



SOCIETY OF ACTUARIES

Article from:

# International Section News

October 2003 – Issue No. 31

# Actuaries in Kazakhstan— Profession Without Frontiers

by Valentina A. Isakina

**W**hen my plane landed in Almaty, it was about 3 a.m. on Monday, April 28, 2003. By the time all the necessary customs and passport controls were behind me and I checked into the Regent Almaty, the clock was approaching 6 a.m. In just a couple of hours I was due in a classroom to meet a group of actuaries who came from various parts of Kazakhstan, some traveling across the country, to participate in the course I was about to teach. I left home over 30 hours ago and the 12-hour time difference with Chicago was certainly affecting me. But the excitement of meeting this group of people, about whom I had heard so much before my trip, was so strong, I could hardly wait until these hours passed.

The opportunity for this trip came knocking last December at the SOA headquarters in Schaumburg, Illinois. As part of their trip to the United States and before they proceeded to Washington D.C. to meet with the Academy representatives, a group of actuaries from Kazakhstan was to visit the SOA office. The trip included a separate meeting with the SOA staff actuaries, during which I surprised the visitors with my knowledge of Russian, stepping in to help with translation, when the interpreter retained for the delegation was not able to follow our notoriously “confusing-to-outsiders” actuarial jargon.

I was very excited to meet the actuaries who spoke my first language and, during our conversations, I learned they were preparing to administer the sixth and final actuarial course on finance and investment topics. Culminating in a final exam, this two-week course was going to complete the first full series of actuarial educational requirements in Kazakhstan. A Russian tutor was needed for this course, and I, as the Finance Practice Area actuary at the SOA, who happened to be Russian, was invited to fill this role.

I immediately received a “thumbs up” from the SOA for this international actuarial initiative, but getting the approval and securing the travel funding from the U.S. Agency for International Development (USAID), who was sponsoring this course, took some time. Finally, with the help of the Kazakhstan actuaries and Mike Sze, the main instructor for the upcoming course and a member of the International Academy of Actuaries’ task force “Actuaries Without Frontiers,” my trip was set.

Arriving into Almaty, I did not know what to expect from this two-week seminar. I spent months before the trip translating lecture notes and, having received my higher and graduate education in the United States, was aware of the upcoming translation challenges. Much of Russian financial and insurance terminology, almost nonexistent during the Soviet era when I was growing up, is still being developed, and I was hoping to draw on the English knowledge of the students to help with my task.

Immediately, it became clear that the challenges were much greater than Mike and I had anticipated. The study materials, which were supposed to have been delivered to the students months before the course were missing, many students were not fluent in English, and, as a result, hardly anyone had prepared adequately for the course, which was supposed to be only a high-level review of the material in economics, finance and investments roughly equivalent to the Chartered Financial Analyst (CFA) Level 1 exam. I also learned that, not being able to get study time so common for the actuarial programs in the United States, many of the students had to take vacation to attend the seminar, and some were even required to report back to the office after the regular classes to work nights.

It took several days for the confusion to subside. The study materials were found somewhere in the offices of the sponsoring organization and the students organized into study groups, trying to study between the regular class hours and going back to the office. Mike and I also had our own after-hours routines—after lecturing in the morning, administering daily tests after lunch, and giving a tutorial and review of the previous day’s test in the afternoon, we prepared for the next day’s lecture and graded that day’s tests until 1 or 2 a.m. Mike’s wife, Elsie, and my mother Zoya—a retired teacher, who still lives in Russia and came to visit me in Kazakhstan for a few days—both were selflessly helping us grade the test papers.

Since many students could not follow English, translating daily tests, the midterm and the final exams into Russian also became a task on its own. We were fortunate to be able to draw on the translating resources of the sponsoring organization Pragma, who represents the USAID in Kazakhstan. However, the process

Since many students could not follow English, translating daily tests, the midterm and the final exams into Russian also became a task on its own.

was not as simple as it sounds. Since the exam covered many topics, multiple interpreters specializing in various disciplines such as accounting, finance, insurance, economics and statistics had to be involved in this process. With this group, I spent hours brainstorming about which terms to use in what circumstances to make sure that all the appropriate nuances were reflected in the English and Russian versions of the examinations identically.

The immense amount of effort put into this work was soon showing in the pale, exhausted faces and red eyes of both the students and teachers. With only one day of break during the entire two weeks of the seminar, the final examination day approached too fast. The students did their very best but they realized that, given the circumstances, passing this course presented a great challenge. Thirty-two students enrolled in the seminar with the hope of successful completion of final exam, but, in the end, only three were able to achieve a passing result. Notwithstanding the low passing rate, however, the event was a tremendous success.

The seminar was a success because many people and organizations contributed their enthusiasm, knowledge and hearts to the development of the actuarial profession in Kazakhstan. It was a success, because it drew together a group of students who became friends during the first actuarial course three years ago and now are building the future of their young country. Many of these actuarial students are now key leaders of the country's economy—ranging from the CFO of the biggest life insurance company to the director of the national pension fund of Kazakhstan. They decided to join the actuarial profession several years ago in order to learn from the best the world has to offer, and they never regretted it since. Above all, however, this event was a success, because it is contributing to the growth of our profession, spreading that special actuarial trait we possess of being able

to establish an immediate connection, a bond, an understanding and a sense of commonality with any other actuary, even if that person practices halfway around the world.

I first heard about the establishment of the actuarial profession in Kazakhstan a couple of years ago via the articles in the International Section News. The articles left me wondering how this country, given so many other financial and economic issues it had to deal with, was able to make such gigantic steps in advancing the actuarial profession in such a short time. Of course, there is always much to be done, and many countries of the former Soviet bloc are now also on their way to discovering the profession, but the progress of Kazakhstan, in my opinion, is simply unprecedented. This country of beautiful and rich natural resources is rich in another, much more important resource—its people. These wonderful individuals, with their love, devotion and pride for their country are the key ingredient to the success of Kazakhstan.

To understand the personal qualities possessed by the incredible group of actuaries I met in Kazakhstan, you need to know them. I was very impressed with how much dedication and work the students were able to put into these two weeks, given the difficulties they faced. When the low pass rate was announced, the reaction to the news from the students simply overwhelmed me—they apologized! They did not look for excuses and reasons to complain about their failure—they felt guilty for not being able to reach a passing mark, and promised to ace the course next year.

In the best of actuarial student traditions, a celebration party was held after the final exam. There, one toast was announced that truly touched my heart—"Becoming an actuary was the best thing we ever did." I feel honored and proud to have participated in this rewarding experience. These actuaries are now my friends. □



*Valentina A. Isakina, ASA, MAAA, is a staff actuary at the Society office in Schaumburg, IL. She can be reached at visakina@soa.org.*

## 2004 Membership Directory

Work has already begun on the print edition of the 2004 Directory of Actuarial Memberships. Please update your SOA membership information so that it is reflected accurately in the upcoming edition. You can do so by logging in at:

<http://directory.soa.org/CGI-BIN/LANSAWEB?PRCOFUN+mdweb3+mdx000+prd>

All information must be updated by October 17, 2003 to be included in the 2004 print edition. □