INSURANCE THE OMAHA SUNDAY BEE. **PAGES 21 TO 28.** SECTION

ESTABLISHED JUNE 19, 1871

Growing Importance of Insurance as a Factor in Our Modern Business Life

THEORY OF ALL INSURANCE by any one member being based on the

Principle on Which Fire, Life, Accident, Fidelity and Others Are Based.

SHARING OF RISKS OF LOSS BY MANY

Plan as Old as Commerce and Developed with the Growth of Trade to Immense Importance.

Insurance, like banking, has its begindemnity. ning so far back in the affairs of the world that its origin is lost in the antiquity of trade; but it certainly grew out of the uncertainty of commerce. Its earliest form was that of the assumption of a share in the responsibility of a mercantile venture. generally by sea, by each of a number of individuals. One man could not afford to take the risk of having his all swept away by the miscarriage of a single cargo, whereas, several might join, and if loss should ensue it would fall with lightened force because of its distribution. As commerce developed, the idea of sharing the responsibility grew also, until its evolution brought about the individual who was willing to assume for a stated sum a portion of the risk involved without assuming any direct interest in the cargo. The transition was easy and natural, and the change which brought into the purview of the plan other forms of risk than those of mere merchandising by land or sea was mere merchandising by faile of all also have some knowledge of the string pe-also accomplished with facility. It has of usarly every other line of industrial pe-been practically within the last century, tivity, in order that he may appreach infahowever, that insurance as it is now generally understood has been developed. In its earlier forms insurance was of the class now known as marine; confined almost exclusively to cargoes in passage, be-

ginning when the vessel cast off its fastebings at the port where its voyage comtrip. ance that no prudent owner of property is surance Field of February 18 says: without the protection afforded by a The topic is too broad for anything like detailed consideration in a short newspaper article, and can only here be touched upon in a most general way.

Risks in Underwriting.

Underwriters of fire and marine insurance, in any of their branches, begin business with the handlcap of inability to estimate at all what their liability is; they can only figure on total loss, and must make their calculations accordingly. In the absence of accurate figures, such as the experience tables afford the life assurance men, the fire underwriters are compelled to rely on the judgment of experts as to the nature of the risks assumed. Men who have devoted their lives

amount of indemnity he is guaranteed by the association. Lloyd's, in London, which is the headquarters for marine insurance, is simply a place where a number of capitalists meet and discuss the various ricks offered, each assuming such proportion as he cares to underwrite. Among some of the larger mercantile institutions of the United States a modified form of Lloyds exists, but the danger of this form of insurance is shown by the experience of a number of the big dry goods houses of Baltimore, who had formed a pool of the sort They were wiped out in the great conflagration, and as each firm sustained a total oss, neither of them secured any in

Work of the Adjuster.

The great advance in fire insurance methods is also made manifest by the experlence of the Baltimore fire. While a number of Baltimore companies were wiped out as a result of the overwhelming catastrophe, the amount of insurance they represented in comparison with the total loss is very small, and the fact that each of them will be able to pay almost all of the loases incurred will reduce the amount lost by failure of insurance companles to an insignificant figure. In this connection some reference should be made to the function of one of the most important of all insurance experts, the adjuster. On him devolves the duty, frequently delicate, of settling the amount of loss and the indemnity the insurer is to be held liable for. He must be familiar not only will the infinitude of detail involved in the insurance business, but must task of settlement with such intelligence as will result in an equitable adjustment of the loss and a satisfactory settlement. The adjuster as a rule earns his pay.

Lessons of the Baltimore Fire.

Just now the insurance press of the counmenced and terminating when the vessel try is full of comment on the great Baltiwas moored at the dock at the end of its more fire and its lessons to insurance men. The second great division is that One point on which all are agreed is that of fire insurance, and deals with all forms the "conflagration" risk has not yet been of property liable to injury or destruction eliminated from the list of hazards. Other by fire; this division is subdivided into a points under consideration have to do with number of branches or special lines, such the question of construction and tend toas hall, tornado, plate glass, and the like, ward a general demand for safer buildbut all on the same general principle, and ings, structures that are actually as well subject to the same control and regula- as theoretically fireproof. As to the actual tion. So general is the practice of insur- loss resulting from that great fire, the In-

surance Field of February 18 says: After a week's review, chairman Turner of the general adjustment committee esti-mates the loss in the Baitimore conflagra-tion to have been \$120,000,000, with insurance of \$55,000,000. Salvage and over insurance will reduce the 'company loss to about \$60,000,000. This estimate is considered a conservative one by the expert. The burned district covers seventy-three squares in what was the heart of the finan-cial and mercantile district of the city, and about 2,500 buildings were destroyed. The committee on fireproof construction of the National Fire Protection associa-tion has not as yet had an opportunity to carefully inspect the skyscrapers, but in-surance men are generally impressed with the fact that the fireproof construction buildings did resist the fames and in some cases can be safely repaired. Insurance experts all agree that the prin-cipal lesson of the Eastimore fire is the importance of the exposure hazard and the necessity of proper window shutters. Iron shutters, wire glass and water curtains each find strong advocates.

