



SOCIETY OF ACTUARIES

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INTERNATIONAL CONFERENCES

Summary of the 17th PIC

by Robert D. Shapiro

The 17th Pacific Insurance Conference (PIC) was held in Tokyo, September 17-21, 1995. Speakers addressed the changes in social and economic structures that challenge life insurance companies. The emphasis of the papers, presentations, and workshops was on management, product, service, and financial strategies to cope with worldwide changes in social, economic and financial situations.

More than 300 life insurance executives representing more than 15 Pacific Rim countries attended the conference, which is held every two years. Eighteen papers were presented and discussed during the week, supplemented by keynote presentations by Mr. Toshihiko Fukui, senior deputy governor, Bank of Japan; Mr. Hiromi Tokuda, chairman, Insurance Council, Ministry of Finance; and Mr. Katsuhito Iwai, professor of economics, University of Tokyo.

Several challenges faced by the industry and suggestions for how to address the challenges were discussed. Many of the issues described by companies in Australia, Japan, and other companies in the Far East were consistent with our experience in North America. For example, concerns about distribution effectiveness and change capacity dominated many discussions. The culture and level of development in each country affected the shape of these issues and the effectiveness of possible responses.

The changing financial services paradigm formed a platform for many discussions. There are many global commonalities (although form and timing often differed among countries) in areas such as harnessing the power of technology, responding to the consumer movement, and anticipating changes in regulation. It was clear that all the attendees worked hard to realistically assess the capabilities and potentials of their

companies, with the goal of tightening their marketing and service focus. Overcoming barriers such as risk aversion, uneconomic distribution systems, lack of vision, and weak governance were emphasized by several speakers.

Most of us left the conference feeling that we have our eyes on the right issues, but few new creative approaches to resolve them appeared. It was clear, however, that tinkering with traditional management approaches and systems, while the basic rules of the game are changing, will not work. There is no shortage of challenge — or concomitant opportunity — for life insurance executives around the world.

The 18th Pacific Insurance Conference will be held in Sydney, Australia, on August 24-29, 1997. For more information about the 1997 meeting or about the PIC, contact me at my *Directory* address.

Robert D. Shapiro is president of The Shapiro Network, Inc., Milwaukee, a member of the PIC Executive Committee, and a Trustee of the SOA Foundation.

15th IACA conference in Scotland in June

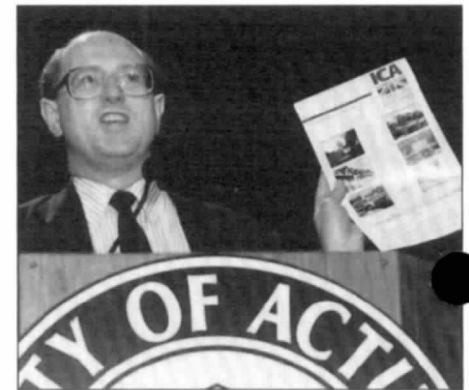
by Robert Dymowski

To all consulting actuaries — there's still some time to join IACA and attend the 15th conference of the International Association of Consulting Actuaries in Gleneagles, Scotland, June 23-28, 1996.

Like other IACA conferences, the 1996 conference offers a good mix of professional meetings and social activities for the expected 130-150 attendees. IACA meetings are built around the discussion of papers and national reports. Topics suggested include pensions and social security, investments, life insurance, health and other benefits, and professional issues. National reports are on the economy, actuarial profession, and significant issues for the reported countries.

Social activities include a welcome reception, an all-day outing, and a farewell dinner and dance. As a special activity, the U.K. actuaries have issued a golf challenge, an IACA version of the Ryder Cup competition.

To attend the conference, you must be an IACA member. For more information on membership requirements and an application, contact Mike Mills in Canada or Bob Dymowski, Jim MacGinnitie, or John Haley in the United States at their *Directory* address.



Chris Daykin, president of the Institute of Actuaries in England, invites all at the SOA Boston annual meeting in October to attend the 26th ICA in Birmingham, England in 1998.

1998 ICA is a Congress with a difference

by Chris D. Daykin

The 25th International Congress of Actuaries (ICA) was held in Brussels in September 1995, 100 years after the first International Congress of Actuaries, which was also in Brussels. The actuarial profession has changed and developed over those 100 years, and the world has become a much smaller place, with the ease of modern communications and travel.

