1-1-1942

The Business of Life Insurance Among Negroes

Samuel Southern

Butler University

Follow this and additional works at: https://digitalcommons.butler.edu/grtheses

Part of the Insurance Commons

Recommended Citation

https://digitalcommons.butler.edu/grtheses/392

This Thesis is brought to you for free and open access by the Graduate Scholarship at Digital Commons @ Butler University. It has been accepted for inclusion in Graduate Thesis Collection by an authorized administrator of Digital Commons @ Butler University. For more information, please contact omacissa@butler.edu.
THE BUSINESS OF LIFE INSURANCE AMONG NEGROES

by

SAMUEL SOUTHERN

A thesis submitted in partial fulfillment of the requirements for the degree of Master of Science Business Administration

Division of Graduate Instruction
Butler University
Indianapolis
1942
# TABLE OF CONTENTS

<table>
<thead>
<tr>
<th>Chapter</th>
<th>Title</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>I.</td>
<td>LIFE INSURANCE IN OUR ECONOMY</td>
<td>1</td>
</tr>
<tr>
<td>II.</td>
<td>COMPARATIVE ANALYSIS</td>
<td>10</td>
</tr>
<tr>
<td>III.</td>
<td>THE NEGRO AS A RISK</td>
<td>16</td>
</tr>
<tr>
<td>IV.</td>
<td>MORTALITY AND EXPECTATION OF LIFE</td>
<td>30</td>
</tr>
</tbody>
</table>

**Preface** ................................................................. ii

**List of Tables** ......................................................... ix

**List of Illustrations** ................................................ x

**Chapter**

I. LIFE INSURANCE IN OUR ECONOMY ........................................ 1

- Introduction
- Reasons for the Inception of Negro Insurance companies
- Beginning of Negro Insurance Companies: Location and Dates
- Primary Kinds of Insurance

II. COMPARATIVE ANALYSIS ..................................................... 10

- National Negro Insurance Association and The Metropolitan Life Insurance Company
- Total Amount of Insurance and Number of Policyholders
- Industrial Insurance: Amount and Number of Policyholders
- Ordinary Life Insurance: Amount and Number of Policyholders
- Reasons for Difference
- Percentage of Negro population Insured by The Metropolitan as to States and Total Negro Population

III. THE NEGRO AS A RISK .................................................... 16

- Why the Negro is Considered as a Special Risk
- Migration: Where, Cause, and Effect
- Conditions of Negroes in Urban Areas
- Increase of Negro Population in Urban Areas
- High Mortality Rate
- Status as a Worker

IV. MORTALITY AND EXPECTATION OF LIFE .................................. 30

- American Experience Table of Experience
- The Need for a Separate Mortality Table; How and Why
**TABLE OF CONTENTS**

Chapter  | Page
---|---
IV. MORTALITY AND EXPECTATION OF LIFE | 30

Mortality in Five Principal Cities; 1880, 1881 to 1894, 1895
Mortality rate from 1936-1940
Type of Mortality Table Needed
Expectation of Life
Life expectancy in 1911, 1912
Gain from 1911, 1912 to 1935
Gain from 1902 to 1940
Difference in gain of Negroes and whites
result of Gain and Effect on Negro insurance

V. FAILURES OF NEGRO INSURANCE COMPANIES | 43

Causes for Failures of Fraternals
Causes for failure of the National Benefit Life Insurance Company
Causes for Failures Still prevalent
Specific and General Causes
reduction of Failures

VI. FINDINGS | 53

Importance of Training in Insurance principles
Insurance Courses in Negro Colleges
The Value of Advertising: Value of giving Insurance Information and how to accomplish reports of Companies in Professional Publications
A Plan for Selection of risks
Federal regulation of Insurance
Position of the Agent
Negro Insurance Companies and the Worker
questions That Should be put to the Negro Insurance Companies
Difficulties for Negroes to overcome
Definite Signs of Ability in Insurance

SUMMARY | 83
APPENDIX | 86
BIBLIOGRAPHY | 87
PHILEACE

The life insurance business is probably the oldest, the best supervised and managed, the largest and the most outstanding in economic co-operation of all the privately-owned businesses operated by Negroes.

Because Negro insurance occupies such a place of interest and importance, it is under constant surveillance by the public and most certainly by Negroes. They wish to know that their insurance companies are, at least, equal to other companies in every respect. Others notice these companies for reasons of competition.

It follows then that the business of life insurance among Negroes must continue to progress and to expand in the future as it has in the past in order to retain and to increase its business.

Our prejudiced economic system, our democratic ideals and our two-color caste system does not permit business as usual. Not even with an enterprise that deals in life and death does the color of the skin fail to be the premise of all actions and reasons.

Even under such adverse conditions as intimated above, life insurance among Negroes is going forward; and it must continue since there is such a thing as Negro life insurance, it proves that the Negro in business is as capable and as efficient as the circumstance demands.
For these reasons the pioneers and founders in Negro life insurance are due the great amount of credit. They started under conditions less conducive to advancement than now exist.

"The Business of Life Insurance Among Negroes" is very appropriate for study. Insurance as a business offers a precedent for the business field among Negroes; regardless of impediments, an enterprise can succeed.

Negro business, as such, is performing a service to the group because by it large numbers of members of the group receive training and experience in the field where otherwise the demand would not be met on such a large scale. But this service, that it might fulfill its functions properly, must be carried on according to the accepted standards of the business world. Certain theories have been found to be practical in business, and experience has proved them so. The Negro in business does not have to discard these theories simply because he is dealing with Negroes; but rather he should make adjustments to fit the need. Operations should be so planned and so executed that those who follow can carry on without having to start anew in order to build a business.
To Negro business and to Negro business alone has been given the task of determining the economic future for the Negro—relative security for insecurity. For the present Negro life insurance companies are best prepared to accept the major part of this task.

The topics discussed are those which should receive the utmost consideration at this phase of the development of Negro insurance companies. These subjects are problems that not only affect the insurance proper, but also the business operations of the company. Most of the attention given in the past to Negro insurance companies has been praise for what has been accomplished. While the praise for achieving is justly deserved, it must not be used to cover up certain actions. A 'pat on the back' for what has been done does not minimize the importance of that which has not been done.

Negro insurance was not born because the Negro wanted a segregated economy. It started under conditions over which the Negro had no control. Right or wrong, the fact remains that Negro insurance is a reality. Since so much depends on its success, the ultimate goal of achieving that success not only will outweigh all unfavorable circumstances but also will serve to counteract those conditions. The momentum developed by the success gained will remove barriers but the foundation on which it is built must be solid.
These subjects are those which, if properly considered, will serve to reinforce the base on which the business of life insurance among Negroes is built.

The comparative analysis is intended to show that a larger percentage of the Negro population is not insured by negro companies. This gives evidence that the job ahead for the Negro insurance companies—selling insurance—has not reached the point of saturation.

The special consideration of the Negro as a risk is important because the points for this study not only show the causes but also reveal the results of certain conditions. These companies, by instituting or by increasing the scope of a program for service, can benefit the public and themselves.

The expectation of life and mortality conditions are given to show the trend during the last forty year period. The trend reveals a possibly inadequate experience table now in use. A new table might be the answer to meet competition since two of the largest white companies do not use the American Experience Table for Negroes.

By presenting the causes for failures of negro companies the intent is that certain causes can be minimized or eliminated through good management and correct procedure.
The management phase of the business of life insurance among Negroes has been considered more in detail than other phases. Some financial considerations have been offered, when it was necessary, to complete the discussion of the points concerned.

The inductive method of procedure was used to show that the major weaknesses are inherent in the organization and operation of the business. While outside factors have influence on the general condition, better administrative and managerial policies would correct these weaknesses. In a like manner the present strength and past progress is due to the efficiency of management.

The administration and management of a business have three fundamental functions: (1) establishment of major policies; (2) planning and setting up the organization; (3) operation of the enterprise through the organization. It follows then that management should be charged with the success or failure of an enterprise. The management of negro insurance companies is no exception, and the purpose is to show that in some cases the managerial function has not been developed to a very high degree.

Some suggestions and possible plans are included in the findings together with some observations. Part of the information received through interviews was used in the proper places, but the detailed part of the interviews is developed because the ideas of recognized leaders in the field about pertinent questions might indicate future activity or inactivity.
I wish to make the following acknowledgements:

to my wife for the valuable and painstaking aid rendered me in this preparation for presentation; to Mrs. Ida Flanders for preparing maps, tables and charts; to the Production Department of the Gibraltar Life Insurance Company; to the Statistical Department of the Metropolitan Life Insurance Company; to the Research and Review Department of the North Carolina Mutual Life Insurance Company; to A. L. Bondi, Metropolitan Life Insurance Company, Indianapolis, Indiana; W. D. Hill, North Carolina Mutual Life Insurance Company, Durham, North Carolina; Dr. Joseph K. Houchins, Bureau of the Census, Department of Commerce, Washington, D. C.; to the business Branch of the Library, Indianapolis, Indiana, for procuring "An Economic Detour" by H. S. Stuart, Vice-President of the Universal Life Insurance Company and Historian of the National Negro Insurance Association; to the Butler Library for procuring Master of Science Thesis of W. J. Trent, Jr.

I wish to acknowledge further the cooperation of all the insurance companies responding to the questionnaires which I sent out; to all officials interviewed giving of their time generously: J. B. Smith, Domestic Life and Accident Insurance Company, Louisville, Kentucky; L. B. Landridge, Gibraltar Life Insurance Company, Indianapolis, Indiana; A. H. Mahoney, Great Lakes Mutual Life Insurance Company, Detroit, Michigan; A. Douglas Ross and J. B. Rankins, Mammoth Life and Accident Insurance Company, Louisville, Kentucky; A. L. Bondi, Metropolitan Life Insurance Company, Indianapolis, Indiana; W. Ellis Stewart, Supreme Liberty Life Insurance
# List of Tables

<table>
<thead>
<tr>
<th>Table</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Per Cent of Urban and Rural Negro Population With Increase, 1900-1920</td>
<td>20</td>
</tr>
<tr>
<td>2. Comparison of Number of Playgrounds in Ten Cities</td>
<td>25</td>
</tr>
<tr>
<td>3. Mortality Rate per Thousand Negroes at Specified Ages by Sex</td>
<td>34</td>
</tr>
<tr>
<td>4. Regressive Changes in Mortality Rate for Males and Females, 1936-1940</td>
<td>36</td>
</tr>
<tr>
<td>5. Expectation of Life for Negroes at Specified Ages by Sex</td>
<td>38</td>
</tr>
<tr>
<td>6. Negro Insurance Companies According to Insurance in Force, 1940</td>
<td>68</td>
</tr>
<tr>
<td>7. Negro Insurance Companies According to Total Income, 1940</td>
<td>69</td>
</tr>
<tr>
<td>8. Negro Insurance Companies According to Admitted Assets, 1940</td>
<td>70</td>
</tr>
</tbody>
</table>
LIST OF ILLUSTRATIONS

<table>
<thead>
<tr>
<th>Figure</th>
<th>Description</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td>1.</td>
<td>Organization of Negro Insurance Companies, 1890-1940</td>
<td>8</td>
</tr>
<tr>
<td>2.</td>
<td>Location of Negro Insurance Companies and The Metropolitan Life Insurance Company in the United States</td>
<td>9</td>
</tr>
<tr>
<td>3.</td>
<td>Percentage of Negroes Insured by The Metropolitan Life Insurance Company and The Negro Insurance Companies</td>
<td>14</td>
</tr>
<tr>
<td>4.</td>
<td>Comparative Gain of Expectation of Life of the Negro Race by Sex</td>
<td>42</td>
</tr>
</tbody>
</table>
CHAPTER I
LIFE INSURANCE IN OUR ECONOMY

Introduction

A fundamental requirement of an economic system of any type is security. The major task is to lessen insecurity and to build security as far as possible. This task makes the drive for security a major factor in determining our social relations. This is shown by a desire for personal well-being, a desire for one’s social position for the present and future to be retained for himself and his family, and a desire for stability. Life insurance does not make security absolute, but it lessens the degree of insecurity. Every group, unmindful of its position in the social order, is faced with the threat of insecurity. Every person in the group works to reduce uncertainty, and to provide for certain events which may occur in one’s life. Insurance offers a means to this end. Insurance in general, and life insurance in particular, is of great social and economic importance. There are two prime functions of life insurance; the service it gives to the insured if he lives, and the service to the family of the insured in event of his death.