Fire Insurance in the United States in 1903

The following tabulation shows the aggregates of the fire insurance business transacted in the United States in 1903, and the financial condition of the companies as of January 1, 1904. The figures are compiled from the sworn reports of the various companies by The Spectator of New York, and are issued in advance of the State Insurance department report. The list comprises all American and foreign stock companies reporting to the New York Insurance department:

COMPANIES.	Cash Capital.	Total Assets, Jan 1, 1904	NET SURPLUS.		NET PREMIUMS WRITTEN.			LOSSES PAID.		Divid	Tot
			Jan. 1, 1904.	Jan. 1, 1903	1908.	1902.	*Total Income, 1903.	1903.	1902.	ends to stock lers, 1963	al disburse-
Aetna, Hartford Agricultural, Watertown Albany, Albany Allemania, Pittaburg American, Boston	\$ 4,000,000 \$00,000 250,000 200,000 300,000	\$ 15,190,888 2,617,756 586,246 706,563 837,935	\$ 6,060,788 711,597 184,663 100,526 124,897	\$ 6,022.603 617.078 163.285 923.947 195.559	\$ 6,442,369 1,236,617 189,647 450,787 597,618	\$ 5,356,906 1,221,706 171,769 448,558	\$ 6,029,007 1,344,813 234,497 485,104	\$ 2,685,558 572,084 \$7,533 191,890	2,710,617 619,257 79,045 268,579 168,579	\$ 670,000 50,000 20,000 16,000	\$ 5,108,536 1,119,696 180,112 294,444 590,069
American, Newark American Fire, Philadelphia. American Central, St. Louis. Assurance Co. of America, New York—a Boston, Boston.	\$00,000 500,000 1,000,000 400,000 1,000,000	5,002,148 2,863,632 3,817,728 1,186,100 3,814,624	2,165.876 851,539 1,249,598 350,822 1,819,746	1,88%,096 179,821 1,337,158 90,578 1,780,781	1.816,315 1.648,567 1.861,220 684,330	1,606,380 1,567,217 1,517,846 429,931	1,992,413 1,761,380 2,010,949 722,585	728,310 754,587 817,524 481,508	828,211 852,791 682,778 267,499	97,042 30,000 139,060	1,593,578 1,416,619 1,632,634 728,336
British-American, New York. Buffalo Commercial, Buffalo. Buffalo German, Buffalo. Caledonian-American, New York. Camden Fire, Camden.	200,000 200,000 200,000 200,000 c 300,000	442,835 448,889 2,298,553 302,124 1,942,800	33,506 85,188 1,521,027 86,018 0,202,710	20.275 67.532 1,459,929 88,737	318,968 212,972 476,764 12,710	267,346 195,640 478,657 16,570	1,602,704 331,788 b 227,563 564,863 22,410	154,999 97,784 225,988 6,698	112,080 130,403 226,927 16,180	16,000 60,000 9,000	294,415 186,853 491,586 20,446
Capital, Concord Cuizens, St. Louis Colonial, New York. Colonial, Washington Commerce, Albany	200,000 200,000 200,000 200,000 200,000	466,159 732,422 612,058 313,718 446,375	57,846 182,237 70,928 21,979	50.923 112.943 51.433 12.069 27.975	219,010 451,509 508,949 115,229	200,023 415,653 458,665 96,266	e 532,979 e 532,979 135,973 135,905	120,987 227,206 296,695 40,9786	90,814 211,096 250,167 56,581	\$,000 8,000 10,000	227,997 398,111 479,801 106,121
Commercial Union, New York Commonwealth, New York Concordia, Milwaukee Connecticut Fire, Hartford Continental, New York	200,000 500,000 200,000 1,060,000 1,060,000	435.906 1,246.634 1,016,428 5,172,056 14,192,178	81,425 430,284 134,475 1,414,494	50.673 349.188 129.406 1.183.257	197,581 312,569 637,772 2,880,413	176,950 308,318 634,670 2,693,204	221,664 205,118 388,734 676,603 3,061,087	93,650 93,612 133,484 254,249 1,414,630	74,283 106,113 329,125 1,411,631	10,000 35,000 12,000 100,000	195,195 364,208 279,037 659,394 2,587,368
Delaware, Philadelphia Detroit F and M., Detroit Dutchess, Poughkeepsie Empire City, New York Equitable F, and M., Providence	702,875 500,000 200,000 200,000 400,000	1,775,200 1,559,890 774,121 296,753 1,250,434	158,930 636,126 103,755 25,492 165,656	133.142 690.265 106.198 9.272	969,630 412,600 544,348 103,827 851,209	728,235 404,259 497,515 184,171	6,726,750 987,285 484,771 570,982 115,086	389,579 213,110 277,038 77,284	392,467 176,066 244,093 99,609	28,115 50,000 12,000	790,700 411,140 482,620 129,512
Federal, Jersey City Fire Association, Philadelphia Fire Ins. Co. of Co. of Phil., Philadelphia Firemans Fund, San Francisco Firemens, Baltimore	500,000 500,000 400,000 1,000,000 400,000	1,790,914 6,330,904 921,617 5,858,820 1,259,961	661,465 920,903 125,778 2,156,119 264,340	585.012 674.930 93.963 1.800.722 412.850	807,812 3,623,383 228,962 3,259,157 671,960	533,677 8,442,353 264,892 8,126,584 559,758	\$64,447 3,585,592 269,781 3,470,788	419,876 1,797,247 123,544 1,605,053 853,414	307,300 2,105,820 212,556 1,590,143 495,959	50,000 200,000 24,000 120,000 64,951	699,223 3,381,791 247,772 2,830,873 2,830,873
