

6-1-1961

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### Recommended Citation

Josephs, Devereux C., "Insurance and Education" (1961). *Archival Documents*. Paper 40.  
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For Release 6:00 p.m. June 1

Delivered at Huebner Hall  
Dedication Banquet  
June 1, 1961  
Sheraton Hotel  
Philadelphia, Pa.

INSURANCE AND EDUCATION

by

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Former Chairman, President Eisenhower's  
Committee on Education Beyond the High School

My long-time friend, Bob Dechert, telephoned me at least ten months ago to invite me to speak to you this evening.

I accepted with alacrity. I was overcome that anyone should have thought I had engagements that far ahead. The invitation was too flattering to resist. Furthermore, I wanted to have some part in this most significant occasion. I did not stop to consider whether I had anything to say.

Some months later, of course, I faced the moment of truth. What could I find worth saying to this distinguished audience? Trapped by my ready acquiescence, like the erring girl in a ten-penny Victorian novel, I could only plead that when I woke up it was too late.

Imagine, then, my discouragement when I received an advance draft of the whole two-day program of the Huebner Hall Dedication events - one ceremony this afternoon, this one tonight, and another dedication luncheon tomorrow. It became clear that every possible topic would be thoroughly covered by the other speakers. What was not mentioned at the tree-planting ceremony at 3:30 today will surely be developed at length during the seminar tomorrow morning. I have a feeling that I am the man in the middle. Even if I could match the wit and wisdom of Presidents McBride and Harnwell and the arboriculturists this afternoon, I would surely be topped by Mr. Canham's summing-up on the lateshow tomorrow at lunch.

At the outset, therefore, I want to be completely frank with you - I have no professional, pedagogical or ecclesiastical authority to pronounce a dedication. I have chosen as my topic: "INSURANCE AND EDUCATION." I will speak strictly as an amateur, both in the field of INSURANCE, from which I have now retired; - and

EDUCATION, where my scanty academic record is now fortunately buried beyond recovery.

I will begin by suggesting that insurance is basically a simple act of self-reliance and I will briefly recall some of the reasons why this simple act has become increasingly complicated. Next, I will indicate why more and more knowledge and training is demanded of those who serve the would-be self-reliant in a world of interdependence. Finally, since the supply and demand for training reflect broad public attitudes toward education, I will close with a consideration of how these attitudes are formed; how they take shape and find leadership. In that way, I think, we may see Dr. Huebner's achievement in context and so perhaps better appreciate this culmination of his efforts.

Insuring in its broadest sense is such a pervasive enterprise that it is an instinctive part of our living. How often do we take an umbrella "as insurance against the rain"; - leave for the airport early, "in case of a traffic jam"; - take a few extra clothes on the weekend trip "just to be on the safe side." These are very simple examples of everyday precautionary behavior.

People move from instinctive precaution into self-reliance when they take more positive steps against longer term hazards. They put food, fuel, or money aside for an emergency; dig storm cellars. They are not only cautious, they have accustomed themselves to weigh the chances and evaluate the consequences. They go to some trouble and expense to guard against costly misfortunes.

The next step is the one which has brought all of us together here - cooperative action upon which the entire formal system of insurance is built. Its origins go back to the needs created by an urban and commercial society. This is not the occasion to trace out who was the first to provide burial associations on a mutual plan. Perhaps it was the Egyptians - certainly the Romans practiced it. Whether the Chaldeans had property insurance is less important for my theme than the fact that contractual insurance flourished with the development of trade routes and

calculable risks.

As the industrial revolution grew, one step further was taken, notably in England, Canada and the United States. Those that were farsighted deposited in advance, their estimated share of losses. The insuring companies, until these reserves were called for, used them to augment the increasing need for capital. They nourished the economy they served.

This is the stage in which we find ourselves now. It is a healthy, extensive and growing activity, born of simple self-reliance. But it is becoming far more technical as each year goes by. The activity can be measured by an ever-widening variety of contracts involving life, health, and property, which have attempted to keep pace with the demands of our competitive and interconnected society. The number of you here tonight, as State Commissioners, Executives, Actuaries, Underwriters, Lawyers, Accountants, Financiers, etc., bear witness to these complications.

You certainly need no further reminders of this trend nor is it necessary to occupy you long with my second point - the requirement for more and more knowledge and training. Another short backward look will give us the clue.

