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In Memory of Yuan Chang, the Guiding Light

by Catherine D. Lyn



I was fortunate to have met Yuan for the first time in Berlin in 2003. We met by chance in the business center of the Maritim Hotel. We introduced ourselves and after asking him to tell me about himself, I learned he was the first person of Chinese heritage to receive the FSA designation. Being of Chinese heritage myself, but born in Jamaica, I was fascinated by his story. Our next meeting happened in New York City in 2004 when some of us got together to socialize after the Chinese Actuarial Club's banquet dinner. This was the last time many of us spent some time with Yuan.

I have collected tributes from Hongjian Bao, Nian-Chih, Shirley Shao and Duncan Szeto. This article also includes excerpts from an article written by Yuan Chang. I would like to celebrate Yuan's life and convey the essence of the actuary who many admire.

Yuan Chang

Yuan Chang, actuary and retired executive, husband of Mary Han Chang and father of four, died August 1, 2005 at Stanford University Hospital at the age of 71. All his professional, community and family accomplishments throughout his life, together with the care and kindness he had for people, made him a special person.

Prior to retiring, Yuan was chairman and chief executive officer of Greater China Operations for Metropolitan Life Insurance Company and was responsible for expanding the firm's operations in the region. He worked at MetLife for 12 years in many areas including

corporate investment, pension asset allocation, and financial management. Before moving to MetLife, he was a vice president at Travelers Insurance Company, where he started his career as an actuary and worked for 30 years.

In 1961, Yuan Chang was the first person of Chinese descent to become a fellow of the Society of Actuaries (FSA). He remained active in the SOA for the rest of his life. He was also the first Chinese person to be elected to the SOA's Board of Governors and served as chairman of the Society's Asia Committee. He advocated establishing the China Region Committee in the SOA and was the driving force behind the creation of the first SOA satellite office in Hong Kong. This has been instrumental in the development of the actuarial profession in China and also in serving the SOA members in the Greater China area. That office has grown in both size and responsibility and is now a jointly sponsored effort between the SOA, CAS, Institute/Faculty of Actuaries, Institute of Actuaries of Australia and the Actuarial Society of Hong Kong. Yuan's work also led to the Nankai initiative. This was a 12-year partnership, which helped to establish the first actuarial science program at a university in China. Its graduates became the first FSAs from mainland China in the mid-1990s. Later this year, the first ever Fellowship Admissions Course will be conducted in Hong Kong. That graduation ceremony will be a testament to the growth in the region, spurred on by Yuan's work. It is regrettable that he did not live to see this very special moment in the profession's history.

Yuan Chang was born in Beijing in 1934. His father was the undersecretary of North American affairs in the State Department of the Republic of China. When he was 12, Yuan's family moved to the United States so his father could join the Chinese delegation to the United Nations. After the communist takeover of China, the family settled in Great Neck, N.Y., where they became American citizens.

Yuan remembered facing the language barrier when he first came to the United States, like many of us do. He told us there were many occasions when he had something to say, could not think of the right words in English, then someone else made the point and he kept quiet in order not to be repetitive. He advised us to



Yuan Chang
"the Guiding Light"

force ourselves to speak up constantly. Yuan was an active high school student, having been elected treasurer in his junior year and student representative in the following year. Obviously, he came up with the right words then.

Yuan distinguished himself during his undergraduate life by winning scholarships while working two part-time jobs (grading papers and answering telephones) to put himself through college. The rest of the time, he was busy being the president of the math club and the Cosmopolitan, designing the class banner, playing soccer and fencing. He confessed that he was not a very good student because he didn't spend a lot of time studying! But he did learn to play tennis, pool and ping-pong.

Yuan really wanted to be a career diplomat and pursue a degree in political science and law. However, since the family finances were limited, he made a practical decision to study mathematics and to become an actuary because this career offered the attractions of earning a good living and job security. Yuan Chang earned a BA in mathematics from Oberlin College in 1956 and a JD from the University of Connecticut School of Law in 1966. He was in the class of 1982 at the advanced management program of Harvard Business School. He maintained a lifelong relationship with Oberlin and served as president of the alumni association as well as on several boards and committees related to the school.

During the 30 years Yuan spent in Hartford working at Travelers, he played an active role in the city's development, most notably as chairman of the city's pension committee. He also sat on the boards of various schools and philanthropic organizations, including The Hartford Conservatory and the Producing Guild.

Chang had a lifelong interest in China and other Asian countries. He maintained strong ties with a number of universities in the greater China region including Beijing University, Renmin University, Nankai University, University of Hong Kong, Huazhong Science and Technology, and Soochow University. He served these institutions in various capacities, including acting as a consulting professor and lecturer. In the early 1970s, Yuan lived in Taipei, Taiwan where he served as a senior advisor to the minister of finance of that country. He moved to Hong Kong to become CEO of MetLife Hong Kong a few years before his retirement. Up until his death, Yuan was an advisor to China Life Insurance Company in Beijing and China Pacific Insurance Company in Shanghai.

After his retirement, Yuan settled in Blackhawk, Calif. He was a golfing enthusiast and a member of several local singing groups. He enjoyed the company of his family, particularly his four grandchildren. Even while Yuan was in the hospital, he still tried to keep in touch with all those he mentored as long as he had the strength to talk.

Yuan's Golden Advice

Shirley Shao refers to Yuan as "The Guiding Light." Professor Chang was a role model to many Chinese actuaries and his professional success has given them inspiration. He advised us to get our English up to par, participate in the American culture, interact and share mutual interests with non-Chinese people. In order to work well with people and deal with problems, we need to understand their culture and their ways. We can't bulldoze straight ahead, because that would likely upset the system. No culture is completely straight forward. We can't be too far on either side of the norm because we will lose the power to influence change.

On the topic of ethics, Yuan said it's fortunate nobody ever forced him to steal or to commit fraud. Ask yourself: "Have I violated ethical standards? What are the ethical standards?" Actuaries may become too rigid. Yuan facilitated Fellowship Admission Course sessions on ethical issues. He always said there was no right answer. One has to make a judgment call while maintaining one's own integrity. On the other hand, it's not just about one's own beliefs. *If the boss does not understand, that's different. But if he has no integrity, I am ready to leave anytime.*

Actuaries tend to be too concerned with numerical precision. All numbers are just a tool to provide the picture and show the alternative routes to take. He says when you ask yourself, "What's the key question/problem?" you will see what's important. *If small changes in the key assumptions cause very volatile results, then you had better spend more time on that. No one is responsible for each small part, but you are responsible for the whole answer!*

Yuan's last words of advice were *be patient*. Other people have other problems too, so look at things from their point of view. Also, do not avoid making decisions, but do avoid getting identified as a technician. Speak of the impact rather than merely the technical result.

We can keep Yuan with us by continuing all the good work he did in all facets of his life. □

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