Insurance is a social device whereby the risk of an individual is transferred to a group or company thereby substituting a known risk for an unknown risk.
The business of life insurance is to provide protection against losses caused by death, disability or sickness. The life policy is a valid contract because it meets all the requirements of a contract—offer and acceptance, competent parties, legal object and consideration. It is different from other contracts because it deals with premature death, with the item of insurable interest entering into the contract. Negro insurance companies, constitute an Economic Detour in the economic life of the country because their business relations are with one group only; moreover, all the rules of a free economy are disregarded.

Negro life insurance came into existence as a result of three conditions. (1) The older and better established insurance concerns refused to sell Negroes insurance because of their high mortality rate. (2) Fraternal societies and burial associations, on the whole, were not stable enough to cover the ever-growing need of adequate protection. (3) The security of the Negro was threatened.

The first organizations for relief and benefit were started in the churches. That was the only place in which practically everyone gathered. Here the needs of the people were seen, and plans were made to meet these needs. This condition was true of the Negro church both in the South and

---

in the North. As far as can be found now, the first of these relief associations was organized as the Free African Society of Philadelphia in 1787. There were other societies of a like nature in Newport, Rhode Island and Boston, Massachusetts as early as 1789. Others were located at New York in 1810; Wilberforce, Ohio and Brooklyn, New York in 1820. Many of these societies operated by membership dues from which benefits were paid. These organizations helped to meet the needs of runaway slaves during this period. After slavery, the church carried on with its relief need for free slaves for they were truly in dire need. It is easy to see that church relief societies and their benefit societies grew in membership as the result of recognition of need for that type of work.

The first notable success of a relief association is that of the Afro-American Benevolent Association organized from the Union Central Relief Association in Birmingham, Alabama in 1894. This organization was very successful for about twenty-five years, and it operated without any loss to its members. Finally it was taken over by the Atlanta Life Insurance Company.

---

3 Ibid., p. 3
4 Ibid., p. 12
As has been mentioned, the first beneficial society was founded at Philadelphia, Pennsylvania, in 1787; but the first corporate Negro insurance company was the Southern Aid Society of Richmond, Virginia, in 1893, an old line legal reserve company. This company has operated continuously up to the present. In 1894 the Richmond Beneficial Life Company was organized, and it is operating still. Between 1894 and 1920, fifteen insurance companies were started. Of this number twelve were founded in the states of Oklahoma, Maryland, Kentucky, North Carolina, Virginia, Georgia and Florida. From 1920 to 1940 thirty-four companies were organized. Twenty-two of this number were in the Southern states. Approximately seventy-five per cent of all Negro insurance companies were started in the South where the Negro population was the greatest and where the needs were most urgent. From 1893 to 1920 only three companies were organized in the Northern states; but from 1920 to 1940 twelve were organized—an increase of seventy-five per cent over the first period. This increase corresponds favorably with the increased migration of Negroes northward. This is evidenced by the fact that as the Negro population shifted, the Negro insurance companies moved to meet the need by expansion into other states. Inasmuch as most of these companies are still operating, it is an indication that the economic need of the race for this type of enterprise

over-balances all other economic factors which may have caused a decline or failure of Negro insurance companies.

According to information received, fourteen of the reporting companies were started because of the economic need. Of this number, two are given special mention. The Gibraltar Industrial Life Insurance Company of Indianapolis puts special emphasis on service to the community. Mr. Landridge, production manager, stated that whereas there was the economic need, allied to it was the item of service which could be given in order to improve the general health. This would not only be of service to the community but also ultimately would affect mortality rate if every company would participate in the movement. The Virginia Mutual Life Insurance Company, Richmond, Virginia, organized as a mutual company to protect the policyholders in the organization. This was the reason in addition to the economic need. Organization for investment purposes was cited as another reason. Economic need may be used from three points of view—the need of the people to be insured, the need of a place for investment purposes, the need for employment for Negroes trained in business and insurance.

The majority of Negro insurance companies fall into three classes—old line legal reserve, industrial legal reserve, and stipulated premium assessment and mutual aid companies. The old line legal reserve companies maintain policy reserves in accordance with the insurance laws of the
several states. These companies must fulfill other requirements of state laws in relation to organization, licenses, and various items. The industrial legal reserve companies sell industrial insurance. This type of insurance is for the industrial worker and workers in the wage earning group. The premiums of industrial insurance are paid weekly to the agent who calls at the insured's home. The amount of insurance is adjusted to the unit of premium—usually five cents or as multiple thereof up to seventy cents. It is extended to every member of the family. The premiums are somewhat higher because of the higher mortality rate of these groups, and the added expenses of collection and records. A special mortality table is used. The stipulated premium assessment and mutual and associations offer a plan of insurance in which there is one or two variables—either the amount of insurance or the amount of assessments. These companies issue contracts known as benefit certificates providing for the lowering of benefits, increasing of rates or levying of additional assessments when it necessitates paying claims. It can be said that these companies technically sell protection on a plan of insurance rather than insurance proper.

Industrial insurance is the kind of insurance that is sold largely among Negroes. They are, for the most part, industrial workers and workers in the wage earning group. This form of insurance is important because of the medical
service it gives to the worker during disability and sickness. From the report of the National Negro Insurance Association, 1940, it was found that approximately three times as much industrial insurance was in force as ordinary life at the close of the year. The average ordinary policy issued by fifteen reporting companies was $604.39, and the range was from $375 to $1,000; while the average industrial policy issued by twenty-six reporting companies was $158.40 and the range was from $80 to $331.

---

Organization of Negro Insurance Companies, 1890-1940

Source: North Carolina Mutual Life Insurance Company
CHAPTER II
COMPARATIVE ANALYSIS

At the end of the year 1940, the total amount of industrial insurance in force in twelve companies of the National Negro Insurance Association reporting industrial insurance only was $469,664,437.00; the number of policyholders were 3,160,689. For other companies not in the association, the amount of insurance issued was reported to be $1,750,000.00 with 8,000 policyholders. The total of industrial insurance in force was $471,414,437.00; the number of policyholders was 3,168,689 as of December 31, 1940. The Metropolitan Life Insurance Company at the end of the year 1939, had $666,000,000.00 worth of industrial insurance in force with 2,800,000 policyholders. This represents 93% of the total insurance in force on the lives of Negroes in the Industrial Department. These two figures in reality cannot be compared because there is a difference of one year in the reports. For the purpose of getting a clearer picture of the condition the comparison is made. The Negro industrial companies have $196,335,563.00 less industrial insurance in force than the Metropolitan Life Insurance Company, approximately 42%, while the Metropolitan has approximately 58% of the total.

8 Information by Metropolitan Life Insurance Co.
loss to drop that insurance to insure with a Negro company (although in a number of cases this was done). The Metropolitan could offer better policy contracts as a result of its added experience; to the Negro the question of security was of profound importance. Some felt that they were more securely covered because the Metropolitan was known, and other companies were unknown comparatively speaking. Another probable reason was that the premium rate was higher and the face value of the policy was lower in most Negro companies than in the Metropolitan. There was justification for this condition at that time beyond a reasonable doubt, but the fact remains that the difference was not known generally.

Since the Metropolitan Life Insurance Company is recognized as one of the largest and strongest white insurance companies, it might be well to observe how many Negroes are insured, and what percentage this is of the Negro population in the several states and of the total population of the entire country. The Metropolitan covers Negroes in forty-one of the forty-eight States and the District of Columbia, and four per cent of the Negroes in Canada. The seven states not covered are North Dakota, South Dakota, Nevada, Arizona, New Mexico, Texas and Wyoming.

11 Interviews with policyholders of the Metropolitan Life Insurance Company
The population of Negroes in Maine, New Hampshire, Vermont, Connecticut and Rhode Island is 94,086. Of this number the Metropolitan insures 2,817 or 3.1 per cent.

The Negro population of New York and Pennsylvania is 844,071. Metropolitan covers 21% or 167,255.

New Jersey, District of Columbia, Delaware and Maryland have 649,877 Negroes; 13.0% or 84,485 are insured with the Metropolitan.

The other Southern States—Alabama, Florida, Georgia, Louisiana, Mississippi, North Carolina, South Carolina, Tennessee and Virginia have a Negro population of 7,073,970. The Metropolitan Life Insurance Company has 1,545,051 or 21.7 per cent as policyholders.

Middlewestern States—Ohio, Indiana, Kentucky and West Virginia have a Negro population of 862,219. Of this number 104,424 or 13.7 per cent are insured with Metropolitan.

The Negro population of Arkansas, Kansas, Missouri, Iowa, Nebraska and Oklahoma is 971,977. Metropolitan insures 9.1 per cent or 88,450.

Michigan, Minnesota, Illinois and Wisconsin have a Negro population of 518,609; 14.2 per cent or 74,642 are Metropolitan policyholders.

California, Colorado, Idaho, Montana, Oregon and Utah have a Negro population of 104,982. Metropolitan insures three thousand nine hundred and eighty-nine or 3.8 per cent. (Percentage of Negroes insured by James K. Herman, Associate Actuary, Metropolitan Life Insurance Company.)
Total Number Negroes In U.S.A.-Percentage

Number Insured.

Sources:
Metropolitan Life Insurance Company
Bureau of Census

Figure 3--Negroes Insured by Metropolitan Life Insurance Company-Industrial Dept. Percentage and Number
CHAPTER III
THE NEGRO AS A RISK

The Negro is probably no more of a risk than any other group would be if it were singled out from the larger whole and considered separately from every angle as far as insurance is concerned. The Negro as a risk deserves special consideration because he is a Negro, and because of certain conditions which he experiences because of the fact that he IS a Negro.

Anthropologists, psychologists and social psychologists generally agree that races cannot be classified successfully and that there is no biological or hereditary basis for the difference in races. The Negro as a racial group and as a separate risk in insurance, then, must be considered on the basis of certain social and economic conditions together with political factors that affect his position as a separate entity.

One of the important factors in considering the Negro as a risk is migration. The movement of any group from one place to another brings with it certain social and economic problems. This is especially true of the migration of the Negro. The movement, contrary to usual beliefs, has been carried on in two distinct phases. The best known and more widely publicized is the movement from the Southern part of the country to the North. The least known is the movement from the rural to the urban
sections. The resultant problems have been usually the
same in extent and in scope, the degree varying with the
particular city involved and the section of the country.

Both these movements were operating together
from 1900 on, but it appears that the northward migration
gained marked attention in a wider scope about the year 1869.

About 4.2 per cent of the Negro population of the
United States was living in urban districts in 1860. This
percentage increased to 8.4 per cent and to 12 per cent
by 1890; the average increase of Negro population for the
entire nation was only 20 per cent from 1870 to 1890.

In 1869 a Negro named Henry Adams and a few others
formed a committee which was to, in his own words, "look
into affairs and see the true conditions of our race, to see
whether it was possible we could stay under a people who
held us in bondage or not." This committee grew rapidly,
the members living throughout the South. They gathered their
information, and in 1877 decided to leave the Southland. In
the same year Benjamin Singleton of Tennessee started
influencing Negroes to go to Kansas.

---

13 Mortality Among Negroes in Cities, p. 7. Proceedings
of the conference investigations of City Problems, Atlanta Uni-
versity publications, No. K, Second Edition, abridged, Atlanta,
Georgia: Atlanta University Press, 1903.

14 Emmett J. Scott, Negro Migration During The War, p. 4,
Carnegie Endowment, International Peace, New York: Oxford Uni-
He was responsible for approximately 8,000 leaving Tennessee. Adams and his committee had 98,000 ready to leave Louisiana, Mississippi, Alabama and Texas in 1878. In 1872 15 the movement gathered momentum in North Carolina. The Negro population of northern cities increased 11.2 per cent from 1900 to 1910. From the time the migration started until 1910 the percentage of the total Negro population that moved was four per cent. In the following cities the Negro population increased as follows: Columbus, 55 per cent; Chicago, 46 per cent. The gain was entirely from the South because the rural districts of these cities had very small Negro population. The movement to the North subsided a little between 1910 and 1916.

Within the brief period of three years following the outbreak of the great war in Europe, more than four hundred thousand Negroes suddenly moved North. In extent this movement is without parallel in American history, for it swept on thousands of the blacks from remote regions of the South, depopulated entire communities, drew upon the Negro inhabitants of practically every city of the South, and spread from Florida to the western limits of Texas.

15 Ibid., p. 5
16 Ibid., p. 7
17 Ibid., p. 3
In 1870, only 750,000 Negroes lived in cities; the majority of this number lived in small Southern cities. By 1900, two million were city residents and twenty-five years later the number was four million. Cities in the South received their proportionate share of increase in Negro residents. The increase of Northern cities was more noticeable because before the migration, their Negro population was small. The great industrial cities were located North, and as the number of immigrants was limited during this time, Negro labor was used to replace foreign labor. Table One shows the increase in urban Negro population for the total United States—Northern and Southern States.

