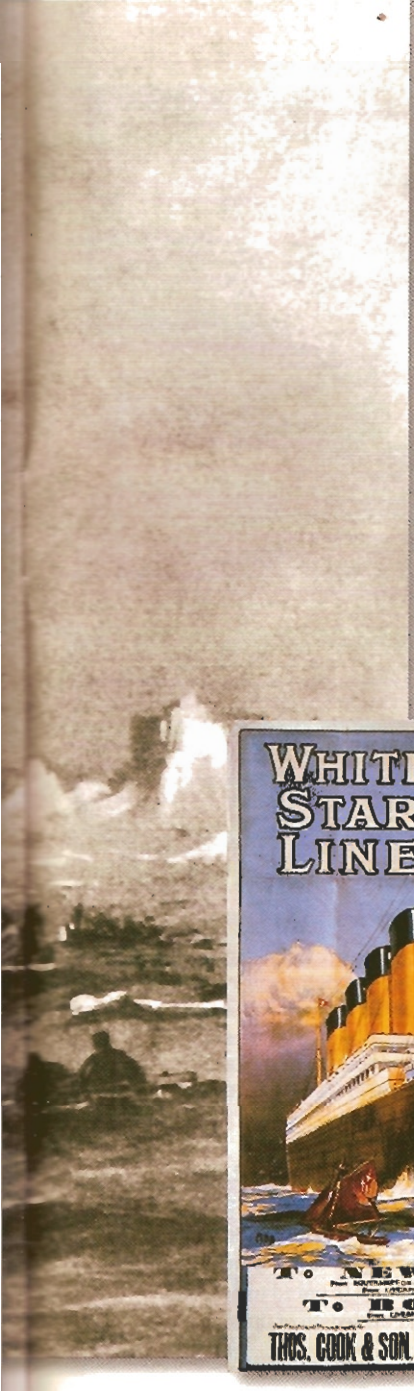
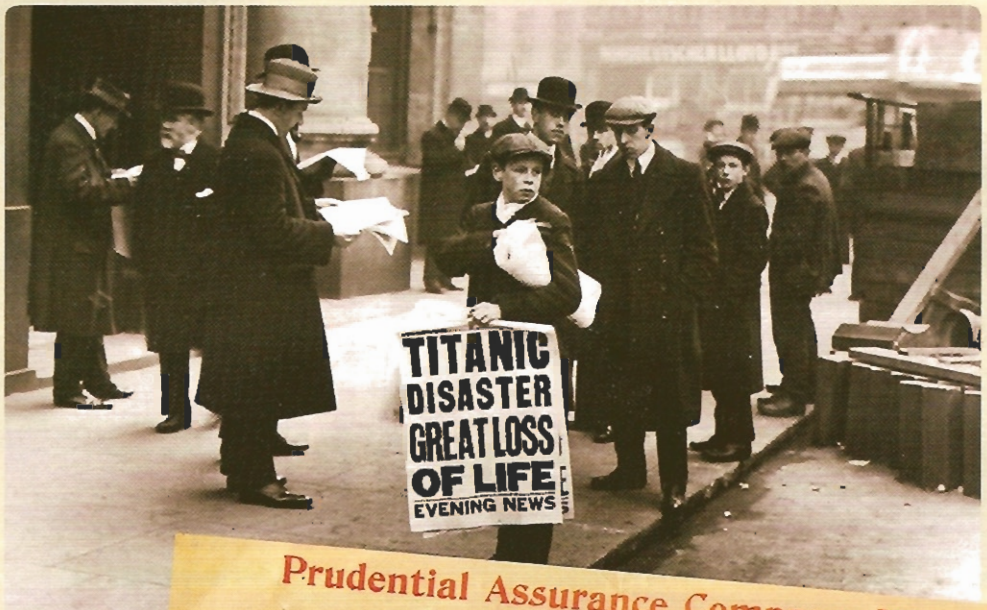
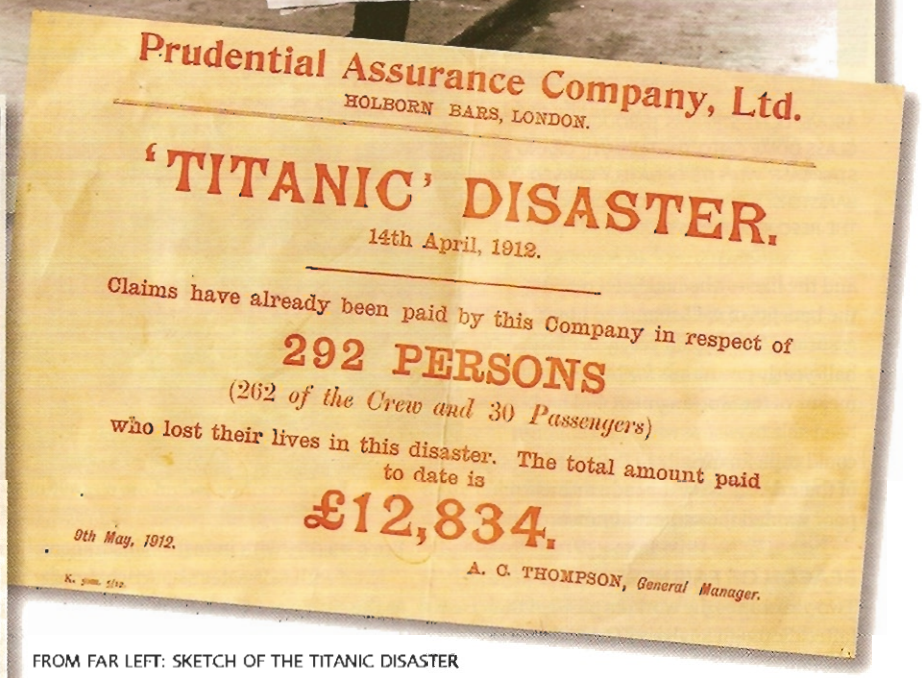
Legacy of the Titanic

