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President's Message: Getting the Word Out About ARIA

by Robert E. Hoyt, University of Georgia



Robert Hoyt

I am pleased and honored to have the opportunity to serve as your president for the next year, and excited by the challenge of leading this great organization. ARIA has been a very important part of my entire academic career. The association personally has been valuable for the community of scholars it represents and for the ways it has fostered my professional development. However, more important than what ARIA has meant to me is what it means to you, the members. ARIA's ability to provide networking, information, and support on important risk and insurance issues through publications, the annual meeting, awards and the Risk Theory Seminar does make it a valuable organization to us all.

But is ARIA headed in the right direction? My hope for its future is high. To fulfill the goals of ARIA, we not only need to work hard to make it the best association possible, but we also need to "get the word out." We have so much to offer and it would be a shame to hide our talents. Rather, we should be promoting them, and I welcome your input.

How do we get the word out? I believe the following areas are critical in doing this. First, our Web site is an essential tool that should not only be a valuable source of information for our membership, but a conduit through which others can tap into ARIA's offerings. The Web Site Committee, chaired by Kevin Ahlgrim (the Katie School at Illinois State University) this year, will work toward identifying, assessing and implementing relevant content. Second, an association with few members risks becoming irrelevant. A diverse organization is essential and I am anxious for all of you to think about how we can reach other groups to build a stronger membership. This effort should include what ARIA has to offer scholars in other disciplines and professionals in government and the private sector. The recent growth in our annual meeting's presenters from all across the globe is valuable as it exposes us to a greater variety of issues and concepts. In addition, getting more non-academics involved in the program will not only benefit our own research agendas, it will become easier to attract practitioners and others as attendees. Finally, I am establishing a special committee on External Relations, headed up by Randy Dumm (Florida State University), to advise the Board on specific steps to get the word out. I encourage you to share your ideas and to volunteer as a member of this important committee.

Some of you may know that I am an Eagle Scout. And in scouting we were always drilled to leave a campsite a little cleaner than how we found it. ARIA is a great organization already, so, with your help, I will simply endeavor to leave it a little better than I found it.

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Annual Meeting: ARIA Hits Chicago in 2004!

by Larry Cox, The University of Mississippi

Can there be a better place than Chicago to hold a risk and insurance conference? We can't think of any! The largest Mid-western city is so accessible to most ARIA members and has so much to offer. The Windy City boasts some of the finest cultural opportunities and architectural structures in the world. The Field Museum of Natural History, the Museum of Science and Industry, and the Art Institute are world-renowned, not to mention the incomparable buildings and interiors designed by Louis Sullivan, Frank Lloyd Wright, Mies van der Rohe and others. Enjoy fabulous views of the city at the Sears Tower or John Hancock Observatory, too! If your tastes are a bit more esoteric, Chicago also features special attractions such as the Ukrainian Institute of Modern Art and the National Italian American Sports Hall of Fame. Do you like music? Then you will be hard put to find better jazz and blues than in the many famous clubs of this city. Of course, Chicago features many special festivals and athletic events. Who knows? The baseball Cubbies may even be in a pennant race when ARIA hits town on August 8!

Indeed, the 2004 annual meeting should prove to be another memorable event and is a perfect opportunity to reunite with ARIA colleagues and enjoy a first-class city with family and friends. Our location for this meeting could not be better. The Westin Hotel on Michigan Avenue is perched at the north end of the "Magnificent Mile," the famed shopper's paradise. You can walk a few blocks south and shop at Bloomingdale's, Neiman Marcus or Tiffany's, or you can head north and stroll the sandy beaches of Lake Michigan, one of the Great Lakes.

Needless to say, the downtown area and the Gold Coast neighborhood, north of the hotel, offer a cornucopia of casual and fine dining experiences that reflect the panoply of ethnic groups who have claimed Chicago as their home over the past century. For more information on attractions, special events, and restaurants, check out www.chicago.il.org. Be prepared to spend some time at this Web site exploring all that the toddlin' town has to offer.

Chicago and the state of Illinois serve as the domicile for many home offices of major insurers. The program committee is working with our fine members at Illinois State University and other institutions in the area to bring top officers of leading companies to discuss "What Keeps Insurer CEOs Awake at Night?" We tentatively plan to have one plenary session devoted to personal lines and another targeted to commercial lines. In addition, we have persuaded former *Journal of Risk and Insurance* editor David Cummins to head a plenary session with the topic yet to be finalized. Special concurrent sessions will feature the Les B. Strickler Award for Teaching Innovation winner(s) and a panel discussion on developing and building academic programs in risk and insurance at universities.

We invite your participation to present research on any topic related to risk and insurance. Send your proposal to ARIA's vice president and program chair, Larry Cox, at lcox@bus.olemiss.edu by February 16, 2004. More details on the 2004 Annual Meeting will be provided on the ARIA Web site, www.aria.org, and in the next issue of *ARIA News*. See you in Chicago!



Looking West over the Chicago River



The Art Institute (right) on Michigan Avenue

Congratulations to the ARIA Award Winners of 2003

compiled by Anthony J. Biacchi, American Institute for CPCU

Robert C. Witt Award

Outstanding Feature Article in *The Journal of Risk and Insurance* (\$500 prize, \$250 each), presented to Steven Boyce (Pension Benefit Guaranty Corporation) and Richard A. Ippolito (George Mason University School of Law) in recognition of "The Cost of Pension Insurance."

Robert I. Mehr Award

This award recognizes literature contributions having a ten-year impact in the field of risk and insurance (\$500 prize, \$125 each). This year, two papers received the Mehr award:

Presented to James Garven (Baylor University) and Richard MacMinn (Illinois State University) in recognition of "The Underinvestment Problem, Bond Covenants and Insurance."

Presented to J. David Cummins (University of Pennsylvania) and Mary Weiss (Temple University) in recognition of "The Stochastic Dominance of No-Fault Automobile Insurance."

Kulp-Wright Book Award

An outstanding original contribution to the literature of risk and insurance (\$500 prize), presented to Christian Gollier (University of Toulouse, France) in recognition of *The Economics of Risk and Time*.

Les B. Strickler Innovation in Instruction Award

(\$1,000 prize, \$500 each), presented to Nat Pope (Bradley University) and Yu-Luen Ma (Illinois State University) in recognition of "Grade-Insurance: Capitalizing on Experimental Learning Opportunities."

Kemper Award for the Best Feature Article

Best feature article in the *Risk Management and Insurance Review* (\$1,000 prize, \$333.34 each), presented to Martin F. Grace, Robert W. Klein and Richard D. Phillips (all with Georgia State University) in recognition of "An Economic Appraisal of Securitizing Insurance Risk via Onshore Special Purpose Vehicles."

Kemper Award for Best Perspectives Article

Best perspectives article in the *Risk Management and Insurance Review* (\$500 prize, \$250 each), presented to Mark S. Dorfman (University of North Carolina - Charlotte) and Saul W. Adelman (Miami University of Ohio) in recognition of "An Analysis of the Quality of Internet Life Insurance Advice."

Casualty Actuarial Society Research Award for 2002

A paper published by ARIA (in either *The JRI* or *RMIR*) in the prior year that is most valuable to casualty actuarial science (\$1,000 prize), presented to Patrick Brockett (University of Texas), Richard Derrig (Insurance Automobile Bureau of Massachusetts), Linda Golden (University of Texas), Arnold Levine (Tulane University), and Mark Alpert (University of Texas) in recognition of "Fraud Classification Using Principal Component Analysis of RIDITs."

President's Award

Presented to Diana Lee (National Association of Independent Insurers)

ARIA Sponsors Institutes Award

Each year, the American Institute for CPCU and the Insurance Institute of America recognize the outstanding academic achievements of insurance professionals completing various educational programs. ARIA is pleased to sponsor an Award for Academic

Excellence in the Institutes' Associate in Risk Management program. Congratulations to the 2003 recipient of this award, Thomas G. Hess, ARM, actuary with the Department of Labor and Industry (Washington State).

Insurance Hall of Fame Gallery

In July, many ARIA members attended the International Insurance Society meeting in New York City. One of the highlights of the conference was a visit to the Claire and Joseph Smetana Gallery of the Insurance Hall of Fame, a state-of-the-art exhibition containing biographical and visual information on insurance leaders. The gallery is located at the School of Risk Management on the Manhattan campus of St. John's University. Ellen Thrower, SRM executive director, was the host that evening, presenting through digital displays "...the people who have created the insurance industry and whose powerful ideas continue to benefit society around the world."