More than 1,100 actuaries from 52 countries gathered in Brussels, offering a unique opportunity to network with actuaries from differing cultural and linguistic backgrounds.

The Congress is usually held every four years, but, to coincide with the centenary of the first Congress and the centenary of the Royal Association of Belgian Actuaries, the Brussels Congress came just three years after the Montreal Congress. The next Congress will also be held after a three-year interval to coincide with the 150th anniversary of the founding of the Institute of Actuaries in London in 1848, which is one of the great landmarks in the development of the actuarial profession.

The 26th Congress will be in Birmingham, chosen because of its International Convention Centre, pleasant English countryside surroundings, and nearby historic sites such as Stratford, Oxford, and Ironbridge. Chatsworth, country home of the Dukes of Devonshire, is the site of a midweek outing for all participants.

North American actuaries have tended to be underrepresented at ICAs, perhaps because of the perception that technical sessions were too mathematical and have little content about current issues of interest to American actuaries. The 1998 Congress will be very different, with many breakout sessions.

This will allow for discussion of topical, practical issues, and participants can follow a specialist track, choosing from several practice areas. Topics will include professionalism, actuarial education, solvency, regulation, and shareholder reporting. The scientific program will have something for everyone, making a real contribution to the continuing professional development of participants.

With direct flights to Birmingham from Chicago and New York, it's easy to make Birmingham a starting or ending point for a pre- or post-congress tour of England, Wales, or Scotland. What better opportunity than the 150th Anniversary of the Institute of Actuaries and the 26th International Congress of Actuaries to explore Great Britain.

For more information, contact the International Actuarial Association U.S. correspondent, Jim MacGinnitie, or Mo Chambers, Canadian correspondent, at their *Directory* addresses.

Chris Daykin is the president of the Institute of Actuaries, deputy chairman of the International Forum of Actuarial Association, and Government Actuary of the United Kingdom.

IN MEMORIAM

Charles H. Barnaby
FSA 1959, MAAA 1965

George B. Carlson
ASA 1951, EA 1976

Karen D. M. Chalk
ASA 1990

E. Dean Forbes
ASA 1954, MAAA 1966

David L. Gilbert
FSA 1993, MAAA 1988

Arthur E. Loadman
FSA 1933, MAAA 1966,
FCIA 1965

Keith L. McComb
FSA 1976

Dennis J. Miller
ASA 1977, MAAA 1983,
EA 1983

Michael Reynolds
ASA 1988, FIA 1982

Warren R. Adams, FSA 1964, MAAA 1965, EA 1976, was the first SOA Director of Education. He was on staff from 1978-79 and was part-time consultant in 1980 before returning to teaching. Most recently, he was director of actuarial education and research at The Principal Financial Group in Des Moines and professor emeritus at Drake University. He was an active SOA volunteer and helped set the direction of many research activities. As part of a 1994 SOA delegation to Moscow, his fluency in Russian and ability to review documents helped result in an agreement with Moscow State University for the SOA to become an advocate for development of the actuarial profession in Russia. A memorial has been established with the Alliance for the Mentally Ill of Iowa, 5911 Meredith Drive, Urbandale IA 50322.

Rosenberg wins Zellner Award for Ph.D. thesis

Marjorie Rosenberg, FSA, received the 1995 Zellner Thesis Award for her dissertation, "A Hierarchical Bayesian Model of the Rate of Non-Acceptable In-Patient Hospital Utilization," submitted to the University of Michigan. Rosenberg, professor in the School of Business at the University of Wisconsin, wrote her thesis with the aid of a \$10,000 Ph.D. grant from the Society of Actuaries.

The Zellner Thesis Award is named after SOA Foundation Trustee Arnold Zellner, past chair of the American Statistical Association (ASA) Business & Economic Statistics Section, past president of ASA, and founding editor of the *Journal of Business and Economic Statistics (JBES)*.

The award is given for the best Ph.D. thesis dealing with an applied problem in business and economic statistics. Review standards place weight on research with significant results, high-quality methodological work, substantial empirical content, and good exposition.