



SOCIETY OF ACTUARIES

Article from:

The Actuary

May 1997 – Volume 31, No. 5

DEAR EDITOR

Actuaries could do more to better the world

The story "The Pizza Hut Actuary?" (*The Actuary*, January 1997), raises several ideas about actuaries moving into nontraditional roles.

First, many of the concepts actuaries work with are not unique to the actuarial profession. Probability, discounted value, and other actuarial concepts are widely used in several disciplines and systematic economic pursuits. Because of this, some say that actuaries should be able to move into nontraditional fields. However, the opposite may be true. Other professionals have established their niches in those areas. If actuaries try to enter, their prior training may enable them to learn those fields faster than raw recruits, but it is still doubtful whether actuaries could carve a niche for themselves in those fields. Every profession has its

idiosyncracies, and any attempt by actuaries to impose theirs on other professions is bound to be resisted by the entrenched professionals.

However, actuaries can maximize their utility to mankind in several other ways.

Finding and creating resources to meet hard times is not a new concept. Human cultures and civilizations have grown as a result of this quest. When scientific and technological advances brought new resources, old methods had to be modified or replaced. Actuarial science could be seen as a method of making this process cost efficient — a task which we cannot claim, so far, to have performed in an outstanding manner.

By enabling mankind to generate usable resources on a vast scale, science and technology have progressively reduced the need for conflicts among

different groups for control of resources. But what remains is the need for mechanisms to control the environmental and human costs of both generating and distributing resources equitably for the vitality of all mankind. For example, downsizing may increase company profits and even increase the competitive value of some persons affected. But what about its costs diffused over an entire society? Another example: What are the social and environmental costs of not bringing living conditions in underdeveloped countries to the level of those in developed countries?

Actuaries can help devise mechanisms to mobilize resources to pay for such tasks and distribute benefits among peoples of the world in a cost-efficient manner.

Dinkar B. Koppikar

IN MEMORIAM

Robert F.W. Byles
ASA 1974, FIA 1971

Franklin B. Dana
FSA 1952, MAAA 1965

William B. Dandy
FSA 1964, MAAA 1965, FCA 1984

Terrance T. Erickson
ASA 1968, MAAA 1973

Warren K. Gratton
ASA 1991, FIA 1978, FIAA 1978

Kenneth R. MacGregor
FSA 1936, FCIA 1965

Theodore J. Shalack
FSA 1970, MAAA 1974

Harold Thompson
FSA 1949, FCIA 1965

Dean E. Williams
FSA 1961, MAAA 1965

Paul M. Kahn, FSA 1964, MAAA 1965, FCA 1983, FCIA 1973, EA 1976, AIA 1964, died on March 10 at the age of 61 of an apparent heart attack. He was serving on the SOA's Committee on Elections this year. He served on the 1988-90 Futurism Section Council and was active in SOA meetings as a workshop chair and a moderator. Most recently, he was helping develop an actuarial program as an adjunct professor of mathematics at San Francisco State University. A noted historian and scholar, he was an active member of actuarial organizations in Canada, England, Spain, Switzerland, Germany, and Italy. He had amassed one of the most comprehensive collections of actuarial literature outside of an institution. His full name, Paul Markham Kalanihukiheionāhomoku Kahn, reflected his heritage associated with the royal family of Hawaii. His efforts to preserve the history of Hawaii and gifts of great historical significance earned him a special commendation from the state's governor. Donations may be made by checks written to the Hawaii State Archives (Captain Cook Fund in memory of Paul Markham Kahn) and directed to: State Archivist, Hawaii State Archives, Iolani Palace Grounds, Honolulu, Hawaii 96813.