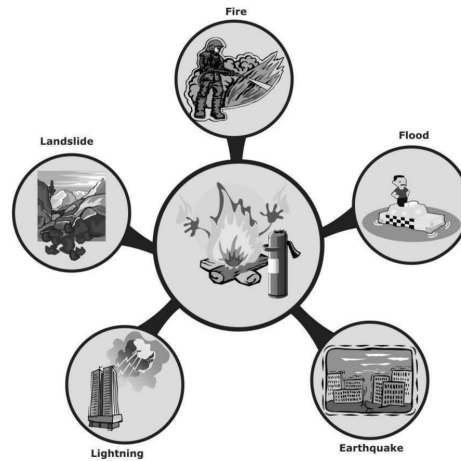


A. Life insurance - History and evolution

We live in a world of uncertainty. We hear about:

- trains colliding;
- floods destroying entire communities;
- earthquakes that bring grief;
- young people dying suddenly pre-maturely

Diagram 1: Events happening around us



Why do these events make us anxious and afraid? The reason is simple.

- Firstly these events are unpredictable. If we can anticipate and predict an event, we can prepare for it.
- Secondly, such unpredictable and untoward events are often a cause of economic loss and grief.

A community can come to the aid of individuals who are affected by such events, by having a system of sharing and mutual support.

The idea of insurance took birth thousands of years ago. Yet, the business of insurance, as we know it today, goes back to just two or three centuries.