The causes of this movement in both of its phases were apparent. The predominate factor was economic. Two of the economic causes were the Southern labor depression in the years 1914 and 1915, and the decrease in immigrant labor after the World War. The cotton crop was damaged by the boll weevil; this interrupted farming during the years 1915 through 1917.


### Table 1
PERCENTAGES OF URBAN AND RURAL NEGRO POPULATION WITH INCREASE

<table>
<thead>
<tr>
<th>Section of Country</th>
<th>Year</th>
<th>Increase</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>1900</td>
<td>1910</td>
</tr>
<tr>
<td>North and West</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>69.9</td>
<td>77.0</td>
</tr>
<tr>
<td>Rural</td>
<td>30.1</td>
<td>23.0</td>
</tr>
<tr>
<td>Southern</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>17.2</td>
<td>21.2</td>
</tr>
<tr>
<td>Rural</td>
<td>82.8</td>
<td>78.8</td>
</tr>
<tr>
<td>Total U.S.</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Urban</td>
<td>22.7</td>
<td>27.3</td>
</tr>
<tr>
<td>Rural</td>
<td>77.3</td>
<td>72.7</td>
</tr>
</tbody>
</table>


Low wages contributed since Negroes always had been paid the lowest possible wage. Some of those who left did so because they were dissatisfied and some because they were asked to leave by the plantation owner who was in financial distress as a result of the cotton farming conditions. Plainly, unemployment in cotton farming was prevalent. It was possible to earn better wages in the North where wages were sometimes two or three times higher.

Negro children were able to get a better education in the North. Southern schools for Negroes were of the worst kind; poorly and inadequately equipped; facilities of light, heat and ventilation were far from standard, and the teachers were not only insufficiently trained, but also underpaid.

Another cause of the northward movement was the unfairness of the courts of the South and the manner in which they dealt with Negroes. There was no such thing as a fair trial either for the Negro man or woman. Wholesale arrests were made on the Negro in order to give the sheriff an income from the large number of prisoners imprisoned.

Lynching was a vital contributory cause as was the treatment the Negro received at the hands of police officials. Traveling and transportation facilities were very inadequate and badly maintained. The right of suffrage was denied the Negro.

This migration as a whole resulted in certain conditions which affected directly the Negro as an insurance risk, namely health, morals, and living conditions. Negro areas were congested. In fact, in some cities the density was approximately four times as great as it was in comparison to other areas. This was all the more important because the area for Negroes was limited due to segregation. Often it was impossible to buy or to rent homes in any other
district. This meant that the houses in the one area had to contain the Negro population. The houses were in a run-down condition, and often sanitary facilities were most inadequate. They contained more families than the size permitted. Often, even though the houses were overcrowded, they contained lodgers in addition. The following percentages are Negro dwellings containing two or more persons: Philadelphia, 16.9; Gary, 16.6; New Orleans, 16.6; Dayton, 10.0; Louisville, 9.0; Indianapolis, 6.0. The percentages of families having lodgers was Philadelphia, 37; Gary, 24; New Orleans, 6; Dayton, 28; Louisville, 11; and Indianapolis, 25.

In a report on the equipment of Negro dwellings in fourteen cities, it was found that 53 per cent of the houses had bath tubs; 96 per cent had city water. In some cases the hydrant had to serve as many as four houses. The same report states that 42 per cent had inside water closets; outside toilets, 45.8; old-fashioned type, 12.2.

In congested urban districts, recreation facilities are considered generally as a means of temporary relief. It is found that in Negro neighborhoods these facilities were quite inadequate. When a comparison is made of the recreation given, the inadequacy can be observed. Table Two


22 Ibid., pp. 117, 118
shows the comparison. In most of these places shown in the table, the facilities for Negroes are not up to the standard as far as size, equipment, supervision and the amount of money allotted are concerned.

In order to complete the analysis of conditions of the Negro as it affects him as an insurance risk, the Negro population in Indianapolis today can be used as a fair measuring stick.

The Negro population of Indianapolis increased from 9,154 in 1890 to 43,967 in 1930, an increase of 370 per cent; in 1890 Negroes were 9.1 per cent of the total population and in 1930 they were 12.1 per cent. This was the period of migration as has been indicated. Approximately 11.5 per cent of the families are natives; 88.5 came from outside Indianapolis; 76 per cent of the family heads were from the South. Over 50 per cent came from Kentucky and Tennessee. According to the "Study of Indianapolis" conducted by Flanner House under Cleo W. Blackburn, the majority of those studied said that they came to Indianapolis to be employed; some few said it was for better educational advantages. Many of these families were peasants and in addition they left behind them their old habits and customs to live in a new community and almost a new world. They left a rural agricultural com-

"The Indianapolis Study" (The Flanner House, Indianapolis, 1939), p. 10. (Mimeographed).
munity to reside in an urban industrial community. When they came, labor was unskilled, cheap and unorganized. By the depression, labor was organized, skilled or semi-skilled. The fact that Negro labor was in competition with white labor and excluded from the labor unions, made employment a grave situation. As unskilled and domestic workers, 76.4% of the men and 83% of the women were in this group. The Planner House report of 1939 states that out of 1501 family heads studied, 51.6% were employed gainfully; 4.4% were temporarily out of work, and 26.4% were on WPA or Work relief. The average wage of these 1501 heads of families was $17.86.

The living conditions of Indianapolis Negroes has a place of importance. Nearly 80% of the families have two sleeping rooms, and almost 30% have three or four rooms; over 75% of the houses in which they lived were in need of repairs, and 5% should not have been occupied. Of these families, approximately 61% had inside flush toilets. Eleven percent approximately had outside flush toilets and 28% had the old-fashioned outside type.

While conditions given are only a sample of the general condition of Negroes in cities, they do present a fairly logical basis for special consideration of the Negro

24 Ibid., p. 10  
25 Ibid., pp. 20-22
TABLE 2

COMPARATIVE RECREATION FACILITIES

<table>
<thead>
<tr>
<th>City</th>
<th>Whites</th>
<th>Negroes</th>
</tr>
</thead>
<tbody>
<tr>
<td>Indianapolis</td>
<td>38</td>
<td>16</td>
</tr>
<tr>
<td>Dayton</td>
<td>19</td>
<td>2</td>
</tr>
<tr>
<td>Louisville</td>
<td>16</td>
<td>6</td>
</tr>
<tr>
<td>New Orleans</td>
<td>17</td>
<td>1</td>
</tr>
<tr>
<td>Charleston</td>
<td>4</td>
<td>1</td>
</tr>
<tr>
<td>Memphis</td>
<td>16</td>
<td>2</td>
</tr>
<tr>
<td>Richmond</td>
<td>13</td>
<td>9</td>
</tr>
<tr>
<td>Atlanta</td>
<td>21</td>
<td>3</td>
</tr>
<tr>
<td>Knoxville</td>
<td>11</td>
<td>2</td>
</tr>
<tr>
<td>Lynchburg</td>
<td>8</td>
<td>3</td>
</tr>
</tbody>
</table>


as a risk. The migration of the Negro to the city has affected his health and morals, two highly important factors in determination of risks. This problem has been made more acute by the fact that the places where he can live are limited by segregation. The houses in which he must live, for the most part, are inadequate for the number in the household, and they are grossly dilapidated. It is a known fact that landlords do not keep houses in repair in Negro neighborhoods. His economic condition is not up to standard because he must compete with white labor even to procure unskilled employment; a fact that causes unemployment among Negroes. He is refused membership in labor unions; therefore, he cannot get standard wages. The majority are domestic workers or on WPA, and as such receive subsistence wages only.
rent in Negro areas are out of proportion both according to the type of house in which he lives and his income. He is exploited for rent by Negro and white landlords because of the great demand for living quarters. He has no person to whom he can appeal for justice.

With such conditions as those prevailing, a high rate of mortality would be the result. It is no wonder that heart disease, tuberculosis, nephritis, pneumonia and influenza were the leading causes of death among Negroes in 1930. The bad health conditions were made worse by the fact that often Negroes do or did not have money for medical services.

Social conditions such as segregation and limitation of places for residence accentuated by adverse economic conditions have contributed something definite to the Negro as a risk.

Another consideration that occupies a place worthy of mention is the fact that the majority Negro workers are unskilled laborers. The factor alone produces a high mortality rate. A group predominantly laborers have a mortality rate higher than usual; this lends to the increase the group's liability as a risk.

——

"It is not difficult to see some reasons for mortality being higher among the Negro than among white. Generally speaking the Negro population is at a disadvantage economically and, as usual, this brings with it the disadvantage of greater exposure to industrial risks, quite aside from the lower level of living."

The Negro worker has for the most part industrial policies. Furthermore, the industrial policyholders are representative largely of the lower income brackets of the urban population. These two factors, an urban habitat and a relatively low income, tend to react unfavorably upon the health of the entire family. "The wage-earner himself who does unskilled and semi-skilled work is exposed to certain hazards to his life and health which are not faced by professional or white-collar workers. These conditions, as well as others, necessarily are reflected in the mortality of the group."

The reasons for the importance of these conditions is that for a person to be selected as a risk, it is necessary to know and to study certain prevailing conditions: (1) the applicant's occupation since jobs present different

27

28
Ibid., p. 27
risks; (2) his residence—some places of residence present extra hazards. The moral hazard includes a number of items, but it is of prime importance. His stature is considered as well as that of his family's in order to see whether consistency obtains. Closely connected is his physical condition to obtain a mean average. Information concerning his personal history is obtained pertaining to past illnesses, operations and medical attention. His family history is studied as to condition of health, and the age and causes of death.

The Negro is a separate risk in insurance because of his high mortality rate. The high mortality rate probably is one result of adverse economic conditions made worse by social conditions which are, in the main, the result of segregation and racial discriminations. The physical condition of the Negro is a cause of high mortality. This condition may be due to social conditions or environment or both. Neglect is a cause—neglecting to do those things which are known that should be done with reference to sanitation, personal cleanliness, safety, improvement and repair of living quarters. Neglect also in some cities to meet the sanitary needs, lack of adequate hospitalization facilities, lack of strict condemnation proceedings—all these may be included.

Infant mortality is a cause although this condition is better now than was formerly the case. Ignorance is a cause, especially among the more unfortunate persons who
have not had ample opportunity to learn of those things necessary for long life.

Most of these causes were in evidence before and during migration, but such extensive movement to the city probably caused them to be more pronounced. In the Atlanta University Publication, No.1 and No. 2 published in 1903 and 1897, causes of excessive mortality were listed as negligence, intemperance, poverty, ignorance, infant mortality, contagious disease, pneumonia.

The Negro is responsible for some of these causes of high mortality; for others he is not responsible; nevertheless all are contributory causes to his position as a risk. The health causes have been greatly improved; the other causes have fluctuated in the degree of improvement. Until all causes are greatly improved, the Negro as a risk will be a subject of special consideration. Negro insurance companies can be a major factor in alleviating this condition by helping to improve the general health, just by performing normal insurance functions, and by not forgetting their social obligation to the community. By so doing they will not only effect an additional mortality savings but also increase their insurance sales.
CHAPTER IV

MORTALITY AND EXPECTATION OF LIFE

In all reports received and from the information available, the American Experience Table of Mortality is used by the Negro insurance companies. The Best's 1941 Life Insurance Reports state that "the American Experience Table of Mortality was constructed from the experience of the Mutual Life Insurance Company of New York, and was first published about 1870. Although it is the prescribed valuation for many states, it is conceded that it does not represent present-day mortality rates." This table was revised in 1915. Even this revision does not make this table competent for the mortality rates of the Negro companies because the mortality of the Negro is higher than other groups. This condition should have special consideration. A new table might affect mortality savings which would in the long run serve as a cause for reduction in premium rates.

In the preparation of an experience table adequate for the purposes of Negro insurance companies, the National Negro Insurance Association should construct an experience table of its own based on the experience of the fraternals, the early benefit societies and the life companies. The

[29] Best's Life Insurance Reports, 1941, p. xliii
experience evidenced since the first benefit society in 1787 to 1940 would represent the experience of 153 years; certainly an interval long enough to be a good foundation for such a table. It would not only be mathematically sound but also scientifically correct. The results—reduced premium rates, greater policy face value, and the resultant favorable appeal to possible buyers—would more than justify the time and money used in preparing such a table.

