Volume 9, Issue 1, July 2026

Article Type: Research Article

Risk, Responsibility, and Insurance Principles in the Social Context of Guru Prasad Mainali's *Paralko Aago: A Qualitative Textual Analysis*

Yog Raj Lamichhane[1], Bharat Raj Dhakal[2*]

[1]School of Business, Pokhara University, Nepal
[2]School of Development and Social Engineering, Pokhara University, Nepal

Article History

Received on- December 24, 2025

Revised on – March 29, 2026

Accepted on- May 10, 2026

Correspondence

Bharat Raj Dhakal

Email: bdhakal79@gmail.com

Abstract

Purpose*:* The study explores how Mainali's classical short story *Paralko Aago* (1935), translated as *A Blaze in the Straw* (1991) by Michael James Hutt, reflects modern insurance principles by drawing parallels between the dynamics of insurance contracts and the institution of marriage.

Design/ methodology/ approach*:* This qualitative study examines how the four foundational insurance principles, indemnity, insurable interest, subrogation, and utmost good faith, are metaphorically enacted in the marital relationship between the major characters. The study employs a textual analysis method to reflect how these contractual principles surface within the narrative's emotional, social, and moral dynamics.

Findings*:* The study identifies that insurance principles and marital relationships are symbiotic, as loss and gain, value and upset, rights and liability, trust and morality, and social security bind both.

Conclusion*:* The study establishes that contemporary insurance business concerning the relationship between insurer and insured cannot escape the central subtleties of hitherto social practices, particularly the relationship between husband and wife in a marital relationship.

Implications: The study supports the understanding that modern insurance business is not purely a financial act, but a deep social contract rooted in shared human responsibilities.

Originality/value*:* The novelty of this study lies in its interdisciplinary approach, integrating insurance theory with literary analysis to deepen the understanding of business principles as they emerge through human relationships, thereby distinguishing it from conventional management studies

Keywords*:* Insurance principles, social realism, risk, marriage, social security

JEL Classification*:* G22, K12, K20, Z11, Z13

Introduction

Literary accounts of marriage or family relationships often deal with the issues of trust, fragile mechanisms, risk, and loss. Through them, such literary texts attempt to nurture and maintain relationships. Damaged relationships are also sought to be healed and repaired through literature. The disputes between married couples in literary texts are common, which are seriously represented in the literary narratives to expose a deeper sense of value, trust, and moral accountability. Normally, such tensions between family members in general and husband and wife in particular have been assessed and explained on psychological, ethical, sociological, and cultural grounds (Ember et al., 2014, p. 346). However, the study connecting to the ethical principles of insurance has not been done much.

As insurance operates on loss, recovery, responsibility, and trust, marital relationships similarly involve dispute, loss, maintenance, repair, and deep mutual faith (Linnerooth-Bayer et al., 2018).

Without these foundational elements, a relationship is likely to collapse. In this regard, the study examines how core principles of insurance illuminate the dynamics of marital conflict and reconciliation within literary narratives. It offers an analytical lens for understanding how marital relationships negotiate issues of damage, accountability, trust, and restoration. By doing so, the study addresses the limited application of fundamental insurance principles in literary analysis, highlighting a gap in existing scholarship in which the socio-cultural dimensions of risk and responsibility remain underexplored in both organizational and familial contexts.

As in an insurance contract, in marriage as an institution, a man and a woman agree to live in a family life. Like the marriage relationship, insurance is a care net woven from promises. It shows readiness to catch the partner when life stumbles. Generally, both concepts are based on long-term commitment as insurer and insured, and husband and wife. Moreover, these are strongly guided by the fundamental principles (Macionis, 2012). The study follows a theoretical positioning grounded in interdisciplinary frameworks such as economic sociology, insurance law, and literature.

Insurance, at its core, is a mechanism of risk management that enables individuals to mitigate potential losses through a legally binding contract. This contract is grounded in fundamental principles such as indemnity, insurable interest, subrogation, and utmost good faith. Beyond their technical and financial functions, these principles also embody ethical and philosophical dimensions associated with the humanities. When examined from a broader philosophical perspective, they reveal an underlying framework of trust, responsibility, and moral accountability that governs human interactions in conditions of uncertainty. As Posner (1986) observes, “literature contains a surprising amount of legal subject matter, surprising, at any rate, given how boring most people think law is” (p. 1354). In a similar vein, the novelty of this study lies in its interdisciplinary approach, distinguishing it from conventional management studies by integrating insurance theory with literary analysis.

Regarding the insurance business, Stone (1994) comments that “While the sales stories promise seemingly unbounded devotion, like a parent's love for a child, the claims stories ask the individual to regard her claim as one among many in the larger community of potential claimants” (p. 1440-41). It shows the interconnections between stories and insurance policies. For Brattström and Wennberg (2022), stories are important because they focus the attention of both authors and readers, bringing some issues to the foreground while placing others in the background (p.1444). While searching for interconnections between story and insurance principle in terms of rereading Guru Prasad Mainali’s short story *Paralko Aago* offers a vivid literary canvas to explore these principles beyond the economic or legal domain. The story mainly concentrates on a husband-wife relationship. The major characters, the husband Chame and the wife Gaunthali, are intertwined through dependency, mutual responsibility, and shared vulnerability.

The tragic unfolding of events in *Paralko Aago* exemplifies how negligence, lack of foresight, and unintentional risk can imperil both material and emotional security, paralleling the very concepts that underpin insurance contracts. Just as insurance binds parties through principles of trust, shared risk, and protection against unforeseen loss, the marital relationship in the story reflects a human contract of mutual care and responsibility, where the consequences of neglect resonate in the material realms.

By examining *Paralko Aago* through the lens of insurance principles, the study explores the intersection of social responsibility, human interdependency, and risk management both in life and business. The characters' relationship, marked by care, dependence, and the repercussions of unforeseen events, resonates with the philosophical underpinnings of insurance. In this way, the study demonstrates how the four principles of insurance, indemnity, insurable interest, subrogation, and utmost good faith are metaphorically reflected in Chame and Gaunthali's relationship, responsibilities, and social interactions, showing how the challenges in their lives illustrate broader social, moral, and philosophical dimensions of these principles beyond the business context in the rural setting.

