

## FALSE INSURANCE METHODS.

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**M**ANY have been the hands that have written upon Life Insurance. It is to be profoundly regretted that upon this subject, as upon all others, many have uttered views the nature of which they did not comprehend. Many volumes would not contain the literature that has been given to the public of a most misleading character, or expressing views wholly at variance with the fundamental principles that govern Life Insurance. Many societies have been organized upon plans so erroneous, that one can hardly help thinking the promoters were wilfully deceiving the public.

Frequently there have been placed before the public schemes of insurance by which the members were to receive \$1,000 in five, six or seven years, for the small payments amounting to two or three hundred dollars. In one case, about \$300 paid in by the members in annual portions, was to yield the member \$1,000 in seven years. Now, it is really amazing that any body of men would have the hardihood to place such a scheme before the people; and it is equally surprising that persons could be found who would join such a society. Nevertheless it had its day of prosperity. The United States have been overrun by such societies. No doubt money has been made through these societies; but it went into the pockets of the dishonest and unscrupulous founders and organizers of them. The laws in the States and Canada are becoming more and more stringent, and it is to be hoped that we have heard the end of these frauds. By no conceivable means, either of gains from interest, and confiscation from lapses, could these small contributions be swelled into a thousand dollars in the course of six or seven years.

But, if it is impossible, as bitter experience has taught many, to fulfil the glowing promises made by the promoters of these short term endowments, on the rates charged the members, so will it be equally impossible to meet maturing endowments at the expectancy of life where the rates collected are inadequate for the purpose. When the rates are insufficient, the only difference between a short term endowment and a long term endowment, is one of time. In the former, the race is a quicker one, and the stop is reached sooner than in the long range endowments. The fundamental error exists of insufficient rates, and insufficient income. No management, however good, can save a society,