(Left to right) W. Jean Kwon, Michael Powers, Ellen Thrower, and Dan Anderson

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Activities of Sister Associations and Affiliates

Society of Insurance Research

2003 Annual Conference (33rd Annual)
November 16-19
Don Cesar Hotel, St. Pete Beach, Fla.
Contact: Diana Lee, NAI;
diana.lee@naii.org
<http://www.sirnet.org>

Southern Risk and Insurance Association

2003 Annual Meeting (35th Annual)
November 23-25
St. Petersburg/Clearwater, Fla.
Program chair and contact information:
David Sommer, University of Georgia;
dsommer@terry.uga.edu
<http://www.terry.uga.edu/sria>

Western Risk and Insurance Association

2004 Annual Meeting (38th Annual)
January 2-5
Flamingo Las Vegas Hotel, Las Vegas, Nev.
Program chair: Randy Dumm, Florida State University;
rdumm@cob.fsu.edu
<http://www.wria.org>

Midwest Finance Association

2004 Conference (53rd Annual)
March 18-20
Westin Hotel, Chicago, Ill.
Program Chair: Richard Downen, Northern Illinois University;
ddowen@niu.edu
<http://www.mfa2004.org>

Risk Theory Seminar

2004 Annual Meeting (42nd Annual)
April 16-18
St. John's University (Manhattan Campus, N.Y.C.)
Proposal submission deadline:
December 15, 2003
Send five-page abstracts/rough drafts to:
Pierre Picard, Paris X - Nanterre University;
pierre.picard@u-paris10.fr. Successful authors will be notified by January 15, 2004; completed papers must be sent to all participants by March 15, 2004. Financial support for North American travel only for one author per paper is available.

Congratulations to the New ARIA Officers and Directors for 2003-2004

President: Robert E. Hoyt
University of Georgia

President-Elect: James M. Carson
Florida State University

Vice President and Program Chair: Larry Cox, The University of Mississippi

Director: Richard MacMinn
Illinois State University

Director: Therese M. Vaughan
Iowa Department of Insurance



Richard MacMinn and Terri Vaughan

First Bob Hedges Undergraduate Student Award Presented at ARIA Meeting

by Stephen D'Arcy, University of Illinois

Jane Hedges presented the first Bob Hedges Undergraduate Student Award to Scott D. Buchholz of the University of Georgia at the ARIA meeting in Denver. Scott, who was nominated by Professor David Sommer, is currently a senior majoring in risk management and insurance. Over the summer, Scott interned at Marsh USA. He expects to graduate in December 2003.

This award was established based on a generous contribution by the Hedges family to honor Bob Hedges, a pioneer in the field of risk management and past president of ARIA. Bob taught at the University of Illinois and Temple University, wrote three books and more than 75 articles on risk management and insurance and conscientiously attended ARIA and Risk Theory

Seminar meetings throughout his career. His wife, Jane, frequently attended meetings with him.

This award enables undergraduate students studying risk management and insurance to attend ARIA meetings. The ARIA annual meeting provides an opportunity for the student to attend sessions on current topics in risk management and insurance and meet professors and practitioners involved in this field. This opportunity is especially valuable for any student considering an advanced degree in risk management and insurance. Any undergraduate student studying risk management and insurance, or related fields, is eligible to apply for this award. Complete application forms for next year's award will be available on the ARIA Web site.



Steve D'Arcy, Jane Hedges and Scott Buchholz

Continued on page 5

2005 World Risk and Insurance Economics Congress

by James M. Carson, Florida State University

Get ready for an exciting convention (August 7-11, 2005) when ARIA joins forces with several other prominent organizations to hold the first World Risk and Insurance Economics Congress in Salt Lake City, Utah. The primary organizations involved include ARIA, APRIA (Asia-Pacific Risk and Insurance Association), EGRIE (European Group of Risk and Insurance Economists), and GA (The Geneva Association). This event will be a unique and great opportunity to host a gathering of academic, regulatory, and professional leaders from around the world. In addition to ARIA's own Web site, a special Web site for this conference has been established at <http://www.wriec.org>.

To plan and coordinate this meeting, two committees have been developed. First, an Organizing Committee, consisting of two representatives from each of the four primary organizations, will establish the overall structure of the conference in terms of administrative and logistical matters. Harold Skipper and Jim Carson represent ARIA on this committee. In addition, a

Scientific Committee has been established, comprising five members each from ARIA, APRIA, and EGRIE. ARIA's representatives are Jim Garven (primary contact), Larry Berger, Richard MacMinn, Mike Powers, and Terri Vaughan. The Scientific Committee will be responsible for reviewing proposals for presentation, creating concurrent sessions, and identifying topics and speakers for plenary sessions.

It is hoped that the 2005 WRIEC will help to promote RMI research and education; provide a forum for networking among academicians, regulators and professionals from around the world; and stimulate corporate interest in the various RMI academic organizations. The conference aims to bring together the best attributes from each of the various organizations' annual meetings, with the hope of creating a truly special experience for attendees. To make the 2005 WRIEC one of the year's highlights that you will find informative, exciting and rewarding, please share your ideas with any of the representatives mentioned above.



From left to right: James Carson, Florida State University; Harold Skipper, Georgia State University; W. Jean Kwon, St. John's University; Achim Wambach, University of Erlangen-Nürnberg; and Patrick Liedtke, The Geneva Association

Activities of Sister Associations and Affiliates, continued

For local arrangements, contact: James Barrese, St. John's University; barresej@stjohns.edu <http://www.aria.org/rts>

Asia-Pacific Risk and Insurance Association

2004 Conference (8th Annual)

July 18-21

Seoul, Korea

Primary hosts: Korea Insurance Academic Society and Korea Insurance Development Institute

Contact: W. Jean Kwon, St. John's University; KwonW@stjohns.edu

www.apria.org and www.apriaseoul.org

(For information on submitting papers for this APRIA conference, see the article on page 18.)

Strategic Planning Survey

In an attempt to have a better understanding of ARIA's strategic focus, the Strategic Planning Committee recently conducted a survey of members on the value of the association in terms of what it provides to the membership and major challenges facing the organization. Highlights of these results were presented in Rob Hoyt's presidential address at the annual meeting. For a complete copy of the Strategic Planning Survey results, go to the Information for Members page on our Web site, at http://www.aria.org/info_for_members.htm.

Profiles of Insurance Scholars: Professor Qixiang Sun

by Diana Lee, ARIA NEWS Editor



Professor Qixiang Sun

Over the last decade, ARIA members have seen Qixiang Sun's familiar face at annual meetings and other international insurance or financial industry events. Born in Hunan Province in the People's Republic of China, Professor Sun's journey to becoming a scholar in insurance economics was not a direct one. Growing up during the Chinese Cultural Revolution during the mid-to-late 1970s, she was employed as both a worker and an operator at the Post Office in her home province. She reminisces, "I was sent to the countryside when I was only 17 years old. This was a dramatic change in my life. As a city girl I was not used to doing heavy labor, but on the farm, I, along with the other youths, had to take part in all farm work. This included working in the fields the entire day. All in all it was a very harsh life. I do recall, however, that as a member of the so-called intellectual youth we had fun entertaining the farmers with singing and other musical performances. While life was tough for us, and there were many setbacks for China during this period, the Cultural Revolution has benefited many in my generation by giving us an appreciation for the hard work that laborers do. Personally, it helped me in learning to adapt to new situations and being able to face new challenges with confidence."

And new challenges there were. Upon the advice of her father, she attained her bachelor's and master's degrees in economics the following decade at Lanzhou University in Northwest China. She subsequently joined the faculty and became an assistant professor at the school's Department of Economics. During her tenure at Lanzhou,

Professor Sun was recognized as one of the country's leading junior academics. In 1989, Professor Sun was invited to enter the doctoral program in economics at China's premier school, Beijing University. She was named "One of the Ten Best Graduate Students of the Year at PKU (Peking [now Beijing] University)" in 1991 and became the first woman there to receive her Ph.D. in economics. She began teaching at the university's School of Economics after graduation. Since 1994, Professor Sun has been chairperson of the Risk Management and Insurance Department. She currently holds the C.V. Starr Professor of Risk Management and Insurance Chair and was recognized as one of "the ten best professors of the university" in 2002. She is also Associate Dean of Academic Affairs at Beijing University. Her fields of teaching include comparative economics (e.g., capitalism vs. socialism), principles of economics and insurance, risk management and insurance, and corporate strategy.

Professor Sun's latest endeavor is directing the newly established China Center for Insurance and Social Security Research, Beijing University. Its mission is to aid and study the development of China's insurance industry and social security programs. As such, the center will hold several focused workshops annually to facilitate discussions between domestic and international insurance practitioners and scholars. The center will also publish working papers, newsletters and a journal, all aimed at disseminating practical and scholarly study of China's insurance and social security.

