



Life Insurance History in the United States

With the British knowing the basics of insurance and the things that could happen to people like the life insurance industry, they decided to give it a try in the United States of America. After talking about how they would decide on coming about with the first insurance company, they decided to base it on the well known British model at the time. The first life insurance company in American soil was founded in the Southern Colony of Charleston, South Carolina in the year 1733.

About 20 years later the entire colonies saw that this was a good idea, so the Presbyterian Synod of Philadelphia decided to sponsor the first life insurance corporation in the United States, which wrote its first policy in the year 1761. The bad thing about life insurance at that time was that many religious groups opposed it because it would be like anticipating one's own death and with the religious fervor in the North American Colonies at the time; it proved to be quite a challenge to get the whole thing started.

The actual life insurance industry as we know it really took off in the year 1840 because those religious groups calmed down and didn't interfere with governmental affairs anymore. Another big reason that life insurance companies came about proved to be the New York and Chicago Fire's that killed a whole bunch of people in each of the two cities. After this more and more life insurance companies started coming about and in the 1900's business really grew. People wanted to be protected in case of an accidental death.

The 1900's proved to be an era of growth for the life insurance industry. Two wars went on and many people decided to insure themselves to establish a secure monetary future for their families. It is also said that after an attack on the country more people buy life insurance policies. Nobody can contest that simply because after Pearl Harbor a bunch of people panicked and decided to open policies in fear for their lives. The same is true after the turn of this century when the attacks on the World Trade Center took place. People decided that not having protection was not worth it and that a little premium each month was better than leaving their families in economic burden.