It was not so many decades ago that a handful of generic job titles and extensive knacks, such as carpenter, mechanic and clerk covered the labor field - and they were learned by "on the job" apprenticeships. Now the U. S. Employment Service has classified 42,000 titles of present-day occupations for all of which there must be substantial basic education on which to add specialized training if a young boy or girl is to survive against the important competition they will face - the people of their own age.

What is this competition? Today, 35% of the youngsters go on from high school to college. In 1900 it was only 4%. Nowadays the professions require more post-graduate work, more careers demand a college degree; 80% of the executive staff of this country have spent some time at college; fewer and fewer opportunities are

open to the untrained youngster.

What is true in general has equal applicability in the field of insurance. This is natural because its activities are so extensive that they touch all the social and economic segments of our society.

To the original job titles such as clerks, actuaries and executives have been added such ones as public relations, programmers for computers, engineers of every variety, market surveyors, cost accountants, medical researchers, economists, analysts of everything, etc.

The multiplicity and flexibility of the insurance policies with which these various skills are concerned are both the cause and result of the development of a professional approach. Education and formal training has entered all parts of the operation and we will need much more of it as the future explodes into the era of the trained man.

Dramatic as all these changes may be, the greatest and most far-reaching with which I am familiar, are those that have occurred in the sale of insurance. We have moved from the high pressure, often part-time, and not fully informed agent of an earlier day, to the analytically-minded, broadly educated, intensively trained, full-time career underwriter of today.

It is no longer possible to sell insurance by force or favor. Rigorous training is needed before starting out, strict qualifying examinations must be passed, and then the learning process continues for the rest of the insurance career.

To be sure, the successful underwriters of the long past also continued to learn and grow in wisdom, but there was this very significant difference. They used to learn more and more about how to sell successfully, whereas nowadays the learning process is consciously directed upon the subject matter, the characteristics of the policies, the problems of the insured, his objectives, his family and

their problems. Field underwriting has come a long way in the journey to a full profession. The art of insurance selling is a skill to be developed, not as an end in itself, but as the conduit by which knowledge is transmitted and problems solved.

While the insurance industry has been growing in economic maturity and enlightenment, the policyholder has been doing the same. The public has required more skill and wisdom from the companies, and the companies have more than reacted to the demands put upon them.

Fortunately for the industry, the reaction was broadened, hastened, given direction, and inspired by Dr. Huebner. How fortunate we are to have him with us tonight. Through his personal influence and his teaching and contagion, he has helped transform all type of insurance from a largely commercial operation to one which serves the public better because of his professional standards. In the process he has made Philadelphia and now Bryn Mawr the insurance education center of the country.

I hope that I have made clear the preliminary points - how this self-reliant business has grown in complication - and how, along with all other enterprises, there is required more education and training to serve the public; and thus, I arrive at my main theme: - how a climate favorable to education occurs.

This then should be the moment when the speaker hopes to arouse his audience with a hint that he has turned into the home stretch by listing a number of courses of action by which those in authority or leadership could perpetuate a happy partnership between industry and the public, by decreeing more education for everyone, and the dire consequences if the words of advice are not followed. What laws, what regulations, what association resolutions should be advocated?

Alas, I will have to disappoint you because I do not believe that change takes place by reason of such exhortations. Instead I will make good my offer at the out-

set, to place this dedication of an educational center in context. The context, as I suggested before, is part of a larger process of changing public attitudes, and so let us consider how new public attitudes are formed in our society and how they come to be acted upon.

I do not believe that (except occasionally in time of war) vigorous, decisive actions are automatically recommended by those in authority, or accepted eagerly by the public. Change of attitude and consequent action take place, not because of the clarion cries, or the moving oratory of our leaders, but by a multiplicity of small and local decisions, which are rooted in relatively small, somewhat selfish needs and immediate satisfactions.

The Congress, for example, does not observe a fault and then override all political and emotional pressures in order to enact legislation appropriate for the correction. Only in a dictatorship are cause and effect so closely related. How futile it is for us to ask why our leaders don't change this or that; why Congress doesn't enact a simple and sensible income tax, for example. It is all too easy, and useless, to insist that it's time "they" - whoever "they" are - did something to improve education, especially for our particular group. No matter how often we repeat these things, we know that in a democracy we - not they - make the changes. We develop habits, opinions, attitudes. Administrative regulations may then be adjusted. Next, minor laws may be passed. Eventually, a consensus is signaled by a major legislative act.

