HISTORY OF INSURANCE.

We have already given a sketch of the early history of Marine, Fire and Casualty Insurances The next portion of our subject embraces the origin and progress of Life Assurance.

It is evident that until the average duration of human life was ascertained, the fixing upon any sum as a premium to be paid for the insurance of a life, must have been mere guess work.

The first *parish registers* were kept in England in 1538. They had been kept long previously in Augsburg and Breslau, though it was not till the beginning of the seventeenth century that they were general in Europe. "It is worth mentioning, says Mr. Francis, "that long ere this the paternal Government of Peru kept a register of all the births and deaths throughout the country; exact returns of the population being made every year by officers appointed by the State."

But although the keeping of parish registers commenced in England in 1538, it was not till 1728, or nearly two hundred years afterwards, that the *ages* of the dead were introduced. "John Smart, of Guildhall, London, Gent," in the second edition of his admirable Tables of Interest, Discount, Annuities, &c., published in 1726, suggested that the parish clerks should make a return of every person dying; and his recommendation had the desired effect. Towards the close of the sixteenth century the frightful ravages of the plague had caused such alarm in the country, that to "quiet public feeling" the government of the day wisely thought it desirable to publish correct accounts of the progress of the pestilence. These were called "Bills of Mortality," and "though they were not at first maintained consecutively, they were afterwards found so useful as to be continued from the 29th December, 1603, to the present time."

The next step in progression was the publication, in the early part of the seventeenth century, of "the first English work on the subject," entitled "Natural and Political Observations on the Bills of Mortality," of which the author was John Graunt, born in "Birching Lane." This has been described as "the earliest movement in economical arithmetic, and the closest approximation to the data on which Life Assurance is founded." His attention appears to have been first drawn to the Bills of Mortality by hearing "men of great experience in this city talk seldom under millions of people to be in London." He found the actual number of inhabitants to be about 384,000. It seems he made enemies by his book, as others have done who fearlessly aimed at the truth; for when the great fire of London occurred, "he was accused of having gone to the reservoir of the New River Company, and of cutting off the supply of water!"

Many of the observations contained in this book of Graunt's, are as curious for their accuracy as for their originality. In one place he says, "seven out of every 100 live in England to the age of 70." This was probably not far from the truth at that time. Dr Price found, a century afterwards, that in the town of Northampton, the number was ten. The Carlisle Tables show 24 as the number. Again, he says in his own quaint way, "the more sickly the years are, the less fruitful of children they be;" and although the idea was then ridiculed, it has since been found perfectly true!

A pamphlet was printed in 1680, in which the whole doctrine of the value of life, then understood and acted on, is affirmed; the utmost value allotted to the best life was *seven* years, at which the life of a "healthful man" at any age between twenty and forty was estimated; while that of an aged or sickly person was from five to six years, the various limits between these two extremes constituting the whole range of difference in value.

About this period Dr. Halley, the Astronomer Royal, commenced a series of observations which resulted in the publication, in 1693, of the *Breslau Table* of Mortality, which not only rendered his own name immortal, but was the first important step towards raising Life Assurance to a position to claim rank amongst the sciences.

Although England was the theatre destined for the correct development of Life Assurance, she was unable at this time to furnish the data upon which its practice was to be built. The omission, before referred to, of leaving the ages unrecorded in the early parish registers of burials caused Dr. Halley to have recourse to the parish registers of the town of Breslau in Silesia, which was the only place where a record of the ages of the dead was kept.

Other men of science from time to time took up the subject, and several works were published on Life Contingencies and probabilities.

"One of the earliest applications of the theory of probabilities to moral and judicial events was by N. Bernouilli, in 1709. Taking the rules already laid down by Huyghens, he proceeded to estimate, amongst other things, *the time after which an absent person may be reputed to be dead;* the premium to be paid for assuring to a young girl a dowry or annuity on the day of her marriage; the relative value of differing testimonies; *and the comparative chances of the guilt or innocence of an accused person*. But what shall be said of a book, published a little later, by 'John Craig,' wherein he proposes to convince Jews, and to convert infidels by the aid of geometry and algebra!"

