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## Editorial

By Christophe Courbage<sup>+</sup>

Once again it is my privilege to introduce this new edition of the insurance economics newsletter of The Geneva Association. In this newsletter, we aim to provide our readers with various sources of information that we deem useful to researchers and practitioners in the insurance field.

This newsletter starts with two articles, each addressing a particular and contemporary issue. The first one, by Christian Lahnstein, focuses on the sensitive issue of assessing the role of liability and insurance in times of crisis. Such an assessment requires a better understanding both of the ways societies perceive crises and the different national compensation mechanisms in place. The text provides this understanding. The second article by Jean Kwon addresses the potential shortage of human resources in the insurance industry. This shortage has already become perceptible in various countries and raises serious concerns for the future as many functions in the insurance industry require high levels of skill in areas such as risk management, risk pricing, credit evaluation and financial engineering. To attract and retain workers, the article suggests the insurance industry make itself more attractive and cultivate a positive image, whilst also working more closely with educational institutions.

This newsletter also presents insights on the various channels The Geneva Association uses to support research in insurance. One of these channels is its support to the European Group of Risk and Insurance Economists (EGRIE), which the Association created 40 years ago. The new EGRIE president Georges Dionne offers some views on this group and addresses some of its future activities, in particular, the next EGRIE seminar to be held in St. Gallen in September 2014 (the call for papers is available on page 9) as well as the next World Risk and Insurance Economics Congress to be held in Munich next year, organised jointly by ARIA, APRIA and The Geneva Association.

A second channel through which The Geneva Association supports research is two important prizes and awards. The first is the prestigious Ernst-Meyer prize which recognises university research work in the form of a doctoral thesis which makes a significant contribution to the study of insurance economics (see the call for submissions on page 12).

<sup>+</sup> Research Director – Health and Ageing, Insurance Economics, The Geneva Association.

The second is the Shin Research Excellence Awards, jointly supported by The Geneva Association and the International Insurance Society. This year, the general theme is on “advances in science and technology: implications for the insurance industry” (the call for papers is available on page 11). Various other information about the conferences and publications of The Geneva Association is available in this newsletter, among which the programme of the next Annual Circle of Chief Economists conference and a special issue of *The Geneva Papers on Risk and Insurance* devoted to “Insurance and Finance” with Etti Baranoff as guest editor. Other activities organised by outside organisations in the field of insurance are also provided.

Finally, as some of you may already know, The Geneva Association has recently appointed a new Deputy Secretary General and Head of Research in the person of Shaun Wang. Shaun was previously Director of the Actuarial Science Program, and holder of the Thomas P. Bowles Chair of Actuarial Science at Georgia State University. Shaun will be a tremendous asset for The Geneva Association and I wish him much success in this new role. Welcome on board and fair winds, Shaun!

## Liability and Insurance in Times of Crisis: the Selectivity of Crisis Perception and the Patchwork Character of National Compensation Systems\*

By Christian Lahnstein

Insurers have to understand, assess and react to crisis situations—to “real” or merely “perceived” crises or to a mix of both, affecting different lines of business. Crises in the life of private persons such as cancer, or fear of cancer, and crises in individual corporations, such as the recall of a defective or apparently defective product are just “business as usual”, routine events for insurers—insurers are “repeat players”. But insurers also suffer their own crises, which may be business as usual for reinsurers, who seem to be in a good position to observe crisis situations of all kinds worldwide. Crises in the insurance industry as a whole can result from political crises, like wars, or from economic or financial crises. Demographic developments produce structural crises in pension insurance, or—in combination with medical inflation—in health and disability insurance. For decades, liability insurance has been tackling the myth and reality of the so-called U.S. liability crisis. Finally, catastrophic events can produce insurance crises, for example the 1842 Hamburg fire which triggered the creation of the first reinsurance company in Cologne some years later.

Assessing the role of liability and insurance in “times of crisis” from the point of view of fairness and efficiency requires a certain clarity in two apparently quite different fields:

- the manifold factors, mechanisms and inevitable selectivity in the perception of crisis;
- the fact that the role of liability and insurance is shaped by historical differences in each country regarding the interaction between social security, other state and private-sector “first-party” insurance schemes, tort law and liability insurance.

### Perception of crisis

Quoting the classic analysis of “naming, blaming and claiming”, “The emergence and transformation of disputes—the way in which experiences become grievances, grievances become disputes, and disputes take various shapes, follow particular dispute processing paths, and lead to new forms of understanding”.<sup>1</sup> Niklas Luhmann explains such social processes as follows: “Modern society ... makes structures, and therefore also *Betroffenheiten*-dependent

\* Paper presented at the 15<sup>th</sup> Joint Seminar of the European Association of Law and Economics and The Geneva Association, Girona, 13–14 June 2013.

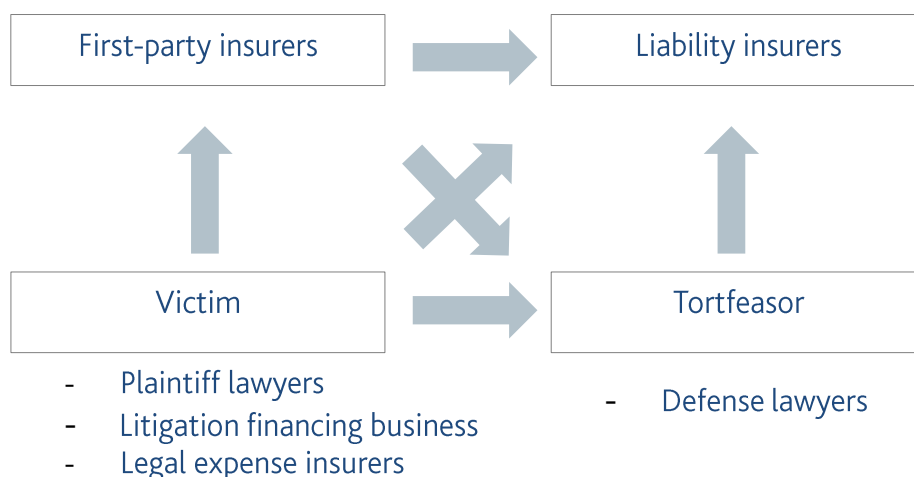
<sup>1</sup> Felstiner, W.L.F., Abel, R.L. and Sarat, A. (1980). The emergence and transformation of disputes: naming, blaming, claiming... . *Law & Society Review*, 15(3/4): 632.