A mortality table has been described as the picture of "a generation of individuals passing through time." The mortality rate of the Negro has improved greatly since the time of the migration. Yet before the migration, the mortality rate was improving. Atlanta, Baltimore, Charleston, Memphis and Richmond showed improvement over the death rate from 1880, 1881 to 1894, 1895. Memphis' was 50.9 per cent; Atlanta's 13.9 per cent; Richmond's 13.4 per cent; Baltimore's 12.9 per cent; and Charleston's 6 per cent. These five cities are representative because the major portion of the Negro population was in the South during this period. The average death rate per 100,000 among

30


31

Negroes from all causes decreased 28.4 per cent from the period 1911-1915 to the period 1931-1935. This would give evidence of a general and substantial improvement in mortality rate. Detailed information concerning the rate of mortality was not available for this period. More definite statistics were available for the rate for the five year period from 1936 to 1940 inclusive. It can be observed from Table 3 that rates improved generally, but the ages at which no improvement or when regression took place might be considered.

On page 36, Table 4 carries the regressive changes in the mortality rate for males and females from 1936 through 1940 inclusive. For the years 1939 and 1940 there was no change in the mortality rate for males at the age of 45.

In all there were seventeen changes during this five year period, at which time the change in the mortality rate was unfavorable. The average of each regressive change was 1.25 years; for a year there was no change. At all other ages there was a definite improvement. This information is indicative of a vast improvement in the mortality rate among Negroes over a period of time.

During the same five year period, 1936 to 1940, there were sixteen unfavorable changes in the mortality rate of the white population. The average of each regressive change was .40 years; during two years the rate remained constant. At every other age there was definite improvement. The difference between the average regressive change of each group is .85 years.

While the evidence given is, by no means, full and complete, it does indicate general improvement in the mortality rate of Negroes from 1880 to 1940. This would seem to justify the need for a new mortality table for Negroes which if properly constructed, would have the assent of the proper authorities. Another reason for the need of another table is the fact that the American Experience Table is an ultimate table. It is believed that an aggregate table would be more practical for Negro insurance companies because it would include past and present mortality data. The savings in mortality, as experienced by use of the American Table probably would not be as great, but a competitive advantage would be gained by the Negro companies. Ultimately these companies would insure a greater percentage of the Negro population.
MORTALITY RATE PER THOUSAND NEGROES
AT SPECIFIED AGES BY SEX

TABLE 3

<table>
<thead>
<tr>
<th>Age</th>
<th>1936 Male</th>
<th>1936 Female</th>
<th>1937 Male</th>
<th>1937 Female</th>
<th>1938 Male</th>
<th>1938 Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>2.64</td>
<td>2.27</td>
<td>2.42</td>
<td>2.12</td>
<td>2.02</td>
<td>1.75</td>
</tr>
<tr>
<td>10</td>
<td>1.61</td>
<td>1.27</td>
<td>1.52</td>
<td>1.04</td>
<td>1.23</td>
<td>1.09</td>
</tr>
<tr>
<td>15</td>
<td>3.59</td>
<td>3.78</td>
<td>3.19</td>
<td>3.38</td>
<td>2.87</td>
<td>3.24</td>
</tr>
<tr>
<td>20</td>
<td>5.98</td>
<td>6.09</td>
<td>5.38</td>
<td>5.79</td>
<td>4.66</td>
<td>5.43</td>
</tr>
<tr>
<td>25</td>
<td>7.84</td>
<td>6.90</td>
<td>6.44</td>
<td>6.40</td>
<td>5.99</td>
<td>5.92</td>
</tr>
<tr>
<td>30</td>
<td>9.81</td>
<td>7.30</td>
<td>8.47</td>
<td>7.03</td>
<td>7.23</td>
<td>6.25</td>
</tr>
<tr>
<td>35</td>
<td>11.53</td>
<td>8.77</td>
<td>10.96</td>
<td>8.54</td>
<td>8.71</td>
<td>7.53</td>
</tr>
<tr>
<td>40</td>
<td>14.48</td>
<td>11.76</td>
<td>13.55</td>
<td>10.68</td>
<td>11.95</td>
<td>9.77</td>
</tr>
<tr>
<td>50</td>
<td>25.15</td>
<td>18.46</td>
<td>23.63</td>
<td>18.47</td>
<td>21.07</td>
<td>17.66</td>
</tr>
<tr>
<td>55</td>
<td>32.11</td>
<td>24.49</td>
<td>30.80</td>
<td>24.36</td>
<td>27.81</td>
<td>23.91</td>
</tr>
<tr>
<td>60</td>
<td>43.79</td>
<td>35.57</td>
<td>40.59</td>
<td>33.63</td>
<td>37.00</td>
<td>32.49</td>
</tr>
<tr>
<td>65</td>
<td>58.58</td>
<td>53.28</td>
<td>58.09</td>
<td>47.03</td>
<td>56.10</td>
<td>45.67</td>
</tr>
<tr>
<td>70</td>
<td>85.45</td>
<td>70.85</td>
<td>81.98</td>
<td>69.40</td>
<td>73.28</td>
<td>65.64</td>
</tr>
<tr>
<td>75</td>
<td>118.52</td>
<td>89.87</td>
<td>111.11</td>
<td>93.41</td>
<td>97.70</td>
<td>88.08</td>
</tr>
</tbody>
</table>


Secondary Source: Samuel Southern.
**TABLE 3--Continued**

<table>
<thead>
<tr>
<th>Age</th>
<th>Male 1939</th>
<th>Female 1939</th>
<th>Male 1940</th>
<th>Female 1940</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>2.15</td>
<td>1.70</td>
<td>2.60</td>
<td>1.65</td>
</tr>
<tr>
<td>10</td>
<td>1.16</td>
<td>1.11</td>
<td>.92</td>
<td>.93</td>
</tr>
<tr>
<td>15</td>
<td>2.58</td>
<td>2.92</td>
<td>2.34</td>
<td>2.85</td>
</tr>
<tr>
<td>20</td>
<td>3.89</td>
<td>4.93</td>
<td>4.40</td>
<td>4.95</td>
</tr>
<tr>
<td>25</td>
<td>5.26</td>
<td>5.57</td>
<td>5.16</td>
<td>4.92</td>
</tr>
<tr>
<td>30</td>
<td>7.11</td>
<td>5.93</td>
<td>6.00</td>
<td>5.11</td>
</tr>
<tr>
<td>35</td>
<td>8.57</td>
<td>7.33</td>
<td>8.34</td>
<td>6.80</td>
</tr>
<tr>
<td>40</td>
<td>10.93</td>
<td>9.92</td>
<td>10.96</td>
<td>9.28</td>
</tr>
<tr>
<td>45</td>
<td>14.60</td>
<td>13.11</td>
<td>14.60</td>
<td>12.61</td>
</tr>
<tr>
<td>50</td>
<td>19.59</td>
<td>16.91</td>
<td>20.12</td>
<td>16.88</td>
</tr>
<tr>
<td>55</td>
<td>27.56</td>
<td>22.53</td>
<td>27.16</td>
<td>22.59</td>
</tr>
<tr>
<td>60</td>
<td>38.23</td>
<td>32.58</td>
<td>37.89</td>
<td>32.49</td>
</tr>
<tr>
<td>65</td>
<td>51.25</td>
<td>45.38</td>
<td>55.49</td>
<td>46.38</td>
</tr>
<tr>
<td>70</td>
<td>72.93</td>
<td>60.02</td>
<td>75.30</td>
<td>65.84</td>
</tr>
<tr>
<td>75</td>
<td>103.53</td>
<td>84.82</td>
<td>102.53</td>
<td>88.06</td>
</tr>
</tbody>
</table>
Table 4

REGRESSIVE CHANGES IN MORTALITY RATE FOR
MALES AND FEMALES
1936-1940

<table>
<thead>
<tr>
<th>Year</th>
<th>Age</th>
<th>Males</th>
<th>Females</th>
</tr>
</thead>
<tbody>
<tr>
<td>1939-1940</td>
<td>5</td>
<td>.15</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>.45</td>
<td></td>
</tr>
<tr>
<td></td>
<td>40</td>
<td>.03</td>
<td></td>
</tr>
<tr>
<td></td>
<td>50</td>
<td>.53</td>
<td></td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>4.24</td>
<td>1.00</td>
</tr>
<tr>
<td></td>
<td>70</td>
<td>2.37</td>
<td>2.82</td>
</tr>
<tr>
<td></td>
<td>75</td>
<td></td>
<td>3.14</td>
</tr>
<tr>
<td>1938-1939</td>
<td>5</td>
<td>.13</td>
<td></td>
</tr>
<tr>
<td></td>
<td>20</td>
<td>.77</td>
<td></td>
</tr>
<tr>
<td></td>
<td>45</td>
<td></td>
<td>.26</td>
</tr>
<tr>
<td></td>
<td>60</td>
<td>1.23</td>
<td>.09</td>
</tr>
<tr>
<td></td>
<td>65</td>
<td>4.85</td>
<td></td>
</tr>
<tr>
<td></td>
<td>75</td>
<td>5.83</td>
<td></td>
</tr>
<tr>
<td>1936-1937</td>
<td>75</td>
<td></td>
<td>3.54</td>
</tr>
</tbody>
</table>
In the period 1911-1912 at ten years old, the life expectation of Negro males was 41.32 years and for females the life expectation was 41.30. In the year 1935, at the age of ten the life expectation was 46.97 years for male, and 49.38 years for females. The gain in life expectancy from 1911-1912 to 1935 was 5.65 years for men, and 8.08 years for women. At the age of thirty, the gain was 3.01 years and 4.22 years for males and females respectively. At the age of fifty the gain was 1.78 and 2.29 years for males and females respectively for the same period. Life expectancy definitely gained in the five years from 1936 to 1940 inclusive. Table 5 shows this fact. Although there were eight times during this five year period when the male life expectancy had unfavorable changes, the average for each instance was only .24 of a year. In the experience of females for the same period, an unfavorable change occurred six times with a .14 average. It will be noticed that in each case the unfavorable change was less than one-half a year. These figures quoted show that there has been considerable gain, but these figures are for industrial workers only. It is a known fact that the life expectancy of industrial workers is lower than that of the general population. Therefore, if this much gain has been made among the industrial workers, it can be seen that the gain of

33
Ibid., p. 37.
TABLE 5

EXPECTATION OF LIFE FOR NEGROES AT SPECIFIED AGES BY SEX

<table>
<thead>
<tr>
<th>Age</th>
<th>1936 Male</th>
<th>1936 Female</th>
<th>1937 Male</th>
<th>1937 Female</th>
<th>1938 Male</th>
<th>1938 Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>50.88</td>
<td>54.05</td>
<td>52.15</td>
<td>54.84</td>
<td>54.03</td>
<td>55.81</td>
</tr>
<tr>
<td>10</td>
<td>46.38</td>
<td>49.44</td>
<td>47.62</td>
<td>50.21</td>
<td>49.42</td>
<td>51.15</td>
</tr>
<tr>
<td>15</td>
<td>41.87</td>
<td>44.93</td>
<td>43.08</td>
<td>45.64</td>
<td>44.84</td>
<td>46.59</td>
</tr>
<tr>
<td>20</td>
<td>37.79</td>
<td>40.97</td>
<td>38.92</td>
<td>41.61</td>
<td>40.62</td>
<td>42.53</td>
</tr>
<tr>
<td>25</td>
<td>34.00</td>
<td>37.24</td>
<td>35.01</td>
<td>37.84</td>
<td>36.62</td>
<td>38.70</td>
</tr>
<tr>
<td>30</td>
<td>30.39</td>
<td>33.49</td>
<td>31.18</td>
<td>34.02</td>
<td>32.72</td>
<td>34.80</td>
</tr>
<tr>
<td>35</td>
<td>26.90</td>
<td>29.72</td>
<td>27.58</td>
<td>30.24</td>
<td>28.95</td>
<td>30.90</td>
</tr>
<tr>
<td>45</td>
<td>20.27</td>
<td>22.70</td>
<td>20.83</td>
<td>23.04</td>
<td>21.28</td>
<td>23.50</td>
</tr>
<tr>
<td>50</td>
<td>17.30</td>
<td>19.43</td>
<td>17.76</td>
<td>19.72</td>
<td>18.69</td>
<td>20.10</td>
</tr>
<tr>
<td>55</td>
<td>14.54</td>
<td>16.27</td>
<td>14.94</td>
<td>16.61</td>
<td>15.74</td>
<td>16.97</td>
</tr>
<tr>
<td>60</td>
<td>11.97</td>
<td>13.39</td>
<td>12.31</td>
<td>13.72</td>
<td>13.00</td>
<td>14.08</td>
</tr>
<tr>
<td>65</td>
<td>9.70</td>
<td>10.99</td>
<td>9.95</td>
<td>11.15</td>
<td>10.61</td>
<td>11.50</td>
</tr>
<tr>
<td>70</td>
<td>7.72</td>
<td>9.12</td>
<td>8.06</td>
<td>8.98</td>
<td>8.78</td>
<td>9.31</td>
</tr>
<tr>
<td>75</td>
<td>6.35</td>
<td>7.45</td>
<td>6.62</td>
<td>7.31</td>
<td>7.14</td>
<td>7.54</td>
</tr>
</tbody>
</table>


