THE ENDOWMENT PLAN

Endowment life insurance at long term had much said for it recently at an agency convention by J. S. Arnick, of Kansas. It is a fact that endowment insurance has usually been regarded as the most selfish, and therefore the least commendatory form of insurance, except, of course, where there were particular purposes to be attained through it, that were obviously unselfish. Mr. Amick, however, puts the endowment in a new light, as being better in practice than the theoretical advantages in whole life insurance, especially when the contract is made to mature at the period when old age begins—at age 65. The difference in cost is comparatively so small that it need not be considered and can be provided for out of any man's average wastage.

He illustrates with a man of 25 carrying $10,000 whole life at a premium of $205.50. He could carry the same amount in endowment payable at age 65 for $246, a difference of only about $4 per thousand annually. At any time he might die his $10,000 of estate would be realized for the beneficiary, while for the additional $40 per year he would be purchasing safety and support for himself under a variety of circumstances that might bring him alone to need it at age 65.

At that age, even if the family beneficiary be alive with him, he may need the income. "The time of life has been reached when most men wish to be able to live upon the fruits of their labours. The endowment at 65 steps in and fills just this need. It fulfills all the functions of the ordinary life policy in that it provides protection during the years that protection is most needed, but in addition it supplies a cash fund when the need of ready money is commencing to be keenly felt. It does not leave the policyholder to drift along until age 96 when the ordinary life policy becomes an endowment."

This is sound argument and attractive to the optimistic. The way to realizing the endowment at age 65 does not appear to be much if any more difficult than the way to keeping the ordinary policy alive to the same age. Mr. Amick strengthens his argument by pointing out that the endowment is a much more definite thing than the policy contingent wholly upon death. "The endowment policy," he says, "is a man's own efficiency engineer and his expert accountant. It enables him to set his goal and teaches him year by year just what he must do to reach it. It teaches him the price of a competence in old age and he sees with his own eyes every day the penalty of incompetence. It teaches him that he must pinch a little during his youth and good earning years, pinch a little all through life or pinch like—well, pinch hard in his old age, for there is not money enough to go around so that all can spend lavishly all through life and have enough left to carry them through their old age."

All of which is stressing the old adage of "save and you will have money." There must be thousands of men aged 65 who are carrying life insurance and would be much relieved to know that it had matured or even that it were paid up if it was not matured. If they could see as well from the bow of the ship of life as they can see from the stern it is more than probable that the very largest majority would choose the endowment form. The agent is trained to see all the contingencies. It is for him to enable the beginner on the voyage of life insurance to see the end of his trip. Doubtless it is hard to do, but all good things are mostly hard to do.—Insurance Field.

STATE INSURANCE FALLACIOUS

At the closing session of the annual convention of the National Association of Insurance, held in Louisville, Ky., T. H. McGregor, of Austin, Texas, gave an address on "The Fallacy of State Insurance". Mr. McGregor pointed out the unsoundness of state insurance and stated that an extension of the principles upon which it is based would destroy the fundamentals of American government. Today 100 per cent. of the accidents to the workers of the country are compensated, whereas under old laws of only a few years ago the proportion was 18 per cent. The proposition of state insurance, he added, is purely socialistic. If the state pays compensation and compensation is based upon wages, he asked, why should not the state pay the wages? If the organized labor of this country does not destroy the socialistic elements creeping into it, he predicted, organized labor will destroy itself. Mr. McGregor concluded as follows:

This tremendous subject not only touches you in respect that it affects your livelihood but that if it is carried out with its kindred and allied socialistic doctrines it will destroy the fundamentals of the government under which welive. To meet the encroachments of the insidous evil of state insurance we must advance a remedy. To stay impending disaster we must appeal to the American people, to the sovereignty of this great country to drive this evil of socialism from our soil forever.

I discuss these things only for the purpose of showing you that your alignment with organized labor in this fight is the alignment of a common interest, because unless organized labor destroys the socialism that is in organized labor socialism will destroy organized labor and may destroy this government.