So what was Prudential doing when the great ship sank? Protecting the unsuspecting...

WORDS JANE YETTRAM







Prudential Assurance Company, Ltd.
HOLBORN BARS, LONDON.

'TITANIC' DISASTER.
14th April, 1912.

Claims have already been paid by this Company in respect of
292 PERSONS
(262 of the Crew and 30 Passengers)
who lost their lives in this disaster. The total amount paid to date is
£12,834.

9th May, 1912.

A. C. THOMPSON, General Manager.

FROM FAR LEFT: SKETCH OF THE TITANIC DISASTER BY GERMAN MARINE ARTIST WILLY STÖWER; WHITE STAR LINE POSTER; OUTSIDE WHITE STAR LINE LONDON OFFICES IN COCKSPUR STREET, OFF TRAFALGAR SQUARE; PUBLIC NOTICE ISSUED BY PRUDENTIAL 9 MAY 1912

On 14 April 1912, in the glittering darkness of a starlit night, a few hundred miles off Newfoundland, Canada, *RMS Titanic* struck an iceberg. Just a few honrs later, the repntedly unsinkahle ship vanished beneath the eerily calm waters of the Atlantic.

Four days earlier, when she set sail from Southampton on her maiden voyage to New York, *Titanic* had more than 2,200 passengers and crew on board. After the disaster, just over 700 were left alive.

The loss of *Titanic* is an event ingrained on the world's psyche – informed hy myth, legend aud Hollywood as much as history. Bnt the loss of life was no myth and, beyond the unimaginahle deaths of those 1,523 people, the suffering was to spread wider, expanding like ripples on a pool as the Atlantic ocean closed over *Titanic*'s stern.

The sea water knew no class divides. It flooded hoth state and engine rooms, taking the lives of rich and poor alike. The wealthy had resources to care for the bereaved. But for others, including the crew, there was no such comfort. This was an era still resonant with the image of the Victorian workhouse – poverty, shame, distress. It was a time before the Welfare State, when the loss of a breadwinner conld leave families destitute.