Secondary Source: Samuel Southern
<table>
<thead>
<tr>
<th>Age</th>
<th>1939 Male</th>
<th>1939 Female</th>
<th>1940 Male</th>
<th>1940 Female</th>
</tr>
</thead>
<tbody>
<tr>
<td>5</td>
<td>54.75</td>
<td>56.33</td>
<td>54.82</td>
<td>56.71</td>
</tr>
<tr>
<td>10</td>
<td>50.15</td>
<td>51.68</td>
<td>50.23</td>
<td>52.04</td>
</tr>
<tr>
<td>15</td>
<td>45.54</td>
<td>47.09</td>
<td>45.55</td>
<td>47.41</td>
</tr>
<tr>
<td>20</td>
<td>41.23</td>
<td>42.92</td>
<td>41.24</td>
<td>43.28</td>
</tr>
<tr>
<td>25</td>
<td>37.08</td>
<td>39.03</td>
<td>37.19</td>
<td>39.33</td>
</tr>
<tr>
<td>30</td>
<td>33.14</td>
<td>35.08</td>
<td>33.14</td>
<td>35.24</td>
</tr>
<tr>
<td>35</td>
<td>29.15</td>
<td>31.14</td>
<td>29.20</td>
<td>31.18</td>
</tr>
<tr>
<td>40</td>
<td>25.64</td>
<td>27.35</td>
<td>25.49</td>
<td>27.31</td>
</tr>
<tr>
<td>45</td>
<td>22.11</td>
<td>23.78</td>
<td>21.95</td>
<td>23.66</td>
</tr>
<tr>
<td>50</td>
<td>18.80</td>
<td>20.40</td>
<td>18.64</td>
<td>20.23</td>
</tr>
<tr>
<td>55</td>
<td>15.75</td>
<td>17.18</td>
<td>15.61</td>
<td>17.00</td>
</tr>
<tr>
<td>60</td>
<td>13.05</td>
<td>14.25</td>
<td>12.83</td>
<td>14.04</td>
</tr>
<tr>
<td>65</td>
<td>10.65</td>
<td>11.72</td>
<td>10.45</td>
<td>11.47</td>
</tr>
<tr>
<td>70</td>
<td>8.53</td>
<td>9.52</td>
<td>8.53</td>
<td>9.30</td>
</tr>
<tr>
<td>75</td>
<td>6.92</td>
<td>7.69</td>
<td>6.95</td>
<td>7.54</td>
</tr>
</tbody>
</table>
general Negro population is even more. The gain is more significant if one remembers that from the period 1911-1935, a war was fought, and that the business cycle went through three of its phases, possibly a part of the fourth; and that the migration to the city was taking place during this time.

From the period 1900-1902 to 1940 the expectation of life rose from 32.54 years to 53.04 years for males; from 35.04 years to 56.01 years for females. This shows a gain of 20.50 years for males, 20.97 for females. For the same period the gain of life expectancy of white males was 14.71 years, and for females 16.23 years. Negro males gained 5.79 years more than white males; Negro females gained 4.74 years more than white females in the expectation of life in spite of the number of years of expectation of life being greater in all cases with the white population.

If this gain in expectation of life continues to progress in the future as it has in the past, together with the decrease in the rate of mortality, the results will have a definite bearing on Negro insurance companies. It means that the planning of these companies will have to be planned and developed on a long range principle. In 1940 the maximum years of life expectation of white males was 62.94

years; that of Negro males 53.04 years. The difference is 9.90 years more for white males. The gain in the life expectation made by Negro males was 5.79 years greater than the gain made by white males. This means that there is a possibility that in two generations the difference in maximum years of life expectation can be eliminated.

It is questionable whether the difference in the rate of mortality can be nullified by that time; but there is little doubt that it will be greatly improved. It can be assumed, according to present conditions, that Negro risks will still be considered as sub-standard in white companies at the end of two generations. Negro life insurance companies can begin now to be cognizant of this possibility and plan their mortality table and future policies, in fact, all insurance operations to make the most of this advantage. By so doing the competitive advantage, for Negro insurance, will change to Negro insurance companies; Negroes will find that their own companies provide the best insurance. Since changes must occur through competition, this change can be of such import that a radical improvement in the status of the Negro as a risk may work against Negro insurance companies; unless, of course, suitable plans are made in advance.
Figure 4 --- Comparative Gain of Expectation of Life of the Negro Race by Sex 1911-1935

Source: Twenty-Five Years of Health Progress Metropolitan Life Insurance Co. Industrial Dept.
CHAPTER V

FAILURES OF NEGRO INSURANCE COMPANIES

M. S. Stuart, author of "Economic Detour", states the following causes for the failure of the fraternal benefit societies: (1) inadequate assessments of the insurance departments; (2) ignorance of the principles of life insurance; (3) mismanagement; (4) careless and incompetent selection of risks; (5) political controversy, intrigue and litigation; (6) numerous diversions and detractions of this modern age; (7) availability to Negroes of life insurance supplied by pure life insurance companies with less trouble than was attended with fraternal societies; (8) freezing the lodge's funds in unnecessary building; (9) fraud.

As the corporate form of insurance grew and expanded, and as some of these failed, it might be well to observe how many of the causes for failures of the fraternals were among the causes for failures of the corporate insurance companies. In 1939 the Graduate School for the Division of Social Sciences of Howard University published "The Collapse of The National Benefit Life Insurance Company" by James B. Mitchell, M. A., sometime Fellow in Economics and Instructor in Commerce and Finance, Howard

University, Washington, D. C. In this book Mitchell states that the failure of this Company was due to (1) unwise expansion; (2) excessive operating costs; (3) reinsurance of The Standard Life Insurance Company; (4) manipulation of capital stock; (5) lack of a sound investment policy; (6) lack of a sound underwriting policy; (7) lack of prudent management. "The foregoing SPECIFIC causes of failure may be reduced to the following categories: first, incompetence, negligence, and lack of integrity on the part of the management; second, the failure to develop and follow a sound underwriting policy; third, the failure to develop and follow a sound investment policy; and finally, the malicious competition for control of the company and the advantages which control afforded."

But the above information is the evidence presented for the failure of one company only. It could not be conclusive evidence that certain conditions do or do not exist in the insurance field as it pertains to Negroes.

"Causes of Negro Insurance Company Failures", a report published by Dr. Joseph K. Houchins through the United States Department of Commerce, concerns itself


37 Ibid., p. 124.
directly with the causes for the failures of a number of Negro insurance companies. Dr. Houchins is an Assistant Business Specialist in the Negro Affairs Division. He lists general and specific causes for their failure. The specific or direct causes are (1) unwise, expensive and too rapid extension of agency territory; (2) excessive expense of operation; (3) failure to exercise competent and adequate supervision over claim payments; (4) excessive payments; (5) dividend payments on stock which apparently had not been earned; (6) bad judgment exercised in reinsuring insolvent companies; (7) manipulation of capital stock issues; (8) lack of sound investment policy; (9) unwise supervision by superintendents of insurance.

Certain causes of failures of Negro insurance companies can be seen to have been prevalent from the days of the failures of the fraternals down to the last failures of the corporate insurance companies. It is possible that if these are enumerated, they can be avoided; and save not only many thousands of dollars of investment of the insurance companies but also prevent loss of money by the policyholders. In proportion to the failures prevented, the financial condition of the group as a whole will improve.

---

The first failure of the fraternal that has followed through is the freezing of the lodge's funds in unnecessary building. This is similar to the unwise expansion mentioned by Mitchell in "The Collapse of The National Benefit Life Insurance Company." It is comparable to the unwise, expensive and too rapid extension of the agency territory as stated by Houchins in his United States Department of Commerce report. Under this topic Houchins stated further that often expenditures were made which were out of proportion to the volume and character of the business done in some states.

The second cause of fraternal failure was inadequate assessments of insurance departments. This is somewhat mindful of the lack of sound underwriting policy stated by Mitchell. Houchins names unwise supervision by superintendents of insurance.

Mismanagement is offered as a third cause for the failures of the fraternals. Mitchell gives reinsurance of another company as a cause. The United States Department of commerce report stated dividends payments on stock which apparently had not been earned as a cause of failure which is of like nature. Manipulation of stock was given by both Mitchell and Houchins; mismanagement can be read into the interpretation of this cause.

A fourth cause of failure of fraternals was political controversy, intrigue, and litigation. A cause of the collapse of the National Benefit Life Insurance
Company was malicious competition for control of the Company, and the advantages which the control affords. No corresponding cause was mentioned by Houchins.

Ignorance of the principles of life insurance is attributed as the fifth cause. Closely related is the lack of sound investment policy. This is given as a cause both by Houchins and Mitchell as is excessive operating expense.

The last factor contributing to the failure of fraternals was careless and incompetent selection of risks. On pages 22-31 inclusive of Mitchell's study, there are given thirteen cases which show that careless and incompetent selection of risks was a cause of failure of the National Benefit Life Insurance Company. Unwise supervision by superintendents of insurance covers this point in the United States Department of Commerce report by Houchins.

Six distinct causes of the failures of fraternals were effective in bringing about the failure of corporate insurance companies approximately twenty-five years later. It is possible that the management of these defunct companies did not keep pace with the times. Out of the original nine causes of failure of fraternals, only three of them remain as not having any connection, to an appreciable degree, with the failures of the later companies. The most outstanding is fraud. Inasmuch as fraud or even hints of
fraud is absolutely absent, the plight of the companies that failed might be classed as bad management and poor judgment. Improvement is in line with training and experience predominating in the operating of the companies.

Nepotism is a contributory source of company failures. It is not harmful generally speaking, but when it interferes with the science of management and efficiency of operations, it can be listed as a direct cause. Reports have not carried this as a direct cause, but information substantiates this point. It is recalled that nepotism was listed as an abuse in the Armstrong 39 insurance investigation of 1905.

There are general reasons for failure of Negro insurance companies. M. S. Stuart calls the circumstance of Negro insurance companies an "economic detour." This, then, is a cause because its peculiar nature requires or is the result of certain conditions over which the Negro has no control. Time might alter this condition so as to permit counter measures; but until then, the Negro insurances will have to operate in a "segregated economy." They will have to plan a scheme to overcome the difficulties caused by this condition. This plan will have to embody economic principles adjusted to the Negro group.

Dr. Joseph R. Houchins states that "Freedom of Enterprise" is a general cause. This cause may be applied to any business failure. An individual entering into a business venture without the proper training and experience will be void of guidance; his chances of succeeding necessarily are small. Freedom of enterprise nevertheless is a reason for the organization of Negro insurance companies. If such had not been possible in the early stages, most Negroes would have had no insurance protection. Freedom of enterprise will not be such an important factor in failures in the future because of government regulations.

The phases of the business cycle is another general cause. During the times of depression and recession, the financial income of the Negro worker is lessened. The insurance company may receive fewer premium payments, but will have to pay claims. Unemployment is prevalent during these times, and affects the finances of the companies severely. Houchins mentions lapsation of policies in this connection. The subject is discussed elsewhere. The manner in which lapsation is handled by the individual company should determine whether the reserve is affected.

If, during depressions and recessions, good investments are made by the Negro insurance companies, it will be possible to reduce the loss, and increase the return on these investments over a period of time. While
it is true, as the United States Department of Commerce states, that the same investment opportunities are not open to the Negro companies; with a better and more thoroughly trained head in charge of investments, this handicap would be counteracted partly. Houchins gives the desire to help race enterprises as a general cause. This benevolence is necessary. It gives evidence of building public confidence and goodwill. It should be listed as a direct cause because excessive benevolence is the result of poor management since the management should limit its help not only according to the nature and volume of business but also according to the ability of the business to bear this help without danger to the company and policyholders.

In this report rate of mortality is mentioned as a general cause. The rate itself is a general cause, but if the suggestion is followed which has been mentioned previously, the effect of this rate would be different.