As the author, contributor and editor of 10 books and the author of more than 70 published papers, Professor Sun's economics work has been published in many of China's leading journals. She is one of the lead authors of the *Ten-Year Plan of the Insurance Industry*, an influential study on the country's insurance market commissioned by the China Insurance Regulatory Commission. Professor Sun's awards and honors are many. She has received recognition for her excellent or outstanding papers including: "The Practice of Lease Business Illuminating Deep Reform of Enterprises;"

"The Structural Surplus and Structural Deficiency;" "Property, Risk Mechanism and Management;" and "Income Structure and Allocation." Social Science Prizes, conferred by the Beijing Academic Group, were given to Professor Sun for her books, *Principles of Insurance*, which is on the best-seller list in China, and *The Analysis of Income Flow in the Transitional Period of China*. Another academic research project won her an Award of Excellence in Science of Philology and Sociology in Beijing for *The Insurance Theory*.

Other honors are the First Prize Chen Dai Sun Award for her economics paper, "The Market Economy and Equality of Competitive Opportunity;" and the Award of Excellence given by the Forum of Contemporary Enterprise Reform for her work, "Property System, Risk Mechanism and Stratum of Managers." In addition to these research awards, Professor Sun was named "Beijing's One Hundred Talents in the Coming New Century" in 1995, during which time she was appointed research fellow of China's State Council for Restructuring the Economic System. Professor Sun is also the recipient of a Governmental Special Subsidy for Experts awarded by the State Council.

Besides her faculty position at Beijing University, Professor Sun is an adjunct professor at Jinan University in China, a fellow professor of the Research Institute of Economics Systems and Management, and a Syndic of both the Beijing Economics Association and the Chinese Insurance Association. She also serves as the vice director of the Research Center of Finance and Securities at Beijing University, a director of the Economics Association of Beijing, a member of the Academic Committee of the Chinese Finance Association, and director of the Asia-Pacific Risk and Insurance Association. In addition, Professor Sun does consulting work for the China Insurance Regulatory Commission and the country's leading insurance companies, including the People's Insurance Company of China, China Life, Ping An and Pacific Insurance Companies. She also consults for China Central TV, appearing regularly on

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Profiles of Insurance Scholars: Professor Qixiang Sun, continued

national television to discuss the insurance industry and its regulatory system.

Frequently invited to make guest appearances at other academic institutions and insurance organizations, Professor Sun travels widely throughout the world. Her lectures, which have been presented in North America, South America, Europe and Asia, relate to topics including the Chinese economy and political environment, the reform and risk mechanism of China's state-owned enterprises, and the deregulation and liberalization of the country's insurance market. For several years,

Professor Sun was the sole Asian academic moderator for the International Insurance Society. Visiting professorships include Indiana University - Bloomington, Kelley School of Business (1995), Hong Kong University (1998), and Harvard University, Department of Economics, National Bureau of Economic Research (2000).

When asked about the future of her country's insurance business, Professor Sun states: "I think the Chinese insurance industry has a very bright future, which mainly comes from China's high economic growth, its social system reform and its vast population.

More and more businesses and individuals have accepted the idea and the essence of insurance, which used to be considered something unnecessary just two decades ago." Indeed, since the 1970s, Qixiang Sun's journey has been one of challenge and fulfillment. She clearly has come a long way from her days laboring in the fields to become one of China's leading scholars in the insurance field.

Editor's Note: If you are interested in learning more about any particular insurance scholars or educators, please submit their names to the editor.

ARIA Welcomes New Sponsor: EPIC Actuaries, LLC

by Diana Lee, *ARIA News* Editor

We are pleased to welcome our new Silver sponsor, EPIC Actuaries, LLC, into the ARIA family. EPIC Actuaries is an actuarial and financial risk management consulting firm of 11 principals and consultants specializing in property/casualty insurance. The firm was created earlier this year, yet collectively, its actuaries have a total of about 250 years of experience in the field of actuarial science and financial analysis and more than 80 years of consulting practice. EPIC's values are founded on *Expertise, Professionalism, Independence* and *Credibility*. Setting a new and higher standard of excellence for today's actuarial services and products, the firm applies the latest technologies to assess capital investment and monitor and manage risk portfolios to secure insurers' strategic and competitive advantages.

EPIC Actuaries recently completed the largest and most comprehensive study ever

undertaken on the connection between credit history and insurance risk. Requested by the four national property/casualty trade groups, the research found that an individual's credit-based insurance score is unquestionably correlated to his or her propensity for auto insurance loss. A more important finding is that insurance scores are consistently one of the most important rating variables used by insurers. The full study is available online at www.epicactuaries.com/publications.htm.

Headquartered in Bloomington, Ill., with offices throughout the United States, EPIC's actuaries offer expertise in pricing, reserve or asbestos valuations, expert testimony, new pricing or underwriting program design, enterprise risk management and research. ARIA is grateful for their support and contribution and hopes to have a long and fruitful relationship with EPIC Actuaries, LLC.

Editor's Note: Universities and insurers can also assist in ARIA's long tradition of promoting insurance education and research. Consider following in the footsteps of EPIC Actuaries and become an ARIA institutional sponsor!



Michael Miller, Principal

Send Us Your News

ARIA members can send notice of events of professional or personal significance that they would like published in *ARIA News* to the editor, Diana Lee, at diana.lee@naii.org. Please send announcements for the spring 2004 issue by April 1. If you do not use e-mail, you may mail messages to Diana at 1351 Autumn Way, West Chester, PA 19380.

Having a Great Time, Wish You Were Here!

Here are some photos of the ARIA annual meeting with comments made by attendees.



"Strickler award presentation (by Nat Pope) was excellent."
(Nat is seen here giving another presentation.)



"I very much enjoyed the meeting."



"Seeing people, finding out what's happening; stimulating ideas."



"Denver is an excellent site: very good; lots to do and excellent restaurants. Great atmosphere this time of year."



"The plenary sessions this year were excellent"



"Enjoyed spread of sessions over more topics (especially happy to see more pension-related work on the program)."

Having a Great Time, Wish You Were Here!, continued



"Opportunity to meet old friends. I appreciate the receptions very much."



"Excellent moderators for all the (plenary) sessions."



Registration and meeting materials were "very well done; well organized. Efficient!"



"Staff did a great job. Lee (Gardner) is a wonderful person to have on our side."



"Good to see expansion of RMI areas in addition to traditional areas."

"More sessions (like the Long Symposium) should be this practical for our entire membership. Great job, Bill (Rabel)."

"Kip Viscusi's luncheon speech" and "Mark Browne's informal reception" were just two of the many different highlights mentioned.

Risk Management and Insurance Positions

Below is a list of organizations offering academic, government, and industry jobs that ARIA has received since April 2003. Please visit the ARIA job page at <http://www.aria.org/jobs/jobs.htm> or contact these organizations for additional information.

May

Insurance Institute in India (new)
Swiss Re Division Asia is seeking a researcher with an academic background in finance or insurance. Contact Thomas Hess at +41 43 285 2297 (e-mail: thomas_hess@swissre.com).

June

American Institute for CPCU, Insurance Institute of America
Senior Vice President (one) and Directors of Curriculum (two positions); see http://www.aria.org/jobs/Am_Institute.htm

July

Drake University
Visiting Assistant Professor of Actuarial Science

August

University of Georgia, Department of Housing and Consumer Economics
Assistant Professor in Family Financial Management

September

Georgia State University
Department of Risk Management and Insurance
Director, Actuarial Science Program
Georgia State University
The Robinson College of Business
Two Faculty Positions in Risk Management (assistant professor level for Fall 2004)

October

Providence University in Taiwan
Department of Finance
Qualified candidates with research and teaching interests in various fields including Finance, Risk Management, Insurance, and related areas, for tenure-track or visiting positions.

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A Day in the Life of *The JRI* Editors

by Richard MacMinn, Illinois State University; Kumi Smedley, University of Texas at Austin

The Journal of Risk and Insurance has undergone some significant changes over the last six years. The Web pages for *The JRI* are currently being redesigned and are now being served at <http://journalofriskandinsurance.org>. The journal is being served at Blackwell's Web site, <http://www.blackwellpublishing.com/toc.asp?ref=0022-4367>, and all issues of *The JRI* prior to December 2001 are archived in <http://www.JSTOR.org/>. We began the development of an editorial database for *The JRI* in 1998 and that project is continuing. All submissions and communications at the journal are electronic and have been for some time. We are constructing a database that allows us to track the progress of manuscripts through the editorial process and to selectively reveal some of that information to authors and referees. The database contains contact information on all authors and referees for the journal for the last six years and continues to grow. We are also continuing to expand and improve the functions performed by the database and its interface with the Web.