decisions ... As a result, observers are created on a massive scale. Without adequate knowledge of decision-making situations, they attempt to explain their 'Betroffenheiten', referring them back to decisions taken by others."<sup>2</sup>

Such blaming and claiming processes shape "standard of care" developments in tort law, be it in relation to schools and churches in abuse cases, or to managers and professionals—medics and hospitals, even geologists and seismologists after the last Italian earthquake. And—in a more closely networked and informed global economy— it increasingly involves transnational corporations in foreign affairs, occupational, environmental or human rights scandals in developing countries.

"The standard of care in tort law ... can be seen as a universal rule that applies between people, business and public bodies."<sup>3</sup> What factors drive these slowly changing standards? There are mainly developments in the regulation of corporate behaviour: OECD or ILO guidelines, soft law and self-regulation as part of corporate social responsibility policies and codes of conduct, well-meant governmental policies and investors' preferences. Soft law is by definition unenforceable. But at what point do duties of care come into consideration under tort law, affecting parent companies in relation to the conduct of subsidiaries, or the big trade chains and entire industrial sectors such as the textile or food industry (to name two) in relation to their supply chains?

More questions: Does tort law have the role of stimulating local regulation today in developing countries, as with Japanese post-World War II environmental litigation? How does regulation "by tort judges" stand in relation to state regulation? Fulfilment of public regulation—which may be outdated—does not necessarily exclude violation of safety standards under tort law and, conversely, non-fulfilment of regulation does not necessarily imply such violation. Does regulation create new liability risks, as in the constant food scandals, which—even in the absence of any public health risk—can trigger notable ripple effects of pure economic loss? Is tort law (paraphrasing Clausewitz<sup>4</sup>) also a continuation of regulation by other means, as in the U.S. litigation on weapons, tobacco, fast food or climate change? Do new technologies need specific regulation (for example, to enable fracking in Germany, as recently denied)? Or do they even need both, specific regulation *and* specific liability rules, as has happened in Germany and other countries, with prohibitive consequences for green genetically modified organism (GMO) technology? Finally: Do new technologies need specific liability insurance policies? Is it possible to exclude them from existing insurance covers without excessive cost or complication of the underwriting and claims process?



<sup>2</sup> "The German term *Betroffenheit* does not make the distinction between being concerned and being affected, and this ambiguity makes this term particularly useful for intellectual and political rhetoric. One can express concern about the situation of others that may become affected by decisions, but also concern about the not-being concerned of others." See Luhmann, N. (1997). Risk and causality. In Munich Re, *1<sup>st</sup> International liability forum* (p. 80).

<sup>3</sup> Van Dam, C. (2011). Tort Law and Human Rights: Brothers in Arms. On the role of tort law in the area of business and human rights. *Journal of European Tort Law*, 2(3): 237.

<sup>4</sup> "Der Krieg ist eine bloße Fortsetzung der Politik mit anderen Mitteln" [War is merely the continuation of *Politik* with other means]. Clausewitz, C. von (1832). *Vom Kriege*. Berlin: Dümmlers Verlag (p. 19).

## The role of historical differences among countries

Selective legislative reactions to previous crises are one of several factors that contribute to the historical jungles of what we can call the existing, and always different, **national compensation systems**.

Tort law and liability insurance on the side of the tortfeasor, and first-party insurance on the victims' side are the main components of such compensation systems—developing over long time periods and rarely being implemented as such. By first-party insurance we understand both private direct insurance like health or property insurance, and all kinds of social insurance and other public compensation schemes. Tort law and first-party insurance schemes develop for the most part independently side by side.

One aspect is victim protection—should workers be privileged in relation to non-workers, victims of terrorism in relation to victims of other violent acts, victims of catastrophes in relation to victims of other accidents? Here, tort law and state *ex post* compensation schemes can be used to fill gaps in the first-party schemes. Open to dispute is (mainly in relation to natural disasters or terrorist attacks) the willingness of governments to spend money *ex post/ad hoc*, and their unwillingness to invest in sustainable *ex ante* compensation schemes. Considering large loss compensation as unrepeatable historical events, *ad hoc* arrangements could be considered an adequate answer. But in times of public money shortages, *ex ante* compulsory insurance solutions may be preferable.

Another aspect is the interaction of system components: interaction within first-party compensation schemes (health, pension, workers' compensation, governmental schemes), and interaction between these first-party schemes and tort law (accumulation of benefits or deduction with or without subrogation). Subrogation in the case of limited resources: who comes first? Why, in the 9/11 case, did fire insurers have the privilege to subrogate against the airlines and their liability insurers, and not the federal state (who financed the victim compensation fund), or workers' compensation insurers, or the still uncompensated rescue workers? These system components interact in different ways and produce historical and sometimes uncoordinated compensation jungles within each country.<sup>5</sup> Consequently, there are also few (if any) attempts at international harmonisation, even within the European Union.

This results in a wide variety of situations for insurers in the process of "bargaining" over risk assignment.<sup>6</sup> Insurers consciously or unconsciously take decisions and communicate through their business operations, exclusions, segmentation of risk categories, rating structures and all other techniques and instruments of insurance, defining who receives which insurance benefits, who pays for them and under which conditions. Their role varies: observer, active player, or just paymaster. Some historical examples follow.

