



SOCIETY OF ACTUARIES

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CAS President reacts to Report on Strengthening the Profession

In an effort to encourage discussion of the recent Report of the Task Force on Strengthening the Profession, The Actuary presents another viewpoint on the task force recommendations. Kevin M. Ryan, President of the Casualty Actuarial Society, presents his opinion in the following article. The April Actuary featured opinion pieces by SOA President-Elect Allan D. Affleck and former ASPA President Eric L. Kranke.

by Kevin M. Ryan

Commenting at this time on the recommendations of the Committee on Strengthening the Profession is risky business. I am writing my personal observations long before the questionnaire on the report is sent, realizing that what I suggest may be in opposition to the views of most CAS members.

The recommendations, considered by themselves, should have little opposition. They are substantive actions that emphasize the positives of acting together: a stronger voice in those matters that affect us as actuaries and on matters affected by actuarial principles; clear strengthening of the discipline process; and a more unified public response to issues.

These effects should result from the fourfold actions: strengthening the Academy, requiring membership in it, delegating the discipline function to it, and the less obvious action of joining together ASPA and CAPP. The latter proposal would further streamline the more public voices active in the actuarial profession.

Few can argue against the two major thrusts inherent in these actions: strengthening the public voice and presence of the actuary and centralizing the discipline process.

As to the latter, it has long been realized by leadership of the actuarial organizations that discipline cannot be an isolated process, compartmentalized into the various branches. To be effective, the process demands a single source, uniform application, and universal applicability. Otherwise there is no effective rule in the actuarial realm, and we suffer in comparison to other professions.

If this is so clear, why then is there some hesitancy when CAS acceptance of these measures is spoken of? To appreciate the reluctance to change that I sense is prevalent in the CAS is to understand a basic CAS belief that all actuaries are not alike. Casualty actuaries may be more similar to life actuaries than not, but within those professional boundaries they are more sensitive to their differences than to their similarities.

To admit this is not to denigrate one or the other, nor is it to say one is innately incapable of practicing in the other's field of expertise. What it does recognize is the difference between life insurance and casualty insurance. Although there are obvious similarities, there are equally obvious dissimilarities, honed by experience and accentuated by training. Plastic surgeons are not neurosurgeons, yet one is no less talented or capable than the other.

Why the fuss if the recommendations do not speak to these issues? The casualty actuaries, perhaps

sensing their weakness in numbers and their strength in current demand, have deemed unnecessary any organizational change that steps closer to blurring the distinctions that have become important in light of the inherent dangers change can bring. The question then becomes: Is the potential for losing identity outweighed by the advantage of these proposals? My personal conviction is yes. Should we go beyond their proposals and create a single actuary, master of all disciplines? No.

I say yes to the limited proposals mindful that it is incumbent that we do not stray from the stated purposes of this proposal and to be aware of what it is not. It is not the first step in forming one actuarial discipline; it is not an attempt to merge all functions of the actuarial organizations into an actuarial conglomerate; it is not an attempt to blur the distinctions that make a life actuary, a life actuary and that make a casualty actuary, a casualty actuary. It is not ceding functions of the CAS to the practice divisions beyond discipline and public interface.

The casualty and life disciplines must be subject to separate syllabuses and distinct examination processes. We must hold fast to the systems that make life and casualty actuaries different and distinctive. We must engender pride in the differences, while taking advantage of our common elements, which the proposals for the strengthening of the actuarial profession do.

Kevin M. Ryan, CAS President, is President, National Council on Compensation Insurance. He is not a member of the SOA.