History is not made by a series of men on white horses who mold a nation, or an age, to their fierce wills. Too many biographies perpetuate this fallacy. The contrary is true. The course of events brings into prominence men of action who are responsive to popular attitudes that are in process of hardening into a consensus. Thus change seldom comes from theories that run counter to the general

trend but rather by clothing an event, or an individual, with hitherto unexpressed aspirations and tentative actions.

Let me suggest a few simple--perhaps too simplified--examples of these changes of attitude--ones that are obvious to us all. The world of fashion has many. Although we observe that hemlines go up and down uniformly and simultaneously, I don't believe that fashion designers can be credited with leading their clientele by the nose. The ladies become, in some mysterious way, ready for each change, and the most successful designers are those most accurate in forecasting it. So it is in the world of communication. Songs, jokes, idioms get no currency unless they are in tune with the times.

More seriously, the ebb and flow of political tides bring many apparent leaders to the surface, both large and small. The adventurers of the left and the zealots of the right, for this reason, have their innings. In my opinion, Robert Welsh, founder of the John Birch Society, does not make converts by the freshness of his views, or his dominant personality. It is his role to represent an attitude already strongly held by a few.

The spirit of nationalism evident around the world is not aflame because the leaders at this moment are so extraordinarily persuasive. Before this immediate present, thousands of revolutionary conspiracies died aborning. The flames spread only when the tinder is dry enough. Perhaps the Israelites were as sick of the Egyptians three millenia ago as they are today, and they could hardly wait for Moses to take command. In all these examples, attitudes were stirring which found a focal point.

In a lighter vein, I am sure that a group of children, extra restless during the spring vacation, created the legend of the Pied Piper's irresistibility.

The effects of innumerable individual acts are gradual. They accumulate until we have a new attitude and a change of direction, and in the process of readjusting



our thinking, we discover that we actually have begun to do something about it. This is a somewhat slow process but it is steady; and it has the great advantage of correcting its mistakes as it goes along.

You may wonder, if you agree with this doctrine, how we ever make any progress at all. The answer lies in the confluence which I referred to earlier of need, of leadership, and of grass root attitudes. Unless this latter current is present, there is not much possibility of securing any change of direction or pace and so accomplish our goals.

There have always been thoughtful leaders in business, government and education. We have always had pointed out to us how we could order our affairs better. But each period has its special prophets made famous by the temper of the time in which they live. Explorers, promoters, engineers, generals, financiers, the bold and the cautious, the logical and the emotional, follow each other. At this moment the educator is in the ascendancy and he rides on a broad tide of public approval. We had better ride with him while it lasts.

At one time we wanted to buy our education cheap. We used to be less concerned with quality. We did not look very far ahead - we underpaid the teachers - we left school management to others. We applauded the football teams and we were grudging in our admiration of the earnest student. Post graduate study was unusual except for the learned professions. Consequently, it was well-nigh impossible to launch the sort of enterprise that is being dedicated today and tomorrow.

But the tide has turned, first clearly recognized by Dr. Huebner, and such men as Paul Clark and John North, in spite of confusing crosscurrents such as pride in the accomplishment of the self-made man. So strong was this crosscurrent that people used to talk as if the self-made man succeeded because of his scanty education - not in spite of it. No doubt every generation has contended with this spirit of anti-intellectualism. Such phrases as "town and gown" - "blue stocking" -

"high brow" - "egghead" - have, in different periods, reflected a negative attitude toward education.

Fortunately the strong current in favor of education - and of better education - is sweeping across the country. It is reflected in P.T.A.'s, School Boards, the State Legislatures - and finally, the Congress in Washington. On this subject, newspapers, columnists, public speakers, business men, and educators have never had such an interested public. If it were not for my conviction that we make changes slowly, I would be fearful that education would temporarily be smothered in kindness - and then left without help to correct the excesses.

Huebner Hall is the symbol of the man who has done most in this century to shape the course of insurance by insistence upon education and research, and it is also the means of carrying out his ideals for the benefit of the industry which he has nurtured and the public that he has sought to benefit.

It is well that through the joining of all sectors of the industry, this building, these schools, and research opportunities have been established. The time, as I have pointed out, has been right. A concatenation of circumstances has made it possible. The leaders pointed the way, the public wanted the advances, the industry needed the development, and education has been the key that fits the lock. Thus a new impetus has been given to the unique institution - INSURANCE.

And so I end by wishing success to all who will use the Hall for training, for further education and research. May they be many - and come often. May Huebner Hall quickly become, and always remain, an integral part of all insurance activities for the better service of the public.