates a board, to be known as the Board of Grain Appeals, according to an announcement made by Hon. A. K. Maclean, Acting Minister of Trade and Commerce. The board is to consist of three members, who must be grain experts, and who shall hold office for a period of ten years. The offices of the board will be located at Fort William, where it can most conveniently hear appeals from the decision of the chief inspector on samples of grain, respecting which the grading is disputed.

Provision is also made for the establishment of a Survey Board at Calgary for the district of Calgary. The amendments provide that all track buyers and owners and operators of warehouses and silos and all grain commission merchants shall take out annual licenses. In future, no person, firm or corporation, licensed as grain commission merchants, shall, directly or indirectly, buy for his own account any grain consigned to him for sale on commission.