MR. FIBEL ON CO-OPERATION.

Mr. Louis H. Fibel urged co-operation between insurance companies and governments. He said in part:

For the etymology of the word "Co-operation," defined as joint action or operation—concurrent effort, we must look to the ancient Latin: for the essence of actual co-operation in practice, we must hark back to the beginning of all things, before life was, before our world began, before matter existed. When first nebulous gases began to solidify into substance it was solely through the power of molecular attraction, clearly a form of joint operation: the last great work in process of achievement while we are here assembled, will owe its fruition to precisely the same influence. In matter, mutual cohesion between the particles forming it is the primary law of nature: remove that cohesion and everything about us would disintegrate before our eyes into its constituent atoms. In vegetable life to molecular attraction is added joint action between the plant itself and the soil, the air and the insect life surrounding it. In animal life coaction takes a continually enlarging part in all development as we ascend from the lower to the higher types. In the lowest forms, it is a mere instinct evidenced by herding together. In the higher this instinct becomes more and more refined by reason, until we find in the genus homo perfection of intellect, and with it full appreciation of the fact that great achievement comes with co-operation and through it alone. It is the life-germ which fructifies our every endeavor. Without its magic there could be no accomplishment, no progress, no world to-day. The gradual appreciation of its virile power keeps pace with the advancement of man from a lower to a higher level, from smaller to greater things, from dream to achievement. The failure to recognize its potency and influence has always led with equal certainty to retrogression.

The actual extent of the role which joint action plays in our lives, is hardly understood, for while we may recognize it in physical matters, we rarely trace its presence in mental processes. In the last analysis we will find that the working of human intelligence rests on co-operation, and that the more it so rests the higher it soars, the more it accomplishes. An idea which may revolutionize the course of a nation, or even of the world, appears to its Creator original and spontaneous, but were he able to trace the workings of his own mind he would be obliged to admit that in bearing the thought his mind had perhaps unconsciously co-operated with hundreds of other ideas previously formulated, and which had formed part of his mental training.

Co-operative Principle of Insurance.

It has been little recognized that the great business of insurance rests upon this co-operative principle, both on the part of the insurers and the insured. Insurers are simply working together to distribute the burden of loss, and the insured act jointly in contributing funds to be applied to the relief of individual sufferers. Our business is primarily one of beneficence, our mission to do good. We act as gatherers of tithes and distributors of those tithes among the needy. We are accomplishing to-day a work of benevolence, to which we can find no parallel in history. We distribute losses through death, destruction of property or loss of time, which would otherwise fall with crushing weight upon individuals, and in numberless cases upon the community as well. Were it not for insurance, the State would be called upon to provide almshouses and public institutions for tens of thousands of people who through our companies' activities are enabled to care for themselves. These charitable establishments must be supported by taxation, and we are, therefore, relieving all our citizens from a burden with which they would undisputably be saddled were it not for our help. We further aid the State and the nation by elevating the level of our people through providing means for keeping families together after the death of the bread-winner, and educating children to a higher plane of citizenship.

It would seem that our mission of beneficence is so plain that it should meet with almost universal recognition, and that the first aim of our governing powers would be to encourage us, to help us in our work and to relieve us of all unnecessary burdens. When the fact is patent that we collect funds from the general public to hold for their benefit and to distribute among them in case of unexpected loss, it is clear that we must charge the individuals for all expenses incurred. Any needless loading, or uncalled for burdens, must fall finally upon the assured themselves, but unfortunately this truth does not seem to be recognized, and what do we find under modern conditions? Through some strange mental strabismus, every man's hand is against us, and we are without rhyme or reason oppressed and harassed in every way that the ingenuity of the representatives of our policyholders can devise.

The first practical step in a policy of co-operation should be the formation of an offensive and defensive alliance, embracing all companies, writing any form of insurance. Among corporations insurance companies occupy a commanding position, both by reason of the benevolent work they are performing, the millions of people to whom they are giving protection, and the additional millions whom they employ and who make a living through them. As corporate citizens of their States they have some clearly defined rights, but in the wave of animosity sweeping over the country these rights appear to be entirely overlooked.

State Supervision.

We should, however, welcome and encourage proper supervision, and aim to have an understanding with the various States as to the proper extent of their control. In our opinion it should be limited to ascertaining the solvency of the companies, and the conduct of their business on honorable and straightforward lines. It is fortunate, indeed, for us that to-day nearly all the supervising officials are men of lofty ideals who take this view of their duties to their constituents and realize that their offices are not agencies for the collection of claims and that the Commissioner should not be judge, jury, and executioner. Instances there have been in plenty where on the representations of a claimant a summary judgment has been rendered and sentence pronounced, the company having been given little if any opportunity to be heard, and the possibility of fraud on the part of the claimant being entirely overlooked. In one State, of odorous memory, the czar curtly ordered a reputable accident company to pay a claim, clearly not covered by its policy, under penalty of ejection from his domain. The manager humbly

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but clearly represented that the claimant had not suffered from any accident but had contracted an illness. His majesty demanded to know if that was not an accident what was it? The manager mildly returned that it was a visitation of God. Thereupon the autocrat officially declared:—"I would have you know, sir, that a visitation of God is an accident in my State."

It is only justice to claim that insurance companies almost invariably try to act fairly, and that all claimants are not white robed angles with glistening wings. Again, the champertous lawyer and ambulance chaser we have always with us. The laws of every State certainly afford ample protection to its citizens. Judges invariably hold, and properly so, that every contract should be construed as strongly as possible against the maker. Juries are composed in nearly every instance of neighbors and friends of the plaintiff, and everybody knows how far they will go to render a verdict against a corporation, in favor of a local claimant. Under all these conditions we feel that we, and not the plaintiff, need help and sympathy, and that if we wish to resist what we consider an unjust claim, we should certainly not be debarred from that inalienable right by the arbitrary dictum of any one man.

Burden of Taxation.

In regard to the onerous burden of taxation under which we are staggering, our best hope for relief lies in convincing the policyholders who elect the legislators that they are directly paying this tax. A practical method of accomplishing this would be to have a premium fixed for the insurance, and add to that premium, plainly stated in the policy, the amount represented by the tax. We venture to predict that if once such a form of policy is adopted, the legislators, who are the creatures of the policyholders, would very soon be given to understand that taxation on insurance premiums is not favored by their constituents.

The establishment of a body of insurance companies really co-operating would, by reason of its being, bring us the greatest of all blessings, the establishment of friendly re-