

Magnitude of Insurance Interest in Nebraska

A Drain Upon Nebraska's Resources and How It May Be Stopped

ONE of the heaviest drains upon Nebraska's resources is the amount of Nebraska money that annually leaves the state—most of it never to return—in the shape of premiums upon life and fire insurance policies. Unless one has given the matter careful study, delving into the statistics, one has no idea of what this terrific drain means. But when it is made clear that during the last two decades, between the years 1891 and 1911, inclusive, Nebraskans have sent out of the state insurance premiums to the amount of upward of \$100,000,000, receiving less than \$30,000,000 back in the shape of losses paid, it must begin to dawn upon the minds of the thoughtful that something should be done to put a stop to the drain. The superficial observer may say that much of this money comes back in the shape of loans upon Nebraska real estate, but this simply means an added drain, because interest must be paid upon loans.

Keep Nebraska Money in Nebraska

There is no reason, in common sense or common justice, why the Nebraska money paid for insurance upon Nebraska lives and Nebraska property should not be retained in Nebraska, and by the simple expedient of fostering and building up the insurance business in our own state.

That insurance just as secure could be purchased in Nebraska as elsewhere is axiomatic. It has been done—and should be done again. But there are, seemingly, two things operating against the successful growth of Nebraska insurance companies—fire and life. One is the too common belief that something purchased abroad is superior to something purchased at home; another is the constant nagging, the constant hampering, of local companies. Not a session of the legis-

lature convenes that there is not a flood of "insurance bills," most of them introduced by would-be reformers whose knowledge of the insurance business is nil; others are merely "hold-up" bills, introduced for the purpose of being killed—for a consideration; others are introduced by designing men who are interested in preventing the firm establishment of life and fire insurance companies in Nebraska. That there is need of insurance legislation no one acquainted with the situation will deny. But it

is sheer nonsense to expect young insurance companies in Nebraska to grow and prosper under the regulations and restrictions that an old state like New York is able to impose because of the enormous growth of its great insurance companies. The Equitable and the New York Life, with their scores of millions of assets and their enormous volume of business, are able to thrive under regulations and restrictions, which, if imposed in Nebraska, would make it utterly impossible for a local company even to get started.

Unreasonable Requirements

Some of the "reforms" advocated by Nebraskans are little short of foolish—and in any event would spell ruin sooner or later. For instance, it is demanded that all Nebraska insurance companies deposit their securities with the state auditor. To be worth while these securities would have to be negotiable by the auditor. Yet local insurance companies are asked to deposit something like \$30,000,000 of negotiable securities with an auditor bonded for only \$50,000, and an insurance deputy bonded for only \$10,000, and without the guarantee of the state that any loss by reason of the auditor's incompetency or dishonesty would be made good. The purpose



Alliance, One of Live Railroad Towns of Northwestern Nebraska

Mc Cague Investment Company

OMAHA, NEBRASKA

==== INVESTORS IN ====

**Central Business Property,
Railroad Trackage Property,
and Income Real Estate**

====
Also GENERAL INSURANCE

Representing Strong Old Line Companies Only