POLICIES FOR THE POOR

Yet for some, there was salvation. With the growth of industrial life assurance policies, Prudential had given the poor the same refuge in disaster that the monied classes had had for centuries: the knowledge that death would not leave loved ones in ruin; the knowledge that security could be hought.

The seed of this security was planted more than 50 years previously, when a delegation of factory workers entered Prudential's London offices to ask that life assurance policies be created for the poor, with the payment of small weekly premiums.

Until this time 'burial clubs' or 'friendly societies' had performed a similar function, collecting weekly amounts so that funeral expenses could he paid in the event of a death. But these were not run on actuarial principles, and funds were not invested. Worse, they were often mismanaged. So in their time of need, families were likely to find the pot was empty – their payments had been in vain.

It was the middle classes – lawyers, doctors ▶

ABOVE: LIGHT STREAMS THROUGH A GLASS DOME ONTO THE ELEGANT 'GRAND STAIRCASE' WITH ITS ORNATELY CARVED BANISTERS. RIGHT: SURVIVORS ON BOARD THE RESCUE SHIP *RMS CARPATHIA*

TOP: FIRST-CLASS READING AND WRITING ROOM ON THE *TITANIC*'S UPPER PROMENADE DECK. ABOVE: WHITE STAR LINE PLATTER RECOVERED FROM THE SUBMERGED SHIP

and the like – who had been reaping the benefits of well-managed life assurance. They paid yearly or half-yearly premiums far beyond the means of the working man and had been able to ensure wives and children could cope financially in the event of their death. Now the industrious poor wanted the same assurance.

BEACON OF FAIRNESS

Two years after the workers pleaded their case (after thorough analysis of life expectancy and mortality) Prudential established an Industrial Department and started selling policies to working people. Minimum weekly premiums were 1d (one penny) – and the pioneering 'penny policies' were born. By 1900, one person in three was insured by the Prudential.

The first claim – £30 and 6 shillings for a railway accident – came in January 1855. Mining accidents, wrecks and industrial accidents were to follow. And, not long after the *Titanic* disaster, the Prudential would be paying out nearly £4 million to relatives of those soldiers with industrial life assurance who gave their lives in the First World War.

'The man from the Pru' would visit people in their own homes each week to collect the premium. After the underhand operations of many collectors from burial clubs, this agent was often seen as a source of advice and beacon of fairness. The reputation for honest dealing, financial security and speedy payment was the foundation of Pru's success with industrial insurance.

Even with a disaster as overwhelming as the sinking of *Titanic*, the Pru reacted swiftly. A notice in Prudential's archives from AC Thompson, Prudential's General Manager, shows that by 9 May – just 24 days after *Titanic* had settled in her grave on the sea bed – Prudential had paid out £12,834 for the loss of 292 lives. The final figure was £14,239 for 324 lives (mainly crew) – equivalent to just under £1.1 million today.

> *"The loss of a breadwinner could leave whole families destitute"*

Sadly, no records remain of the individuals and families helped by Prudential's policies, but almost a fifth of all *Titanic*'s victims benefited. Many are likely to have been from the Southampton area, where, according to the city's archives, 724 of the 900-strong crew had lived. Less than a quarter survived – just 175 out of these 724 – and in one local school half of the children lost their fathers. Benefits varied according to the type of policy held, the weekly premium paid (from 1d to 6d), the age of the victim and the length of time since the policy was taken out.

PENNY POLICIES PAID OFF

Charity was available too, of course, with generosity from many quarters, individuals and organisations. Just as with recent disasters, donations to the Titanic Relief Fund were many. Applications could be made to the fund for bread, milk and medicines, which families could no longer afford. Fund-raising events flourished, commemorative items were sold (even a gramophone record, predating Bob Geldof by almost a century) to help the dependants of the victims lost at sea.

But it was those with their penny policies – who had paid their small weekly premiums – whose families had the most security. They gained swift recompense, a measure of independence and, crucially, the sense that they had been provided for by those they had loved and lost. ■

IMAGES: Corbis; ILN Picture Library; Prudential