While existing scholarship examines the principles of insurance within the merely economic or legal domains and presents risk as a socially constructed phenomenon, there remains a lack of systematic scrutiny that integrates these aspects with literary analysis. In particular, no research has explored the core principles of insurance, namely indemnity, subrogation, insurable interest, and utmost good faith, which are represented within literary narratives. Neither are they enacted within any literary domain. This reflects both a theoretical gap and a methodological gap where technical insurance frameworks are not integrated with the interpretive and narrative frameworks, and literary analysis has not been adopted to explore the socio-cultural aspects of insurance business and principles, respectively. In this regard, this research addresses these gaps by examining the Nepali short story *Paral Ko Aago* to explore how insurance business and its principles are deeply embedded in ordinary social relations, thereby bridging sociocultural analysis, insurance business, and literary studies. To explore these, the study aims to fulfil the following objectives:

- To analyze the story for instances reflecting the principles of insurance in Chame and Gaunthali's interactions, decisions, and consequences, emphasizing the metaphorical significance.
- To explore the connecting forces, such as loss, value, responsibility, and morality, that link to everyday human narratives and insurance principles.
- To explore how Chame and Gaunthali's relationship and conflicts indicate the practical relevance of insurance principles to social and philosophical understanding of human behavior.

Human life is inherently marked by conflict, responsibility, and the consequences of actions, which shape individual and social experiences. Thus, Guru Prasad Mainali's *Paralko Aago* vividly portrays these dynamics through the intertwined lives of Chame and Gaunthali, highlighting how personal negligence, mutual dependence, and unforeseen events can disrupt both material and emotional stability. There is a need to explore how the principles of insurance, indemnity, insurable interest, subrogation, and utmost good faith can serve as a lens to understand these ethical, social, and moral dimensions, revealing parallels between risk management in business and the management of responsibilities, trust, and consequences in human life. While discussing mainly the interaction between law and literature, Baron (1999) expands the scope of interdisciplinary research and highlights the necessity of the interdisciplinary 'law and' scholarship connecting other fields of study (p. 1059). In this sense, even fulfilling methodological gaps, this study strengthens the interdisciplinary contribution between management and humanities framing by extending particularly insurance principles and narrative text. Finally, it explains how insurance, risk, and responsibility are socially constructed and expands risk, contract, and social security theory by highlighting informal, culturally based protection systems beyond formal insurance business.

Literature Review

This section discusses the theoretical concepts, particularly related to the principles of insurance contracts and the previous studies concerning the primary text and the role of telling stories in insurance.

Assessments on Insurance Principles

Whenever two parties enter into a contractual relationship, trust becomes the fundamental element for sustaining the relationship. The trust is not merely an ethical subject, but it operates as a powerful mechanism that ensures accountability between the parties involved. For instance, "the principle of insurance is also based on mutual trust" (Aprianti et al., 2023, p. 766). The trust requires both the insurer and the insured to act in an ethical manner. To protect the rights and fulfil the duties, the insurance contract is fundamentally guided by four major principles.

The regulatory principles are designed to prevent unjust enrichment and moral hazard in the insurance business. Generally, "the principle of indemnity states that the insurer agrees to pay no more than the actual amount of the loss; stated differently, the insured should not profit from a loss" (Rejda & McNamara, 2017, p. 189). It ultimately safeguards the integrity of the insurance contract by ensuring trust through fair compensation of the loss rather than extra financial gain. Equally, according to Rejda and McNamara (2017), "the principle of insurable interest states that the insured must be in a position to lose financially if a covered loss occurs" (p. 192). It means insurance coverage is valid only when the insured party has a legitimate financial stake in the subject matter of the insurance contract, as compensation is always tied to an actual loss. While traditional understanding of indemnity is limited only to restoring financial loss (Rejda & Mcnamara, 2017, p. 189), the recent scholarships locate risk and gain within a wider sociocultural and behavioral frameworks, arguing that insurance decisions are shaped by behavioral biases and assumptions of 'long-term risks' instead of having pure logical and sensible calculations of present sociopolitical systems (He & Faure, 2023, p. 779). Insurance business, in modern times, is merely an economic and financial activity, rather than a sociocultural phenomenon and a form of social security.

Similarly, subrogation is a fundamental concept in insurance law that governs the relationships among the insurer, the insured, and a third party responsible for a loss. As Rejda and McNamara (2017) explain, "subrogation means substitution of the insurer in place of the insured for the purpose of claiming indemnity from a third party for a loss covered by insurance. Stated differently, the insurer is entitled to recover from a negligent third party any loss payments made to the insured" (p. 193). It secures the insurer's right to assume the insured's legal position after compensating for a covered loss under the contract. Regarding it, Ashri Maunah et al. (2023) further describe subrogation as "namely transferring the right of the insured to the insurance company to take legal action that causes damage to the insured property or interest" (p. 929). Together, these clarify that subrogation operates as a legal transfer of rights, preventing the insured from receiving double compensation for the same loss.

The legal code governing insurance coverage emphasizes the principle of utmost good faith between the contracting parties. As Ashri Maunah et al. (2023) state, “the legal principle in insurance coverage consists of the utmost good faith principle, namely the principle that requires the parties to act honestly, and not to mislead or hide any information that is important to the contract” (p. 929). This principle highlights the duty of both the insurer and the insured to fully disclose all material facts that may influence the performance of the insurance agreement. Reinforcing the same idea, Rejda and McNamara (2017) define the principle of utmost good faith, positioning it as “a higher degree of honesty is imposed on both parties to an insurance contract than is imposed on parties to other contracts” (p. 194). Thus, utmost good faith is central to insurance contracts, ensuring transparency and trust in the contractual relationship. Specifically, Stein (2024) observes that “These few cases show that Indian courts occasionally have some willingness to question the actions of insurers who are quick to hide behind the requirement of uberrimae fidae whenever they feel that is enough to deny coverage” (p. 14). This critique reflects the author’s opposition to the prevailing culture among insurers of evading responsibility by blaming insureds for alleged lack of good faith, particularly at the time of claim. All these principles make the insurance contract different from other general business contracts and gambling.

Nexus Between Risk and Insurance

Theorizing and managing risk in the insurance business has long been evolved significantly across diverse theoretical, applied, and empirical areas. Researchers have viewed the nexus between risk and insurance from diverse angles. In this context, foundational risk theory attempts to distinguish between pure risk and speculative risk. Pure risk involves merely the possibility of actual loss or no loss, whereas speculative risk concentrates only on the potential for gain and also the possibility of loss (Vaughan & Vaughan, 2008, p. 7). Risk Theory of insurance, as articulated by Houston (1960), provides a mathematical framework for a unified approach to insurance, analyzing random fluctuations, rate fixing, and financial stability (p. 77). The author distinguishes between two risk theories, namely individual risk theory, which emphasizes gain or loss from a single policy, and collective risk theory, which focuses on the holistic corporate as a continuous stochastic process (pp. 78-79). Unlike other theories, Borch (1967) argues for modern risk theory, which frames insurance management as an optimal process of control that maximizes objectives such as dividend payment while maintaining solvency (pp. 433 -441). The author further critiques the classical risk theory of insurance as static (p. 432). This valorizes the need for a dynamic model that can track how risk and financial health change continuously over time.