Definite information could not be obtained as to the number of Negro companies that failed during the depression and recession of a few years ago; only a few failed during this time. This is evidence of good management. If this continues, the general factors causing failures can be counteracted. Prudent and efficient management should nullify entirely the direct or specific causes of failure.
A direct cause for failures of Negro insurance companies is the fact that Negro companies cannot belong to the insurance association that includes all insurance companies except the Negro companies. Negro actuaries cannot belong either to the American Institute of Actuaries or the Actuarial Society of America. This means that the Negro companies do not get the full results and benefits of the experiences of other companies that would affect favorably the Negro companies. Life insurance is distinctly scientific in scope as well as economic because it is a mathematically sound coverage; it defines its problems, collects data, classifies the data collected, draws conclusions, and then makes tests to prove conclusions. This scientific method of operating gives evidence that when the insurance association meets, it has valuable information for the companies which has a definite bearing on the conduct of the several companies. In a similar manner the actuarial associations are important in the life insurance business because actuaries are one of the most important factors of life insurance. If the Negro companies could get the benefit of the information by being members of these two organizations, the knowledge received could be used effectively; it would help to reduce the failures of Negro companies. The longer

40

experience and better training of the personnel of white companies could give information and methods of operation that would not only help the Negro companies of lesser experiences and little training but also help insurance business as a whole. As long as Negro insurance is weak and white insurance is strong, the whole insurance business is weak. Therein lies the fallacy of a segregated or dual economy. Negro insurance companies can reduce or minimize failures by working to eliminate those causes which are within their power, thereby strengthening the company's position.
CHAPTER VI

SUMMARY

Negro insurance companies have continued to grow, to expand, and to progress extensively in spite of their having to function in a dual economy, a limited experience, and a meager training. On the other hand, the degree of progress attainable has not been reached under these unfavorable circumstances.

More training in the field of insurance, particularly life insurance, is needed. This can be accomplished by instituting in the curriculum of Negro colleges and universities a thorough insurance course or courses. At present few Negro schools of higher learning offer instruction in insurance. Negro schools are mentioned because graduates who are employed by the insurance companies can be indispensable if they are trained in the insurance field.

In the previous chapter it was mentioned that the best investment opportunities are not opened to the Negro insurance companies. On the whole this statement is true, but there are sources of good investment opened to these companies. A better knowledge of the investment field, however, would permit the companies to take the entire advantage of investments available. Here again formal training is a question of importance. State laws regulate the types of investments; but within these limits the choice is still of great importance. Experi-
ence is not to be overlooked. Since Negroes have had only a meager experience in the investment field, training is a significant factor.

In previous decades, business institutions made no endeavor to educate the public in the values of their particular services. Advertising, instead, publicised the product in order to increase sales. Formerly insurance was in this category. More recently and now the public is being advised on life insurance, how both life insurance and life insurance companies operate. Some Negro insurance companies have not met this standard yet. True, they publish financial reports, and advertise the face value of claims which have been paid to policyholders. Documentary proof has been offered as evidence. Favorable publicity has been given to the financial strength of the companies. This kind of advertisement has no bearing on the average prospective life insurance buyer. Many do not know how to interpret a financial statement; nor do they know the significance of financial strength. To simplify the business of life insurance, offer a program of the value of life insurance both to the beneficiary or beneficiaries and the insured, and tell them why insurance should remain in force rather than to lapse.

Both the insured and the beneficiary should know of the benefits covering the policy by explaining the
provisions contained therein. The cash surrender and
loan values which are features should be used as an
argument for keeping a policy in force. Whether an
insurance company is a mutual, a dividend paying company
for reducing premium payments or for cash, paid up
additions or accumulative at compound interest dividends
would give the insured ample reason for wishing to retain
his policy. In the Ordinary policy division, a policy-
holder needs to know of the loan value in a policy
in order to keep his policy in force. Very often a
policyholder has been told that his policy is out of
force because of lapsation when state laws provide
otherwise.

A policyholder should be advised as to the preser-
vation of his health through a visiting nurse and free
medical examination.

All these citations serve to build good will and
confidence among the Negroes who want to know that their
companies are extending the same service as white ones.

The National Negro Insurance Association should
sponsor an advertising campaign of this kind. A small fee
could be exacted from each affiliate company which contrib-
utes to the support of this organization. Radio com-
mercials do not carry programs for Negro insurance
companies. Except in Negro papers insurance is not adver-
tised for Negro insurance companies. In the professional
insurance periodicals which were available, no advertisement for Negro insurance companies appeared. Negroes on the whole have access to each of these three mediums of advertising three to five times more often than to Negro publications. Favorable disposition to other companies is created by advertising alone. Other Negro businesses are doing these things, and it seems to produce results. The North Carolina Mutual Life Insurance Company of Durham, North Carolina, does a very commendable piece of work of advertising the value of life insurance in its publication, "The Whetstone", Fortieth Anniversary number. More companies should broaden the scale on this type of advertisement.

An interesting sidelight is that out of forty-eight Negro insurance companies now in existence, only 20 were listed in the Best's Insurance Reports of 1941, and Dunne's International Reports, 1938. Of the seventeen legal reserve companies, five made no reports to either of these agencies. Of the eighteen industrial reserve companies, twelve made no reports; and not one of the thirteen stipulated premium, assessment and mutual aid associations made reports to either agency. Four of the companies, pages sixty-eight, sixty-nine and seventy, made no reports. None of the companies failing to make reports was listed in Best's as having either merged or discontinued business from 1900 to 1940. Since these agencies are recognized as rating
agencies for insurance companies, Negro insurance companies could further their own interests by having their complete reports included. The company reports are optional with the organizations, but this opportunity should be usurped. If a prospective buyer should desire the rating of a company, to obtain whether certain standards are observed, he could be doubtful of the company when he fails to find it listed among the ranking companies.

Since the Negro has a high mortality rate, a more detailed and classified plan in the selection of a risk might serve as a means of offsetting this high rate. Such a plan might include the following:

1. A blanket charge for the hazard a person brings to the company. This would carry an extra charge because of the extra hazard.

2. The rated up age plan for a corresponding condition. An applicant suffering from heart disease or overweight would have a policy rated up to the age corresponding with this condition.

3. Lien plan for temporary hazards coverage. A lien placed on the policy which the applicant wants. If he dies within a certain time, a certain portion only of the face value is paid.

4. The changing plan of insurance for not-so-hazardous risk. This plan may be formulated with number 2.

These methods of handling extra risks would serve to compensate the companies for the added risks and lessen the financial strain on the reserve from paying claims on these risks if they are classified as an ordinary risk. These
four plans would have to be supplemented by the use of the theory of forecast. This theory includes deductive reasoning and the knowledge of that which has happened in the past under similar conditions.

Since careless and incompetent selection of risks has been traced as a cause for the failure of fraternals and insurance companies down to the present day, it is reasonable that the selection of risks by Negro insurance companies is important enough to be put on a scientific basis in order to obtain outstanding results. An additional incentive for a better classification of risks is that the Negro insurance companies could give a better policy. In the majority of other companies, a Negro's classification is substandard as a risk because of his high mortality rate. Adjustments might be made if his occupation does not cause the company an extra risk. This increases his premiums. The Negro companies could capitalize on this difference by classifying unhazardous jobholders as an ordinary or good risk, with everything else being equal, by using substandard risks and higher premiums in its true interpretation.

Federal regulation of insurance is a problem which is not entirely impossible. In the United States Supreme Court decision of Paul versus Virginia in 1906, insurance was decided as not being interstate commerce, and therefore did not come under Federal jurisdiction.
This gave the states power to regulate insurance practices. According to S. S. Huebner, there are those who preferred national regulation because (1) centralized expert supervision would give greater publicity and better protection to the business against sectional and retaliatory legislation. This would remove certainly a problem for some Negro insurance Companies in some sections of the country. (2) Large expense of a great number of different reports and duplications would be avoided. Negro companies are still in the growing stage. (3) A more equitable, uniform and less burdensome tax policy would result. All insurance companies would profit by this condition.

Insurance could be included rightfully in interstate commerce because its business crosses states' boundaries. To these reasons another may be propounded. Whenever a private business, a sort of public or quasi public in nature, is divided or cannot solve its common problems, an inroad is open for national regulation. Negro insurance companies cannot co-operate with white insurance companies for the common good because of our segregated economy. Co-operation is impossible even in the scientific phase of insurance because of our dual economy. There is no common meeting of the minds. The

circumstance of the division of Negro insurance and white insurance easily can be a cause for national government control of insurance. On the other hand, since the Federal Government now operates social insurance, it can broaden the base of social insurance to include the principles of life insurance; then the federal government actually will have entered the life insurance field. Since this is a possibility not so remote, it would be for the good of the entire insurance business if the bars were lowered so that "Negro insurance companies could get some of the benefits that accrued from the longer experienced and better-trained experts at the insurance association meetings and actuarial societies and institutes. The white companies already have the advantage. The question of losing this advantage might be the question that prevents the removal of barriers.

Insurance as it is considered today might be a profession. Its requirements are such that special training and a liberal education are necessary. In a like manner the insurance agent might be professional. He is not so considered by the Negro public. The companies are responsible in part. They are unwilling to pay salaries inducing trained insurance men to seek employment. On the other hand, if a comparable salary is being paid, the company can demand that results be produced. The agency force is the company's public representative; ample compensation would be the returns if the force is on a par with
professional people. A trained and qualified person should be given the opportunity to prove his worth and capabilities in a responsible position. This is mentioned because certain companies have indicated that they employ trained and qualified persons, and that they are anxious to employ college graduates. But they fail to mention in what capacity they are employed or to what extent promotions are possible. Nepotism is responsible to an extent for this existing condition.

A state manager of a Negro insurance company was approached for general information—a list of the Negro insurance companies affiliated with the National Negro Insurance Association. Experience and production record advanced this man to his position. He was an agent when no training was required. He has no formal knowledge of insurance. Immediately he flew into a rage of abuse on college-trained people. He is not a college man, and he is a stockholder in the company. His secretary-clerk, manager, and a field representative were within hearing distance. He refused the information. As yet his company has not sent the questionnaire which was used to obtain information. His apparent reason for withholding the information was due to the individual's not carrying insurance with the company. No agent or representative of the company has bothered to interview any member of the family for insurance.
Another instance of the reaction of Negro insurance companies toward college-trained-men is cited. This young man has training in both insurance and a law degree. His experience as an insurance man was the head of a district. His district maintained outstanding records with college-trained staff. He was employed by another company with the understanding that he would be free to make changes for efficiency if the occasion warranted. When he executed this authority, he was removed suddenly, for no stated reason, into the field which position he still holds. Repeated efforts to ascertain the reason for his removal have been unsuccessful.

The final example offered is that of a young man with a degree in Business Administration with an Accounting Major and courses in insurance. He was employed as an assistant auditor covering several states. He worked with the auditor who had no training in insurance—only experience. Promises of promotions after some experience did not come. Mileage was allowed to cover his territory. For two years because of the possibility of a promotion he remained with the company. He made all reports for the auditor because he was incapable. He did sign them. A mileage allowance voucher for the auditor was considerably larger than the assistant. On being approached the president denied all knowledge of the discrepancy although he was active in the managerial policies.
of the company. After this occurrence, general dissatisfaction concerning his work was disseminated. He learned that the President did know of the variance in vouchers, and also that he would get no promotion. He resigned. Repeated offers of promotion and advance in salary have come from the President as an inducement to bring this young man into the company's service again.

The above methods in a business are far from being a progressive and efficient system; most certainly it is anything but business. Lack of money is not the cause of these fallacies. As long as these activities are prevalent Negro insurance companies will not attract persons trained and qualified; they will be attracted to white companies, selling insurance to Negroes, and as branch managers. In the study of economics it is found that competition for workers creates a situation in which the worker prefers the job with the largest salary and the best conditions of work.

A young man applied to a state manager for a position. His six years experience as a field supervisor with another insurance company, prior to this he was an agent, and a very high recommendation from the former employer did not come in for consideration. His offer was a small debit and a subsistence wage. He accepted a job as porter which pays him thrice the salary offered.
Questions to be answered by Negro insurance companies are (1) should the Negro who is trained and qualified take employment with these companies merely because the applicant is a Negro and the company is a Negro business disregarding other aspects in order to be of service to the group? (2) can he serve the group if the group's own business institutions are not up to standard in employer-employee relationships? (3) will the management of Negro business organizations, in this case insurance companies, continue to exploit the masses because of the competition among workers for jobs until the workers organize?

The import is that these insurance companies can employ untrained persons as agents for nominal wages. It is being done because of the increasing inability of Negroes to get jobs in white industries due to racial discrimination and the policy of hiring the Negro last but firing him first. Negroes seek the highest possible degree of stability in employment. Insurance companies provide this security. But when they offer nominal wages to the Negro in the unemployment ranks, they are exploiting the masses. This turn forces the trained Negro to seek employment elsewhere thus keeping the Negro's standard of living below par. His economic status can not improve, his general health cannot be improved, and a high mortality rate results.
It would seem ridiculous to say that Negro insurance companies are a cause for the high mortality rate because of their personnel policies; but it is a fact that is evidenced in that direction.