Firemens, Newark. Franklin, Philadelphia. Georgia Home, Columbus. German, Freeport. German Fire, Peorta.	1,000,000 400,000 309,000 200,000 200,000	3,320,722 3,141,594 984,080 4,712,607 701,294	1,528,287 1,045 086 275,468 1,306,596	1,377,373 1,021,084 276,426 1,008,910 195,416	816,108 768,072 391,653 2,955,506 371,586	765,254 706,368 313,628 2,703,432	762,664 969,260 851,098 500,367 3,120,757	327,658 350,565 160,903 1,386,020 1,26,573	365,394 851,752 155,812 1,367,369 60,958	100,000 50,000 50,000 40,000	735,520 748,478 415,623 *2,471,465
German, Pittsburg German Alliance, New York German-American, Baltimore. German-American, New York Germania Fire, New York	200,000 400,000 200,000 1,500,000 1,000,000	675,410 1,304,228 539,215 12,074,306 5,849,834	87,030 501,406 222,055 5,633,250 2,518,464	72,804 463,564 204,063 4,606,881 2,542,884	439,287 429,439 127,182 4,992,477 2,101,601	386,586 409,029 119,525 4,507,765 1,534,967	478,672 454,939 152,369 8 5,380,642	203, 437 205, 141 45, 751 2, 299, 122 801, 739	179,978 199,022 67,241 2,079,179 965,503	20,000 40,000 16,174 500,000 160,000	411,442 375,871 112,576 4,483,729 1,709,254
Girard F. and M., Philadelphia Glens Falls, Glens Falls Globe and Rutgers, New York Granite State Fire, Portsmouth Greenwich, New York	\$00,000 200,000 400,000 209,000 206,000	1,989,096 4,046,681 1,960,681 653,114 2,120,004	598.034 2,475,877 338,199 100,239 158,164	597.949 2,352.894 206.105 113.988 195.720	407,921 1.261,568 1,961,458 384,403 1,929,656	488,336 1,157,606 1,061,258 390,674 1,925,246	502,114 1,442,327 1,709,652 409,018	191,512 653,010 683,010 223,685 1,104,600	202,544 498,461 394,884 199,524 1,075,543	66,000 120,000 44,000 12,000 20,000	474.061 1,183.122 1,048.500 376.216 1,905.347
Hamilton Fire, New York. Hanover Fire, New York. Hartford Fire, Hartford. Home, Baltimore. Home, New York.	150,000 1,000,000 1,250,000 200,000 2,000,000	336,436 4,062,657 14,516,361 493,112 18,040,793	32,839 630,227 3,911,206 87,986 6,574,751	39,009 646,653 3,157,181 96,062 6,436,039	189,682 2,889,234 10,073,791 257,841 8,076,120	173,654 2,299,829 9,621,409 231,397 7,308,276	198,984 3,009,259 10,510,377 273,949 F 8,791,859	96,445 1,286,815 5,058,124 124,503 3,781,220	113,014 1,109,665 5,466,684 116,342 3,487,624	9,000 100,000 437,500 16,058 420,000	167,354 2,442,585 9,037,246 239,930 7,070,825
Home F. and M., San Francisco Indemnity Fire, New York Indianapolis, Indianapolis. Ins. Co. of North America, Philadelphia Ins. Co. of State of Pa., Philadelphia	300.000 200.000 200.000 3,000.000 200.000	1,469,696 450,161 472,970 11,196,063 583,874	886,590 53,870 96,197 2,327,960 71,729	355.205 60.501 88.102 1,325.997	999,413 275,834 251,734 6,813,234 95,597	934,607 219,316 205,808 6,709,687		504,787 143,413 115,930 3,858,425 17,796	406,547 94,285 72,642 8,846,272	36,000 	918,241 249,334 234,881 6,445,712 76,496
Kings County, New York Lafayette, New York Liverpool and London and Globe, New York Lumbermens, Philadelphia Mechanics, Philadelphia	200,000 200,000 200,000 369,000 250,000	\$88,882 \$28,000 \$66,771 1,290,884 \$97,218	75,279 65,787 132,842 612,638 215,064	106.192 96.216 107:543 671.776 \$08.897	156,340 895,433 199,965 215,118 839,111	170,354 458,156 171,548 215,208 398,987	173,388 400,201 214,243 261,018 367,882	95,704 285,500 85,489 108,588 160,692	71,574 237,814 76,490 122,412 161,668	10 000 12,000 9,825 25,000 30,000	189,607 449,968 149,585 322,476 318,722
Mechanics and Traders, New Orleans Mercantile F. & M., Boston Michigan F and M., Detroit Milwaukee Fire, Milwaukee Milwaukee Mechanics, Milwaukee	8m, end 4m, end 400, end 200, end 200, end 200, end	690,710 733,988 907,579 653,865 2,926,281	106,622 112,919 179,809 102,827 1,386,806	60.806 60.436 151.545 88.654 1,267,182	256,176 166,676 412,769 274,572 1,333,937	201,146 517,164 802,307 256,787 1,241,250	307,240 195,844 456,343 297,396 1,443,907	118,122 218,848 206,833 145,002 889,298	149,073 215,048 177,771 118,154 601,814	82,009 24,000 80,009	208,890 819,225 395,100 262,641 1,209,829
Nassau, Brooklyn. National Allegheny. National, Hartford. National Union, Pittsburg. New Hampshire, Manchester	200,000 200,000 1,000,000 750,000 1,000,000	650,313 681,680 6,463,829 1,633,757 3,877,847	212,549 253,996 1,873,259 375,276 1,193,546	\$42.043 185.486 1.660.803 312.136 1;154.810	340,738 201,264 3,979,101 713,214 1,706,595	239,476 156,848 4,276,965 508,196 1,682,073	\$85,047 1 282,306 4,231,439 783,754 1,865,797	143,503 62,890 2,020,275 268,887 843,565	109,027 48,115 2,143,647 171,031 890,534	20,000 17,710 130,000 	258,896 165,873 3,620,067 539,757 1,687,167
