



SOCIETY OF ACTUARIES

Article from:

News Direct Newsletter

September 2002 – Issue No. 41

What We Did On Our Summer Vacation:

The Joint Regional Seminars In The Far East

by Jay M. Jaffe

The following is a diary of the trip, which Mary-Bahna Nolan, Al Klein and the writer of this article took to four cities in Asia to represent the SOA at the Joint Regional Seminars. The seminars were held in Singapore, Shenzhen (People's Republic of China), Taipei (the Republic of China) and Seoul (Korea). It was the trip of a lifetime because of the warmth and hospitality of all the actuaries we met during the seminars. The purpose of this article is to share our excitement and pride at the reception we received as representatives of the SOA.

Our voyage was sponsored in part by the Nontraditional Marketing, Product Development and Reinsurance Sections. The trip was an extension of the June 2002 Product Development Seminar (Chicago).

The purpose of the seminars was twofold; first, to provide a way for many of our members in the Far East to obtain Professional Development credits without having to travel to North America, and second, to help many of the younger actuaries in Asia learn about some of the methods and concepts being used by actuaries in other nations for creating and developing new life and annuity products.

Two representatives of the Faculty/Institute of Actuaries who are based on Hong Kong joined the three of us from the SOA.

June 28, 2002

We depart O'Hare for Singapore. Nothing prepares you for the 24-hour trip and the crossing of the International Date Line. The only way to describe the feeling is to compare it to an all-night study session in college. It feels great to disembark from the plane in Singapore and breathe fresh air, even though it is after midnight local time and extremely warm and humid.

June 30, 2002

We missed June 29 when we passed the International Date Line. Today is one of our few free days on the trip. We know we are physically in Singapore but our bodies are somewhere closer to North America. After a night's sleep and a shower, we spend the day

exploring one of the main attractions of Singapore called Sentosa. It is an island with many different types of recreational facilities, a pavilion with a historical exhibit of Singapore and many other attractions. There is a familiar feel to the area because Singapore is a new city with wide streets, skyscrapers, and so forth.

In the late afternoon we meet the Singapore organizing committee for refreshments. This meeting has to end early because the World Cup final (Brazil 2, Germany 0) starts at about seven p.m. and our hosts want to be in front of the TV. For dinner we went to one of the many "honker" areas, or outdoor markets, for a seafood dinner. Afterward we wandered around one of the major shopping streets and watched the end of the football (not soccer) game on a gigantic outdoor screen with thousands of Singaporeans.

July 1, 2002

The first seminar begins about 9:30 a.m. The audience includes actuaries not only from Singapore but also from Malaysia, Philippines and India. We quickly observe that the actuaries with a Singapore business address come not only from Singapore but also from the U.K., Australia, India, South Africa, Indonesia and other countries. It is truly an international audience of actuaries.

It is announced that the session is the largest actuarial meeting in at least five years in Singapore. Our presentations go well and the organizing committee hosts us at an Indochinese dinner. The evening allows for an exchange of personal information and, not unexpectedly, we discover many common non-actuarial interests. By the end of the evening we've made several new friends. This experience will be repeated throughout the trip.

July 2, 2002

We are up before sunrise for the flight to Hong Kong. Because Singapore is near the equator, daytime and night are roughly equal in length there. There is also constant heat and high humidity.

It was the trip of a lifetime because of the warmth and hospitality of all the actuaries we met during the seminars.

We arrive on time in Hong Kong. The flight on Singapore Airlines was delightful. The immigration line in Hong Kong is long and it takes nearly an hour to clear. When we leave customs, Sarah Hui from the SOA Hong Kong office is there to greet us and lead us on the next two stops of our trip. She has arranged for a very brief tour of Hong Kong including a visit to Victoria Peak and a quick lunch. The view from the peak is spectacular.

From there, we travel to Shenzhen in the People's Republic of China. It takes nearly 2 hours to make the trip even though it is not that many miles. Part of this time is spent clearing Chinese immigration. Fortunately, all of us had obtained the required visas in Chicago, and we pass immigration without a problem. We arrive at the hotel in Shenzhen just in time for a Chinese banquet with the participants. Almost immediately we are greeted by familiar faces as several of the participants have worked in the United States or Canada. It truly is a small world considering we're about 10,000 miles from home.

July 3, 2002

The meeting in Shenzhen has over 100 participants from both the PRC (People's Republic of China) and Hong Kong. As mentioned before, Shenzhen is close to Hong Kong, and, judging by the traffic on the road, there appears to be very open commerce between these two cities.

When we sit down, there is tea at each chair and the cups are refilled regularly. Wouldn't it be great to have coffee or tea delivered to each seat at the next SOA meeting? (This probably won't happen because we couldn't agree on the blend of coffee, regular or decaf, cappuccino or latte.)

The presentations go more smoothly than in Singapore. We are all now more comfortable with the program and the time allotted for each presentation.

During the Q&A one of the actuaries from China asks how to manage a company that is growing exceptionally rapidly. It has been a long time since any of us from North America have been faced with this matter. The responses to this question are centered on adopting good financial management techniques, but these may be difficult to implement in an environment which is "top-line" oriented. The Q&A session ends just before six p.m.

