



SOCIETY OF ACTUARIES

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Moving On

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(answering 22 out of 40 in 4 hours) can improve to answering 29 questions by screening a question for 2.9 minutes and drop it if takes more than 10.7 additional minutes to finish.

$1/\lambda$	$1/\beta$	Best τ	$\phi(\tau)$	Answers	Screens
1	5	5.67882	3.78629	47.54	70.03
1.38156	4.61844	5.70953	4.22818	42.57	60.00
2	4	5.76326	4.83279	37.25	48.80
3	3	5.85811	5.52741	32.57	37.96
4	2	5.94892	5.89510	30.53	32.17
1	6	6.67105	4.22002	42.65	63.56
1.68646	5.31514	6.71743	5.01785	35.87	50.00
2	5	6.74025	5.33670	33.73	45.56
3	4	6.81814	6.15130	29.26	35.75
4	3	6.89973	6.67685	26.96	29.26
1	10	10.6555	5.92494	40.51	61.80
2	9	10.6953	7.18923	33.38	48.01
2.90466	8.09534	10.7345	8.16936	29.38	40.00
3	8	10.7388	8.26364	29.04	39.31
4	7	10.7858	9.15024	26.23	33.38
5	6	10.8357	9.85256	24.36	29.15
6	5	10.8867	10.37540	23.13	26.09

In this note, we demonstrated mathematical modeling using tools covered in the part 3 syllabus. Indeed, we have used the simplest model that gives an adequate representation. (See Miller, R., and Wichern, D., *Intermediate Business Statistics*, Holt, Rinehart and Winston, 1977, p. 380.) Note that the simpler model of T distributed exponentially would not work because the exponential distribution is memoryless. (See Hiller, F., and Lieberman, G., *Introduction to Operations Research*, 3rd ed., Holden-Day, 1980, p. 409-410.)

GOLDEN ANNIVERSARIES

Congratulations to 8 Fellows and 5 Associates who this year celebrate half a century.

Fellows

Stuart F. Conrod	Jaywood Lukens
Gilbert W. Fitzhugh	Charles F. B. Richardson
Victor E. Henningsen	Irving Rosenthal
Edward A. Lew	Edward G. Schafer

Associates

David J. Cowie	Richard J. Learson, Jr.
Samuel H. Huffman	Henry A. Plimpton
	Archibald M. Price

The 8 Fellows are those who remain with us from 15 originally in that group. This is close to the normal 50-year survival ratio observed from past experience.

We now have 92 Fellows who have been such for half a century or more; three years ago there were 86, and the outlook is that there will be more than 100 by 1986.

The three seniors, all F.S.A. 1920, are: William P. Barber, Jr., F. Bruce Gerhard and James E. Hoskins. We note that two of these have stayed in the frigid northeast, one has settled in Florida.

CENTURY-OLD ACTUARIAL FAMILIES

How many actuaries who practiced more than 100 years ago have descendants now in the Society?

To our knowledge the answer is Three, viz.:

Sheppard Homans, 1831-1898. Entered our profession 1855. Present member, Ronald L. Homans, F.S.A. 1976.

John Marshall Holcombe, 1848-1926. Entered 1869. Present member, Shepherd M. Holcombe, F.S.A. 1952.

Charlton T. Lewis, 1834-1904. Entered 1878. Present member, Daniel F. Case, F.S.A. 1963.

Before Douglas S. Craig died last summer, this list would have been one name longer.

Additions to or corrections in the above will be most welcome.

E.J.M.

THE PACIFIC INSURANCE CONFERENCE

by Robert D. Shapiro

The Pacific Insurance Conference, an organization strongly supported by actuaries of Pacific Rim countries, held its eleventh biennial session in Kauai, Hawaii on September 11-16, 1983. Its theme was "Life Insurance and Diversification in the 1980's". Four major topics were covered:

1. Current developments in diversification
2. Diversification opportunities vs. regulatory restraints
3. The effect of diversification on products and distribution systems
4. Future possibilities for diversification and the management risks involved.

The first of these was largely presented through a series of national reports by representatives of the life insurance company associations in various countries; the others were presented in individual papers that were discussed on successive days.

Many diversification issues thus surfaced during morning sessions wherein the authors' views were amplified or challenged. Afternoons were devoted to smaller group workshops where discussion continued at higher focus and intensity.

The Conference gave participants excellent opportunities to learn how professionals and companies in other countries are changing in the tumultuous environment of the 1980's. Papers dealt with development of new life insurance and the search for new distribution systems. But there was rather little discussion on how such changes have reflected new corporate strategies, or what companies foresee as their next changes. Most diversification reasons appeared to be more defensive than offensive—reflecting corporate objectives to spread risk, to hedge future operations, to expand management horizons and enthusiasm, or to benefit from expected growth in financial services markets.

Fortunately, the workshops provided a forum for digging into some of the important questions that were difficult to pin down in the morning sessions. Discussions in those workshops covered not only "How are we now being changed?", but also:

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Pacific Conference

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How can we change?

How should and how will we change?

