

COMPARATIVE ANALYSIS OF THE FOREIGN AND RUSSIAN INSURANCE MARKET

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The comparative analysis of positive and negative sides of insurance markets in Russia, Kazakhstan, China, the United States has been conducted. The aim is to compare the institutional and economic constraints to the activities of Russian insurers.

When considering the Russian insurance market, it is important to perform comparative analysis of several other countries, as well. We have chosen three “additional” countries - the United States, China and the Republic of Kazakhstan.

These countries differ significantly in the volume of collected insurance premiums, according to the population and the territory, according to the number of insurance companies, and for other reasons.

To begin with, we consider it necessary to determine the population of the countries we've analyzed, presented in table 1.

While analyzing table 1, you will notice an increase in the population in all the countries except Russia. The decrease in population in Russia is due to natural population decline. In terms of population China is the leader.

In our study, it is necessary to determine the total amount of insurance premiums and to consider the share of these countries in the global insurance market, presented in table 2.

While analyzing table 2, you will notice that in the collection of insurance premiums for 2004-2007 a clear leader is the United States, although the increase in premiums for this period is 12.0%. This suggests the development of

Table 1

Population

№	Country	Population (million people)	
		2002	2008
1	China	1284,5	1328,3
2	The USA	293,6	300,9
3	Russia	145,0	142,0
4	The Republic of Kazakhstan	13,7	15,4

Table 2

Comparative performance of the insurance sector

Country	Indicators	The total amount of premiums, billions of dollars				Growth 2007 to 2004, %	Share of the world market in 2007, %
		2004	2005	2006	2007		
The USA		1097,8	1109,7	1174,5	1229,6	12,0	30,28
China		52,1	60,1	70,7	92,4	77,3	2,28
Russia		16,3	17,3	22,3	29,8	82,8	0,73
The Republic of Kazakhstan		0,92	0,97	1,0	1,2	30,4	0,03

Table 3

Dynamics of main indicators characterizing the state of insurance markets, the 2004-2007

Country	Indicators							
	The proportion of insurance in GDP, %				Insurance premiums per capita, US \$ per person.			
	2004	2005	2006	2007	2004	2005	2006	2007
The USA	4,22	9,2	8,8	8,9	3755	3875	3900	4086,5
China	3,3	2,7	2,8	2,9	40	46	56	69,6
Russia	2,8	2,3	2,37	2,4	114	123	174	209,4
The Republic of Kazakhstan	0,8	0,9	1,38	1,3	26,29	44,75	80,18	80,3

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insurance culture among consumers and active insurance brokers.

The increase in premiums seen in China is 77.3%, while the leader in terms of increase in premiums during this period is Russia 82.8%. Charges of Kazakhstan are minor compared to other countries, with an increase of 30.4%.

For the total amount of insurance premiums in 2007, the U.S. take the first place in the world, China takes the 10th place, Russia occupies the 21th place, Kazakhstan - the 56th place in the world.

The development of insurance market is usually defined by two parameters: the percentage of insurance premiums in the amount of the gross domestic product, as well as the volume of collected insurance premiums per capita, presented in table 3.

In terms of GDP for the year 2007 the U.S. takes the 13th place in the world, China holds the 48th place, Russia occupies the 56th place, Kazakhstan takes the 76th place in the world.

According to the insurance premiums per capita in 2007 the USA takes the 8th place in the world in the list of states (88 countries), published by "Sigma", China takes the 69th place, while Russia takes the 50th place, Kazakhstan has the 67th place.

Thus, as a result of the study, we have carefully examined the four countries that differ significantly on the level of development and performance in the insurance business.

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