So, you could say that the editor's day begins with a manuscript that could be a new submission, a revision, or a decision that needs to be made. Reading and re-reading each manuscript and the reports that go with it require the most time and effort. For new submissions we decide which of us will be the editor in charge, and that editor then selects referees and makes all subsequent decisions on that manuscript. We select the best referees available; our referee list is part of the editorial database, is growing and will be passed on to the next editor. The database is designed to track the deadlines and provide us with an efficient means of sending reminders; it is also designed to track the manuscripts sent to each referee so that we can ensure that no one is given too many manuscripts to review. Once all the referee reports are received and reviewed, the editor makes the decision to reject, revise, or accept and

communicates that with the authors. In addition to these routine responsibilities, the content of each issue is discussed and decided several months prior to publication, responses to inquiries about editorial decisions are made, referees who decline to review manuscripts are replaced, and an overdue list is routinely reviewed for possible action.

Because we have tried to reach out to authors and readers around the world, editing *The JRI* is a continuous operation. We hold weekly conference calls to review the week's new business, i.e., submissions, decisions, revised manuscripts, reminders for overdue reports and errata that come up regarding *The JRI*. We discuss each manuscript throughout its processing—from choosing referees to the final decision and publication if accepted. There can be several rounds of reviews if a paper is not rejected, and with each round come additional referee reports and additional considerations. The goal is to offer articles that make interesting new contributions to the literature.

Our goal is to ensure that *The JRI* maintains its position as the leading journal in the world on risk management and insurance. We are always looking for ways to improve both the presentation and the management of the journal. Thanks to all who have helped us in this effort!

Editor's Note: Submission of articles by ARIA members is encouraged. Along with being a published author, you may get an additional 15 minutes of fame. An article by Steve D'Arcy that was published in The JRI resulted in his being contacted by and mentioned on the first page of the August 4, 2003, issue of USA Today. The front page article, entitled "Public Pensions Far Short," recognized Steve as an expert on pension funds and presented his view on the current negative status of these funds, whose financial obligations may cause future tax increases to pay benefits.

30 Years of The Geneva Association: Ventures in Insurance Economics

by Patrick M. Liedtke, Secretary General

Introduction to The Geneva Association

The International Association for the Study of Insurance Economics, better known as The Geneva Association, is a unique world organization formed by a maximum of 80 chief executive officers from the most important insurance companies in the world. Our main goal is to research the growing importance of worldwide insurance activities in all sectors of the economy. We try to identify fundamental trends and strategic issues where insurance plays a substantial role or which influence the insurance sector. In parallel, we develop and encourage various initiatives concerning the evolution—in economic and cultural terms—of risk management and the notion of uncertainty in the modern economy. The Association also acts as a forum for its members, providing a worldwide unique platform for the top insurance CEOs. We organize the framework for our members to exchange ideas and discuss key strategic issues. The Geneva Association serves as a catalyst for progress in this unprecedented period of fundamental change in the insurance industry and seeks to clarify the key role which insurance plays in the further development of the modern economy.

The Foundation and Aims of The Geneva Association

The Geneva Association was founded under the initiative of a committee that met for the first time on September 22, 1971, in Paris. The Constitutive Assembly took place in Paris on February 27, 1973, at the headquarters of La Paternelle (today part of the AXA Group). The following companies were represented by their president or chief executive officer: Allianz, Münchener Rück, Aachener & Münchener, and Victoria for Germany; Commercial Union, Royal and Mercantile & General for the UK; Erste Allgemeine for Austria; Royale Belge for Belgium; UAP, AGF, Paternelle, Préservatrice and SAFR for France; Generali, RAS, Reale Mutua, INA and Fondiara for Italy; Nationale Nederlanden for the Netherlands; and the Swiss Reinsurance Company for Switzerland.

A first report to the assembly of members in 1974 by the Association's first president,

Raymond Barre, contained a clear statement of the Association's aims, as follows:

- “The Geneva Association has been founded to make an original contribution to the progress of insurance through objective studies of the interdependence between the economic environment and insurance activities.
- In order to achieve this aim, The Geneva Association shall highlight the role of insurance in the economy and in modern society. For, at a time when the need for security is increasingly acute, it is in the interest of all parties to stand together to face the growing risks of a changing world.”



The very design of The Geneva Association's logo brings into sharp focus this priority of concentrating both on these “interface” areas of risk, where insurance meets the risk management problems of its clients in all sectors (“micro-economics”) and the uncertainties of the global economic environment (“macro-economics”). For almost the last 30 years, The Geneva Association has constantly followed these main goals by setting up various types of research activities at these “interfaces.”

At the outset, The Geneva Association had 20 members in 8 European countries. It now has 80 members (the statutory maximum number) in all 6 continents: Europe, North and South America, Asia, Africa and Australia. The members are the Chief Executive Officers of most of the leading insurance companies in the world, who are members in a personal capacity. The General Secretariat consisted in 1973 of the General Secretary and one assistant,

while today The Geneva Association has 10 employees in Geneva and about a dozen regular research collaborators the world over. Besides, it can draw on about 300 to 400 experts in various fields connected to insurance and risk management and manages over 10,000 contacts worldwide through the different networks that have been established over the last three decades.

An Overview of the Activities of the Past 30 Years

The Geneva Association now has been operating successfully for 30 years, and the following overview of activities carried out during this time span bears testimony to the extraordinary energy of all people involved and the very high resource productivity.

From 1973 to 2003, The Geneva Association organized 2,340 interviews of at least one hour for our various studies (1,080 interviews with industrial companies; 510 with universities and research centers; 750 with other financial institutions, insurance companies and risk management organizations). In addition, it has organized 232 meetings (seminars, colloquia and conferences) for more than 9,000 participants and interacted with 330 universities, 180 of which are on a continuous basis. During this same period, The Geneva Association published 134 issues of *The Geneva Papers* (107 issues of *The Geneva Papers on Risk and Insurance-Issues and Practice* and 27 issues of *The Geneva Papers on Risk and Insurance Theory*); 265 *Etudes & Dossiers*, our working paper series; and 560 various newsletters. It was also directly involved in the publication of 38 books. Furthermore, the Association has provided information on insurance economics questions and Association activities to more than 10,000 people; has granted or negotiated research work with 189 persons (65 university researchers, 21 Ernst-Meyer Prizes, 35 scholarships, 13 contributions for publications, 17 small research contracts and negotiated 38 contracts with professional researchers); and has seen 585 lectures delivered in the name of The Geneva Association (by its presidents, the secretary general and the heads of the research programmes). The

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30 Years of The Geneva Association: Ventures in Insurance Economics, continued

Association has also constituted a specialized library on risk, uncertainty and insurance economics in Geneva that is freely accessible to researchers, and created two Web sites: www.GenevaAssociation.org acts as the electronic information hub for all Association activities, and www.HuebnerGeneva.org is a repository and information for insurance researchers and academics.

Moving into the Future

The Geneva Association made important progress during the 4 years (1999-2003) of the presidency of Walter Kielholz, until recently CEO of Swiss Re and now chairman of Credit Suisse and vice chairman of Swiss Re. The membership structure was reinforced and strengthened outside of Europe, our historic base. Mr. Kielholz also supervised in 2000 the transfer in responsibility from the first secretary general, Professor Orio Giarini, who had built the association during the 27 years of his tenure into the unique entity that it is today,

to Patrick M. Liedtke. In the three years that followed, the internal organization of the General Secretariat was overhauled and adapted to the demands placed on a global organization going into the 21st century. The research mechanisms were strengthened and the outside visibility enhanced.

What is next? We will certainly continue with our basic mandate in the future. The research programs will become more refined and tuned to the new and emerging demands of an ever faster developing world, where insurance is increasingly moving center stage. We will make an effort to broaden our communication interfaces and to accompany research work a little longer along the way into the business and public world. The Geneva Association will escort the extraordinary voyage of insurance into the future by providing research intelligence, opening up new horizons, discussing the role and importance of efficient risk management and insurance solutions (including their

limitations!), bridging the gap between researchers in different fields and academia and the insurance professionals. We will continue to help and stimulate other organizations that deal with insurance and risk management issues. The Geneva Association will also continue its broad output of books, studies, articles, and other publications, be they in print or electronic format.

At our recent 30th General Assembly, the members of The Geneva Association decided to create a Development Working Group, which will analyze in detail the options for our future development. This is a tremendous chance to increase the value that our organization adds to the insurance world and beyond. Under the guidance of our new president, Henri de Castries, chairman of the Board of Management of the AXA Group, we will tackle these issues. As always, we will do so in partnership with other organizations of prestige, including ARIA.

ARIA Members in the News

Congratulations to **Kevin Ahlgrim** and his wife, Theresa, who were blessed with the June arrival of Anna Kathleen, their second daughter. Kevin also joined the faculty in the Finance, Insurance, and Law Department at Illinois State University this fall.

In August 2003, **Rohana S. Ambagaspiya** became a fellow of the Society of Actuaries by completing all the requirements. He chose the investment track to learn asset liability management in financial institutions.