Behavioural Dimensions of Insurance

Insurance decisions are socially shaped. In this context, Sadowski et al. (2024) focus on behavioral insurance rather than paying claims only when something goes wrong. They remark, “Imagine your insurer were an ‘active life partner’, even a guardian of your future, which engaged with you regularly, through a complex system of digital technology and behavioral science, to ensure you were leading the healthiest, longest, most valuable life possible. This is the foundation for a growing model of ‘behavioural insurance’ that has become a major approach in the industry” (p. 227). This highlights that perceptions about future long-term risk, people tend to be involved in insurance activities, which is parallel to the social functioning of marriage, where guardians try to find the most appropriate partner for their children.

Rather than focusing solely on the economic issues of loss and gain, transfer of responsibility, the insurable interest, or the utmost good faith, recent academia has also expanded the horizon concerning climate change and global crises. Recent scholarship has also started to observe how insurance operates in different types of crises, like the COVID-19 pandemic. In this regard, Fung et al. (2024) examined the heterogeneous effects of asset, product, and economic risks on the performance (pp. 8-11). They found that although different types of risks increase insurers' profit, they also reduce the company's ability to survive during the time of serious pandemics (pp. 8-11). Moreover, interdisciplinary research on insurance demonstrates the increasing technological and societal transformations in determining insurance systems. In this context, Wei et al. (2026) identify key risks faced by its users, including data privacy and security, fraud and financial risks, algorithm prejudices, and regulatory and systemic risks that heavily influence the insurance business. This major insight is that Insurtech is not merely about innovation; it goes beyond to other major factors, including trust, governance, and collaboration (p. 1). This shows how the domain of insurance is expanding beyond mere financial risks.

Analysis of Empirical Studies

Social realities as exemplified by the Nepali short story, "'*A Blaze in the Straw'* (1935) [which] is the most celebrated of Mainali's ever-popular stories and is the archetypal village story. The original title, *Paralko Aago*, is rendered literally" (Hutt, 1991, p. 178). This story, in particular, "highlights the realities of fear, poverty, exploitation, oppression, and superstition prevalent in rural Nepali society before the political change of 2007 B.S., within the social and political context of Nepal" (Adhikari & Timalsena, 2023, p. 54). Such narratives are not simply artistic expressions but are profoundly intertwined with socio-political change. Specifically, stories which extend social realism often aim to promote a political viewpoint to highlight a particular social problem, and "such stories multiplied during the period of unprecedented freedom that followed the fall of the Ranas" (Hutt, 1991, p. 175). These insights demonstrate that literary storytelling in Nepal has historically functioned as a vehicle for social critique.

Social realism in literature is a narrative approach that seeks to represent struggles, hardships, and contradictions. Kumar (2024) notes that "Instead of ornamentation, imagination, or exaggeration, it presents the truths of life, hardships, struggles, and contradictions clearly. Premchand not only used realism as a literary technique but also employed it as a means for social reform and awareness" (p. 6). Similarly, Hutt (1991) observes that "In fiction, social realism came to be highly prized and Western genres such as the novel and the short story were adopted and developed" (p. 8), linking this literary tendency to a broader cultural expression and engagement with the wider world. The social realism, therefore, performs not only as an aesthetic but also as a tool for social awareness and social security.

In India, writers like Varerkar and Sawant similarly used it to depict labour struggles, with "social realism [serving] as the mode of fictional depiction of labour action" (Shaikh, 2024, p. 369). In highlighting societal inequalities, social realism exposes hidden injustices. Paudel (2025) emphasizes that it "highlights human life's various challenges caused by social structures" (p. 345), bringing attention to social realities in an honest method (p. 345). Hutt (1991) further sets Mainali within this tradition, noting that his stories "exhibit the same idealism and concern for the poor. Social realities were presented with an idealistic sheen, and few such stories lacked a moral or an improving message" (p. 174-75). Collectively, these studies demonstrate that social realism in

South Asian literature bridges aesthetic expression and social engagement, using narrative to illuminate the struggles of ordinary people and promote moral and societal reflection.

In business, particularly in insurance stories, they serve as essential communicative and persuasive tools. Baker (1993) highlights this narrative function by stating, "I tell stories when I teach insurance" (p. 1396), emphasizing their value in education and meaning-making. Extending this further, "Lawyers tell stories about insurance to judges and juries. Judges tell stories about insurance in their opinions. And insurance companies tell stories to consumers and claimants" (Baker, 1993, p. 1396). Moreover, stories play an acute role in the insurance business by shaping perceptions. In this regard, Stone (1994) observes that "While the sales stories promise seemingly unbounded devotion, like a love of parents for a child, the claims stories ask the individual to regard her claim as one among many in the larger community of potential claimants" (p. 1440-41), highlighting how narratives influence the understanding of the insurance business.

Similarly, Brattström and Wennberg (2022) note that stories are important because they "focus the attention of both authors and readers, bringing some issues to the foreground while placing others in the background" (p. 1444). Together, these perceptions validate that storytelling in insurance not only communicates policy expectations but also frames which aspects of the contract and experience are emphasized or overlooked. Moreover, these perspectives demonstrate that stories, whether in literature or business, function as influential instruments for explaining complex realities and framing ethical and social issues. "For an individual or a group, insurance is one of the most important risk management strategies by transferring risk from the insured to the insurer" (Zhang et al., 2021, p. 1). However, in a marriage relationship, both parties are insured and insurer for each other.

In both social and contractual contexts, power imbalances shape relationships and experiences, often to the disadvantage of the less dominant party. In Nepali society, patriarchal norms are illustrated by Adhikari and Timalsena (2023), as they depict Chame, who "fails to respect women" and is "identified as having an abusive character, affecting both his familial relationships and his social relations" (p. 52), while his father-in-law suggests that "only by fostering mutual trust based on familial coexistence can the meaningfulness of life arise" (p. 54). Similarly, insurance contracts reflect structural imbalance, particularly in a male-dominated society, as Priest (2017) notes: "insurance contracts are standardized, as are most contracts in our complex society" and are "one-sided and as contracts of adhesion" (p. 635), with policyholders seldom reading them. The study of Mondal and Paul (2021) stresses the importance of "socioeconomic and demographic characteristics in determining domestic violence against women. The results reveal that women who are living in rural areas, who are uneducated, and who are from poor economic backgrounds are more likely to be exposed to violence perpetrated by their partners, suggesting a targeted approach among these vulnerable groups of women to prevent the inhuman act of violence" (p. 17). These cases highlight how dominant parties, whether patriarchs in families or insurers in contractual arrangements, can impose terms that limit agency, while mutual trust or informed engagement is proposed as a remedy to counteract these imbalances.

