



SOCIETY OF ACTUARIES

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I did not want to study in a hot climate or have many distractions. My last criterion was low-cost living.

After considering Prague or Budapest as the location for my first exam, I chose Budapest. After unification, Prague's prices were close to Western standards, and I could not afford to live there. Other considerations in favor of Budapest were the presence of friends I met on my first visit there and a beautiful city full of friendly people, most of whom spoke either English or German.

After I settled in, I went to meet Dr. Gyorgy Michaletzky, who taught at the main Hungarian university, Eötvös Loránd. He was very friendly, spoke excellent English, and agreed to proctor my exams.

Several of the university's math professors were working as consultants to Austrian insurance companies based in Vienna. Evidently, as privatization was just getting started, it was extremely difficult to raise enough capital to start a Hungarian insurance company. So, a few Austrian companies were starting up branches throughout East Europe. One of the main draws was that the proceeds from

state-run social insurances in former Communist countries would be paid in soft currencies that may or may not be worth something in a few years, whereas Austrian policies would be paid in a stable, hard currency, the Austrian schilling.



Michael Crawford takes a break from exams by visiting a castle overlooking Budapest.

Michaletsky also introduced me to the only surviving Hungarian actuary, a distinguished gentleman in his 80s. After the Communists took over, they thought that the title of "actuary" was elitist. There were no more private businesses, and thus no one was accountable for profits or losses.

Consequently, there was no need for actuaries. So, actuaries who had obtained their certification before the Iron Curtain had died or left the country.

Overall, Budapest was a great place to take an exam. About the only problem was trying to find paper goods to make notes with. I had a three-ring binder to keep my study notes in, but the metric system there requires an even number of holes for paper. I also couldn't find any 3" x 5" index cards. My mother airmailed me what must have been the world's most expensive index cards so I could make flash cards.

These problems were made up for by the fact that the best Irish music that I've ever heard was played each weekend at the John Bull Pub, an English chain of pubs that had made its way to Budapest. This is where I met a friend who worked in the Malaysian embassy, who gave me tips that led me to take my next exam in Malaysia.

I believe these experiences have helped prepare me to resume my career with a wide global perspective. **Michael Crawford has finished his travels and is ready to resume an actuarial career. He lives in Richardson, Texas.**

Life specialty guide committee seeks new members

by Peter Duran

The Society of Actuaries publishes specialty guides as a service to members who need a comprehensive reference for a particular topic. They are useful for actuaries who are new to a particular area, are changing their specialties, want to have a complete overview of a particular area, and want to become expert in a particular area.

The first specialty guide, published in 1990, was on "U.S. Taxation of Life Insurance Companies." Since then, the SOA has published 23 guides on many topics, ranging from individual disability insurance to life insurance company investments to GAAP accounting and Canadian pensions.

Specialty guides are more than reading lists. Specialists in the field develop each guide under the direction of an editor. Guides include an overview of the field and of the actuary's role, with a culled list of references with commentary, organized by subtopic. This commentary is a valuable aspect of specialty guides.

The Life Insurance Specialty Guides Committee is responsible for specialty guides on topics covered by this practice area. It is responsible for selecting topics for guides, for overseeing the development of guides, for recruiting editors, and for general quality control. Guides currently under development include reinsurance, dividends and nonguaranteed elements, and demutualization. The committee also envisions a guide for variable life insurance.

We are seeking more volunteers for the Life Insurance Specialty Guides Committee. The annual time commitment is variable but usually is less than 40 hours a year. Anyone who may be interested in serving on the committee should call Linden Cole at the Society office, 847/706-3595 or Peter Duran at his *Directory* number.

J. Peter Duran is a partner in the New York office of Ernst & Young LLP and chairperson of the Committee on Life Insurance Specialty Guides. He can be reached by e-mail at peter.duran@ey.com