



SOCIETY OF ACTUARIES

Article from:

The Actuary

June 1997 – Volume 31, No. 6

The Actuary

The Newsletter of the
Society of Actuaries

Vol. 31, No. 6 • June 1997



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The Actuary is published monthly
(except July and August).

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Nonmember subscriptions: students, \$10; others,
\$25. Send subscriptions to: Society of Actuaries,
P.O. Box 95668, Chicago, IL 60694.



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Printed on recycled paper in the U.S.A.

EDITORIAL

NAAJ

Times demand its fresh approach

by David M. Holland
1996-97 SOA President

If a rose by any other name would smell as sweet, why is there such a trend to adopt new names? Why would a company with 125 years of experience and a recognized name like AT&T/Bell Labs want to become Lucent Technologies? What motivated well-established insurance and financial services companies to adopt names like ReliaStar Financial and Providian? Why did the SOA replace its *Transactions* with the *North American Actuarial Journal (NAAJ)*?

The first *Transactions*, formally entitled *Papers and Transactions of the Actuarial Society of America for the Years 1889 and 1890*, appeared in 1891. It was a major decision to stop publishing a scholarly publication with a history of more than 100 years.

Behind the decision

Several factors went into the decision to create the *NAAJ*. They are reflected in the new journal's format, publication process, and marketing.

First, the focus of the annual *Transactions* had been internal. The *NAAJ*, published quarterly for more timely information, is being marketed aggressively internationally within the academic community and to allied professions. The *NAAJ* comes free to SOA members as a membership benefit, but all others must subscribe.

In particular, we hope that the *NAAJ* will be of interest to those involved with investments, finance, and economics. A glance at the contents of the January and April 1997 issues shows the appeal to these audiences, with articles on models for retirement income and CCRCs, financial derivatives, interrelationships between interest rates and risk management and between investment and insurance risks, cash flow testing, and the entertaining "Actuarial

Issues in the Novels of Jane Austen."

Second, the editorial board of *Transactions* mainly worked with the papers that had been approved by the Committee on Papers. For the *NAAJ*, the editorial board and the Committee on the Encouragement of Literature are much more active in determining the content of the publication and soliciting authors. They seek articles with broad interest, as well as those with a theoretical focus. "Over-the-transom" papers still are accepted; however, the editorial board and the committee provide more oversight to assure that important topics and emerging issues are covered. There is also a greater effort to obtain discussions from acknowledged experts to be published at the same time that an *NAAJ* paper appears.

Broad appeal is goal

With distribution to SOA members and other subscribers, the *NAAJ* will have the largest circulation of any actuarial publication in the world. This should increase its appeal to prospective authors.

Submissions from academic authors and individuals outside the actuarial community are actively encouraged. Although the high standards of a scholarly journal will not be sacrificed, the publication process is being refined to make it more user-friendly from the perspective of authors.

The scope of the *NAAJ* has been broadened with the intention of covering all areas of actuarial science that may be interesting or useful to all readers. In particular, this means that practice areas outside those of SOA members may be included from time to time. It is not anticipated, however, that the *NAAJ* will be a direct competitor to any other actuarial organization's publications. As an analogy, *Scientific American* may occasionally publish an article

on microbiology, but that in no way supplants the need for *The Journal of Applied Microbiology*.

They deserve our thanks

We owe a debt of gratitude to those who served on the editorial board and Committee on Papers for the *Transactions* over the years. (Actually, the *Transactions* will continue in the form of the *Reports* volume. The *Reports*

includes experience studies and has been expanded to include major committee reports and other items of interest to SOA members.) We are also indebted to Directors of Publication Rob Brown and Brad Smith; to Sam Gutterman, immediate past president; and especially to Sam Cox, editor of the *NAAJ*, for their vision of the *NAAJ* and for making it a reality.

In my opinion, companies such as AT&T/Bell Labs are transforming themselves as a commitment to the future rather than relying on franchises that are a homage to the past. If the *Transactions* was considered a rose, then it is hoped that the *NAAJ* will be a whole bouquet.

David M. Holland can be reached by e-mail at 72277.2602@compuserve.com.

CIA/U.S. discipline agreement signed

A reaffirmed reciprocal discipline agreement has been ratified by the Canadian Institute of Actuaries (CIA) and the U.S.-based actuarial organizations (the Society of Actuaries, American Academy of Actuaries, American Society of Pension Actuaries, Casualty Actuarial Society, and Conference of Consulting Actuaries).

The purpose of the agreement is to avoid multiple disciplinary investigations arising out of a single complaint, inquiry, or incident involving an alleged breach of the professional standards of the CIA and/or the U.S.-based organizations.

This agreement clarifies the procedures now in effect between Canada and the United States, which are:

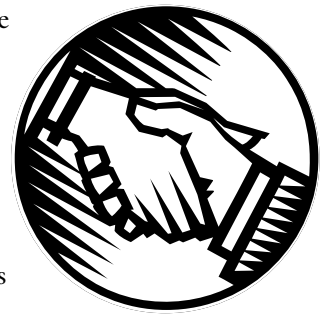
- Members of the U.S.-based organization are required to comply with the rules of professional conduct, standards of practice, and eligibility requirements of the CIA when practicing in Canada.
- Members of the CIA are required to comply with the rules of professional

conduct, standards of practice, and eligibility requirements of the U.S.-based organizations when practicing in the United States.

- The residence or physical location of the actuary is irrelevant in determining where the actuary is practicing. Practice location is determined by the intended destination of his or her work — whether it will be used in the United States or Canada — or whether it is performed according to the legal or legislative requirements of the United States or Canada.
- Questions about a member's practice in Canada are investigated by the CIA. Questions about a member's practice in the United States are investigated by the Actuarial Board for Counseling and Discipline, a separate entity representing all U.S.-based actuarial organizations, managed by the American Academy of Actuaries.
- If the investigative body finds that a member has committed a breach of

the applicable rules in its jurisdiction, it communicates those findings to the appropriate organizations to which the

actuary belongs. While the investigative body will not recommend specific penalties to be imposed, it will recommend that appropriate disciplinary action be taken by the other organizations. More details on the discipline process in Canada and the United States are available in the January 1996 issue of *The Actuary* ("Awareness of discipline process keeps actuaries out of trouble," page 6). A copy of the reciprocal agreement can be obtained from Linda Blatchford at the SOA office (phone: 847/706-3564; fax: 847/706-3599; e-mail: lblatchford@soa.org).



SOA president-elect candidates on the Web

The SOA this year will post its first online discussion forum for the three SOA president-elect candidates.

Questions can be directed to any and all candidates from July 8 through the afternoon of August 8.

Candidates will answer all questions in a timely fashion, and

questions and answers will be posted publicly (similar to the forums on Actuaries Online, the CompuServe service for actuaries). A dialogue of several questions, answers, and comments can be formed between the candidates and questioners.

On the SOA Home Page (www.soa.org), click on Discussion

Forums and then on President-elect Candidates' Dialogue with Members. Then choose an existing discussion thread or key in a new topic.

Questions on the process can be directed to Debbie Jay at the SOA office (847/706-3539; e-mail, djay@soa.org).