New York Fire, New York. Newark Fire, Newark. Niagara Fire, New York. North British and Mercantile, New York. North German Fire, New York.	200,000 250,000 500,000 200,000 500,000	511,300 709,837 3,859,762 662,684 * 417,078	80,108 298,707 1,206,562 356,678 25,246	46.246 269.161 1,104.937 354.861 20.974	330,563 167,176 2,485,528 142,261 304,574	277,006 178,601 2,435,373 108,495 228,820	346,884 194,900 2,623,037 164,735 1 353,387	148,623 96,937 1,139,710 30,656 170,756	136.973 94.903 1.177.833 18.601 125,629	12,000 24,882 99,880 20,000 6,000	284,529 202,547 2,170,814 97,364 284,729
North River, New York. Northern, New York Northweatern National, Milwaukee Orient, Hartford Pacific Fire, New York-o	850,000 250,000 600,000 800,000 200,000	1,175,723 677,016 3,619,986 2,210,385 410,887	261,198 170,331 1,099,810 708,111 100,706	210-294 167,739 1,070,213 644.095 90.668	741,775 ,336,964 1,382,672 1,065,551 203,839	601,355 293,118 1,313,963 1,045,776 12,349	775.976 351,784 1,5142140 1,132,881 219,820	284,219 156,956 493,275 673,005 55,634	260,808 140,169 490,424 615,972 k: 1,965	27,789 12,535 90,000 50,000	564.089 502,729 1,202,755 976,641 115,779
Pelican Fire, Liew York. Pennsylvania Fire, Philadelphia. Peter Cooper Fire, New York. Phenix, Brooklyn. Phoenix, Hartford.	200,000 400,000 150,000 1,000,000 2,000,000	483,330 6,261,613 . 340,826 7,407,091 6,863,661	78,687 2,619,442 102,172 1,670,200 1,572,972	73,649 2,197,088 93 304 1,758 155 1,337,923	269,586 2,618,690 175,102 5,161,418 3,551,967	246,652 2,492,695 46,403 5,626,137 3,414,389	289,201 2,871.653 181,838 5,402,855 8,804,872	140.527 1,292,738 43,596 2,632,208 1,632,282	135,363 1,389,629 15,167 3,238,708 1,826,896	100,000 15,000 100,000 240,000	247,015 2,812,550 122,004 4,710,237 3,222,225
Potomac, Washington. Prov. Washington, Providence. Queen, New York. Reliance, Philadelphia. Rochester German, Rochester	200,000 500,000 500,000 300,000 200,000	605,540 2,392,458 6,164,736 1,190,180 1,606,689	188,865 383,972 3,003,708 220,524 572,455	182.414 399.178 2,535.553 198.864 491.091	271,521 1,907,469 2,009,679 579,019 998,874	237, 827 1, 843, 212 2, 870, 877 494, 048 886, 481	304,284 2,001,125 8,210,323 625,126 1,055,990	120,983 1,110,961 1,560,209 247,368 425,905	94,473 1,097,052 1,529,552 239,845 434,851	24,000 50,000 100,000 21,000 30,000	262,670 1,815,592 2,780,990 506,535 863,873
Security. Baltimore. Security. New Haven. Spring Garden, Philadelphia. Springfield F. and M. Springfield. St. Paul F. and M., St. Paul.	200,000 400,000 400,003 2,000,000 500,000	815,068 1,482,673 1,543,321 6,282,402 8,700,778	58,125 193,444 153,761 1,614,295 1,016,819	25 537 189,981 100 716 1,512,071 805,802	90,777 879,396 710,619 3,216,509 2,978,381	28.035 895,103 549,019 3,002,119 2,615,556	96,157 n 930,206 755,475 3,422,566 \$,148,865	12,194 405,281 274,836 1,561,442 1,587,482	8,147 426,483 315,701 1,706,111 1,473,960	24,000 24,000 200,000 50,000	40,070 771,306 679,481 2,944,662 2,632,769
Star, Louisville. Stuyvesant, New York Teutonia, New Orleans. Traders, Chicago Union, Buffalo	200,000 200,000 250,000 800,000 360,000	254.045 438.347 790.110 2,753.673 230.835	49,827 33,582 106,056 1,071,162 109,629	16 788 86.916 1,068.610 107.806	816.748 643.958 1,404.599 24,489	170,976 620,267 1,290,616 23,620	50,017 326,748 678,428 1,552,029 35,300	148,231 356,738 681,717 9,950	91,677 399,745 702,483 10,630	25,045 50,000 6,000	1,797 217,589 604,172 1,272,948 31,341
United Firemens, Philadelphia. United Firemens, Philadelphia. United States Fire, New York. Victoria Fire, New York. Virginia F. and M., Richmond.	200,003 300,000 250,000 250,000 250,000	546,907 1,757,958 778,449 345,636 932,052	30,233 199,041 110,571 50,685 198,155	40 289 196-548 86 406 36 571 151-853	348.549 411,905 512,776 150,345 533,583	358,774 410,080 489,582 140,199 542,864	364,905 488,165 556,860 159,442 565,888	206,361 990,627 229,479 69,161 330,263	201,419 2289.028 264,496 72,696 357,279	10,000 30,000 10,000 20,000	371,977 442,681 469,607 120,254 519,980
Virginia State, Richmond. Western, Pittsburg. Westernester Fire, New York. Western Underwritere' Assn., Chlcago. Williamsburgh City Fire, Brooklyn	200,000 300,000 300,000 200,000 250,000	598,053 688,798 8,447,004 674,126 2,478,913	116,508 48,727 1,248,633 68,124 1,729,617	63 978 29 118 1.215 719 49 459 1,261,137	297,260 339,624 2,012,041 426,089 1,050,292	389,537 322,949 2,014,229 397,400 961,612	415,807 372,962 2,188,879 450,375 1,218,154	183,877 171,243 969,406 193,503 501,819	176.111 242.062 1.150.341 230.747 467,905	12,000 18,000 48,000 75,198	343,622 319,497 1,840,597 376,968 1,953,243
