

History of property insurance market in the usa



**ASSIGN
BUSTER**

The world today has become a global village.

People are globally touching lives of each other through communication in different arenas of life. A state usually prospers through its active contribution in the field of business sciences and electronic commerce.

Today USA is considered as the most industrialized country in the world.

However, despite a large number of industrial or commercial problems it does not allow these problems to overtake the international market or national one. The commodities of USA in the international market have a value of their own and they are frequently targeted as worse ones. In the field of Business, Marketing and Insurance, Property insurance market in the USA plays a prominent role.

The insurance market in the US provides a large scenario of financial planning and investment both for ones who want to contribute on individual basis and also welcome business investment of a group of investors.

According to Internet resources the term " Property Insurance" refers to " A form of insurance that protects real property against certain risks, such as from fires or storms; often called fire and hazard insurance. May include flood insurance. Does not include mortgage insurance or mortgage life insurance.

" (Property Insurance, n. p.) Basically, the meaning of property insurance is to avoid any sorts of land circumstances, which investors or stakeholders may face when any question about their property stands and creates a sort of nuisance in the work. In this century or from the past few decades property and stake holders have remained careful about their land shares

and property as in many cases where property has no one to look after it, the smugglers or people involved in other crimes use it as their dens. If the area is however taken over by the police then the property holders may have to face a loss of over million of dollars.

To avoid all these problems, the initial businessmen or those having little investments or home industries have found the way of “ Property insurance” to protect their land or other reforms. The cost of property insurance may be fixed rates or the rates may be decided by knowing the worth of property. In this way Property Insurance Markets have always remain in profit and their all stake holders have been undergoing profitable investments. However, sometimes these sorts of insurance markets may have to face a little or a huge amount loss but it depends on the circumstances, which the insured property may undergo.

Coming on the actual topic, which is about the history of Property Insurance Markets, it is further included that if we take a look on the history of property insurance markets then it is difficult to say that where and when they initiated. Basically in the human system of life, man has been insuring things since the formation of the world. One helps another person and everyone is concerned about its financial or economical security. The most empowering point is that the insurance markets are not a new idea of the millennium but the human way of securing things and helping others come out of their economical circumstances has been shaped up into the insurance markets which branch out to form other stems and one of this stem is known as “ PROPERTY INSURANCE MARKET”.

If practically described then “ Early instances of insurance. —Forms of insurance were known to the Romans and to some extent were practiced among the Collegia. In certain respects these bodies resembled our benefit societies. For example, they provided for burial and also made some form of provision for promotion among the soldiers in their organizations.

In reality, then, they were based on the insurance principle since they accepted from their members a certain stipulated sum and in return agreed to perform certain services. ” (History of Insurance, n. p.) The insurance business is divided into four main branches: Marine Insurance, Life Insurance, Fire Insurance and Casualty Insurance. Marine Insurance appears to be practiced in the Mediterranean over seven centuries proving that it was an established practice among the commercial countries of that time. Fire insurance was the second form of becoming more and permanently established.

Life insurance was followed a little later and was founded on a modern basis. Casualty insurance was commonly known as Accident Insurance as it was the first event to be insured of those people who had an accident on a railway journey. (History of Insurance, n. p.

) Principles of Insurance Insurance is based upon the following three principles: Insurable Interest, Utmost good faith and Indemnity By insurable Interest a person who wishes to take out insurance has to gain from the existence of the insured and to suffer from its loss. Utmost Good Faith means Revelation of all facts. Customer wishes to take out insurance must answer

all the questions truthfully. And if someone fails to do so can make the insurance cover become worth less.

Indemnity is that an insured person cannot gain from the insurance that is insurance can best put a person in the same financial position as they were prior to the loss occurring.(Principles of Insurance, n. p.) Conclusion From all of the above historical content of Property insurance it has been truly proven that property insurance not only secures our land or any other property but also leaves something behind us. It has always resulted in profit and it is currently providing facilities to many retired people and families of the deceased who have had an insurance of them.

People who want beneficial lives are having their insurances and this is also gradually resulting in the prosperity of the property insurance market. The past global results of insurance and property insurance policies were great as people were highly attracted to this new arena of saving. Now the matter lies of the future. What aspects will it bring to the future market policies of property insurance? Will it result in the beneficial of people or the stakeholders will be less attracted to it? These questions may vary condition to condition of the property insurance market that where it may lead. Words Cited History of Insurance.

October 24, 2007 [http://www. oldandsold. com/articles17/insurance-1. shtml](http://www.oldandsold.com/articles17/insurance-1.shtml)