In most states, statutes have been enacted requiring insurance agents to be licensed. This would seem to disprove the above contention except for three reasons: (1) the laws are comparatively recent, and they include only agents employed since the law was passed; (2) even though the agent be licensed, his base wage is still determined by the company; (3) the company can take an average person, give him sufficient training to obtain a license.

Since there is no competition among the companies for workers, the agent will have to accept the salary offered. If he should transfer to another company, he may receive a similar salary or less. In other words, the licensing law is so weak that it does not prevent exploitation. The law would have to require formal training; as a result the companies would be forced to offer better salaries because of the competition for workers. Officials and executives receive very high salaries. But the agent is at the short end of the stick when he should be paid commensurate the job. This would attract a better personnel.

It is insufficient to know the company for a rich one; its representatives must be public relations men as well as salesmen in order to progress and to attain the true purpose.
All impediments to progress have not been the faults of the Negro insurance companies alone. Unfair tactics have been used by some white companies to gain the advantage. Five or six years ago in some Southern states, Negro and white companies belonged to the same association. Specifically these states were South Carolina, Georgia and Tennessee. Negroes often were insured in both the white and Negro companies. In the payment of claims, the association would agree whether the claims were valid. The white companies would instruct their agents to pay a claim which had been decided as not valid. The agents' instructions were to inform the Negro policyholders that their claim would be rejected by the Negro companies. This latter information was not to be repeated to the Negro agent. It was approximately two years before the Negro companies realized a duplicity existed. Too late, the Negro companies had lost a great deal of business. Consequently they withdrew from the association.

Dr. Philip M. Savory of New York, chairman of the board of the Victory Mutual Life Insurance Company states that the five greatest difficulties for Negroes to overcome in making a success of business are (1) acquisition of well-trained personnel (2) acquiring adequate surplus and capital (3) lack of appreciation of the value of advertising (4) lack of confidence in Negroes by Negroes (5) unwillingness to
learn details in business.

Mr. Aaron Day, Supervisor of Agent Training at the North Carolina Mutual Life Insurance Company, and the only and first Negro Chartered Life Underwriter in the country, and Mr. A. C. Clarke, President of the Dunbar Mutual Insurance Society of Cleveland and the first Negro to be appointed to the position of Examiner in the Insurance Department of Ohio, are good evidences of the ability of Negroes in life insurance.

Table 6
NEGRO INSURANCE COMPANIES ACCORDING TO INSURANCE IN FORCE, 1940.

<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Supreme Liberty Life Insurance Co</td>
<td>Chicago</td>
<td>$57,161,414</td>
</tr>
<tr>
<td>Atlanta Life Insurance Co</td>
<td>Atlanta</td>
<td>56,971,655</td>
</tr>
<tr>
<td>N. C. Mutual Life Insurance Co</td>
<td>Durham</td>
<td>51,228,190</td>
</tr>
<tr>
<td>Afro-American Life Insurance Co</td>
<td>Jacksonville</td>
<td>23,371,819</td>
</tr>
<tr>
<td>Pilgrim Health and Life Ins Co</td>
<td>Augusta</td>
<td>20,714,579</td>
</tr>
<tr>
<td>Universal Life Insurance Co</td>
<td>Memphis</td>
<td>19,247,762</td>
</tr>
<tr>
<td>Victory Mutual Life Insurance Co</td>
<td>Chicago</td>
<td>7,885,539</td>
</tr>
<tr>
<td>Domestic Life and Accident Ins Co</td>
<td>Louisville</td>
<td>7,879,430</td>
</tr>
<tr>
<td>Golden State Mutual Life Ins Co</td>
<td>Los Angeles</td>
<td>6,494,717</td>
</tr>
<tr>
<td>Southern Aid Society of Virginia</td>
<td>Richmond</td>
<td>5,670,075</td>
</tr>
<tr>
<td>United Mutual Benefit Association</td>
<td>New York</td>
<td>4,838,939</td>
</tr>
<tr>
<td>Richmond Beneficial Insurance Co</td>
<td>Richmond</td>
<td>4,237,478</td>
</tr>
<tr>
<td>Excelsior Life Insurance Co</td>
<td>Dallas</td>
<td>4,159,992</td>
</tr>
<tr>
<td>Winston Mutual Life Insurance Co</td>
<td>Winston-Salem</td>
<td>4,013,596</td>
</tr>
<tr>
<td>Guaranty Life Insurance Co</td>
<td>Savannah</td>
<td>3,970,846</td>
</tr>
<tr>
<td>Watchtower Life Insurance Co</td>
<td>Houston</td>
<td>2,260,510</td>
</tr>
<tr>
<td>Dunbar Mutual Insurance Society</td>
<td>Cleveland</td>
<td>1,467,335</td>
</tr>
<tr>
<td>Western Mutual Life</td>
<td>Dallas</td>
<td>1,077,277</td>
</tr>
</tbody>
</table>

*Sold to Atlanta Life Insurance Company.

**Primary Sources:** Best Insurance Reports, 1941 and N. C. Mutual Life Insurance Company

**Secondary Source:** Samuel Southern.
<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>N C Mutual Life Insurance Co</td>
<td>Durham</td>
<td>$5,064,724</td>
</tr>
<tr>
<td>Atlanta Life Insurance Co</td>
<td>Atlanta</td>
<td>2,934,038</td>
</tr>
<tr>
<td>Afro-American Life Insurance Co</td>
<td>Jacksonville</td>
<td>1,422,106</td>
</tr>
<tr>
<td>Supreme Liberty Life Insurance Co</td>
<td>Chicago</td>
<td>1,415,561</td>
</tr>
<tr>
<td>Universal Life Insurance Co</td>
<td>Memphis</td>
<td>1,307,625</td>
</tr>
<tr>
<td>Pilgrim Health and Life Ins Co</td>
<td>Augusta</td>
<td>1,105,253</td>
</tr>
<tr>
<td>Southern Aid Society of Virginia</td>
<td>Richmond</td>
<td>568,142</td>
</tr>
<tr>
<td>Domestic Life and Accident Ins Co</td>
<td>Louisville</td>
<td>461,256</td>
</tr>
<tr>
<td>Golden State Mutual Life Ins Co</td>
<td>Los Angeles</td>
<td>406,395</td>
</tr>
<tr>
<td>Richmond Beneficial Insurance Co</td>
<td>Richmond</td>
<td>388,557</td>
</tr>
<tr>
<td>Victory Mutual Life Insurance Co</td>
<td>Chicago</td>
<td>294,429</td>
</tr>
<tr>
<td>Excelsior Life Insurance Co</td>
<td>Dallas</td>
<td>272,736</td>
</tr>
<tr>
<td>Guaranty Life Insurance Co</td>
<td>Savannah</td>
<td>254,445</td>
</tr>
<tr>
<td>Winston Mutual Life Insurance Co</td>
<td>Winston-Salem</td>
<td>227,996</td>
</tr>
<tr>
<td>United Mutual Benefit Association *</td>
<td>New York</td>
<td>197,936</td>
</tr>
<tr>
<td>Western Mutual Insurance Co</td>
<td>Dallas</td>
<td>124,142</td>
</tr>
<tr>
<td>Dunbar Mutual Insurance Society</td>
<td>Cleveland</td>
<td>68,796</td>
</tr>
</tbody>
</table>

*Sold to Atlanta Life Insurance Company

**Primary Sources:** Best Insurance Report, 1941 and N C Mutual Life Insurance Company.

**Secondary Source:** Samuel Southern.
<table>
<thead>
<tr>
<th>Company</th>
<th>Location</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>N. C. Mutual Life Insurance Co</td>
<td>Durham</td>
<td>$6,415,786</td>
</tr>
<tr>
<td>Atlanta Life Insurance Co</td>
<td>Atlanta</td>
<td>4,558,731</td>
</tr>
<tr>
<td>Supreme Liberty Life Insurance Co</td>
<td>Chicago</td>
<td>2,595,111</td>
</tr>
<tr>
<td>afro-American Life Insurance Co</td>
<td>Jacksonville</td>
<td>1,344,542</td>
</tr>
<tr>
<td>Pilgrim Health and Life Ins Co</td>
<td>Augusta</td>
<td>1,137,385</td>
</tr>
<tr>
<td>Universal Life Insurance Co</td>
<td>Memphis</td>
<td>1,129,785</td>
</tr>
<tr>
<td>Victory Mutual Life Insurance Co</td>
<td>Chicago</td>
<td>1,020,792</td>
</tr>
<tr>
<td>Southern Aid Society of Virginia</td>
<td>Richmond</td>
<td>998,623</td>
</tr>
<tr>
<td>Domestic Life and Accident Ins Co</td>
<td>Louisville</td>
<td>645,917</td>
</tr>
<tr>
<td>Golden State Mutual Life Ins Co</td>
<td>Los Angeles</td>
<td>527,799</td>
</tr>
<tr>
<td>Richmond Beneficial Insurance Co</td>
<td>Richmond</td>
<td>378,952</td>
</tr>
<tr>
<td>Guaranty Life Insurance Co</td>
<td>Savannah</td>
<td>340,504</td>
</tr>
<tr>
<td>Winston Mutual Life Insurance Co</td>
<td>Winston-Salem</td>
<td>240,368</td>
</tr>
<tr>
<td>Excelsior Life Insurance Co</td>
<td>Dallas</td>
<td>219,856</td>
</tr>
<tr>
<td>United Mutual Benefit Association</td>
<td>New York</td>
<td>215,264</td>
</tr>
<tr>
<td>Watchtower Life Insurance Co</td>
<td>Houston</td>
<td>122,943</td>
</tr>
<tr>
<td>Dunbar Mutual Insurance Society</td>
<td>Cleveland</td>
<td>32,102</td>
</tr>
<tr>
<td>Western Mutual Life Insurance Co</td>
<td>Dallas</td>
<td>14,206</td>
</tr>
</tbody>
</table>

*Sold to Atlanta Life Insurance Company

Primary Sources: Best Insurance Report, 1941, and N C Mutual Life Insurance Company.

Secondary Source: Samuel Southern.
Each person with whom a personal conversation held was asked five questions for which he could then give any other information he wished; or he could disregard the questions, and give information about his particular company.

The questions were (1) what does the future hold for Negro insurance and Negro insurance companies? (2) what is the greatest fault and who is at fault, the companies or the public? (3) what has been your experience with college-trained people? agents? office force? executives? (4) what is your ideas to the merging of those companies with larger companies (a) that have less than five million dollars of insurance in force? (b) that have less than a hundred thousand dollars of admitted assets? (c) that have less than a hundred thousand dollars of yearly total income? (5) what are your problems of personnel and personnel turnover?

A. Douglas Doss, Agency Director; J. E. Hanks, Auditor, the Mammoth Life and Accident Insurance Company, Louisville, Kentucky—Negro insurance will grow because life insurance among Negroes is in the period of development. Negroes are now beginning to realize that the all-round benefits of insurance in Negro companies is greater than in white companies. Negro insurance will be able to counteract somewhat the advantage of white companies by insuring white risks. This will be done by employing white agents
and giving them territories undeveloped by white companies. The plan would be broadened under the general agency system. This company has already used this idea with a fair degree of success. In connection with this idea a white agent sold life insurance to Negroes in Louisville, and was quite successful.

The greatest fault at the present lies with both the companies and the public. The companies need to advertise more extensively. This should be done through a professional advertising agency bureau. A Negro agency would be preferable to better accomplish the purpose. At present a record of a Negro national advertising agency is not to be found. It is to be ascertained whether the means at hand will give the desired results. The public is not as much at fault as are the leaders and teachers. They have failed partially to develop confidence in Negro insurance companies together with a race consciousness that is vital for the best interests of Negro companies. It can be done if the leaders and teachers will concern themselves more seriously with race pride.

There is a great need for college-trained people in the managerial set-up. The positions that need to be filled now are district managers who know insurance and who can handle people. College persons as agents have not been as successful as should be expected. If they are employed either they do not continue any length of duration to learn
the business, or they do not dovetail into that type of work, but other persons who are given the training necessary to become licensed agents proved to be very apt.

There is a great need for Negro actuaries. Outside agencies do the work, but they are not interested in the business developments as a Negro actuary might be.

Adequately trained clerks, secretaries and others necessary for the office force present no problems either as to efficiency or turnover.