Aachen and Munich. Aix-la-Chap. Alliance Assurance, London. Atlas, London. British America, Toronto. Caledonian, Edinburgh.	200.000 200.000 310.000 200.000 200.000	1,092,748 898,601 1,279,504 1,427,305 1,734,353	401.387 622.783 677.594 476.747 741.633	282.515 687 044 532 758 462,378 697,382	897, 194 282, 704 889, 846 1,510, 384 1,064, 136	\$17,870 291,837 916,955 1,378,870 1,068,929	956,803 418,404 983,186 1,647,737 1,145,641	467,553 171,697 527,036 871,046 550,460	389.597 83.961 489.798 858.834 596.609		824,290 811,844 862,804 1,807,671 961,456
Cologne Reinsurance, Cologne Commercial Union, London Hamburg-Bremen, Hamburg, Law, Union and Crown, London Liverpool and London and Globe, Liverpool	200,000 200,000 201,000 200,000 200,000	737,888 4,294,564 1,834,178 854,202 12,066,918	279.919 1,392.295 475,693 582,687 5,160,542	277.181 1,155.677 373 751 446 945 4,812.205	535,364 8,021,164 1,697,431 369,801 6,857,554	502.066 2,982,075 1,571,184 929,397 6,510,608	553,249 8,167,116 1,756,002 309,910 7,229,654	242,818 1,696,453 855,319 170,715 3,476,815	218.971 1.719.747 889.731 201.754 2.358.946		296,798 2,658,513 1,488,749 290,331 5,562,059
London and Lancashire, Liverpool London Assurance, London	900,000 200,000 200,000 200,000 200,000	2.501,622 2.112.001 1,754.222 815,183 8,303,913	1,003,995 804,136 674,575 475,154 769,744	878.294 840.451 592.379 311.441 609.648	1,915,748 1,405,050 1,287,512 403,406 3,547,883	1,946,490 1,477,198 1,387,715 536,270 2,915,574	1,900,719 1,475,195 1,444,920 429,950 3,658,220	\$63,267 678,184 748,995 590,303 1,063,179	\$75.292 628.188 904.3*1 475.565 1,625.659		1,556.396 1,200,553 1,294,619 881,691 2,765,634
Netherlands, The Hague North British and Mercantile, London Northern, London Norwich Union, Norwich. Palatine, London	200,000 700,000 200,000 200,000 200,000	542,713 5,941,375 8,400,488 3,631,429 1,946,025	438,203 2,643,225 1,097,600 854,651 852,835	463.449 2.272 943 1,424 615 725.764 756.229	159,834 2,700,916 2,905,083 2,044,905 1,570,151	130,505 4,039,837 2,144,969 1,891,649 1,209,483	176,040 3,887,064 2,111,430 2,118,818 1,311,576	65,758 1,678,697 1,070,037 896,605 608,879	59,506 895,889 896,3139 990,728 538,886		160,864 1,845,915 1,845,915 1,647,980 1,071,252
Phoenix, London. Prussian National, Stetlin. Rossia, St. Petersburg-p. Royal, Liverpool. Royal Exchange, London.	200,000 200,000 200,000 200,000 200,000	2,978,912 1,018,090 564,500 8,520,353 2,181,319	859.292 408.045 564.500 8.315.513 1,008.003	665.733 347.236 2.446.497 \$16,059	2,238,548 671,136 4,990,582 1,309,630	2,509,987 643,558 4,965,658 1,028,964	2,337,058 699,091 6,255,454 1,374,975	1,465.234 313,056 2,478,899 570,579	1,776,564 348,218 2,556,077 604,876		2,394,240 567,978 4,824,100 901,065
Salamandra, St. Petersburg. Scottish Union and National, Edinburgh. Skandia, Stockholm. Sun, London. Svea, Gothenburg.	200,000 200,000 200,000 200,000 200,000	1,108,504 4,840,110 1,024,144 2,911,882 157,402	383,515 2,787,107 377,860 960,128 320,134	362 170 2,351,896 ,406,876 967,711 310,408	995,835 1,801,841 783,103 2,099,549 537,036	705,416 1,905,612 7%0,118 1,996,430 537,748	1,096,244 2,056,766 798,948 2,714,961 557,921	470.092 978.295 444.878 1,407.983 324,450	599,716 1,179,848 435,759 901,990 349,111	*********	701,762 1,647,920 693,454 1,744,659 521,672
Thuringia, Erfurt. Transatlantic, Hamburg. Union Assurance, London. Western, Toronto.	200,000 200,000 200,000 200,000 200,000	1,273,489 028,062 1,694,535 2,392,813	846, 842 859, 793 878, 264 774, 808	4/6,436 519,160 742 5% 775,903	1,100.781 232,579 1,045,300 2,601,652	1,182,879 347,388 965,303 2,440,504	1,138,409 208,871 1,127,180 2,676,595	677,645, 377,788 5%,6% 1,622,876	652.214 184.007 498.990 1,601.868		1.068,940 308,458 899,459 2.859,532
Increase in 1903 Totals, 1907 Totals, 1901 Totals, 1900 Totals, 1809 Totals, 1808 Totals, 1808 Totals, 1808 Totals, 1806 Totals, 1805	61, 402, 875 1, 800, 000 61, 402, 875 61, 402, 875 64, 652, 875 65, 802, 875 65, 809, 875 66, 839, 875 56, 839, 875	27, 212, 215 27, 212, 848 238, 869, 347 220, 418, 844 210, 296, 809 304, 514, 140 299, 366, 014 299, 366, 014 299, 366, 014 205, 667, 922 257, 038, 432	11.023,259	\$111.527.717 108.759 60% 106.984 418 108.513 677 109.198 874 100.535 776 77.153 616	1197. year. 4%8 11,734,714	\$185.531,434 163.544,407 146.442,570 154.450,039 127.770,728 128.754.779 128.886,022	200,802,919 11,201,319 198,871,600 175,588,073 158,289,068 146,644,901 159,709,505 187,296,068 137,296,068	497,181,506	\$97,9027,797 96,305,509 97,472,967 91,031,677 74,069,574 451,622,597 66,791,242	\$7,160,445 283,824 6,776,821 6,786,876 6,786,876 6,787,018 6,640,646 6,293,574 6,931,876	\$176.483.613 6.312.858 169.340.757 162.947.579 155.107.239 155.467.834 171.558.044 136.967.837 117.867.763