### *Asbestos: why the U.S. story is so different*

So far, U.S. insurers have paid out about US\$50bn and still have to reserve about US\$30bn. The striking features (which differ from the rest of the world) are not the well-known importance of U.S. tort law, but the absence of both workers' compensation and employers' liability; a certain tradition of U.S. courts not even discussing (in product liability cases) any involvement of negligent employers<sup>7</sup>; the absence of state involvement; and the hardly ever alleged fact that regulations in building codes (on all three or four levels of government) specifically prescribed the use of asbestos to guarantee fireproof products. Quoting Rachel Maines<sup>8</sup>:

Sociologist of science Sheila Jasanoff tells us that "A master narrative is a compelling and frequently repeated story about the way the world works that takes hold of our imaginations and shapes the way in which we perceive reality, as well as our possibilities for collective action." The asbestos litigation master narrative, versions of which are available on hundreds of plaintiff firm websites, has been spectacularly successful in generating billions of dollars in revenue for plaintiffs, attorneys, and expert witnesses since 1973.

<sup>5</sup> "They constitute not so much rationally planned systems as a historically assembled hodgepodge of programs", Witt, J.F. (2004). *The accidental republic: crippled workingmen, destitute widows, and the remaking of American law*. Cambridge, Mass.: Harvard University Press (p. 211).

<sup>6</sup> Munich Re (2012). *Non-objectifiable diseases*. Introduction.

<sup>7</sup> Wagner, G. (2012). New perspectives on employers' liability: basic policy issues. In: G. Wagner and K. Oliphant (eds), *Workers' compensation and employers' liability*. Berlin; Boston: De Gruyter (p. 595).

<sup>8</sup> Maines, R. (2012). The asbestos litigation master narrative: building codes, engineering standards, and "retroactive culpation". *Enterprise and Society*, 13(4): 862.

### *Love Canal—a phantom disease with an impact on legislation*

Environmental policy is a never-ending learning process with ever-changing priorities—climate change today, soil pollution in the 1980s and 90s. The 1980 “Superfund” legislation, which created liabilities to finance the clean-up of polluted land, has been criticised as too strict, inefficient and plagued with high transaction costs. It caught liability insurers unprepared and has so far cost them nearly US\$30bn in paid losses and another US\$30bn in reserved losses. The Superfund legislation was considerably influenced by the Love Canal scandal in the late 1970s. Love Canal was a residential area built on a chemical company’s former waste dump. Residents feared that the buried chemicals had resurfaced. The scandal took on dramatic proportions with the evacuation, first of pregnant women and small children, and finally of hundreds of families. Cass Sunstein’s case study shows that the Love Canal scandal was a “bubble”, without proof of any actual harm or threat to health.<sup>9</sup> At the same time, it is worth noting that indeed there has been and still is mismanagement in underclass communities at polluted sites, in the U.S. and elsewhere.

### *Mobile telephony*

After countless studies on domestic appliances and high-voltage transmission lines failed to prove any risk, the EMF (electromagnetic fields) debate in the last few years has focused on mobile phones, where an alarmed public is demanding that exposure limits be reduced further and further. The operators could afford to do this—it distracts attention from their sometimes bizarre pricing systems. On the other hand, it would in no way calm the concerned *communities of suffering*, but rather confirm their suspicions and discredit the current limits. Consequently, the limits for domestic appliances would then also have to be lowered, even though no one (probably rightly) considers it necessary. From the point of view of regulatory bodies, such prevention is questionable: regulation would suffer a loss of authority. Insurers should point out this inconsistency and not intensify it by now also focusing on mobile phones. At any rate, thus far, they have not been tempted into any negotiations regarding compensation as in some other cases of non-objectifiable diseases, such as whiplash in motor liability insurance, psychosomatic diseases in disability insurance, and in the context of pharmaceutical product liability mass settlements.

### *Emerging IT world—the rise and fall of repetitive strain injury*

A flood of claims from office workers brought Australian workers’ compensation insurers to the verge of bankruptcy. What caused the spread of this epidemic in the early 1980s and its just as swift abatement a few years later? Among the reasons given were: new technologies combined with a new organisation of labour and suspicion towards multinational corporations (“dumping of outmoded keyboards”), the more liberal compensation criteria in workers’ compensation insurance and changed medical concepts, as well as the new Labour government and trades union campaigns in the early 1980s. Consequently, the lawsuits subsided when the following measures were taken: investment in ergonomics combined with lower workloads, reduced compensation and increased medical scepticism, as well as a social counter-reaction to the epidemic. The media followed both developments closely, rise and fall, building up as well as later discrediting the issue.<sup>10</sup>

The two aspects briefly described here—an understanding of the ever-varying ways in which societies perceive and deal with crises, and an understanding of the different historical national compensation mechanisms—are topics to which liability insurers in particular should contribute. Liability insurance is long-tail and all-risk, covering in principle all types of personal injury, material damage, pecuniary loss and environmental impairment. Liability insurers therefore have to try and assess a wide spectrum of long-range and widely varying technological, economic and social developments. Property insurers can draw on information like scientific data on natural catastrophes. Liability insurers have to use other methods to observe and understand social change, such as changing standards of care, the interaction of social and legal developments.

Greater insight into the strengths and weaknesses of the different national compensation systems, combined with the experience of historical claims complexes, should enable a real-world inventory of systems and cases, helpful in providing suitable and tailor-made liability, insurance and public–private partnership solutions, wherever compensation in crisis situations is required.

<sup>9</sup> Sunstein, C.R. (2004). *Risk and reason: safety, law, and the environment*. Cambridge, U.K.; New York: Cambridge University Press (pp. 79–81).

<sup>10</sup> Dembe, A.E. (1996). *Occupation and disease: how social factors affect the conception of work-related disorders*. New Haven: Yale University Press (pp. 91–94).