Many, I believe, left the Conference feeling much as they would after completing a dinner of fruits and vegetables. The menu served at P.I.C. was tasty, the experience delightful, and everything went down smoothly. But several hours after the feast, as we winged our ways back to our homes, hunger reappeared, as there had been limited substance to the discussions of many key conceptual issues. Could it be that there is very limited "meat" now available in this land of diversification?

Happily, we made many new acquaintances and friends in Kauai, most of whom would be delighted to discuss "meatier" issues with us over ensuing months.

ASSOCIATESHIP NOW OPEN TO AUSTRALIAN FELLOWS

Associateship in the Society is now available to Fellows of the Institute of Actuaries of Australia who apply for it. This arrangement, approved by our Board of Governors at its October meeting, is the natural extension of the longstanding courtesy to Fellows of the Institute of Actuaries and Faculty of Actuaries, appropriate now that Australia has its own final examinations and its own Fellowship designation, FIAA.

We do hope that many of our Australian colleagues will decide to become Society members. They will be most welcome, and assets to this body. *E.J.M.*

ACTUARIES WHO WERE ASTRONOMERS

Our study, now in its closing stages, of 19th century actuaries on this continent reveals that the field of astronomy was a prime source for actuarial help in our early times.

Among the leading astronomers who helped to establish our profession were Nathaniel Bowditch (1773-1838), William H. C. Bartlett (1804-1893), Charles Carpmael (1846-1894), Seth C. Chandler, Jr. (1846-1913), Benjamin Peirce (1809-1880), John N. Stockwell (1832-1920) and Sears C. Walker (1805-1853).

What astronomers, actual or aspiring, have we in our present roster? *E.J.M.*

SIGHTINGS

Susan Parry Whelchel found the following in "Savvy" magazine, in an article about the city of Dallas:

"(Dallas) isn't the Dallas of prime-time TV fame... In reality... the true Dallas epic would be called Salad, and would feature an actuarial executive who dines on Perrier and salad and rises at 2:30 A.M. to get in a 15-mile run before work."

Novelist *Len Deighton* has mentioned actuaries in his work at least three times, submits *Ian E. Baker*. All three citations were war-related, for example:

"The shy ex-bank clerk from Guildford had become an actuarial curiosity. He was now on his third tour. Only two percent of airmen survived three tours."

(This is from the tour-de-force department.)

Marvin Snyder sent us a more somber sighting, from Philip Wylie's "Night into Night":

"Thus, in correct perspective, it becomes clear that the vaunted Hitler 'intuition' was no majestic capacity for statesmanship and no military genius but merely the crudest of actuarial faculties: the ability to assay physical risks on an ascending scale."

A Chicago Tribune article contributed by *John F. McManus* mentions the name of a local comedy club owner and follows it with:

"himself a comic, but you wouldn't expect a comedy club to be owned by an actuary, would you?"

I don't know, but I know some who own golf clubs.

Raymond D. Berry spotted an actuary in *Playboy* magazine. This one

"sets the odds at a gambling casino in London."

Norman J. Coufal tells us that in the novel *Pension for Death* by Roy Harley Lewis, a British pension actuary is the murder victim. Barracudas are dumped into his jacuzzi. This brings new meaning to pooled risks.

Paul M. Winokur spotted an actuarial reference on the TV series, "The Bay City Impressed by the award offered by his company, handed the check back to the adjuster and proclaimed, "Why don't you stick that up your actuarials!"

Louis Beaudet sent us a vintage sighting from the 2/16/76 issue of *Time* Magazine. During one of Ronald Reagan's unsuccessful bids for the Republican Presidential nomination, he turned 65. Reporters offered him Social Security and Medicare application forms, and composed the following, to be sung to the tune of "California Here I Come".

Senior Citizens, I'm with you
Guarantee my boodle too,
Voluntary, actuary, that's all bum
Social Security here I come."

Jack W. Findley found the following in a *Houston Chronicle* commentary about the World Series:

"The commissioner of baseball keeps a corps of gnomes in green visors and rolled-up sleeves. They are statisticians, and their job is to generate more meaningful numbers each day than a crazed actuary could produce in a lifetime."

J. Darrison Sillesky contributed the following, from the book "Blue Highways" by Williams Least Heat Moon: "As a student of actuarial statistics (i.e. letting the dead tell you where to put your money), the deceased formulated [a law] ... RISK NOTHING."

Martin R. and Donna R. Claire spotted a reference to "actuarial computers" in "Earth Book of Stormgate" by Poul Anderson.

What precisely is an actuarial computer?

D.A.P.

YALE MAN

The oldest actuary now at Yale? A likely candidate is Heliodoros, to be found on a painted tile of the 3rd century A.D. in the University's Art Gallery.

The gallery's display card tells us that the tile decorated a ceiling in a large private house that was requisitioned by the Roman Army to serve as officers' quarters. It identifies Heliodoros as an *actuarius* or military record keeper, and adds this comment:

"His portrait is particularly striking with its large staring eyes and frontal format, features that indicate an Eastern influence."

This was spotted by *Frederick W. Sawyer, III* in the *Yale Alumni Magazine* (May 1982); the description was obtained for us by *Allan C. Weaver*.

E.J.M.