More strikingly, narratives have been used to interpret and explain complex practices in insurance, particularly in illustrating the dynamics of coverage and the litigation process. Baker (1993) draws a compelling parallel between Shakespearean drama and insurance disputes, suggesting "If litigation is theatre, insurance coverage litigation is alternately King Lear and King Richard III"

(p. 1395). In this analogy, insureds are compared to King Lear, who, after trusting others, is "cast outside in the storm," while insurers often position themselves as Richmond, "the captain of the forces of good who finally stopped greedy King Richard" (Baker, 1993, p. 1395). The study emphasizes that insurance stories, whether about sales or claims, serve not only as persuasive tools but also as frameworks for understanding the moral and procedural tensions. This approach highlights how storytelling can make abstract principles tangible, revealing the human and ethical dimensions behind contractual and legal obligations.

Research Methods

This study adopts a qualitative design within an interpretivist approach to explore how risk, responsibility, and insurance principles, which are socially constructed in Guru Prasad Mainali's *Paralko Aago*. For that, the textual analysis method enables in-depth interpretation of meanings embedded in the literary text that resembles modern insurance discourse. Within a qualitative research design, the study analyses the text through the lens of the four fundamental principles of insurance: indemnity, insurable interest, subrogation, and utmost good faith. As explicated by Creswell (2013), "conducting a qualitative study means researchers try to get as close as possible to the participants' texts being studied" (20). In this sense, it is a kind of close reading of the subject. More specifically, the textual analysis method further supports the qualitative inquiry in illuminating how these contractual principles surface within the narrative's emotional, social, and moral dynamics, fundamentally following interpretivist ontology, a constructivist epistemology, and a value-driven axiology.

The research has primarily involved a close reading of the English translation of the text *Paralko Aago* of Mainali, translated as *A Blaze in the Straw* by Hutt, to identify instances in which the characters' actions, decisions, and relationships reflect insurance principles metaphorically. Moreover, the selection of *the text* is theoretically significant due to its timeless relevance for reflecting social uncertainty, vulnerability, and responsibility. Its enduring themes reflect contemporary insurance discourse and enable an interdisciplinary interpretation of informal risk-sharing and social protection. Despite its late-twentieth-century origin, this story remains eternally relevant for its enduring portrayal of risk, responsibility, and social protection. This made the study analytically valid for contemporary insurance discourse in terms of historical contextualization. The textual evidence from the single story sufficiently supports its representation of how risks, responsibilities, and consequences are distributed among the characters and how trust and accountability operate within their social and marital interactions.

As an analytical framework for deductive analysis, the study operationalized four insurance principles: indemnity (restoration or compensation for loss without profit), insurable interest (a legitimate stake in avoiding loss), subrogation (the insurer's right to recover damages from a responsible third party after compensation), and utmost good faith (honesty and transparency between insurer and insured). These principles guided the identification and interpretation of narrative instances related to recovery, responsibility, relational stakes, and disclosure. Concepts of social realism further informed the analysis and helped maintain analytical rigor. Representative textual evidence was interpreted through these principles to generate meaningful insights from the selected text. Textual analysis facilitates deeper understanding and logical inference (Barthes, 1981), while interpretive analysis relies on careful reflection and judgment to construct meaning from qualitative data (Smith, 2017).

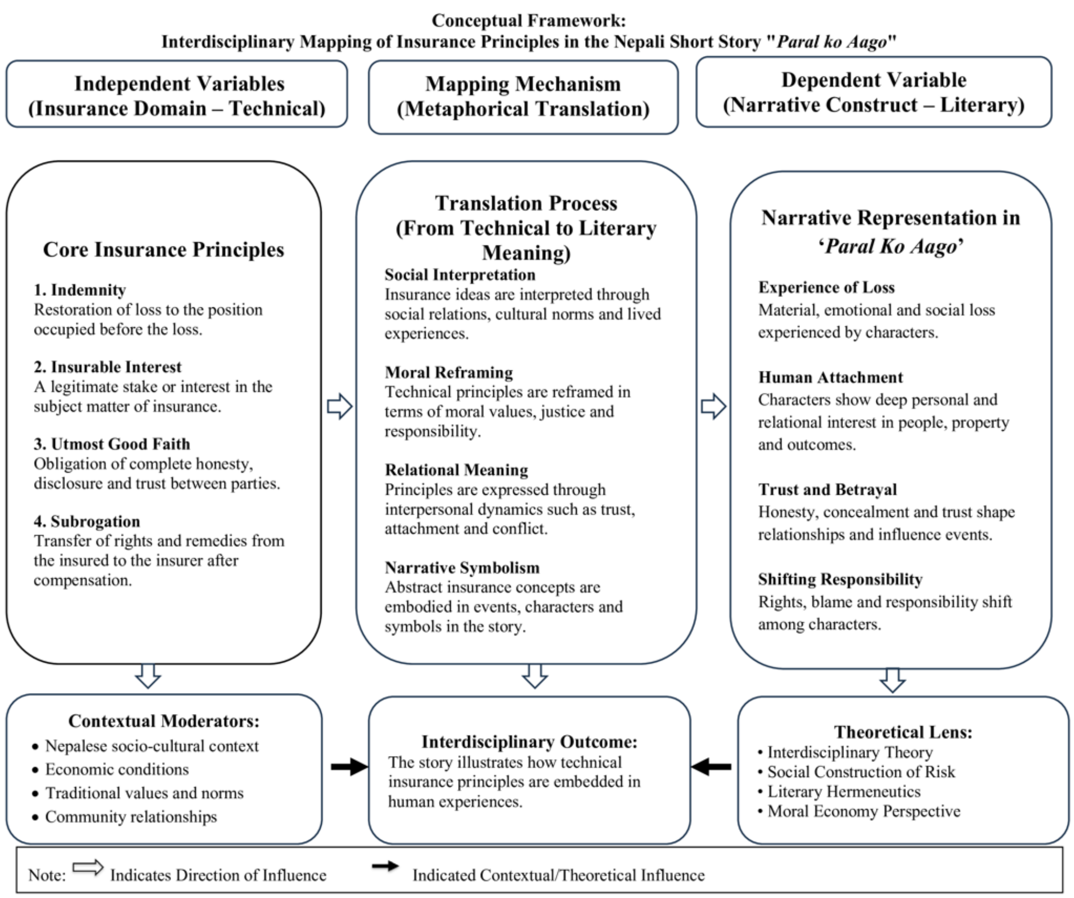
The sentences, dialogues, and events related to these principles served as units of analysis. To enhance validity, inter-coder reliability between the two authors was assessed with an agreement of five out of six representative textual evidence selections. After that, the researchers also employed peer debriefing with two management instructors experienced in teaching insurance-related subjects and two instructors experienced in teaching literature and conducting interdisciplinary research.