## Human Capital and Talent Management Issues in the Insurance Market\*

By W. Jean Kwon<sup>†</sup>

The human capital attraction and retention challenges in the insurance industry continue to intensify due to a combining effect of social, demographic, economic and industry-specific factors. We already observe several signs in the industry. Insurers in the U.S. experienced human capital growth at a rate lower than the national average during the 12-month period ending in October 2012. They saw modest manpower growth in the non-life (0.17 percent), health and medical (0.30 percent), reinsurance (0.36 percent) and intermediary (0.71 percent) businesses, as reported by the U.S. Bureau of Statistics. During the same period, life business even lost 0.30 percent of its manpower. A report by the Insurance Information Institute<sup>11</sup> notes that, during 1990–2011, the industry had: a volatile and gradual downward shift in the non-life market, a fast decrease in the life and reinsurance markets and a gradual, positive growth in the health and medical market, the agency and brokerage market and, with some volatility, in the claims management market. In sum, of all lines, the institute observes more signals of volatility than stability in the U.S. insurance labour market.

Population ageing along with low fertility rates has become a major risk globally, and the assumption that the supply of young human capital will remain sufficient for an economy to sustain its growth may no longer hold. Indeed, the Lloyd's Risk Index reports "a shortage of talent and skills" as the 2<sup>nd</sup> and 11<sup>th</sup> most critical risk in 2011 and 2013, respectively. For the 2013 survey, Asian respondents ranked it 6<sup>th</sup>, well above the risks of climate change and natural catastrophes. The 2011 Lloyd's Risk index reports that less than 50 percent of the respondent companies in all regions are prepared to manage talent and skills shortage problems.

Further, differences in attracting and retaining workers by skills level exist. Towers Watson<sup>12</sup> finds that 65 percent of employers experience difficulty in attracting critical-skill employees as compared to 25 percent for all employees. Within the critical-skill worker category, the difficulty is felt more greatly in fast developing economies, such as China/India (84 percent) and Brazil (81 percent), than in developed economies, such as Ireland/Spain (49 percent) and the U.S. (52 percent). Similar patterns in employers' difficulty in retaining talent workers are observed. The global retention average for talent workers is 49 percent as compared to 21 percent for all workers. Again, the problem is felt greater in rapidly developing economies such as India/China (81 percent) and Brazil (65 percent), than in developed economies such as Ireland/Spain (29 percent) and the U.S. (31 percent).

### Coordination for human capital development and management

Population ageing is a serious risk to the insurance industry. We find evidence of, for example, a skewed distribution of worker ages towards the near-retirement groups in insurance markets in a number of countries. Insurers are indeed in critical need of attracting new human capital and retaining current workers. The search for talent workers in the industry, however, is challenging, in part because of the weak reputation of the industry that, correctly or not, the public and students in many countries perceive. The industry needs to invest more in maintenance and improvement of human resources management programmes to retain existing workers, especially the older ones. Further, the key for the successful continuation of insurance operations must include the human resources management infrastructure via which insurers generate current and future workers with "the right skills, at the right time, place and cost" (McKinsey).<sup>13</sup> Having such infrastructure is equally critical for local and overseas operations.

The field of insurance is, on the one hand, not widely known to the general public. On the other hand, it is viewed as attractive to the students studying the subject and as very attractive to the ones who are already in the industry.

\* This article is drawn from Mr Kwon's article "Human Capital Risk and Talent Management Issues in the Insurance Market: Public Policy, Industry and Collegiate Education Perspectives" (2014) in *The Geneva Papers on Insurance and Risk-Issues and Practice* 39(1): 173–196.

<sup>†</sup> Edwin A.G. Manton Endowed Chair Professor in Insurance and Risk Management, School of Risk Management, St John's University, NY.

<sup>11</sup> Insurance Information Institute (December 2012). *Insurance industry employment trend: 1990–2012*, New York: Insurance Information Institute.

<sup>12</sup> Towers Watson (2010). *Creating a sustainable rewards and talent management model: global talent management and rewards*, Survey Report. New York: Towers Watson.

<sup>13</sup> McKinsey & Company (2010). *Building a talent magnet: how the property casualty industry can solve its people needs*, New York: McKinsey & Company.

Therefore, the employers need to find how to broaden the understanding among the younger population—particularly, college-bound high school students and college students in business schools—of the contribution the industry makes to society and the economy and about the professionalism their workers carry. In a separate study in progress, we find that the study of Risk Management and Insurance (RMI) is becoming popular, albeit not widely, in selected countries.

Based on the findings presented in the full paper, we offer the following recommendations as solutions to human capital risk. First, the industry is advised to be more active in public relations and generate a more positive image of insurance as an academic and professional field. It needs to assist governments in enhancing financial literacy among the public in general as well as local schools to attract more students to the academic RMI field. The K-12 Initiative to foster a more risk-literate society in the U.S., for example, consists not only in helping participating schools develop risk and insurance literacy learning modules, but also in providing high school teachers with workshops and teaching materials. Insurance companies should also target better consumer education.

Second, insurance companies are advised to work more closely with qualified local tertiary educational institutions for the adoption of RMI as a major field of study and, in the case of institutions already with a programme, for coordinated enhancement of students' learning processes. The learning can be in class (for example, curriculum reviews and industry guest speaker series) and at the workplace—including (academic) internship and mentorship (shadow) programmes and invitations to industry workshops and conferences. In fact, we find that an increasing number of colleges and universities offer for-credit internship courses to their undergraduate and graduate students. We also suggest that companies be active in communicating with RMI faculties and vice versa. The Griffith Insurance Education Foundation<sup>14</sup> recommends executive education, scholarships and the funding of faculty research and consulting activities. The goal here is development of more academically-viable-and-industry-supported college RMI programmes. Equally importantly, tertiary educational institutions need to constantly review and update their RMI programmes so that their graduates become the future talent with the right soft and hard skills.