The Federal Government's getting into life insurance is not far from being actual. It is included now among its interests the old age and unemployment coverages. As soon as it enters the sick and accident field, it will be in direct competition with private insurance companies.

The Indiana State Law for agents training courses requires the submitting of a training course to the commission for approval; if it does not measure to standard, the prospective agents are tested by the State. Mr. W. C. Buford, Director of Sales Promotion devised the training plan for the Mammoth Life and Accident Insurance Company. His plan was among the first accepted by the State of Indiana Insurance Commission.

The merging of the weaker companies with the stronger companies probably would not be desirable because the concentration of resources and the other advantages that result from mergers would not offset the disadvantages. Merging would not give a lower priced commodity as it does in other commercial enterprises. The liabilities incurred
would have to be considered before the desirability could be ascertained definitely. The problem of personnel would be of major interests. A certain number of persons undoubtedly would lose employment for a time, and possibly permanently. The policyholders might look upon the action as a weakness, and drop their insurance. The placement of the officers in the larger organization would have to be well-done or else that person might not produce as well as he did in the smaller company. Most of the smaller companies have dynamic individuals at their heads; they contribute to the moving force of the organization. They are the reason for the policyholders having confidence in that particular company. The removal of such heads would not only lessen the morale of the working force, but also, again, would lessen the confidence of the community in Negro insurance. One of the most important reasons for not merging is that each small company is a representative of Negro insurance, and is giving just as much development to Negro insurance as the larger ones even though it is not on as large scale. At this particular phase of development of Negro life insurance each individual company can better serve the interest of the community in which it is located than larger companies whose home office is far removed.

Mr. J. E. Smith, President of the National Negro Insurance Association, 1941, and Vice-president and Agency
Director, Domestic Life and Accident Insurance Company, Louisville, Kentucky--The prospects of the future are exceptionally promising because education of the public as to the benefits of racial enterprises is beginning to be evident by the fact that more and more it is easier to sell life insurance of Negro companies. This has not been true in the past. The public is more receptive to Negro business in general and, therefore, to Negro insurance. The new Negro, the younger educated Negro who is awakening to the fact that his economic security is more assured in Negro business will be of value.

The greatest need for insurance is salesmanship. Provided the agents and the company representative are trained in and know the art of selling, one major obstacle will be removed. Insurance can be sold to the public in conjunction with racial consciousness.

College graduates should be very valuable when insurance training is included in the course of study. Specific training is needed in the particular field if success is to result. This company has few college people employed because of their lack of application. Those who are employed satisfy themselves with a straight salary rather than a commission basis. Some want to rise too fast and do not care to take advice, and to learn the business. In other cases it was found that they wanted to say what should be done before learning what needed to be done.
This company has used college persons with only a partial degree of success.

There is no great need for a merger at the present. Mergers might cause a too rapid expansion; this could bring about a failure in business. Too few companies could not give Negro insurance full representation of the field as the present number of companies in the field. Voluntary mergers are desirable if the smaller companies consider it a good business move in order to save both the company and the policyholders. Possible friction among officers and personnel would be eliminated.

A. H. Mahoney, President and Attorney, Great Lakes Mutual Insurance Company, Detroit, Michigan--The possibility of growth for Negro insurance is unlimited, provided the Federal governmental does not enter the insurance field to any greater extent than now.

The lack of knowledge of Negro public about Negro insurance companies is probably the greatest fault. The companies possibly are partially in error, but adequate advertisement would solve the problem. The companies will suffer until the executive type of heads are developed. Those who have full confidence of the people and who can accept the responsibility of their positions are to be the pillars of the move to bring the insurance business to the layman. The faults that are now present are nothing inherent in Negro insurance as such. Negro insurance companies
are now passing through the stages that other insurance companies have encountered sometime ago. Time, training, good business methods, fair dealings and ability will eliminate most of the faults.

College-trained people as a whole are not successful unless they have special training in insurance. It is then that individual proves successful because he considers it his profession.

The agent turnover seems greater than the office force. Often a debit must be built in order to realize a substantial salary voucher. Hard work is essential to building a debit. Those whose record is good seldom leave. The possibility of selling insurance is evidenced by the fact that out of 162,000 Negroes in Detroit, the Great Lakes had at one time or another 100,00 as policyholders.

Merging of the smaller companies for the present is impractical; but taken on a voluntary basis with the smaller companies approaching, certain problems of personnel placement would be eliminated. It is the wish to prevent failure wherever possible. In the future as the circumstance demands, it is a long range possibility. A better plan for the present would be an organization within the National Negro Insurance Association to help a weak company over periods of stress and strain.

H. C. Valentine, President; Edmund Allen, Accountant and Assistant Actuary, The Victory Mutual Life Insurance
Company, Chicago, Illinois--The future is bright because the ordinary people as a whole are buying Negro Life Insurance. They are cognizant of the benefits from insuring with Negro companies. The so-called upper class do not support the individual or "his son, John." Negro life insurance policies are not good enough for this group. They cannot be sold, and it is not due to poor salesmanship. They have not developed that racial pride and integrity which is vital for progress and advancement.

A great, and perhaps the greatest need, is executives with ability--a most important factor for success in insurance. Improved methods of advertising in order to publicize Negro insurance companies need to be executed. Most of the present shortcomings can be eliminated as business progresses.

Experience with college employees has been very favorable. The agents produce nicely since they are part-time students working through college. Those in the office are not proving efficient.

Personnel turnover is no problem because the agents develop their territory, then remain with the company. This is noteworthy when consideration is given to the fact that ordinary Life insurance is most difficult to sell among Negroes. This company sells only Ordinary Life.

Merging has its advantages and its disadvantages
Voluntary merging would be satisfactory; involuntary, unsatisfactory unless it was to avoid failure. Some individuals server better in smaller setups. An elimination of these would interfere with the service of these individuals.

As in any other profession, training is important in insurance.

Ellis Stewart, Secretary, The Supreme Liberty Life Insurance Company, Chicago, Illinois—The future of Negro insurance companies is assured because of past records. There were few failures during the depression; since then excellent gains in all companies have been realized. Especially in the larger companies have these gains been noticed. Their resources, organization, and managerial ability played a large part in this profit.

In 1941 this company's gain surpassed the Atlanta Life Insurance Company, Atlanta, Georgia, long recognized as the strongest insurance company financially among Negroes. The Supreme Liberty increased by nine and one-half million dollars the amount of insurance in force, an approximate gain of 20 per cent for 1941—a gain which gave it more insurance in force than the Atlanta Life. This gain was through the selling of insurance whereas the Atlanta Life was, for the most part, from absorbing smaller companies in the South. The Supreme Liberty made all its gains without increase in territory. The present territory must be sold thoroughly before expanding.
The method used to sell these additional policies is a departure in selling insurance. It was so unusual and so profitable in Ohio that the insurance commission began an investigation. The agency director explained his plan—one which was taken from other commercial transactions.

When a prospect is doubtful of taking the policy, the agent fills in the application completely, brings the policy to the prospective policyholder to pay for according to his desires. Other agencies hold up the application for the initial premium; the Supreme Liberty agents sell theirs on the credit plan.

This company operates as a legal reserve, under which plan it was organized. Today it is the largest of negro Companies.

College graduates have proven exceptionally good. All senior officers are college graduates; all key employees are either college graduates or former college students. Success of this company is due to the ability of these college persons to administer their respective offices.

Problems are those which are resultant of the phase of development through which the companies are now passing. These arise from population problems, selling problems, and a competition from negro and white companies.
It is important when surveying the progress of Negro insurance companies to emphasize the progress of the larger companies because all phases of the development can be observed easily whereas sometimes those same phases are not evidenced very prominently in small companies.

L. E. Dandridge, Production Manager, Gibraltar Life Insurance Company, Indianapolis, Indiana--The future progress depends on the ability of the companies to perform certain services that will not only help the community, but also the company itself. The companies should send into those communities the necessary physicians and nurses to assist and to care for the sick. This is necessary to put the service on a larger scale than is now practiced. Families should be helped and instructed in maintaining better living standards. Follow up these calls to obtain results, and to give additional help and advice. Finally selling them insurance protection would come easy. This service is responsible for the success and growth of some companies, while the lack of or a small proportion of these services have had the opposite effect.

There is need for more extensive advertising, but this should be used in connection with the present methods of advertising.

Management is an important key to a successful business future. There must be executive ability and farsightedness; management must keep abreast of the times.
Training is a necessary requirement for all concerned—agents, district managers and higher officials. College-trained people will be an asset, if they are trained in insurance, and the incentives are those that will make it a profitable life's work.

The Negro insurance companies, in a large measure, will be responsible for the economic future of the Negro. It will either make it relatively successful or unsuccessful by what it does do or does not do.
SUMMARY

The future of Negro life insurance is assured apparently if the companies are supported by the Negro population; if racial pride is developed, the future is bright. The benefits that result from such support is being recognized more because the Negro is realizing that therein lies a possible answer to his economic future. The success of the present and past is an indicator that some of the executives and management have the ability required for the successful pursuance of the life insurance business. Negro insurance companies will get the business if they give the services.

Probably the greatest needs for the continued success of these companies are (1) college-trained personnel in insurance with managerial ability and adequately trained agents and clerks; (2) Negro actuaries; (3) greater advertising program; (4) salesmanship in insurance; (5) more health service to the community.

The experience with persons having higher education has been successful in some companies, and not so successful in others. This might give evidence to three shortcomings: (1) college training is not enough in itself; there must be added formal training in life insurance; (2) the companies may not have devised adequate personnel policies; (3) wages and salaries may not be sufficient to attract qualified persons.
The merging of the smaller and weaker companies with the larger and stronger ones is not necessary at the present time. It is desirable if it is a voluntary action on the part of the smaller companies. It lessens the friction among the officials of the companies involved, and reduces certain personnel placement problems. It might be acceptable if conditions warrant. A better plan might be to set up a special plan within the National Negro Insurance Association.

Agency turnover is possibly the greatest personnel problem. This may be due to the fact that the agent is not willing to work in order to build a debit; or he may be unwilling to work on commission basis.

The progress of the negro insurance companies is not to be observed accurately without surveying the progress of the larger and smaller company separately.

To the field of insurance, the greatest contribution by a Negro insurance company has been made by the Supreme Liberty Life Insurance Company of Chicago. That contribution was a new method for selling industrial insurance.

Managerial functions of most companies will have to be developed before the Negro insurance companies can offer anything new to life insurance. Such improvement will tend to solve personnel problems.

By performing regular insurance functions Negro companies are improving the social standards of the community. They can give more through a better developed organization,
thereby reaping self-benefits. For the most part Negro insurance companies have the means at their command for progress and growth.

The existence of Negro insurance companies and white insurance companies gives evidence of America's dual economy. The information from each could be of help to the other. Life insurance as a whole would benefit by the co-operative effort.

Although the American Experience Table of mortality benefits the companies, it is questionable whether the policyholders get the same proportionate advantage. A new mortality table would be equitable to both. The improvement in the mortality and life expectancy of the Negro gives more justification for a new table. Certain social and economic conditions accentuated by political circumstance over which the Negro has little or no control has resulted in the Negro's being considered as a risk, separate from the other part of the population.
APPENDIX
BIBLIOGRAPHY

Books


Reports


Records

Record of Life Insurance Enterprise Operated by Negroes.
A Report Compiled by the Research and Review Department of the North Carolina Mutual Life Insurance Company, Durham, North Carolina, 1941.

Atlanta, Georgia: The Atlanta University Press, 1916.

Social and Physical Condition of Negroes in Cities.


Public Documents

U. S. Bureau of the Census, Department of Commerce.

Sixteenth Census of the United States: 1940.

Metropolitan Life Insurance Company, Statistical Bulletins.
July, 1937; June, 1938; June, 1939; August, 1940; June, 1941; December, 1941.

Unpublished Material

Blackburn, Cleo W. "Planner House and the Negro Community."
The Indianapolis Study, Planner House, 1939.

Trent, W. J. "Survey of Negro Insurance Company."
(This certification sheet is to be bound with the thesis. The major professor should have it filled out at the oral examination.)

Name of candidate:  
Samuel Southern

Oral examination:  
Date: May 25, 1942

Committee:
Chairman:  
Harold B. Baker
Member 1:  
Merritt E. Bridgman

Thesis title:
"The Business of Life Among Negroes"

Thesis approved in final form:  
Date: June 1st, 1942

Major Professor:  
Russell Townsend Jr.

(Please return this certification sheet, along with two copies of the thesis and the candidate's record, to the Graduate Office, Room 105, Jordan Hall. The third copy of the thesis should be returned to the candidate immediately after the oral examination.)