It has been a long day. We now have to drive back to the Hong Kong airport (the new airport is magnificent) for the flight to

Taipei, Taiwan. One of the Hong Kong actuaries has told us he is the number-three ranked flyer for Cathay Pacific Airlines, and as soon as we enter the terminal he is greeted by name. We all go to the airline lounge for dinner (yes, Cathay Pacific provides good food for its first and business class flyers in its lounges) and then take a leisurely stroll to the gate. The plane leaves on time.

Our plane makes two or three attempts to land in Taipei. A typhoon has just hit Taipei and prevents our landing. We fly back to Hong Kong and finally deplane well after 1:00 a.m. The next stop is the airport hotel for a room (it is about 2:30 a.m. when we get to our rooms) and to await a call as to when we'll depart in the morning. We are all worried about the Taipei seminar because it is scheduled to start about 9 a.m. and there is no way we can make the meeting.

July 4, 2002

Sarah has alerted the seminar contacts in Taipei of the problem. The two Hong Kong actuaries with us are able to take a very early morning flight (because they are carrying only hand baggage) and arrive in Taipei about 10 a.m. Obviously, the seminar starts without the rest of us. We finally arrive in time for a box lunch and the afternoon session.

We are beginning to understand how life products are developed in many parts of the Far East. It seems that the insurance authorities require a net premium to be calculated and then the net premium is loaded. At this point there appears to be very little profit- or cash-flow-testing, as in North America or the United Kingdom.

We all note that we're missing Independence Day back home and all the celebrations. Our hosts in Taipei invite the speakers to a special dinner with the local organizing group. It is another very friendly evening that ends on the early side in consideration of our travel problems from the prior evening. The fireworks will have to wait until next year.

July 5, 2002

The meeting continues in the morning. Taipei's program is a one-and-a-half-day session and includes case studies. There is a very high level of energy from the audience during the case study discussions.

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We end in the early afternoon and make plans to go to one of the local night markets for dinner and exploring. Getting to the night market involves using Taipei's public transportation system, but we manage without a hitch. Actually, we have no problem because one of the local organizers has asked her assistant, who is from Taipei, to escort us to the market on the subway. The night market is a beehive of activity with stall after stall of merchandise and hundreds of food stands. We particularly like an unusual ice cream dessert and wonder how it could be franchised in North America.

After the night market we go to the famous Palace Hotel, which has been host to U.S. presidents and other foreign dignitaries and events. We tour the hotel and linger for a rest in the hotel's 60s bar before returning to our hotel.

July 6, 2002

Saturday is a totally free day. We've arranged for a guided tour of Taipei. The first part of the day is spent on the outskirts of the city, and then we visit the Chiang Kai-shek memorial during a torrential rainstorm caused by one of the many typhoons, which hit Taipei each year. The afternoon is spent with our guide at the National Palace Museum that houses perhaps the finest collection of Chinese paintings, ceramics and sculpture in the world. This is a must stop on any trip to the Far East.

Sarah departs for Hong Kong, and we're now on our own. We appreciated having Sarah to help us, especially when we needed someone who could converse in the local language.

Dinner is at a local restaurant recommended by one of our hosts; we eat typical Taiwanese food. Fortunately, the restaurant has a menu with pictures so we are able to order in spite of not speaking the local language.

July 7, 2002

The president of the Actuarial Institute of Republic of China and his wife pick us up early for a very special treat. We are going to one of the famous Taipei dumpling restaurants. We plan to be the first in line because we need to depart for the airport immediately after the meal. When we arrive at the

restaurant, there is already a line of people waiting to enter.

Everything works out perfectly. The dumplings are unique and delicious. We can be seated in the first sitting. Our hosts explain all that we are eating and have ordered a wide variety of dishes for us to taste. The texture and taste of the dumplings will linger all day.

Our plane for Seoul departs as scheduled and we arrive at the hotel around dinner-time. The hotel is near tomorrow's meeting site and in a very active section of Seoul. All around us are reminders of the World Cup, which finished just one week ago. For dinner we select a Korean barbecue, which is different from North American barbecue. This is also our first encounter with all the condiments served with Korean meals.

July 8, 2002

Another 100+ audience is in attendance at the seminar. There are several familiar faces in the audience, and our final session goes off smoothly. By this time we feel we could deliver each other's presentation but resist the temptation to switch topics.

One difference in Seoul is that the session is conducted with simultaneous translation. This is the only session where English was not the only language used. Having simultaneous translation means that we need to keep the presentations simpler and avoid most attempts at humor.

The Korean Actuarial Association has arranged a special dinner for us at a very traditional Korean restaurant. Afterward, there is an exhibition of several Korean folk dances and songs. We return to the hotel and meet in the Irish pub to say farewell to our fellow speakers from Hong Kong.

July 9, 2002

The formal part of the trip is over. Mary and Al head to Beijing for a couple of days of sightseeing. I head home. We all have special memories of the trip and hope that we have contributed to the actuarial knowledge of those who attended the sessions. The trip home seems short (scheduled for only 12-14 hours) as compared to our outbound journey. We know we will have jet lag when we return to Chicago, but this is a very small factor considering the many new friends we've met during the past 12 days. ☺

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