Finally, employers must continue to review the effectiveness of existing personnel development programmes and update them as and when necessary. They need to review key developments externally in the social, demographic, political, regulatory and economic environments in order to minimise skill- or geography-based job mismatching risk. This work can be done internally or in conjunction with local insurance associations. Collaboration between the public and private sectors is additionally suggested. Insurance companies need to prepare for talent morbidity across sectors and countries, for which they may consider a customised (localised) programme that reflects the uniqueness of the environmental factors in each country of operation.

Convergence in financial services affects the availability of talent workers in the insurance labour market. As more products become hybrid and distributed via non-traditional channels, insurance specialists may find new opportunities in other financial services markets. Geographical expansion of insurance, banking and investment services—increasingly via financial service conglomeration—is also generating new business and, thus, employment opportunities, in new territories. As such, the search for top-quality senior management, middle managers and professionals continues to expand to outside the insurance industry<sup>15</sup> or the local market, or both. These phenomena of labour forces in transition across financial services industries and countries signal that insurance companies need well-articulated talent attraction and retention plans. The local academic institution and industry organisations should also play a role in producing new employees as well as training and retaining incumbent ones, respectively.

Again, the disparity in academic programmes and industry human capital skills needs can inflate human capital obsolescence risk. The disparity may be soft skills-specific (particularly, oral and written presentation), knowledge-specific (for example, the breadth of courses in the academic major) or both. The narrower the disparity, the lower the obsolescence risk management cost. All parties of interest are thus recommended to coordinate their efforts to find and retain workers—young and older—that are talented and possess the qualifications the industry needs.

<sup>14</sup> Griffith Insurance Education Foundation (2011, November) *Report on existing millennial research*. Worthington, OH: Griffith Insurance Education Foundation.

<sup>15</sup> Deloitte (2006). *How can insurance companies beat the talent crisis*. New York: Deloitte (p. 3).

## News from EGRIE

### Letter from the President

By Georges Dionne\*

The first time I attended a Geneva Association meeting was about 30 years ago in Geneva. I presented a paper on insurance and savings which was co-authored by Louis Eeckhoudt. I was stressed when I arrived at the conference because the discussant was none other than Denis Kessler, who was already a well-known researcher in both fields. His comments were relevant and very well presented. They helped us to improve the economic interpretation of our results.

At that time, we were about 20 researchers seated at an oval table discussing papers for two or three days. Henri Loubergé, then associate editor of *The Geneva Papers on Risk and Insurance*, was the academic leader of the group who worked tirelessly to convince researchers around the world to attend the group's meetings and publish in the Journal. His legendary perseverance was a key factor in the growth and quality of the group. He then founded the *Geneva Papers on Risk and Insurance Theory* that later became the *Geneva Risk and Insurance Review*, the current journal of EGRIE.

Things have changed dramatically since then. Last September, the 40<sup>th</sup> Seminar of the European Group of Risk and Insurance Economists had more than 85 participants from around the world and 36 papers were presented. The meeting was in Paris and hosted by SCOR, the fifth largest reinsurer in the world, whose president and CEO is... Denis Kessler! I take the opportunity to thank Rachel Huang and Jean Pinquet for their excellent help as part of the programme committee, and Pierre Picard along with Christine Lavour and Sri Srikandan at École Polytechnique, for the outstanding local organisation.

Two important prizes were awarded at the conference in collaboration with IDEI:

the SCOR/EGRIE Award for the best paper presented by young economists at the annual seminar to **Sebastian Ebert and Philipp Strack** for their contribution "*Until the Bitter End: On Prospect Theory in a Dynamic Context*", and the SCOR/GRIR Award for the best article to **W. Henry Chiu** "Risk Aversion, Downside Risk Aversion and Paying for Stochastic Improvements", published in *The Geneva Risk and Insurance Review* [GRIR 37(1): 1–26].

The EGRIE seminar is one of the top two conferences on risk and insurance in the world. It shares its reputation with the Risk Theory Society Seminar of the American Risk and Insurance Association. Both seminars are very competitive and attract many young researchers finishing their PhDs who are motivated to become active members of both groups.

The coming years are important for EGRIE. The group must increase its revenue to bolster its long-term financial position. The *Geneva Risk and Insurance Review* must attract more articles to become a quarterly journal. There are many ways to go about doing that and the two editors, Michael Hoy and Achim Wambach, have proposed different strategies to the Board of Directors. One of these strategies is to publish high quality special issues on different aspects of risk and insurance. I encourage the members of the group to submit papers to these special issues, because special issues are usually well read, consulted and referred to in subsequent publications. I also urge members to propose subjects for new special issues that may become of interest to researchers and the insurance industry. Publishing these issues must become a new tradition in the life of the Journal.

EGRIE will host the 2015 World Risk and Insurance Economics Congress (WRIEC) in Munich, Germany. The congress will bring together researchers from the Asia-Pacific Risk and Insurance Association, The American Risk and Insurance Association and EGRIE. The Geneva Association will also be involved in organising the conference. This international event is crucial for ensuring that our association be recognised as an influential partner in the development of insurance research around the world. Meanwhile, we will have our next meeting in St. Gallen, which will certainly be a very good warm up for 2015. The call for papers is already on the [Web](#), and Harris Schlesinger will present the Geneva Risk Economics Lecture; an event that is certain to be both stimulating and challenging. Start preparing your comments and questions now!

\* École des Hautes Études commerciales (HEC), Montreal.