Mr. Hendricks estimated, a few years since, that the whole sums assured in France, as payable at the death of persons, did not exceed one million; the larger number of policies being for short term risks, or renewable only for a limited period. There are, however, some *twenty millions* assured by the associations of *Tontinieres* for deferred annuities and endowments payable in lifetime; and a large *Fire* business also is done—larger in proportion than in England—probably in some degree attributable to the fact of its being unfettered by restrictive duties! In England the sums invested in Life Assurance probably stand as 10 to 1 against the sums invested in annuities. In France it is 20 to 1 the other way.

In *Germany* Life Assurance is spreading rapidly, and the native Companies are for the most part doing well. Many of the British Life Offices are now doing a large business in the north of Europe.

The first established Life Assurance Company, which has existed to the present day, was the "Amicable Society," founded in 1706. So little was known of the actual value of life in those days, that the Amicable (in addition to an entry fee of £3 15s. per cent.), charged a premium of £5 per cent., and middle-aged and old lives were frequently rejected even on these terms.

About fourteen years after the Amicable, two new Companies, the Royal Exchange and London Assurance were established, and actually paid the government no less a sum than £150,000 each for their charters of incorporation. These Companies are still in existence, and prosperous, although, in the *first forty years* of its existence the Royal Exchange only received £10.915 2s. 2d., for Life Assurance Premiums.

These *legitimate* offices were shortly followed by a number of gambling schemes, some of which far exceeded in extravagant impudence and absurdity any of modern date. Thus in 1643 one Captain John Bulmer, an unsuccessful engineer, published a scheme entitled "*Propositions in the Office of Assurance, London, for the blowing up of a boat and a man over London Bridge*." Under the title of "Insurance Wagers," every conceivable description of speculation was entered into. The duration of the lives of persons believed to be on their death-bed was a common hazard; and the *London Chronicle* of 1768 says, "The introduction of illicit gaming at Lloyd's Coffee-house, is among others a powerful and very melancholy proof of the degeneracy of the time. Though gaming in any degree is perverting the original and useful design of that coffee-house, *it may be in some measure excusable to speculate on the following subjects:*—Mr. Wilkes being elected member for London; *which was done from 5 to 50* guineas per cent.; Mr. Wilkes being elected member for Middlesex, from 20 to 70 guineas per cent.; Alderman Bond's life *for one year*, now doing at 7 per cent.; on John Wilkes's life *for one year*, now doing at 5 per cent. *N.B. Warranted to remain in prison during that period;* on a declaration of war with France or Spain in one year, 8 guineas per cent. But, when policies come to be opened on two of the first peers in Britain *losing their heads at* 10*s.* 6*d. per cent.*, or on the dissolution of the present parliament within one year, at five guineas per cent.; which are now actually doing, and underwritten *chiefly by Scotsmen*, at the above coffee-house, *it is* surely high time to interfere."

The number of companies formed, and the variety of risks undertaken, afforded a prolific fund of amusement for the wits of the day; one of whom amused himself by publishing the following pretended list of deaths of assured parties.

"Died.—Of a six-bar gate, 4;—of a quick-set hedge, 2;—broke his neck in robbing a hen-roost 1;—surfeit of curds and cream, 2;—took cold sleeping at Church, 11;—of October, 1;—of fright in an exercise of the trainbands, 1."

These *Gambling* Insurances were put an end to some years afterwards by an Act of Parliament.

At this period—says the author from whom we quote—a custom existed with the Insurance Offices of printing historical or political papers, in the form of newspapers. Hatton, the old London Historian, speaking of the *Union* Fire Office, established in 1814, says "every subscriber, desiring the same, may have one of the printed papers they publish once or twice a week *gratis*." A publication of the same kind, was also issued by the *Sun* Fire Office, in 1724, called *The Historical Register*, which was presented to the Insurers as a newspaper. It was continued until 1743, having been first published weekly and then quarterly, when each register consisted of a thick octave pamphlet, sold to the public at one shilling." These publications have proved a valuable addition to our historic literature, and were most likely conducted at a far less expense than many of the offices now go to annually in advertising.

(*To be Continued.*)

LIST OF PERSONS WHO HAVE DIED AGED 120 AND UPWARDS.

Their ages, with places where they died, and date of death, compiled from various authentic sources.

185 Torton (or Zortan), Peter, Temeswar, Hungary, 1724.

180 A Mulatto man, at Frederick Town, Virginia, 1798.

175 Truxo, Louisa, a negress, Tucuman, South America, 1780.

172 Room, John, Temeswar, Hungary, 1741.