In an era of accounting scandals and threats of terrorist attacks, **Etti Baranoff** has authored a textbook entitled *Risk Management and Insurance*, which is designed to reflect the dynamic nature of the field of risk management and insurance. The book for college students explores the current financial status of the worldwide insurance industry in the wake of September 11, 2001. Look for Etti's interview in *BestWeek* (September 2, 2003), in which

she discusses her thoughts on subjects such as the evolution of the risk manager and the state of the job market for students; this complete interview is scheduled for the October issue of *Best's Review*.

As of July 14, **Larry Berger** joined the firm of Milliman USA in New York. He is now a consulting economist working in risk management for variable annuities, cost of capital analysis for property-casualty firms, and pension and investment analysis, among other things. Larry can be reached at One Penn Plaza, 38th Fl., New York, NY 10119, (212) 279-7166, larry.berger@milliman.com.

At the request of the 2002 Texas Lt. Governor, **Patrick Brockett** was the lead researcher on "A Statistical Analysis of the Relationship Between Credit History and Insurance Losses," released earlier this year. Pat testified before the Texas Senate in March on his work.

Belated congratulations to **Cassandra Cole** and her family on the birth of son Anthony Sean Crowe, who was born on December 13, 2002. Weighing 6 pounds and 15 ounces 10 months ago, he is now triple this amount. Anthony and his big sister Alyssa look forward to visiting their grandparents in Chicago next year!

Stephen D'Arcy is spending the fall semester in Boston, where he is working with Richard Derrig at the Insurance Automobile Bureau of Massachusetts studying insurance fraud.

In May 2003, **Richard Derrig** served as marshal for the graduate school alumni at the 235th commencement ceremonies at Brown University in Providence, R.I. The graduate school celebrated its centennial in connection with this year's events, having been formalized as a distinct school within Brown in 1903.

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ARIA Members in the News, continued

Neil Doherty is now chairperson of the Insurance and Risk Management Department at the Wharton School of the University of Pennsylvania. This year, he was named Frederick H. Ecker Professor of Insurance and Risk Management.

In recognition of his outstanding teaching performance, **Rob Drennan** was one of three professors receiving Temple University's Great Teacher Award for 2003. This award was given in part for his passion for teaching and increasing academic progress and his ability to make learning fun. Rob's name is now engraved in the wall of the Founder's Garden.

David Eckles has joined Georgia Southern University (in Statesboro, Ga.) this fall to teach finance and insurance.

Lisa Gardner is taking a leave of absence from Bradley University in Peoria, Ill., to serve as a visiting associate professor in the Actuarial Science, Risk Management & Insurance Department at the University of Wisconsin-Madison during the 2003-2004 academic year.

This fall, **Richard Gorvett** returned to the University of Illinois at Urbana-Champaign as an actuarial science professor. He will become director of the actuarial science program there in 2004. In addition, congratulations to both Rick and his wife, who had their second child, Benjamin, in May.

Beginning in August of this year, **Martin Halek** joined the Insurance and Risk Management faculty at the University of Georgia after two great years at the University of North Carolina-Charlotte. Accepting a position as an assistant professor, Martin looks forward to being at Athens.

Congratulations to **George Head**, who received the John S. Bickley Founder's Gold Medal Medallion award by the International Insurance Society (IIS). This award, based on a singularly creative or innovative contribution to insurance thought, practice, or education, was presented during IIS's annual meeting in New York City in July. George recently joined the Nonprofit Risk Management Center in Washington, D.C., as a telecommuting special advisor, co-authoring books. The center's mission is

to "help community-serving, nonprofit organizations cope with uncertainty."

Beginning in the fall, **Karen Hamilton** moved from Appalachian State University in Boone, N.C., to Columbus State University (in Columbus, Ga.) to be an assistant professor of computer and information management systems (yes, you read that correctly). While her primary responsibilities are in the area of database management and other areas of computer information management, she is also helping to develop courses in risk management and insurance for the business curriculum. Karen can be contacted at hamilton_karen@colstate.edu.

Still based out of Calgary, Canada, **Anne Kleffner** began a six-month sabbatical on July 1. During this time, she is traveling to Ontario to work with her co-author, Mary Kelly, at Wilfrid Laurier University. In addition, Anne completed her 2-1/2 year term as finance area chairperson at the University of Calgary and is glad to be relieved of her administrative duties.

W. Jean Kwon has taken over the helm as the 2003-2004 president of the Asia-Pacific Risk and Insurance Association.

In November 2003, **Diana Lee** will become the 2003-2004 president of the Society of Insurance Research, whose goals include stimulating insurance research, advancing the status of the insurance research profession and sponsoring research and educational activities for the insurance community.

Look for **Ryan Lee's** article, "Stronger Corporate Governance and its Implications on Risk Management," in the May/June issue of *Ivey Business Journal*, which he co-authored with Anne Kleffner and Bill McGannon.

David Marlett is now with Appalachian State University in North Carolina, having previously been at Old Dominion University (in Virginia) for the last few years. Prior to that, Dave was at Illinois Wesleyan University for four years.

During the spring semester of 2003, **Richard Phillips** took a leave of absence from Georgia State University to accept a visiting position at the Wharton School

(University of Pennsylvania) for the term. He taught a new graduate course integrating financial and insurance company risk management strategies, which was well received by the students with many favorable comments. Rich also helped team teach Wharton's undergraduate principles course with Alex Meurmann and Kent Smetters. Rich is back at GSU now and made up for being away by teaching the summer semester here.

This fall, **Lawrence Powell**, who was with the University of Arkansas in Little Rock, joined the University of North Carolina-Charlotte as a visiting assistant professor. He is hopeful that his visiting status will be amended the following semester and he will be tenure-track. Lars is teaching Advanced Risk Management and Property-Casualty Insurance during his first semester.

Michael Powers recently authored two books: *Global Risk Management: Financial, Operational, and Insurance Strategies*, 2002, with J. Jay Choi (Amsterdam: JAI Press/Elsevier), and *Icons*, a science-fiction/fantasy novel in 2003 (San Francisco: Dry Bones Press). Both books are available at www.amazon.com and www.barnesandnoble.com.

Look for an article which **Tim Query** co-authored with Dr. Zhenhu Jin, entitled "China, Insurance and the Internet" in the August issue of *Best's Review*.

In November 2002, **Andreas Richter** finished his "Habilitation" (a post-doctoral degree required in Germany) from the University of Hamburg. He has now joined the Department of Finance, Insurance and Law at Illinois State University as an assistant professor of insurance, where he teaches mostly insurance. Congratulations also to Andreas, who married Nadia Masri, a mathematics graduate student now at the University of Illinois, in August; they are currently residing in Bloomington/Normal, Ill.

Krupa Subramanian married in September 2002 in New York, and is now Krupa S. Viswanathan. Belated best wishes to Krupa and her husband, Rajesh!

Luis Villaronga is currently serving as the executive secretary of the Board of Trustees at the University of Puerto Rico.

James S. Trieschmann Retires

by Diana Lee, *ARIA* News Editor



James S. Trieschmann

After spending 30 years at the University of Georgia in Athens, Dr. James S. Trieschmann retired this past spring. He began there in 1973 as an assistant professor of risk management and insurance. Advancing through the ranks, he became head of the Risk Management and Insurance Department in 1977 and then head of the Insurance, Legal Studies and Real Estate Department in 1983. From 1986 to 1998, Jim was associate dean of the Terry College of Business at UGA and associate dean for faculty and research until 2000. For the last 17 years, he held the prestigious Dudley L. Moore, Jr. Chair of Insurance.

Jim's college days began with a football scholarship at the University of Arkansas during 1962–1964. He recalls, "It was a different type of education, but still a very important educational experience. I learned the hard way that you cannot always succeed no matter how hard you try. There is always someone smarter and willing to work harder than you. However, it did give me a fierce drive to compete." And compete he did, as he earned his bachelor's degree in business administration with a specialty in accounting from the Walton College at the University of Arkansas in 1966. Two years later, he received his M.B.A. in statistics and economics from the same school.

In 1970, Jim earned his D.B.A. (doctor of business administration) from Indiana University–Bloomington, majoring in finance with two minors in economics and insurance. He wrote his dissertation for John D. Long, who was the head of the Insurance and Real Estate Department

there. After getting his doctoral degree, Jim began his teaching career as an assistant professor of finance at the University of Missouri–Columbia during 1970–1973.

Jim quickly got his CPCU designation in 1973 after taking the five required examinations. The conferment speaker at the ceremony in St. Louis, Mo., was none other than E. J. Leverett, head of the Risk Management Department at UGA, with whom he interviewed just two months earlier; Jim is glad to have gotten the position! After becoming a CLU in 1975, he decided to retire from test taking, declaring, "it's a far, far better thing to give tests than to take them." Holding true to this statement, Jim went on to serve on the CPCU test panel for parts 3, 4, 5, and 6 for over 15 years.