## Call for Papers

### 41<sup>st</sup> Seminar of the European Group of Risk and Insurance Economists

([www.egrie.org](http://www.egrie.org))

**15–17 September 2014, St. Gallen (Switzerland)**

The 41<sup>st</sup> Seminar of the European Group of Risk and Insurance Economists (EGRIE) will take place in St. Gallen, Switzerland, on 15–17 September 2014. **Hato Schmeiser** ([hato.schmeiser@unisg.ch](mailto:hato.schmeiser@unisg.ch)) is the local organiser.

Papers can be on any topic in Economics, Finance or Management Science as related to risk and insurance.

On the occasion of the seminar, the 26<sup>th</sup> Geneva Risk Economics Lecture will be delivered by **Harris Schlesinger**.

The scientific programme committee for this meeting is composed of **Mark Browne (chairman)**, **Helmut Gründl** and **Carole Bernard**. Completed papers or detailed abstracts should be submitted by **15 April 2014** in MSWord or pdf format to: Mark Browne, School of Risk Management, Tobin College of Business, St. John's University, [EGRIE2014@gmail.com](mailto:EGRIE2014@gmail.com).

Acceptance or refusal of papers will be communicated by the end of May 2014. The seminar is sponsored by The Geneva Association.

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## SCOR–EGRIE Best Paper Awards

### SCOR–EGRIE Young Economist Best Paper Award

#### Winner

The 2013 SCOR–EGRIE prize for the best paper presented by a young economist at the annual seminar of EGRIE was awarded to **Sebastian Ebert** and **Philipp Strack** for their paper “Until the Bitter End: On Prospect Theory in a Dynamic Context”.

The two other nominees were **Daniel Bauer**, **Enrico Biffis** and **Luz Rocio Sotomayor** (“Optimal Collateralization with Bilateral Default Risk”) and **Nadine Gatzert** and **Michael Martin** (“Valuation and Risk Assessment of Participating Life Insurance in the Presence of Credit Risk”).

#### Submissions

The SCOR–EGRIE Young Economist Best Paper Award was created by SCOR, the Institut d’Economie Industrielle (IDEI) and the University of Paris-Dauphine to honour the best paper presented by a young economist at the annual seminar of EGRIE.

The amount offered to the laureate of the award is **€2,000**. This award is organised under the supervision of the Risk Markets and Value Creation Chair at IDEI and Dauphine University, which is sponsored by SCOR and the Fondation du Risque.

The selection committee is composed of five people representing the following institutions: EGRIE, SCOR, Fondation du Risque, Dauphine University and IDEI.

Rules of the SCOR–EGRIE Award:

- To be eligible, the author and all co-authors have to be under 40 years old.
- The EGRIE Scientific Committee of the WRIEC nominates three papers among those selected for presentation at the conference.
- Upon reception of the final version of the three nominated papers, the selection committee will choose the winner.
- The SCOR–EGRIE Young Economist Best Paper Award will be announced and given during an official ceremony at the EGRIE Seminar.

## SCOR–Geneva Risk and Insurance Review Best Paper Award

### Winner

The 2013 SCOR-GRIR Award for the best paper of the year, published in *The Geneva Risk and Insurance Review*, was awarded to W. Henry Chiu for “Risk Aversion, Downside Risk Aversion and Paying for Stochastic Improvements” [*The Geneva Risk and Insurance Review* (37)1: 1–26].

### Submissions

SCOR, the *Institut d’Economie Industrielle* (IDEI), and The University of Paris-Dauphine created the SCOR-GRIR Award to distinguish the best paper of the year published in *The Geneva Risk and Insurance Review*.

The amount offered to the laureate of the award is €1,000. This award is organised under the supervision of the Chair “Risk Markets and Value Creation” at IDEI and Dauphine University, which is sponsored by SCOR and the *Fondation du Risque*.

The selection committee, composed of the editors and associate editors of *The Geneva Risk and Insurance Review*, will choose and reward the best paper published the previous year.

The SCOR–Geneva Risk and Insurance Review Award will be announced during an official ceremony at the EGRIE Seminar.

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## World Risk and Insurance Economics Congress (WRIEC) 2015

**2–6 August 2015, Munich (Germany)**

The 3<sup>rd</sup> World Risk and Insurance Economics Congress (WRIEC) will be organised by the European Group of Risk and Insurance Economists (EGRIE) in cooperation with the Asia-Pacific Risk and Insurance Association (APRIA), the American Risk and Insurance Association (ARIA) and The Geneva Association. It will take place from 2 to 6 August 2015 in Munich, Germany.

The Organisation Committee is composed of Sankarshan Basu (Indian Institute of Management Bangalore), Patricia Born (Florida State University), Christophe Courbage (The Geneva Association), John Fitzpatrick (The Geneva Association), Montserrat Guillén-Estany (University of Barcelona), Hunsoo Kim (Soon Chun Hyang University), Andreas Richter (LMU Munich) and Paul Thistle (University of Nevada, Las Vegas).

The World Risk and Insurance Economics Congress (WRIEC) is the most important gathering of academics and professionals interested in risk and insurance research, education, scholarship, practice and policy. The world’s three leading academic associations in risk and insurance and the leading international insurance think tank come together to form this forum dedicated to foster the understanding of risk and insurance.

The WRIEC meeting replaces the regional conferences of all three co-organising academic associations, thus becoming the single common event for them. Its inaugural meeting took place in 2005 in Salt Lake City in the U.S. and was organised by ARIA. The Second Meeting took place in 2010 in Singapore and was organised by APRIA. The Third Meeting will take place in 2015 in Munich in Germany and will be organised by EGRIE.

This unique event offers unparalleled opportunities to network with and learn of the latest, world-class research from academics and those from the regulatory and business communities. Additionally, the World Congress seeks to build and strengthen linkages between the world’s leading risk related academics and the business and regulatory communities. Programme structure and content will reflect this goal.

The call for papers will be available later this year.

We are very much looking forward to welcoming you in Munich in 2015!