Textual Analysis and Findings

This section interprets the major textual evidence of the selected narrative in the light of insurance principles. The overall analysis is divided into subheadings on the basis of the theme of the narratives and principles of the insurance contract. Moreover, a framework consisting of a visual model focusing on interdisciplinary mapping, as shown in Figure 1, highlights the nexus between the insurance domain and narrative construct. This thematic diagram guides the overall analysis.

Figure 1

Interdisciplinary Mapping Framework



Indemnity: Poetics of Pain and Regain

Pain, loss, suffering, and deprivation are common modes of life and literature to express tragic feelings or sensations. "Insurance is an important service in a society because it allows individuals and entities to engage in activities generating risk in which they otherwise might not engage or might engage in differently in the absence of insurance. It thus expands the opportunities for all to enrich their lives" (Priest, 2017, p. 637). The literary narratives usually try to measure the type of tragic experience.

Literature does not simply stop at the point of loss or injury. Instead, it leads us towards symbolic and emotional equivalents of regain or restoration by creating a balance of what has been lost. In literature, tragedy ends with hope where the wounds are assessed, compensated, and repaired, as in the world of insurance, where every loss requires recognition, calculation, and compensation.

The story shows different types of losses that are to be assessed, compensated, and restored. After the dispute, when Chame's wife leaves the home and goes to her parents' home, he suffers physical loss. He remarks, "She may have been cheeky, but she was a lively girl…Every morning and evening she'd cook me something, but now it's only roasted barley" (Mainali, p. 194). Chame realizes that only her return can restore his damaged life. In this context, he maintains "Soon Gaunthali … was ready to go … Chame came along behind, swinging the jar from his hand" (p. 196). Her return restores normalcy, that is, the compensation for earlier loss, indicating the presence of social security prevalent in the existing family system.

The story also shows that the repentance for the major loss is accompanied by other losses. Chame's hungry buffalo escapes from the cattle shed and damages the maize field of Kokale, and "Eventually it took four or five men half the night to chase the buffalo away" (p. 192). This signifies that other supporters/men who helped them chase the buffalo want to mitigate the damage. Here, the maize field represents the insured interest, whereas the damage represents the compensable loss. In the story, the owner of the maize field does not seek compensation directly, including the cost of the maize and the labour charge. Rather, she obtains the compensation; that is, she comforts herself by cursing. Further, Chame's ruined interaction with the buffalo "First, it gave a few measures of milk, but then it kicked Chame and skipped away. Chame fell backward into some dung, and the pail fell three feet away" (p. 190) also clarifies that he has been going through a serious emotional loss.

Moreover, this becomes a suitable example of how the principle of indemnity works, restoring the balance between compensation and loss. According to the principle of indemnity in insurance contracts, the "insured should be in the same financial position after the loss as before the insured event took place" (Dorfman, 1987, p. 187). At the end of the story, Chame succeeds in restoring his ruined family life and returns to his earlier state of life. The overall discussion resembles the metaphoric relationship between husband and wife in a marital relationship and insurer and insured in an insurance contract.

Insurable Interest: Interplay between Intimacy and Injury

As the principle of insurable interest claims insurance can be bought for anything if its loss or damage has some genuine harm (Mehr & Cammack, 1980), the story also highlights the emotional as well as financial harm that the protagonist faces. As Gauthali leaves Chames and goes to her parents' home, he suffers realizes her worth. He comes to understand this is a great loss in his life, both emotionally and economically. For the first time, he apprehends how valuable her presence in his life is and remarks, "When she was here, the buffalo gave milk regularly… now it's wary and timid" (Mainali, p. 194). This emotional and economic dependence on her is further strengthened when he maintains, "Every morning and evening she'd cook me something… now I just get by on roasted barley" (p. 194). This clarifies what the value a wife has for running the conjugal life happily.

After this realization, he is determined to compensate for the loss by bringing her back. Therefore, "She may or may not come of her own accord, but I'll have to go and get her someday" (p. 194). Then, "he took out his best clothes and put them on…He slung his cloak in a bundle across his back and set off with a ragged umbrella in his hand" (p. 195). Further, the story also highlights buffalo as an insurable interest. After Gautami leaves home, the buffalo also stops giving milk. Moreover, it also destroys the maize field of the neighbour. Eventually, he understood that her presence directly affects his livelihood. It clarifies that the absence of one hurts the other in a true marital relationship, as the absence of insurable interest does not get validity in an insurance contract.

Subrogation: Transfer of Rights and Responsibilities

In the principle of subrogation, the responsibility of one party after settling the claim may shift to another party for the loss. "For an individual or a group, insurance is one of the most important risk management strategies by transferring risk from the insured to the insurer" (Zhang et al., 2021, p. 1). However, in a marriage relationship, both parties are insured and insurer for each other.

When Chame beats his wife, she takes off her clothes and goes to her parents' home. This signifies responsibility transferring to the parents. It is a well-known fact in Nepali society that when a daughter returns to her parents' home after a dispute with her husband, all the responsibilities of either solving the dispute or taking care of her go to the parents. On the other hand, Chame also accepts the responsibility for his wife. However, he also transfers the responsibility to his father-in-law, too. After realizing his responsibility, he goes to take her back home. After meeting Gauthali, he tries to convince her to return home. He says, "'Now, don't be cross; just come quietly, won't you?'" (Mainali, p. 196). Father-in-law, the third party in the story, agrees to send her with him. He is bound by his responsibilities. Fulfilling his responsibility, he shows that the Chame has the right to take her with him. In this regard, he says to Chame, "You persuade your wife yourself. Take her home; no one's stopping you!" (p. 195). This also indicates that the responsibility is returned to Chame, like the rights returned to the insurer. Pebryatie et al. (2022) identify that "the husband's involvement has been proven to enhance maternal wellbeing by reducing distress" (p. 8) while examining the associations between spousal relationships, particularly the involvement of the husband in maternal health care.

