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No. 1

Farm Moratorium

The majority of insurance company executives dislike the Frazier-Lenke farm moratorium bill which President Roosevelt signed last Saturday. They feel that this measure is likely to prove injurious to all insurance companies. The bill provides that farmers who attempt to reach a debt settlement through county conciliation commissions may petition the Federal Courts to be adjudged bankrupt. The Court, at the beginning of bankruptcy proceedings, would appoint appraisers to determine the fair value of land and chattels. Should the appraisal prove satisfactory to the lien holders, the farmers will be allowed to pay off their indebtedness over a six-year period, with interest starting at 1 per cent and increasing to 5 per cent. Should any creditor block the settlement, the Federal Court is empowered to grant the farmer a five-year moratorium, during which period the latter would retain his property, paying a fair rental value to be determined by the Court, and this rent to be divided among the creditors.

Sense of Balance

Present-day life requires a fine sense of balance and a sane and hopeful philosophy. Such is the opinion of President T. J. Falvey, of the Massachusetts Bonding & Insurance Co., and most of us will agree with him. There is mental stimulus, knowledge and much entertainment to be derived from the broad field of vision that opens to us all as we contemplate the rapidly shifting complexion of national and world affairs. But Mr. Falvey warns against our becoming too much diverted from our individual or local affairs, with the result that sometimes, instead of being inspired we may be depressed by the seemingly hopeless welter of world trends and events. When we begin to conclude that never before has mankind experienced such confusion and elements of conflict, it is well to remember that we have, after all, only witnessed a very small part of the development of civilization. Mr. Falvey recommends recourse to history. He believes that by so doing we must inevitably come to the conclusion that we

are living in an age that is orderly and full of promise compared to many periods of the past. It is in this way, Mr. Falvey believes, that we may acquire a "sense of balance"—relegating the vast affairs on our broadened horizons to philosophical consideration in our periods of leisure, and proceeding, undiverted, with our own more intimate affairs." Thus may the hope of civilization be realized—men and women going diligently about their own affairs with a calm and confident outlook, and doing their bit in the world's work with faith that the way is ever onward and upward. Most of us will agree with Mr. Falvey that true happiness and satisfaction go with a life so ordered.

Social Insurance

Americans will watch with intense interest the progress of plans outlined by President Roosevelt for consideration by the next Congress as regards unemployment insurance and old-age pensions. His program proposes a momentous departure from all previous American attitudes on this subject. It would do away with our preference for thrift and substitute something closely approximating the "dole." Programs of other nations designed to meet such problems as unemployment, temporary sickness, maternity, permanent invalidity, old-age, and widowhood do not

appear to be applicable to American conditions. Such undertakings as have already been made abroad fail to give any real idea of what is involved in a policy of social insurance for the whole United States. National schemes along this line now in effect in Great Britain are costing that country approximately \$1,200,000,000 a year; they would cost the United States, with its population of nearly three times that of Great Britain, something like \$3,500,000,000 a year. And would our country be content with the British scale of benefits? Thrift, as represented by recourse to life insurance, has by no means been a failure in this country, and yet the fact remains that our national Treasury is expending more than \$100,000,000 monthly for direct relief in the present inescapable emergency. It is evident that we must all help. But how?



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