

These institutions also foreshadowed the very modern institution of a Trust Company, for they were utilized as the trustees of devised estates. They also discharged one banking function by lending money to members to enable them to establish a trade, or manufacturing business.

The Guilds were breaking up the feudal despotism which strangled English liberty and obstructed the nation's development. They were inspiring the desire and training men for local and national self-government. They were aiding educational progress. They were knitting capitalists and labour sellers in bonds of mutual respect and service. They were displaying gleams of one of the functions of banking. They were helping to prevent the spread of and to relieve pauperism. They were teaching thrift and self-help; they were organizing benevolence, and were groping their way in a dark age towards a system of life, accident, health and fire insurance.

Why then were they destroyed? The story is one of the great scandals of English history.

The uncle of Edward the Sixth secured an Act to confiscate Guild lands. Those in London were exempt because the Crown feared to arouse the anger of the citizens whose train bands were formidable. Owing to London being spared there are now rich trade corporations in the metropolis a portion of whose wealth is derived from the Guilds, whose economic and social services, however, they have not continued.

The confiscation of the Guild's properties aroused such indignation as put a disastrous check upon a movement towards liberty of thought, of conscience and of action in the sacred name of which this crime was perpetrated. It illustrated what Madame Roland said on the scaffold, "O! Liberty, what crimes are committed in thy name!" The destruction of the Guilds cut out from English life one of its most beneficent and promising elements, which modern life insurance is doing much to restore.

FOR WHAT PURPOSES ARE THE INSURANCE COMPANIES TO BE INVESTIGATED?

If the investigations ordered by the New York State Legislature and those arranged for by various committees of policy-holders, are all carried on as seems to be proposed the life insurance companies' office for many months to come will be the scene of a tivoac of strange officials. The presence of a group of outsiders searching books, securities and vouchers and examining the officials is a serious obstruction to the business of any office. In more than one case there is a likelihood of two sets of examiners taking possession of a company's offices while they each carry on an investigation. This will create an intolerable and unjustifiable nuisance.

For what purpose will these multifarious investigations be made? If the main object is to acquire such information as will serve as a basis for improvements in the laws relating to life insurance this object certainly does not require for its attainment any further knowledge of the methods and the conditions of life companies. Those are sufficiently well known to afford all the information needed as a guide to law reformers.

The counsel of the legislative investigating committee has stated that,

"There is no desire to incriminate anyone or to shield anyone; the object is simply to find ground on which to base changes in the insurance laws that seem to be necessary to the protection of policy-holders, their widows and orphans."

This being the object the investigation of all the life companies, which will occupy one or two years, some say more, may be reasonably pronounced gratuitous and unjustified, the investigators will find out what is, and for years has been familiarly known in insurance circles.

The chairman of the legislative committee, Senator Armstrong, seems to take the same view of their functions as he has said:

"We are not after men; we are after conditions. It is not our plan to destroy or tear down reputations, but to restore public confidence in life insurance."

If it is "conditions" they are "after" they might ascertain all the conditions under which life insurance is conducted by putting the Hon. Mr. Hendricks, superintendent of insurance, for New York State, under examination, and several other superintendants and managers. There is every certainty that the committee would learn more from them than they would be able to ascertain by an investigation of companies without expert guidance and such knowledge of insurance as only experience imparts. So far as being "after men" is concerned there is another investigation likely to be entered upon to be conducted in a court of law, any duplication of which would be a waste of time.

The legislative committee being composed of members of a political body will be peculiarly and necessarily exposed to political influences. One object and one only ought to be the inspiring motive of the committee, which is, the discovery of some course of action which will lead to improvements in the laws governing insurance business. So far there has been a remarkable dearth of suggestions for improvements in the law, which seems to indicate that the deplorable agitation which, to some extent, has shaken public confidence in life insurance, did not arise from defective laws, but from personal irregularities of administration. But the disturbance of public confidence seems to us to have been greatly exaggerated.