

## LIFE INSURANCE AND MODERN NEEDS.

**ITS CAPACITY FOR RESPONSE TO BE CHIEF THEME AT ANNUAL MEETING OF LIFE INSURANCE PRESIDENTS—WHAT WILL BE DONE.**

The readiness of life insurance to respond to new economic needs of the people will be emphasized at the seventh annual meeting of the Association of Life Insurance Presidents, which will be held at the Hotel Astor, New York, on Thursday and Friday, December eleventh and twelfth. The discussion of this theme is expected not only to show the recent accomplishments of life insurance in meeting the demands of a rapidly expanding country, but also to develop suggestions for new fields of activity and wider efficiency. Following its custom, the Association is inviting to this meeting the chief executive officers of all life insurance companies in the United States and Canada, the State Commissioners of insurance and representatives of various organizations in the business. There will be the usual opportunity for general discussion, following the formal papers.

### THE MAIN THEME.

The scope of the meeting is indicated in the following announcement by General Counsel Robert Lynn Cox:

"The main theme of our Seventh Annual Meeting will be 'The Response of Life Insurance to Present-Day Economic Needs.'

"The elaboration of this theme will be in the nature of answers to the question whether life insurance as an institution is doing its full share in helping to meet the new problems of an advancing civilization.

"This accounting of stewardship will include reference to the extension of life insurance activities into the field of business insurance.

"It will show how life insurance companies are seeking to protect beneficiaries who are inexperienced in making investments, by providing monthly or annual income insurance instead of paying over a principal sum.

The matter of insuring insurance, as it has been termed, will be considered in a discussion of disability clauses in connection with which may appear an honest difference of opinion as to how far such a provision should extend.

"Group insurance and its relation to the demands being made upon large employers of labor for protecting the welfare of their employees will be discussed.

### NEW FEATURES.

"The dangers which attend the introduction of new features in life insurance, if carried too far under the stress of competition, will be emphasized by a consideration of the evils which have arisen in connection with too liberal policy loan provisions, which may be said to represent the response of an earlier generation to what seemed to be the economic needs of that day.

"In addition to this economic inventory of purpose and accomplishment, further attention will be given to the problem of disease prevention in its relation to the longevity of policyholders. Eminent medical authorities will point out what is needed in the way of health reforms by the average American city and

what may be reasonably expected as to health improvement within the next ten years.

### BETTERMENT OF SERVICE.

"Again, time will be devoted to the forward look. With stability of life insurance established beyond a question of doubt, it is natural for men engaged in it to search for new fields into which it may be extended and to look for a wider recognition of its value by those now receiving its benefits.

"Betterment of life insurance service, which afforded the slogan of last year's meeting, will again be brought to bear in the discussion of concrete questions, to the end that the best representative thought may be applied to the problems which confront executive officers. The brief formal papers will be supplemented by a general discussion and a considerable section of the programme will be reserved for this on the second day of the meeting."

### CONCENTRATION OF INSURANCE CAPITAL.

Regarding the tendency towards the centralization of fire insurance capital, in common with the general business movement towards fewer and larger entities, *Best's Insurance Notes*, referring to conditions in the United States, says that all over the country are to be found fire insurance companies in very excellent local repute, many of which are able still to hold a desirable business of moderate volume, yielding a fair profit. Others, especially those which are attempting to do business in a fairly extensive territory, are finding "hard sledding," and it is apparent that economic conditions logically indicate that in the future there will be fewer companies, of much larger size.

*Best's* suggests some form of co-operation as the salvation for these small companies. A merger of fifteen or twenty of these small companies, each operating in a small territory, but jointly covering a wide field, into one substantial institution, which could leave in the hands of the active managers of the companies now in existence the direction of the affairs of the large company for the territory in which each of the smaller companies is strongest, would be a good thing for their stockholders, their policyholders and their officers. Another possibility, continues *Best's*, would be the adoption of a plan of reinsurance and retrocession similar to that in vogue throughout Europe. Great sums are now paid foreign reinsurance companies licensed in the United States, which in turn cede part of their writings to unadmitted foreign companies, so that no one company carries an excessive amount of liability. A large, substantial American reinsurance company having retrocession treaties with a number of the smaller companies scattered throughout the country could readily secure from the giant companies a liberal share of the reinsurance which is now turned over by these great companies to foreign reinsurers.

Mr. George T. Clarkson, the permanent liquidator of the Union Life Assurance Company, has filed a petition in connection with the winding-up proceedings of the Imperial Loan & Investment Company. The Union Life's claim is for \$45,610, payment of which was demanded two months ago. In his petition Mr. Clarkson says that the affairs and business of the Company should be investigated.