Chame accepts his responsibility for his wife and property consequences and tries to persuade him to return to how, saying, "Now, don't be cross; just come quietly, won't you?" (p. 196). Chame eventually bears the consequences of his temper and mismanagement. He remarks, "But now it's wary and timid…Even the buffalo accustomed to only one person's hand!" (p. 194). He further moves one step ahead, full of responsibility, and convinces her to go with him. He says, "Now, don't be cross; just come quietly, won't you?” (p. 196). All these incidents align with the principle of subrogation, where there is a transfer of rights and responsibilities after the loss.

Utmost Good Faith: Trust for Purity and Profoundness

Honesty and mutual trust play a vital role in a sustainable relationship. Considered as the optimum level of utmost good faith, it must be based on legal principles like warranty, representation, and concealment (Drofman, 1987). In the family relationship of husband and wife, a similar aspect of utmost good faith applies. The partners make implicit promises of loyalty, honesty, and responsibility. Any kind of infidelity weakens the bond. This is the warranty. Similarly, each partner represents honesty and truthfulness in both actions and words. This is considered the representation. Moreover, the partners should remain very open and transparent in their actions. They should not hide any information that may lead to creating a false impression of each other and eventually damaging the relationship.

In the story, Chame realizes his wrongdoing and promises better treatment, “Alright, beat her a little if she's cheeky. But if she comes home, I certainly won't do it again” (Mainali, p. 195). This realization of Chame represents his warranty level of utmost good faith. Chame also represents his truthfulness and corrects his wrong course as he says, “She may have been cheeky, but she was a lively girl… But now that she’s gone I’ve only cooked once or twice” (p. 194). Chame admits to himself what he never honestly disclosed to her: her value. This is the level of transparency essential for the smooth functioning of a marital relationship. Honesty, transparency, and responsibility are also reflected in the words of Gauthali, “I'd rather die than go home with you!” (p. 196). Apparently, this seems to be a kind of denial. However, it denotes that she needs some respect and similar honest behaviour from her husband. Her return to her own home also clarifies this. Not only this, her return home signifies her highest level of good faith or honesty that is necessary for leading a happy family.

Society also plays a role in creating a healthy and trustworthy environment in the story. This external factor forces the initial wrongdoer to correct the course of action. He admits this: “Everyone’s telling me to go and fetch her. Juthe’s wife says the same” (p. 194). Multiple parties “contribute” social pressure to fix his mistake. In this regard, every relation should be built on utmost good faith. All the relations, either business or family, to flourish and get firm, need to be developed based on faith and transparency. However, “the traditional family pattern where the male is the breadwinner, and the female is the homemaker has become less popular over the last few decades” (Hu et al., 2021, p. 49). The culture of collaboration between the couple has been developed as the different parties work together to prosper their business.

Discussion

This study explores how literary texts reflect the fundamental principles of insurance, which are profoundly rooted in everyday social practices, moral aspirations, and human behavior. The literary analysis of the Nepalese short story, ‘*Paral ko Aago’* establishes that our institutional practices, policies, theories, expectations, and laws often originate from the shared or the lived practices, ethics, and expectations of the society.

The principle of Indemnity is represented in the story through the character's attempt to restore moral and social position, not through financial or monetary compensation for the loss. The loss in the story is also more social and moral than financial. This aligns with the sociological interpretation of relationship as put forth by Giddens (1991) that human relationships or any other human attachments "may have their own inertial elements, but in practice as well as in principle one normally stays [attached to] another only in so far as sentiments of closeness are reciprocated for their own sake" (p. 90). Relationship needs proper balance and care to sustain. "Relationship cannot exist without substantial elements of reciprocity" (p. 93). This highlights that the principle of indemnity reflects the universal human motive of restoring reciprocal balance after the loss.

Similarly, the emotional and relational involvements of the characters reflect the insurable interest that requires a legitimate stake in the subject of insurance (Birds, 2016, p. 41). The story shows that a person is exposed to more intensity of the circumstances if there is some personal involvement or some 'interest' is intricately attached to him/her. This human attachment and value system corresponds with the economic and societal comprehensions, which are socially determined, constructed, and nourished (Beckert, 2016, p. 212). The objects and the relationships do not have values until we attribute them based on the beliefs, emotions, customs, practices, and expectations. In this regard, Beckert (2016) remarks, "the imaginative performance of goods comes from the way values and ideals are attributed to them. These ideals may be aesthetic or normative, relating to distant times and places; either way, their symbolic representation in consumer objects is a social construction" (p. 212). This implies that the characters' insurable interest is not rooted in the economic calculations but in the broader social, moral, emotional, and practical attachments based on respect, love, and trust.

The transfer of responsibility and accountability among the characters resembles the principle of subrogation. The narratives show the shifting of the roles, accountability, and obligations among the characters in the form of subrogation, rooted in the social constructions in general and family construction in particular. Viewing from the legal and sociological lenses, this observation aligns with the view that the responsibility is negotiable and contextually shifted with the given societal constructions (Honore, 1999). The story also demonstrates responsibility shifting among the characters, reflecting social relations, power, and circumstances.

In the like manner, the narratives mirror the principle of utmost good faith through interpersonal honesty and reliance, which parallels the principle of utmost good faith. This principle requires complete disclosure and trustworthiness between contracting parties where "the duty of good faith is, of course, mutual. The insured must cooperate with the insurer" (Clarke, 2009, p. 537). The interdisciplinary field of literature and law demonstrates that literature not only reflects the existing legal system but also strongly shapes the ideas of justice, morality, ethics, and legal systems. These two disciplines are inseparable, which enables a researcher to view how their shared concerns interact with each other and how human actions construct meaning within the legal and business sectors. In general, the marriage relationship, in particular, is deeply rooted in transparency and mutual trust. It reinforces the significant notion that faith is foundational not only in business or insurance but also in existing social systems. This idea parallels the wider theoretical perspectives put forth by Luhmann (1979), emphasizing trust as a principal component of social and institutional functioning. It is "of confidence in one's expectations" (p. 4) and "is a basic fact of social life" (p. 4). The story demonstrates the principle of utmost good faith of insurance law existing in the hitherto social and moral aspirations.