From 1971 to 1997, Jim published 20 papers in *The Journal of Risk and Insurance*, as well as 35 more articles in other journals such as the *Journal of Accountancy*, *The CPA Journal*, *Business Horizons*, *The JFQA* (1973 and 1979), and *The Academy of Management Journal* (2000). Since replies to some reviewers needed to be 10 pages or more, the last article took five years from start to finish. Based on this experience, Jim claims to have a much greater respect for management journals now.

Jim also published many articles in the *CPCU Journal* and was on its board of editors for 10 to 15 years. As department head, he placed a great deal of importance on CPCU-type course content for the commercial lines and risk management classes. When recruiters discovered that UGA students were taking and passing CPCU examinations, they believed that the students here were indeed different and started to give them a much higher priority. Also, an increased emphasis was placed on ARIA, thanks to Jim, as UGA housed the ARIA executive director position for about six years.

Through the years, Jim has received a number of honors: *The JRI* outstanding article award (1974), the outstanding lifetime research award at The Terry College (1991) and the outstanding lifetime service award at The Terry College (2002)

(Jim was not eligible for this last award until 2001 because he always chaired the selection committee). In addition, Jim was twice honored with the Les B. Strickler Innovation in Instruction award; the first time was with Rob Hoyt involving a computer game and the second time involved a student, faculty, and insurance executive interactive seminar, done in collaboration with Sandra Gustavson.

On a personal note, Jim has been married to Donna V. Trieschmann for the last 35 years. Jim had to miss a few ARIA meetings in the early 1970s because of the birth of their two daughters, Martha (1971) and Donna Catherine (1974, the year he received his *JRI* outstanding article award). Their son, Jimmy, arrived five years later. In 1983, when Jimmy was four years old, Jim became president of ARIA and he and Donna began taking their three children to ARIA meetings during the 1980s. "Everyone remembers the ARIA meetings. It was our good luck that most of them were in the north and we were able to leave Georgia in August. Oh yes, we took a 10-day vacation before the meetings, which included three children, two parents, a three-seat station wagon and lots of fond memories."

Martha is now a physician in Athens, Ga.; her husband is a Harvard Ph.D. student. Jim and Donna enjoy babysitting their two-year-old granddaughter while their son-in-law writes his dissertation. Donna Catherine is a Ph.D. student at Maryland in dramatic writing, and her husband is a third-year law student at George Washington Law School. Jim says, "Both Travis Pritchett and I have one child who is a doctor and one who wants to be a writer or actor. He was president of ARIA one or two years before me. We both graduated from Indiana University, Travis in insurance and I in finance. However, Donna and I had a third child, Jimmy, who is now a second-year law student at UGA. All three children graduated *magnum cum laude* from their colleges or universities. I am obviously proud of our children."

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The Katie School of Insurance & Financial Services at Illinois State University

by James R. Jones, Director

Founded in 1991, the Katie School of Insurance & Financial Services (Normal, Ill.) was established as a living memorial to Mary Katherine "Katie" Nicosia, a two-year-old girl who died of leukemia. Established as a center within the Illinois State University College of Business, it supports the university insurance program and the insurance industry directly by providing executive education, seminars, consulting and research. The Katie School's overall focus is to prepare talented undergraduate students for careers in the areas of risk, insurance and financial services. Specifically, its seven strategic goals are to: (1) recruit according to ISU values; (2) provide for successful student transitions; (3) enhance junior/senior experience; (4) build a distinctive research agenda and strengthen graduate education; (5) promote public service and outreach; (6) enhance student-to-faculty-and-staff connections; and (7) provide a supportive environment that promotes understanding.

Recently, the Katie School has experienced numerous changes. The past year has been exceptional, as the school has added new faculty, seen record increases in student enrollment, developed a new course, conducted numerous research projects, and enhanced its program offerings to the insurance community. Described below are examples of the Katie School's activities that are part of its new strategic initiatives.

Initiative #1: Attract and Retain Top Students

For the past three semesters the Katie School has piloted a program to attract top students, whereby ISU honors students (sophomores and juniors) are given a \$500 scholarship to take the honors section of FIL 250 class (Introduction to Principles of Risk and Insurance). About two-thirds of these honors students have continued in the insurance program. Most of the officers in the Gamma Iota Sigma insurance fraternity come from these ranks. The Katie School also hosts a one-week Minority High School Scholars Academy; offered in the summer, this program provides industry exposure to 20 academically talented minority high school juniors. Faculty members have enjoyed the increased student class participation and student projects. Recruiters have enthusiastically welcomed the upgrade, which has led to



Artist Rendering of New College of Business Building which will house the Katie School. The Building is scheduled for completion in 2004.

their increased campus involvement, notwithstanding overall budget cutbacks on campus recruiting.

Initiative #2: Attract and Retain Top Faculty

To help promote its research agenda and to help attract and retain top quality faculty, the Katie School provides over \$140,000 in research and faculty development support each year. The school helped fund a number of the research and faculty development projects which were presented at ARIA's annual meeting, including the Les B. Strickler Award-winning project on Grade Insurance (the Grade Insurance Project can be viewed at <http://katie.cob.ilstu.edu/Grade%20Insurance/gradeinsurance.htm>).

Initiative #3: Facilitate Greater Industry Interaction with Students

The Katie School facilitates industry involvement through an internal speakers' bureau, which brought nearly 100 speakers into the insurance classes last year to conduct formal, structured presentations on specified topics. Honors students are also introduced to industry experts and/or recent Katie School alumni, who may act as student mentors. This program, known as the Insurance Industry Awareness program, has been a wonderful success. In addition, the school's Executive-on-Campus program and the Spencer Foundation Risk Manager in Residence program provide additional opportunities for students to spend time with and learn from industry experts.

Initiative #4: Provide Co-curricular Learning Opportunities for Students

The Katie School internship program is the centerpiece of student-industry involvement. Leveraging industry connections, most of the Katie School students are able to obtain industry internships, including four in London and Bermuda (all expenses

paid). In addition, students have opportunities for numerous other activities, such as externships, online mentoring, skill-building workshops, and attending industry events including RIMS (Risk Insurance Management Society), REBEX (Risk Management and Employee Benefits Conference and Exhibition) and NAPSLO (National Association of Professional Surplus Lines Offices) conferences. All of these organizations support the academic experience of students and help them gain a better understanding of issues facing the industry.

In addition to efforts supporting the above four initiatives, the Katie School continues to develop curriculum to meet the needs of industry. It now offers an elective course in Professional Selling of Insurance and Financial Services. This course was developed this past year as a collaborative effort between the Katie School, the insurance industry, and ISU's Sales Institute in response to the industry's demand for more students skilled in consultative, needs-based selling and collaborative negotiations. Moreover, the school adds value to the industry by offering international professional development and executive education programs for insurance practitioners in the U.S. and the U.K. And if all these activities were not enough, the Katie School also provides outreach initiatives such as a two-week program for high school teachers sponsored by the Insurance Education Foundation. For the past two years, the Osborne Award winner (high school teacher of the year) has come from the Katie School's program. For additional information on the Katie School of Insurance & Financial Services, go to www.katieschool.org.

Editor's Note: The Katie School recently became a Bronze sponsor of ARIA. Thanks to Jim Jones and the Katie School for their support!

Samuel H. Weese: Educator and President of The American College

by Eric B. Gordon, Director of Public Relations, The American College



Dr. Sam Weese



Dr. Larry Barton

On June 30, 2003, Dr. Samuel H. Weese, CLU, CPCU retired after 15 years at the helm of The American College, the financial services industry's leading educational institution. Over the course of his tenure at The American College, Dr. Weese's leadership helped the college to grow and prosper.

His association with the college began in 1985, when Dr. Weese accepted the position of vice president and executive assistant to the president at The American College. Within a year, the vice president of academics resigned and then college president Ed Jordan asked Dr. Weese to take the position. Shortly thereafter, in the spring of 1987, Mr. Jordan announced his intention to resign and Dr. Weese was asked to become the interim president while a search for a successor was conducted. In July of 1988, the search committee concluded that the best candidate for the job was the person already handling the position. As president, Dr. Weese needed to return the institution to a sound financial position. He quickly implemented a strict cost-control plan that included reducing the number of college employees, eliminating unnecessary expenditures, and implementing a competitive bid process for major contracts. The turnaround was swift.

During this period, the college began to use its faculty members to write and edit textbooks for its courses instead of using textbooks published by outside companies. This change in policy improved the quality of the textbooks and eliminated the huge margins that were previously paid to commercial publishers.

