



SOCIETY OF ACTUARIES

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The Euro Will Eventually Lead to Global Instability

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The United States has had different international interests, is not always perceived as a source of world stability from the European standpoint, does not understand Europe or its problems, and is too far away from the hot spots. For example, it is expected that oil demand will once again outstrip supply in the next 3-5 years. Any instability in the region will impact Europe much more than it would the United States, as over 50% of its oil is imported. Will the United States come to the rescue (after all, its military has been

substantially cut back, even since the Persian Gulf War)?

We will likely find that any success in European financial endeavors will likely precipitate into political, military and social pursuits. This will certainly contest the United States' role as the peacemaker and peacekeeper (the "PAX Romana" of today). Unlike the United States, European countries may not be considered to be less diplomatic or sensible, and may perhaps shoot first and ask questions later.

The concerns raised as part of the

European 1992 initiative will once again be discussed. The prior initiative most likely failed because Europe fell into recession and various issues including excessive debt, could not be resolved quickly. The next 10 years could be quite interesting to watch.

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The Clearinghouse Scholarship Program

by Angelica Michail

The Society of Actuaries has been administering exams in many parts of the world. However, for aspiring actuaries who live, work, and/or study in developing countries with very low per capita income, those exams are out of reach. For years, the SOA tried to find ways to make the exams more accessible in those countries and assist in raising those countries' awareness, knowledge, and expertise in actuarial concepts and practices. Now the search is over with the implementation of two SOA strategies. The first, removal of surplus charges on exams administered in foreign countries, was implemented two years ago. The second, a Clearinghouse Scholarship Program (CSP), was launched recently with the release of the CSP brochure as an insert to a recent issue of *The Actuary*.

The CSP brochure gives a comprehensive description of the program. Below is a summary of its significant features.

Purpose of the CSP

The purpose of the CSP is to match low-income candidates in developing countries where SOA exams are administered with potential corporate or individual sponsors. Sponsors pay for examination study materials and fees.

Sponsors may support an individual for a three-year commitment, donate to a specific country, or allocate funds for general use.

Eligible Candidates

Candidates must live in a country where the annual per capita income as reported by the World Bank is less than US \$1,000 and where SOA exams are administered. Candidate eligibility requirements include completed application forms, letters of recommendation, minimum credits to attempt, and exam success criteria. Currently, there are 11 qualified countries:

Asia—Bangladesh, China (except Taiwan and Hong Kong), India, Indonesia, Pakistan, Sri Lanka
Africa—Ghana, Kenya, Nigeria, Zimbabwe
Middle East—Egypt

Administration

A small committee consisting of one SOA staff member, one volunteer from the Committee on International Issues and one volunteer from the E & E Committee will review applications, select candidates to be funded and advise the sponsors of candidate success. The current members of the committee are



Jeannette Selin, Angelica Michail, and Darrel Knapp.

Funding Goals

The current fundraising goal is US \$150,000 annually. This amount will support approximately 50 candidates per year. Members of the SOA Committee on International Issues are currently soliciting funds. If sufficient support levels are achieved by June 1999, the candidate solicitation process will start with the November 1999 exams.

For years, the SOA has recognized the importance and necessity of assisting the development of the actuarial profession globally. Through this scholarship program, the SOA can help improve the developing countries' access to actuarial expertise and help enhance their economic future. Today, we are all too aware that the economic success or failure of a single country can have significant global impact. The Clearinghouse Scholarship Program was a great idea for many years. It is now a reality.

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