The salient feature of this research is its application of an interdisciplinary approach linking the literary domain with the technical principles of insurance. While previous research or literary analyses concentrated solely on thematic, ideological, or cultural representations of the texts, this research is an attempt to view how literature and insurance principles are rooted in social structures. This aligns with the growing interest of interdisciplinary approach which seeks to bridge apparently dissimilar yet very closely connected disciplines where an "interdisciplinary researcher is similar to that of a marriage counselor who is attempting to bridge differences, not ignore them (Repko & Szostak, 2017, p. 567). By nature, "interdisciplinary studies is based on the generally held assumption that the disciplines are foundational to interdisciplinarity." (p. 27). This approach holds the assumption that the multiple disciplines are "associated with each major category i.e., the natural sciences, the social sciences, the humanities, and the applied fields, engage in learning and produce new knowledge" (p. 27). This demonstrates that neither insurance principles nor literary studies constitute a monolithic field; rather, both encompass diverse and interconnected dimensions of inquiry. These disciplines are deeply rooted in the social and contextual fabrics of human lives. The contextual fabrics "do not regard literary texts as self- contained, independent works of art but try to place them within a larger context. Depending on the movement, this context can be history, social and political background, genre, nationality, or gender" (Klarer, 2024, p. 119). Thus, all the disciplines are products of a wider social, legal, moral, and economic context of the time, thereby sharing some common grounds.

Conclusion and Implications

The overall analysis in this study represents the symbolic relationship between husband and wife in a marital relationship and insurer and insured in the insurance business. In this relationship, neither party is primary; rather, both are dependent on each other. It further clarifies that the absence of one hurts the other in a true marital relationship. Therefore, the absence of insurable interest deteriorates the validity of the insurance contract. As the major events of the narrative align with the principle of subrogation, there is a transfer of rights and duties after the loss. In this context, either to regulate the social relationship or the business relationship, there can be the entry of a third party for conflict resolution. Concerning these, there is a necessary condition that the relationship should be built on utmost good faith. Thus, the study establishes that modern business cannot escape the fundamental nuances of social realism.

The study suggests that the foundational principles of insurance establish a philosophical link between human life and the business environment, revealing how notions of risk, responsibility, security, and moral obligation operate simultaneously within commercial contracts and the broader dynamics of human relationships.

This study deserves the culturally responsive pedagogical implications contributing for conducting effecting teaching and training. Thus, the interdisciplinary field of literature and law demonstrates that literature not only reflects the existing legal system but also strongly shapes the ideas of justice, morality, ethics, and legal systems. These two disciplines are inseparable, which enables scholars to view how their shared concerns interact with each other and how human actions construct meaning within the legal and business sectors.

Limitations and Future Research

In this study, a single story about the husband-wife relationship in a traditional family has been selected for the analysis of the insurance contract and principle. It neither incorporates the other literary genres nor enters into other aspects of the insurance business. Further study can be conducted connecting the nature of insurance to the indigenous culture of different communities of Nepal.

Acknowledgements

The author(s) sincerely acknowledge the contributions of all individuals, scholars, and institutions whose work and support directly or indirectly facilitated the completion of this research.

Conflict of Interest

The author(s) declare that there is no conflict of interest.

Funding

There was no external source of funding for the research.

Ethical Statement

This study is based entirely on qualitative textual analysis of Guru Prasad Mainali's *Paralko Aago* and relevant secondary scholarly sources. As the research does not involve human participants, personal data, clinical materials, or animal subjects, formal ethical approval and informed consent were not required. Nevertheless, the study was conducted in accordance with the ethical standards of academic research, ensuring accurate representation, transparent reporting, and proper acknowledgment of all sources

Authors' Contributions and ORCID iDs

Yog Raj Lamichhane: Conceptualization, Methodology, Investigation, Formal Analysis, Data Curation, Visualization, Writing – Original Draft, Review, and Editing.
: https://orcid.org/0000-0002-3168-0710

Bharat Raj Dhakal: Validation, Investigation, Formal/Textual Analysis, Discussion, Resources, Writing – Review, Editing, and Visualization
: https://orcid.org/0009-0002-1299-8579

References

Adhikari, A., & Timalsena, B. (2023). *Paralko aago kathāma anubhūti sanrachanā* [Structure of experience in the short story *Paralko Aago*]. *The Journal of Knowledge and Innovation, 9*(2), 48–54. https://doi.org/10.3126/jki.v9i2.55151

Aprianti, D., Aini, Q., & Puspitaloka Mahadewi, E. (2023). Knowledge development about the history and basic principles of health insurance business in Indonesia. *International Journal of Science, Technology & Management, 4*(4), 759–767. https://doi.org/10.46729/ijstm.v4i4.848

Ashri Maunah, N., Sunargo, B., & Puspitaloka Mahadewi, E. (2023). Application of the utmost good faith principle in life insurance business management in Indonesia. *International Journal of Science, Technology & Management, 4*(4), 924–930. https://doi.org/10.46729/ijstm.v4i4.844

Baker, T. (1994). Constructing the insurance relationship: Sales stories, claims stories, and insurance contract damages. *Texas Law Review, 72*, 1395–1433. https://scholarship.law.upenn.edu/faculty_scholarship/2728/

Baron, J. B. (1999). Law, literature, and the problems of interdisciplinarity. *The Yale Law Journal, 108*(5), 1059–1085. https://doi.org/10.2307/797370

Barthes, R. (1981). Textual analysis of Poe's *Valdemar*. In R. Young (Ed.), *Untying the text: A post-structuralist reader* (pp. 133–161). Routledge & Kegan Paul.

Beckert, J. (2016). *Imagined futures: Fictional expectations and capitalist dynamics*. Harvard University Press.

Birds, J. (2019). *Birds' modern insurance law* (11th ed.). Sweet & Maxwell. https://books.google.com/books?id=wZabwwEACAAJ

Borch, K. (1967). The theory of risk. *Journal of the Royal Statistical Society: Series B (Statistical Methodology), 29*(3), 432–452. https://doi.org/10.1111/j.2517-6161.1967.tb00707.x

Brattström, A., & Wennberg, K. (2022). The entrepreneurial story and its implications for research. *Entrepreneurship Theory and Practice*, *46*(6), 1443–1468. https://doi.org/10.1177/10422587211053802

Clarke, M.A. (2009). *The law of insurance contracts*. Informa Law.

Creswell, J. W. (2013). *Qualitative inquiry and research design: Choosing among five approaches* (3rd ed.). SAGE Publications.

Dorfman, M. S. (1987). *Introduction to insurance*. Prentice-Hall. https://openlibrary.org/works/OL2672798W/Introduction_to_Risk_Management_and_Insurance

Ember, C.R., Ember, M. & Peregrine, P. N. (2015). *Human evolution and culture: Highlights of anthropology*. Pearson.

Fung, D. W., Lee, W. Y., Yang, C. C., & Yeh, J. J. (2024). Risk taking, performance, and resilience to the COVID-19 pandemic: Evidence from public property-casualty insurers. *International Review of Financial Analysis*, *91*, 102942.

