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BOOK REVIEW

INSURANCE AND REINSURANCE FOR THE 21ST CENTURY – FROM DISRUPTION TO EVOLUTION

*Author: Professor Vladimir Njegomir, PhD**Publisher: Faculty of Tourism and Hospitality – Ohrid,
University St. Kliment Ohridski in Bitola**Year: 2023**Number of pages: 456 pages*

Insurance theory is covered today by a large number of insurance-related textbooks. However, not many monographs deal with specific areas and issues of great importance both for insurance theory and practice. Monograph *Insurance and Reinsurance for the 21st Century – from Disruption to Evolution* by professor Vladimir Njegomir, published by the Faculty of Tourism and Hospitality in Ohrid, University St. Kliment Ohridski in Bitola, is written in English and is one of the more successful ones that connects insurance theory and practice. The book was a result of the author's desire to fill the identified lack of coverage in the literature regarding the challenges that affect changes in insurance and reinsurance. The monograph provides a theoretical basis and gives a practical overview of the factors affecting disruptions in the insurance sector, as well as the adaptation of that sector to these challenges. It points to all relevant trends in insurance and reinsurance that will determine their future in the 21st century. This book is intended primarily for insurance and reinsurance experts, but also for entrepreneurs, businessmen, students, and for all who want to learn about trends that will determine development of insurance and reinsurance in the 21st century.

The book contains 18 chapters. It also contains a preface, table of contents, notes, bibliography and brief information about the author. The author discussed the topic on 456 pages of A4 format, and the literature included 440 works.

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In the first three chapters, the author dealt with the challenges that catastrophe events had on insurance and reinsurance, with special emphasis on events caused by climate changes and the impact of a pandemic. The author introduced the concept of catastrophe damages, determinants of catastrophe risks, the impact of catastrophe events, risks that cause the catastrophe events, modelling and management of catastrophe events, risks and damages, as well as assumptions of possible future disasters.

The fourth chapter referred to the analysis of integration processes in insurance and reinsurance. This chapter explained the concepts of globalization, the creation of a global insured and global risk, consolidation and convergence of insurance and other financial services.

The fifth chapter referred to the inclusive insurance. In that chapter, the author discussed the definition and importance of inclusive insurance and analysed innovative forms of inclusive insurance – microinsurance and takaful and retakaful.

In chapters six, seven and eight, the author dealt with the impact of demographic changes, digitization and social responsibility on insurance and reinsurance.

The ninth, the tenth and the eleventh chapters dealt with management methods and strategies in insurance, with an emphasis on corporate entrepreneurship and continuous education.

The twelfth chapter covered trends in risk management and agricultural insurance. In that chapter, the author discussed the importance of agricultural production, the risks threatening agricultural production and methods of managing agricultural production risks, the specifics of agricultural insurance and types of agricultural insurance, both traditional and alternative.

The thirteenth chapter dealt with energy and insurance. In that chapter, the author considered energy sources and types of energy insurance.

The fourteenth, the fifteenth and the sixteenth chapters dealt with the insurers' investment activities through the financial system and the position of insurance companies, the regulation of institutional investments by insurers and Solvency II, the importance of institutional investments, issues in optimizing the insurer's reinsurance portfolio for the economic growth, as well as the issue of competitiveness in insurance and reinsurance.

In the seventeenth chapter, the author dealt with the role of the state in the insurance market.

In the last, *eighteenth chapter*, the author discussed the risks affecting insurance and reinsurance in the 21st century – political risks, terrorism risks, economic risks, technological risks, business interruption risks, supply chain disruption risks, professional liability risks, product liability risks and environmental liability risks.

The monograph received a positive review from three distinguished reviewers, doyens in insurance – a professor emeritus Boris Marović, PhD, an academician

D. Stojić: Book Review “Insurance and Reinsurance for the 21st Century: from Disruption to Evolution”

professor Wolfgang Rohrbach, PhD, and professor Zdravko Petrović, PhD. Reviewers pointed out that the author analysed, indicated and described the key challenges of modern insurance and reinsurance that shape the evolution of business operations of insurers and reinsurers. Reviewers emphasized the international character of the monograph's topic.

This monograph presents the original author's contribution, the material is presented in a logical, simple but professional language. Theoretical foundation and practical applicability of presented issues, combined with long-term successful professional experience and academic researches of the author, guarantee its theoretical and practical value.

The book *Insurance and Reinsurance for the 21st Century – from Disruption to Evolution* provides a comprehensive overview of key challenges for insurance and reinsurance sector. Complexity of insurance and reinsurance will probably continue to increase, which requires a broader perspective from theorists and practitioners. This book provides just that and therefore offers insurers and reinsurers an understanding of the challenges and ways to adapt, enabling them to remain successful in an increasingly challenging world.

Translated by
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