In 1995, the college expanded its curriculum and designation programs when it purchased the Registered Health Underwriter (RHU) and Registered Employee Benefits Consultant (REBC) designations from the National Association of Health Underwriters. The college also registered a five-course curriculum with the Certified Financial Planner Board of Standards.

In 1997, The American College marked the 70th anniversary of its founding. During this event, the college announced it had completely eliminated its long-term debt with a payment of \$3.1 million. The college also announced the launch of a \$10 million endowment campaign. So successful was this effort, that within a year, the Endowment Committee revised its goal upward—to raise \$25 million by the 75th anniversary.

As the college approached the end of the 20th century, it restructured the Chartered Life Underwriter (CLU) and Chartered Financial Consultant (ChFC) curricula and reduced the number of courses needed to earn each designation from ten to eight. The core courses of the ChFC were realigned so that the first five Huebner School courses met the educational requirements for the Chartered Financial Planner (CFP®) certification examination. This strategy has been extremely successful. Today, the college is one of the leading providers of CFP® education. At the same time, the CLU and ChFC designations continue to grow at an impressive pace. The college agreed in 2001 to merge the Life Underwriter Training Council (LUTC) into the college's organizational structure, rounding out the college's continuum of educational offerings. Today, LUTC is one of the country's premier sales training and educational programs.

In 2002, the college celebrated its 75th anniversary. At this event, Dr. Weese announced that the college had raised \$32 million in deferred and special gifts to exceed the 21st Century Endowment Campaign goal of \$25 million, set in 1997, by \$7 million.

Dr. Larry Barton was chosen to succeed Dr. Weese as the next president and chief executive officer of The American College on July 1, 2003. Dr. Barton has a long and distinguished career spanning both higher education and industry. Prior to joining The American College, he served as president and chief executive officer of Heald College, a not-for-profit institution with 11 campuses in California, Oregon, and Hawaii. Before this, he served as president of DeVry University in Phoenix, Ariz. From 1995-1999, Dr. Barton served as vice president of communications and public affairs for Motorola, Inc.

A former professor of management and business at Pennsylvania State University Graduate Center at Great Valley, Dr. Barton also served on the faculties of Boston College, Harvard Business School, and the University of Nevada at Las Vegas (UNLV). He was named UNLV Teacher of the Year in the College of Business and Economics in 1992, ranking first among 92 faculty members. Dr. Barton enjoys an international reputation as a specialist in risk and crisis management. As a consultant, he has helped world-class industry leading organizations improve their business functions and strengthen their ability to handle unexpected challenges. He holds an AB degree, *magna cum laude*, in speech and communications from Boston College, the MALD (Master of Arts in Law and Diplomacy) degree in international business from the Fletcher School of Law and Diplomacy at Tufts University in Medford, Mass., and a Ph.D. in public affairs and international communications from Boston University.

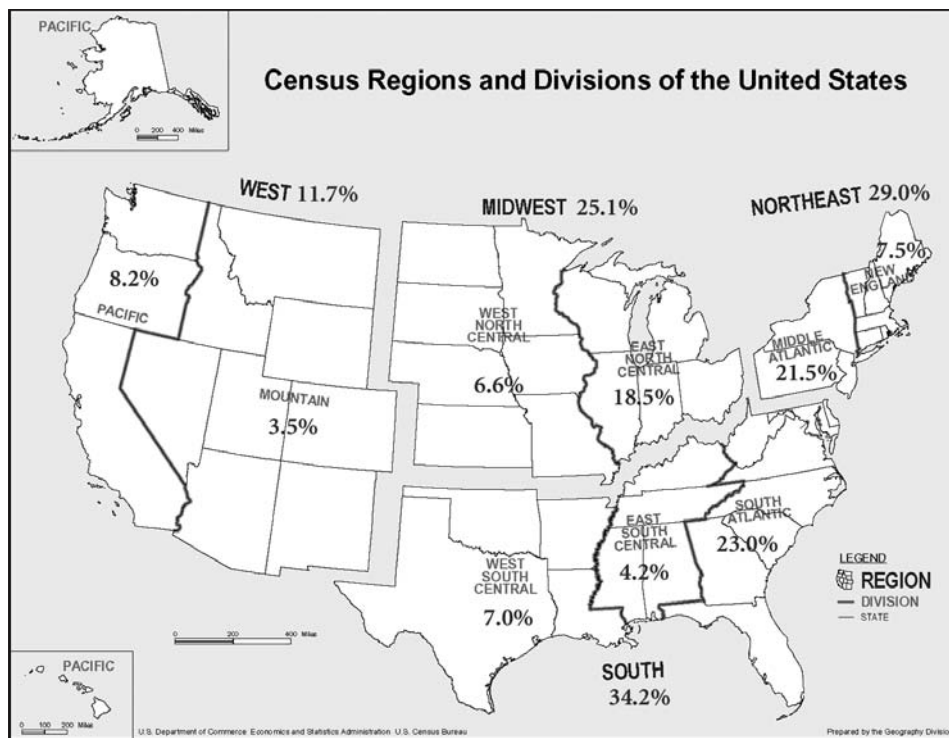
Prospects for The American College continue to be bright with the renewed energy and vision brought to the institution by Dr. Larry Barton. Building on the legacy of Dr. Samuel Weese, The American College will continue to move forward as "The Leader in Financial Services Education."

The Demographics of the ARIA Membership

Have you ever wondered about the make-up of the ARIA organization and where your fellow colleagues are located? Well, if the gender distribution is similar to what is typically observed at annual meetings, then it should be no surprise that the membership comprises roughly 80 percent males and 20 percent females. According to the latest 2003 count, we have 20 retirees and 50 students within our entire group of slightly more than 500 individuals.

A 2002 membership list from Blackwell Publishers shows that three-fourths of the association resides in the United States, while the remaining quarter comes from other countries throughout the world. An estimated broad distribution of ARIA members in the U.S. is as follows: Midwest (25.1%); Northeast (29.0%); South (34.2%); and West (11.7%). A finer breakdown shows that the largest contingent (about 23% of all U.S. members) is located in the South Atlantic region (the Carolinas, Delaware, D.C., Florida, Georgia, Maryland, Virginia and West Virginia). A close second (almost 22%) can be found in the Middle Atlantic states (New Jersey, New York and Pennsylvania). The East North Central region (Illinois, Indiana, Michigan, Ohio and Wisconsin) comprises the third largest group, with 18.5 percent of ARIA's U.S. members situated here. This is followed by folks living in the Pacific (8.2%); New England (7.5%); West South Central (7.0%); West North Central (6.6%); and East South Central (4.2%) areas. The smallest, but no less important, group of members in the nation (3.5%) is located in the Mountain region ranging from Arizona and New Mexico up to Idaho and Montana.

The support of the association by countries outside the U.S. cannot be ignored. Indeed, individuals from Africa, Asia, Australia, Bermuda, Canada, the Caribbean, Europe, Latin America and New Zealand are becoming a stronger and more valuable core of members who show their commitment to ARIA by participating at meetings and on committees, submitting articles to journals, being associate editors, etc. Based on the 2002 list, there are 33 individual countries besides the U.S. that are represented in the ARIA organization; they are shown in the table at right, along with the number of members from each one.



ARIA Members Outside the U.S.

Country	No.	Country	No.	Country	No.
Argentina	1	France	4	Mexico	2
Australia	5	Germany	10	Netherlands	1
Austria	3	Greece	1	New Zealand	1
Belgium	4	Hong Kong	3	Norway	1
Bermuda	2	India	1	South Africa	2
Brazil	1	Ireland	1	South Korea	18
Canada	40	Israel	4	Spain	2
China	5	Italy	3	Switzerland	10
Costa Rica	1	Jamaica	1	Taiwan	9
Denmark	1	Japan	8	Thailand	2
Finland	1	Kuwait	1	United Kingdom	10

In Memoriam

We are sad to inform you that Mary Louise Bickley, Dr. John Bickley's wife of 61 years, passed away on Monday, September 8, after a long illness. Donations may be made to a charity of your choice in Mary Louise Bickley's name. ARIA extends its deepest condolences to Dr. Bickley, the founder of the International Insurance Society, Inc., and his daughter, Mary Silberberg.

It is also with deep regret that we inform you of the recent passing of Robert Stuart Cline, an early Huebner alumnus from the University of Pennsylvania (class of 1954). Dr. Cline received his B.A. and M.B.A. degrees from the University of South Florida in 1948 and 1949, respectively, and his Ph.D. from Syracuse University in 1955. While he was dean of the University of South Florida, he co-authored one of the oldest college insurance texts, *Property and Liability Insurance* (1968), with the late S. S. Huebner and Kenneth Black, Jr. (The book was originally written by Huebner in 1911.) The second edition of this book was published in 1976 when Dr. Cline was professor of insurance in the College of Business Administration, University of North Florida. This edition carries a dedication to the "Memory of Margaret A. Cline." The third edition of *Property and Liability Insurance* was published in 1982, when Dr. Cline was professor of insurance at the School of Business at the University of North Carolina, Greensboro.