ternal organizations are taken into consid eration the extent of the business can be only expressed in figures that are almost beyond grasp and entirely too large to be appreciated.

"Fraternal" Life Insurance.

Fraternal life insurance companies differ from the old line in that they depend on the constant influx of members instead of fixed assets to perpetuate the ability of the organization to pay the amount of assurance written on each of the members. The difference in the plans may be understood, probably, with this explanation. A company formed on the old line plan with, say, 10,000 members figures that a certain num-ber of these members will die oach year and that their places will not be taken by new members; therefore it is necessary to charge each at a rate that will insure the last risk being paid on maturity. To do this each must pay during the early part of the life of the policy more than the cost of carrying the risk and during the latter part considerably less. This is based on the mean cost. With this plan the last man is as certain of his policy being paid as is the first. With the fraternals the general theory is to furnish insurance at the lowest possible cost to the individual. Most of them have prepared a table of rates showing the exact cost of insuring a life for a certain sum at a certain age. and this cost is carried on through life, no provision being made for the increasing cost as the individual grows older and the time of his certain death comes nearer. To offset this dependence is placed on the continual addition to the membership, thus supplying the deficit in the amount of income that would result from the deaths. So long as the order is able to replace its death list by new members its ability to pay remains unimpaired, but if the death rate exceeds the "influx of new members the prospects of payment to the survivors beyond a certain time become less and less Some of the orders make a partial provision for the increasing cost of carrying the risks by adding each year to the assessment levied on the members, but the general theory is dependence on new members. Some have accumulated surplus funds, but this idea is discountenanced by the mas jority, who have faith that the attractiveness of the insurance they offer will be sufficient to induce young men to join and thus obviate the necessity of accumulation against the day when the assessments will not be sufficient to care for the losses,

