Introduction

by Dieter Farny ***

This book deals with the question of how the insurance sectors and their actors are perceived by themselves and by others. During the coming phase of deregulation of the European insurance markets, and especially the German market, the legal and factual conditions of operation of the insurance business will change, for the insurers, the insured and the brokers.

The authors present a “Risk Community Model” and a “Competitive Entrepreneurial Model” in order to make the book easier to read. The dominant questions of insurance markets and corporate strategy are explained using these models. The book is written in a concise way which should animate the discussion on an international level.

The reality of the German insurance sector lies somewhere between the two extremes represented by the models. According to the present state of regulation of the German insurance market, the insurers are “entrepreneurs under observation”. The reduction of government control under the third EC-Directive gives the insurers the chance to strengthen their entrepreneurial qualities.

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