APRIA Call for Papers

The Asia-Pacific Risk and Insurance Association (APRIA) invites you to present a paper at its eighth annual conference on July 18-21, 2004, in Seoul, Korea. The association welcomes theoretical or applied research papers on risk or insurance topics, including insurance law and regulation/supervision, insurance economics and finance, insurance practice and policy, social insurance, employee benefits, pension, risk management, international insurance issue and insurance education. Papers dealing with financial planning and other insurance-related areas are also welcome.

The deadline for proposal submission is February 15, 2004.

Each proposal should include a cover page containing the proposal title and the contact information of the author including name, title (especially degree candidates), affiliation, e-mail address, postal address, and phone/fax number. In addition, it should include a two-page text covering the purpose and importance of the research, planned research methodology, expected results, and references. A full paper in lieu of a proposal is welcome. The proposal/paper, preferably in MS Word, should be e-mailed to Professor Muhammad Z. Mamun, Ph.D., 2004 APRIA Programme Committee Chair, conference_paper@apria.org, or mailed in a diskette or CD to Professor Mamun at the Institute of Business Administration (IBA), University of Dhaka, Dhaka 1000, Bangladesh, Phone: (088) 011-817026.

Scholarships: The Association, with the financial support from the conference organizers, has provided a limited number

of scholarships to those paper presenters coming from economically developing countries and not receiving any financial support from their universities, governments or other entities. The scholarship covers the conference registration fee and accommodation expenses on twin-sharing basis for four nights. Individuals must indicate their desire to apply for a scholarship and e-mail the Programme Committee both (1) a full paper or detailed proposal (minimum 600 words) meeting the above proposal submission requirements, and (2) their curricula vitae, by the proposal deadline.

Best Paper Awards: Applicants for the Best Paper Award must submit completed papers by June 1, 2004. Award winners will be announced at the conference. Depending on the number and quality of papers, the Program Committee may consider a separate Best Paper Award for students.

Full Paper Deadline: Unless they are applying for a Best Paper Award, those whose proposals are accepted must submit the full paper in MS Word only by June 15, 2004, to the committee chair to be included in the conference proceedings. Only those papers submitted by the deadline will be included in the conference proceedings.

For more information about the conference, visit the association's Web pages at www.apria.org and www.scicollege.org.sg/apria.asp or the organizer's Web page at www.apriaSEOUL.org. You may also send an inquiry to the association's secretariat at APRIA@scidomain.org.sg.

Insurance Trivia

compiled by Diana Lee, ARIA News Editor

Listed below are some little known facts related to insurance and vehicles:

- Started by Benjamin Franklin, the Philadelphia Contributionship for the Insurance of Houses from Loss by Fire was incorporated under a British Royal Charter in 1752. In 1792, Pennsylvania was the first state to charter insurance companies, with most other states also chartering insurance companies by 1797.
- Hartford, Conn. is the first city where an American President rode in an automobile (1902); Travelers Insurance Co. is the first company to insure against accidents (1864); and Aetna Insurance Co. was the first company to offer in-flight life insurance to astronauts (1963).
- In 1896, the first car crash took place. A clunky Duryea sent a New York cyclist to the hospital, while the driver walked away. More than a century later, the antipathy is still fresh between two- and four-wheelers.
- The first auto accident fatality was recorded in 1899.
- In 1908, Toledo, Ohio was the first to place red/green semaphores operated by police at intersections.

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Insurance Trivia, continued

- The hand-operated windshield wiper was introduced in 1910.
- Between 1932 and 1940, safety padding on front seat backs, windshield washers and directional signals were introduced.
- In 1911, Detroit, Mich., installed the first center lines on streets.
- The first auto seat belts were in the 1902 Baker Electric race car, and power steering was first seen in the 1903 Columbia Electric Motor Truck. The first completely automatic transmission was in the 1906 Sturtevant.
- The first speeding ticket was given to a taxi driver in New York City in 1899.
- World War II called a halt to auto production but saw the new Jeep become famous during the fighting. That Jeep became the basis for the 1948 Willys Jeepster—the first sport-utility vehicle.
- The first parking meter was installed in Oklahoma City, Okla., in 1935.
- In the 1700s, you could purchase insurance against going to hell in London, England.
- More Americans have died in automobile accidents than have died in all the wars ever fought by the United States.
- According to a 1999 Opinion Research Corporation International study on national driving habits, 1,016 participants responded that they had engaged in the following activities while driving:
 - 11% have had a dog jumping around the car or sitting on the driver's lap;
 - 12% have broken up a fight between kids with their hands;
 - 3% have put in eye drops or contact lenses;
 - 20% have steered the car using thighs or driven with no hands;
 - 19% have had someone else hold the wheel; and
 - 14% have spilled hot coffee on themselves.
- The RMS Titanic cost \$7.5 million to build; it carried a \$5 million insurance policy. It would cost about \$400 million to build the Titanic today.
- The first car was stolen in St. Louis, Mo., in 1905.
- Mel Blanc—the voice of Bugs Bunny—was allergic to carrots. After a near-fatal auto accident in 1961, Blanc did his cartoon voices, including the first 65 episodes of *The Flintstones*, flat on his back, with the microphone hanging over his bed.
- Many Japanese golfers carry “hole-in-one” insurance, because of the Japanese tradition to share one’s good luck by sending gifts to all your friends when you get an “ace.” The price for gifts can often reach \$10,000.
- Benjamin Franklin invented crop insurance.
- Betty Grable’s legs were insured for \$1 million dollars, while Fred Astaire’s feet were insured for \$650,000.
- In 2001, a London insurance brokerage began offering insurance for alien abduction. A premium of \$155/year would pay about \$166,000 to an abductee (provided the abductor was not from earth) and double if the insured was impregnated during the abduction.
- More money is spent each year on alcohol and cigarettes than on life insurance.
- Flamenco dancer Jose Greco took out an insurance policy through Lloyds of London against his pants splitting during a performance.
- Germany was the first European country to establish a system for health insurance for its workers in 1888.
- There is a very negative attitude toward life insurance in Spain. It is considered wrong to profit from a spouse’s death.

Risk Management and Insurance Positions, continued

St. John’s University
Tenure-Track in Actuarial Science
Primary teaching responsibilities:
Actuarial Modeling, Contingences, and
Principles of Risk Management and Insurance

University of Hartford
Barney School of Business, Economics/
Finance/Insurance Department
Assistant or Associate Professor

James S. Trieschmann Retires, continued

Through his comments, it is easy to observe Jim’s pride in his children, as well as his passion for risk management and insurance education. Jim feels very fortunate to have spent a fulfilling professional career at The Terry College at UGA during the last 30 years and is grateful for the support of the school and his colleagues. His passion and fondness

toward his school lead Jim to emphatically make the following statement about risk management and insurance education: “Wharton is the best and UGA is the best of the rest.” Indeed, ARIA wishes Jim Trieschmann and his family the very best of health and happiness in all their future endeavors.

Answers to ARIA Quiz: 1-D-n; 2-G-o; 3-I-e; 4-O-f; 5-K-g; 6-M-m; 7-L-l; 8-H-h; 9-J-j; 10-B-k; 11-N-n; 12-A-h; 13-E-d; 14-F-a; 15-C-b

ARIA Quiz

Match the year and city with the individual presiding at the ARIA Annual Meeting.

Year	Location	President
1 1989	A Baltimore	a Brockett, Patrick L.
2 1990	B Boston	b Browne, Mark J.
3 1991	C Denver, Adam's Mark	c D'Arcy, Stephen P.
4 1992	D Denver, Westin	d Doerpinghaus, Helen I.
5 1993	E Indianapolis	e Gustavson, Sandra G.
6 1994	F Montreal	f Harrington, Scott E.
7 1995	G Orlando	g Jorgensen, Jerry L.
8 1996	H Philadelphia	h Nelson, Jack M.
9 1997	I San Diego, Omni	i Nielson, Norma
10 1998	J San Diego, Westin Horton Plaza	j Palmer, Bruce A.
11 1999	K San Francisco	k Schlesinger, Harris
12 2000	L Seattle	l Schmit, Joan T.
13 2001	M Toronto	m Skipper, Harold D.
14 2002	N Vancouver	n Thornton, John H.
15 2003	O Washington, D.C.	o Todd, Jerry D.

(see page 19 for answers.)

Serve on an ARIA Committee

If you are interested in becoming active on one of ARIA's committees, check the ARIA Web site at <http://www.aria.org/> for contact information, or e-mail ARIA president Robert E. Hoyt at rhoyt@terry.uga.edu.

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