Hazard in Life Insurance.

By eliminating certain proscribed occupations and classifying all others according to the probability of death or disease overtaking resulting from the pursuit of any one, the life insurance underwriters have practically reduced the question of hazard to as certain a basis as they have the element of cost. But they still have the human problem to deal with, and the "moral hazard" element enters as largely into their calculations as it does into that of fire underwriting. It takes the same form, too, the willful destruction of the property covered by the policy. Suicide in the case of life insurance is as perplexing as is arson in the case of fire insurance, with the exception that suicide is more readily established. Many times have the courts been called upon to determin the liability of life insurance companies to ony the amount of indemnity written against the life of a suicide and a long list of varying decisions have been the result. It is still a problem to be settled.

to the study of the subject determine the each find strong advocates. points involved in the general subject of The Spectator editorially discusses the

rates, and on their decision is based the situation as follows:

public and private equipment for fighting fire is also considered, and all the visible

physical features that can in any way affect the conditions of the property are provided for. Such safeguards as experience or prudence dictate are necessary are stipulated, and everything is done to make the interest of the insured equal with that of the insurer in the preservation of the consilving at the destruction of the prop- man dying during any year between the erty in order that he may receive the sum guaranteed him by the insurer.

Ethical Phase of Problem.

phase of the general problem of insurance. how much it will cost to insure a return and yet it is the one to which the greatest consideration is given. Apparently it may vidual is one of easy calculation. It is esbe settled by the general character and sential, of course, that this cost be dis standing of the insured in the business tributed among a number, just as the excommunity; but even with this condition entisfactory on the surface, the insurer all the policyholders. But, while the fire must be on his guard in order that the in- underwriter has no means of knowing when terest of the insured does not lie in the a loss will be incurred, the life underwriter direction of the destruction of the prop- knows that sooner or later death will overerty. No certain method of overcoming take all his risks and he must make prothis element of danger is known to the vision for the inevitable end. To this end insurers, other than that of refusing to each of a group of insured persons carries assume risks which offer any but the most not only the expense of insuring himself, approved conditions. Some years ago a but of insuring all the others in the same considerable debate was engendered along group, to the end that the heirs of each this line by the proposal to enforce what was then known as the "30 per cent clause." | insurance is mutual, although the older Under this plan the insured became a co- companies were organized on a basis of insurer to the extent of 20 per cent of the profit for the shareholders. Competition amount written in the policy; thus, if cer- has so changed the practice that nowadays tain property were insured for \$1,000, and the policy-holder is also a sharer in th were totally destroyed, the policy would profits, not alone of the strictly mutual pay \$800, while if the loss were but \$300, the companies, but of the "old line" as well. nsurer would be responsible for but \$240, the difference being the risk assumed by the insured as coinsurer to the extent of 20 per cent of the face of the policy. For very obvious reasons this form of pelicy was not popular among those seeking protection in fire insurance.