## Geneva Association Prizes and Research Grants

### Call for Papers

### Shin Research Excellence Awards

The Geneva Association/IIS Research Awards Partnership

US\$5,000 for the best papers

to be presented at the 2014 IIS Seminar in London, 22–25 June 2014

#### The International Insurance Society / Geneva Association Research Initiative

The Shin Research Excellence Awards is presented annually by the International Insurance Society and The Geneva Association through a research partnership programme. The research programme is designed to foster original, *applied research* addressing issues of concern to global insurance leaders by examining subjects which directly influence business operations and issues on a practical level.

The Shin Research Excellence Awards' winning research will be presented at the annual IIS seminar in London on 22–25 June 2014 before a delegation of over 500 insurance professionals. The IIS seminar provides a forum for business leaders, regulators and academics to explore issues facing the global insurance industry.

Recognising that research anchors productive dialogue with facts and serves as a catalyst for forward looking innovation, the 2014 research programme will focus on *Advances in Science and Technology: Implications for the Insurance Industry*. The insurance industry faces a diverse array of challenges based on a trajectory of global scale social, economic and environmental issues. Consequences of a worldwide ageing population, climate risk and an increasing dependency on technology present both challenges and opportunities for the industry. There is much to gain from scientific research and technological advancements across a broad spectrum ranging from telematics, genomics, medical sensors, satellite imagery interpretation, remote sensing and geographical information systems. Conversely, as technological reliance continues to escalate there is a corresponding increase in vulnerability to network intrusion, data loss and system failures which can result in supply chain and operational disruptions and reputational damage. Thus advancements in science and technology will impact the insurance industry broadly, influencing strategic growth.

The IIS and The Geneva Association invite submissions of original empirical research and case studies on *Advances in Science and Technology—Implications for the Insurance Industry* including:

- innovations in medical technology: impact on global demographics in an ageing society;
- cyber risk: managing exposures;
- climate risk and natural disasters: monitoring, modelling and mitigation;
- technology advances in automobiles.

The research will be published in *The Geneva Papers on Risk and Insurance* as well as a special edition of *The Geneva Papers on Risk and Insurance* distributed by the IIS and The Geneva Association. Awards in an amount of up to US\$5,000 are presented to qualifying research, and the authors will be hosted at the IIS annual seminar, including travel expenses, to present their research and actively participate both formally and informally throughout the seminar.

**The deadline for submissions is 24 January 2014.** Submissions must be in English, consist of approximately 6,000 words and include: a cover page containing the paper title, author(s) affiliation and contact information; a two-page text explaining the purpose and importance of the research, research methodology, results and a summary of the implications for the industry. Only full papers will be accepted for review and consideration. The paper may not have been published in any other forum prior to its submission to the programme. Please send submissions to: [secretariat@genevaassociation.org](mailto:secretariat@genevaassociation.org) with the subject line: "Shin Research Excellence Awards Submission." A judging committee will review all submissions and authors will be notified of the selections in March 2014.

## Call for Submissions for the Ernst-Meyer Prize 2013

The Geneva Association awards the prestigious Ernst-Meyer Prize annually for university research work in the form of a doctoral thesis which makes a significant and original contribution to the study of risk and insurance economics. The Judging Committee for this year Ernst-Meyer Prize comprises Dr Christophe Courbage, Prof. Sandrine Spaeter and Prof. Richard Watt.

Applications for the award should include all of the following:

- an electronic version (pdf) of the thesis
- an English language abstract of 1,000–1,200 words
- two recommendations (written in English), each providing a review of the submitted work
- a curriculum vitae in English.

Further requirements:

- The thesis should have been accepted by the PhD Committee during the calendar year preceding the submission deadline.
- Submissions are possible in one of the following languages: English, French, Spanish and German.
- The prize is 5,000 Swiss francs.
- The deadline for the Ernst-Meyer Prize 2013 is **31 January 2014**.

Applications should be addressed to [secretariat@genevaassociation.org](mailto:secretariat@genevaassociation.org), The Geneva Association, "Ernst-Meyer Prize", General Secretariat, route de Malagnou 53, CH-1208 Geneva.

For a full list of past winners, please click [here](#).

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## Geneva Association Research Grants

Each year, The Geneva Association awards up to two research grants for submissions—usually doctoral theses carried out in the field of risk and insurance economics.

Each grant is worth CHF10,000 and covers a period of 10 months. The grants are primarily intended for research for a thesis leading to a doctor degree in economics. Suggested themes and subjects for research grants are:

### Economic theory:

- Uncertainty: Imperfect information in deterministic versus indeterministic models
- Insurance and risk management in the service economy
- Insurability and economic fundamentals
- Insurability: privatisation processes and public intervention
- The problem of the reinsurer of last resort
- Credibility theory (in actuarial sciences) and economics of scale
- Comprehensive theories of risk: defining, comparing and integrating pure risks, financial and entrepreneurial risks
- Fiscal policy, solidarity and private insurance
- Monetary stability and its impact on pure risk management
- Systemic risks, the liability portfolio of insurance and pure risk management
- The changing role of capital in the contemporary service economy with respect to financial institutions
- The economic value of human life.

### Economic practice:

- Moral hazard and fraud in the management of pure risks and insurance
- Derivatives and their role for insurance on the assets and on the liability side
- Economics of health and medical care
- The development of technology in specific sectors and their impact on the insurability of risks
- Reinsurance markets
- The role of government, risk management and insurance institutions with reference to catastrophic and environmental risks
- Financing the life cycle, in particular with regard to the increasing life expectancy of persons over 60: the role of insurance and public institutions
- Productive activities, employment and health
- National and international institutions, their impact on regulation and solvency rules in the insurance market (European Union, World Trade Organization, etc.)
- Fiscal policy and reserving for large low-frequency risks
- Distribution strategies in insurance
- Emerging markets: Problems and opportunities.