Fung, D. W., Lee, W. Y., Yang, C. C., & Yeh, J. J. (2023). Risk taking, performance, and resilience to the COVID-19 pandemic: Evidence from public property-casualty insurers. *International Review of Financial Analysis*, *91*, Article 102942. https://doi.org/10.1016/j.irfa.2023.102942

Giddens, A. (1991*). Modernity and self-identity: Self and society in the late Modern Age*. Polity Press.

He, Q., & Faure, M. (2023). Mitigation of long-term risks and the role of insurance: A behavioural law and economics perspective. *European Journal of Risk Regulation*, *14*(4), 779–792. https://doi.org/10.1017/err.2023.13

Honoré, T. (1999). *Responsibility and fault*. Hart Publishing.

Houston, D. B. (1960). Risk theory. *The Journal of Insurance*, *27*(1), 77. https://doi.org/10.2307/250353

Hu, Y., Li, J., Ye, M., & Wang, H. (2021). The relationship between couples' gender-role attitudes congruence and wives' family interference with work. *Psychology Research and Behavior Management*, *14*, 49–59. https://doi.org/10.2147/PRBM.S286119

Hutt, M. J. (1991). *Himalayan voices: An introduction to modern Nepali literature*. University of California Press.

Klarer, M. (2024). *Introduction to literary studies*. Routledge.

Kumar, A. (2024). *Premchand ki kahaniyon mein yatharthvad ka swaroop* [The nature of realism in Premchand's short stories]. *Shodh Sangam Patrika, 1*(2), 6–12. chrome-extension://efaidnbmnnnibpcajpcglclefindmkaj/https://www.shodhsangam.com/wp-content/uploads/journal/published_paper/volume-1/issue-2/SSP220150.pdf

Linnerooth-Bayer, J., Surminski, S., Bouwer, L. M., Noy, I., & Mechler, R. (2018). Insurance as a response to loss and damage? In R. Mechler, L. M. Bouwer, T. Schinko, S. Surminski, & J. Linnerooth-Bayer (Eds.), *Loss and damage from climate change: Concepts, methods and policy options* (pp. 483–512). Springer. https://doi.org/10.1007/978-3-319-72026-5_21

Luhmann, N. (1979). *Trust and power*. John Wiley & Sons.

Macionis, J. J. (2012). *Sociology*. Pearson.

Mehr, R. I., & Emerson, C. (1980). *Principles of insurance*. Richard D. Irwin.

Mondal, D., & Paul, P. (2021). Associations of power relations, wife-beating attitudes, and controlling behavior of husband with domestic violence against women in India: Insights from the National Family Health Survey–4. *Violence Against Women, 27*(14), 2530–2551. https://doi.org/10.1177/1077801220978794

Paudel, B. P. (2025). *Bhok ra bhittāharū upanyāsamā yathārthavād* [Realism in the novel 'Bhok ra Bhittaharu']. *Janajyoti Journal*, *3*(1), 333–348. https://doi.org/10.3126/jj.v3i1.83324

Pebryatie, E., Paek, S. C., Sherer, P., & Meemon, N. (2022). Associations between spousal relationship, husband involvement, and postpartum depression among postpartum mothers in West Java, Indonesia. *Journal of Primary Care and Community Health*, *13*, 1–10. https://doi.org/10.1177/21501319221088355

Posner, R. A. (1986). Law and literature: A relation reargued. *Virginia Law Review*, *72*(8), 1351–1392. https://chicagounbound.uchicago.edu/journal_articles

Priest, G. L. (2017). A principled approach to insurance law: The economics of insurance and the current restatement project. *SSRN Electronic Journal*, 635–662. https://doi.org/10.2139/ssrn.2631123

Rejda, G. E., & McNamara, M. J. (2017). *Principles of risk management and insurance*. Pearson.

Repko, A.F., & Szostak. R. (2017). *Interdisciplinary research: Process and theory*. SAGE Publications, Inc.

Sadowski, J., Lewis, K., & Bednarz, Z. (2024). Risk, value, vitality: The moral economy of a global behavioural insurance platform. *Economy and Society*, *53*(2), 227–249. https://doi.org/10.1080/03085147.2024.2328992

Shaikh, J. (2024). Social realism and labour strikes in interwar Bombay: What has socialism got to do with it? *South Asian History and Culture*, *16*(4), 355–372. https://doi.org/10.1080/19472498.2024.2418174

Smith, J. A. (2017). Textual analysis. In J. Matthes, C. S. Davis, & R. F. Potter (Eds.), *The international encyclopedia of communication research methods* (pp. 1–7). John Wiley & Sons.

Stein, D. (2024). Indian marine insurance: Insured duties from utmost good faith to fair presentation. *Lex Portus*, *10*(5), 7–15. https://doi.org/10.62821/lp10501

Stone, D. A. (1994). Promises and public trust: Rethinking insurance law through stories. *Texas Law Review, 72*, 1435–1446. promises-and-public-trust.pdf

Vaughan, E. J., & Vaughan, T. (2008). *Fundamentals of risk and insurance*. John Wiley & Sons, Inc.

Wei, A., Talib, Y. Y. A., & Sharif, Z. (2026). Uncovering risks in insurtech from the perspective of user-perceived risks: A bibliometric analysis and future research agenda. *SAGE Open*, *16*(1). https://doi.org/10.1177/21582440251414754

Zhang, Y., Wu, Y., & Yao, H. (2021). Optimal insurance indemnity and reinsurance strategy for health insurance. *Mathematical Problems in Engineering*, *2021*, 1–13. https://doi.org/10.1155/2021/3931230

About the Authors

Yog Raj Lamichhane, PhD**,** serves as an Assistant Professor of English at Pokhara University, Nepal. His scholarly endeavors are marked by a dedicated exploration of diverse academic domains, notably including life writing, communication, culture, social media, and trauma studies. Moreover, his academic journey is distinguished by his contributions to the scholarly community, as evidenced by his presentations and participation in esteemed national and international conferences, alongside publications in multiple academic journals.

Email: lcyograj@gmail.com

Bharat Raj Dhakal is an Assistant Professor at the School of Development and Social Engineering, Pokhara University, Nepal. He completed a Master of Arts in English from the Central Department of English, Tribhuvan University, Nepal. His research interests focus on ethnic literature, ecocriticism, and communication.

Email: bharat.dhakal@pu.edu.np

Note: The authors acknowledge the use of AI-assisted tools (e.g., ChatGPT, OpenAI, and Grammarly) solely for language editing, readability enhancement, and grammar correction. These tools were not employed for data analysis, interpretation, or the generation of original scientific content. The authors remain fully responsible for the accuracy, validity, and integrity of the manuscript and its conclusions.