Opposed to the coinsurance plan is the valued policy, a form under which the insurer is required to pay the whole sum named in the policy, in case of total loss, or the full amount of the loss incurred in event of partial loss. This form of policy is in vogue in Nebraska under the statute. Against the valued policy the underwriters advanced the argument that it enormously increased the moral hazard: to which the advocates of the law replied that this should be met by increased vigilance on part of the insurers.

rates, and on their decision is based the premium collected for assuming the risk. The original idea of distributing the pos-sible loss among a number of individuals is still in voguo, and the "line" of insur-ance carried by any one large firm or in-situation is generally distributed among a number of companies, so that the indi-vidual concern of any one company in a particular risk is generally small. In this way the losses are kept down to a min-fimum. In determining the conditions on which a policy shall be written, or a risk as-sumed, the underwriter gives due consid-eration to all the siements that can pos-sibly enter into or affect the safety of the property to be covered. A building is inspected from its foundation to its roof; its construction is thoroughly examined, and its location as regard to other build-ings is given due weight. The matter of public and private equipment for fighting fre is also considered, and all the visible

One good effect of the Bultimore catas-troube has been to lead professional fire farhters to give more thought to the possi-bilities of similar occurrences elsewhere, and to the best means for preventing th same

Life Insurance Problems

Differing greatly from the problems of fire insurance are those that confront the property. This brings the question down ter brauch of insurance activity the eloto the most delicate and perplexing prob-lem the underwriter has to meet, that of "moral hazard." By this is meant the probability of the insured destroying or conulving at the destruction of the propyear he applies for insurance and the cen tury mark, together with the reasonable expectancy of life due him. With this in-Moral hazard involves a purely ethical formation the matter of determining just of a specified sum to the heirs of an indipense of carrying fire risks is shared by may be indemnified. In this respect all life

Modern Profit Sharing.

In the various forms of endowment, tontine or other limited payment funds, the insured is not only secured as to life pro-tection or indemnity in case of death, but in return for specified sums, paid at stated intervals, is guaranteed a return of all h pays in at the end of the period covered by the contract, but a profit that shall not be less than a given amount. This added profit is carned by the management of the immense sums held as surplusage by the companies. At the beginning of the year the total assets of twenty-nine leading life insurance companies of the United States amounted to more than \$2,000,000, nearly three times the capital of all the national banks in the country, and more than \$100. 000,000 more than the aggregate value of all the coin and buillon in the country, and

Logds or Mutaal Companies. Logds or Mutaal Companies. Another form of fire insurance is the organization being make up savaily of individuals engaged in a single line of industry, or is lines, how they would swelt the business of the business are almost invariably the sufficient term the resultances to the business of the business paid, dividends the comparise t

Totals, 1894.....

54.330,875 231.498,450

54,701,283

*isrestess

132,877,304

124,649,370

Admitted to New York

5,269,851

76,059,189 |

120,898,407 124,079,186

Other Forms of Insurance.

In many ways does the principle of insurance find expression and application in modern business affairs. One attractive line is devoted to insurance of individuals against accidents or sickness, another against loss or damage to property other than by fire or marine accidents; another provides for surety of employes or public officials or other persons who are required to give bond for the faithful performance of undertakings of any sort, and in each of these the field has been found profitable.

CAN GET NO ADEQUATE PROTECTION

Impossible to Secure' Absolute Provision Against Big Fires.

"The numerous great conflagrations during the past half century demonstrate conclusively the fact that there can be no adequate provision against the fearful fire waste that has devastated many of our cities and villages.

"Within the last fifty years more than \$6,000,000,000 in property have succumbed to the relentless fury of the fire fiend. Each decade contributes more than \$1,250,000,000 of the wealth of the country to this insatiable element of destruction

"During the same period almost 2,000 insurance companies came to the rescue of thousands of their patrons, thus saving shem from hopeless bankruptcy.

"The record of failures for fifty years shows that 1,452 insurance companies retired from business. This enforced retirement took out of the business of underwriting over \$750,000,000. These failures are exclusive of the many hundreds of township and town mutuals that have bowed to the inevitable.

"Today there are 164 companies in the United States in the hands of receivers. These already properly belong to the rap-Idly increasing mortality list.

"Out of a total list of 242 American joint stock companies now left to do business in this country, only forty-two have come up through the fires of more than half a century. Nine of these, beginning, as it were, almost in the dawning of the nineteenth century, have passed through a This surviving hundred conflagrations. few should be designated as the 'Old Guard of a Hundred Years.' They have stood to the forefront of every great disaster and still stand in the grandeur of increasing strength-in the might of millions of indemnity.

"Many of the successful managers of these early ploneers in .he business of un derwriting have passed away. yet the beneficial results of continued wise and skillful ganagement will still bless the unfortunate in the years to come."

W. H. HARFORD, Assistant General Agent Astna Insurance Company.

LIFE INSURANCE MAKES PROGRESS.

Gains Wonderful Strength During Year Just Closed.

"Life insurance was wonderfully strengthened in 1901. Owing to the enormous slump in certain classes of securities and the consequent low price of the very best investments, people were curious to see the reports of the great life insurance com panies. But these millions of invested funds show no shrinkage worth mentioning, fully establishing the fact that the sufest place to invest money is with the id, reliable life companies