For more information please see: [www.genevaassociation.org/prizes,-awards-and-grants](http://www.genevaassociation.org/prizes,-awards-and-grants)

## Activities Supported by The Geneva Association

### Call for Papers

The Geneva Association is pleased to announce a special issue on

### Insurance and Finance in

### *The Geneva Papers on Risk and Insurance – Issues and Practice*

**April 2015**

We encourage you to submit contributions related to the following areas, but are not necessarily limited to:

- systemic risk and insurers capital structure;
- securitisation, catastrophe bonds and the insurance markets;
- interaction between innovation in capital markets and reinsurance;
- captives, self-insurance and financial stability;
- solvency, capital markets and venture capital;
- the role of insurers in fostering financial stability in the economy;
- the effects of the designations of systemically important insurers and comparison to the designations of systemically important banks ;
- the methods and proposals for global capital standards;
- the impact of interest rates on insurers' capital, profitability and solvency;
- the economic impact of macroprudential regulation on insurers' capital, risks and growth;
- comparison between the banking and insurance business models in liquidity, asset allocation, and capital structure;
- Changes in the corporate and governance structure of insurers and interrelations to capital and risks:
- financial aspects of the resolution process for insurance companies;
- innovation in insurance products in light of longevity risks, new regulatory risks, and interest rates and the future of guaranteed products in (life) insurance;
- the possible impact of new accounting rules on financing and investment strategies of insurance companies:
- new methods in financial risk management;
- the interplay between hedging activities and capital structure in the risk mitigation of insurers;
- interconnection between insurance and other financial services companies;
- the implications of extreme event financing for the P&C and reinsurance industry.

All contributions will go through a refereeing process. The guest editor for this special issue is Prof. Etti Baranoff. Papers should be submitted electronically via the website of *The Geneva Papers* (<http://gpp.msubmit.net/cgi-bin/main.plex>) by **15 June 2014** at the latest.

For further information on this special issue, please contact Etti Baranoff at [etti\\_baranoff@genevaassociation.org](mailto:etti_baranoff@genevaassociation.org)

## 16<sup>th</sup> Meeting of The Geneva Association's Annual Circle of Chief Economists

26–27 February 2014

*Hosted by Munich Re*

Venue: Munich Re, Königinstrasse 107, 80802 Munich

### Programme

#### Wednesday, 26 February 2014

- 18.45 Gathering at the lobby of the Hotel Hilton Park, short walk to Munich Re (optional)  
19.00 Dinner at Munich Re, Königinstrasse 107

#### Thursday, 27 February 2014

- 08.30 Gathering at the lobby of the Hotel Hilton Park, short walk to Munich Re (optional)  
09.00 Start of the Conference and Welcome  
09.10 ***"Munich Re's perspective on climate change in the light of the 5th IPCC report"***  
Ernst Rauch, Head of the Corporate Climate Centre, Munich Re  
10.10 Coffee Break  
10.30 ***"Macprudential supervision and insurance: curse or blessing?"***  
Michael Wolgast, Chief Economist, Gesamtverband der Deutschen Versicherungswirtschaft (GDV)  
11.30 ***"Global ambition vs. local implementation: new regulatory challenges"***  
Daniel Hofmann, Advisor to the Chairman of the Board, Zurich Insurance Group  
12.30 Lunch  
13.30 ***"Macroeconomic outlook and its implications for the insurance sector"***  
Valérie Plagnol, Head of Global Research, Credit Suisse  
14.00 ***"Alternative capital in (re)insurance"***  
Philippe Trainar, Chief Risk Officer, SCOR  
15.00 Coffee Break  
15.20 ***"The growing insurance gap in developing and emerging countries"***  
Lorenzo Savorelli, Head of Research and Development, Assicurazioni Generali S.p.A.  
Giovanni Millo, Department of Research and Development, Assicurazioni Generali S.p.A.  
16.20 End of conference

## Advance Notice and Call for Contributions

### 11<sup>th</sup> Geneva Association Health and Ageing Conference “Emerging health risks—Emerging insurance solutions”

**6–7 November 2014, Madrid**

*Hosted by MAPFRE Foundation*

The Geneva Association has the pleasure to inform you that the 11th Health and Ageing Conference, generously hosted by MAPFRE Foundation, will take place in Madrid on 6-7 November 2014. The conference will focus on new and emerging health risks, how they impact health and health financing mechanisms, and how insurance covers and manages these risks.

Topics will include:

- typology and assessment of emerging health risks;
- new health technology (including big data and smart analytics) and insurance;
- environmental health, lifestyle, risky behaviours (obesity, smoking) and prevention;
- genetics and insurance;
- antimicrobial resistance, pandemics, and climate change;
- new health risks for an ageing population;
- new insurance products and markets for emerging health risks.

We encourage you to submit contributions related to the topics of the conference. Suggestions for other topics will be considered.

Should you be interested in contributing to this conference, please contact [christophe\\_courbage@genevaassociation.org](mailto:christophe_courbage@genevaassociation.org)

Participants will come from insurance and reinsurance companies, universities and related institutions. There is no conference fee. The conference will have a limited number of participants to guarantee an active exchange of opinions and animated discussions.

For further information, please contact our Conference Coordinator, Ms Barbara Botterill at: [barbara\\_botterill@genevaassociation.org](mailto:barbara_botterill@genevaassociation.org)

## Other Seminars and Calls for Papers

### Call for Papers

#### Asia–Pacific Risk and Insurance Association

#### 18<sup>th</sup> Annual Conference

27–30 July 2014, Moscow State University, Moscow, Russia

The Asia–Pacific Risk and Insurance Association (APRIA) invites you to submit a paper for presentation at its 18th annual conference in Moscow, Russian Federation. Moscow State University is the host of the conference. 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, pensions, risk management, financial planning, international insurance issues and insurance education.

The deadline for proposal submission is 16 February 2014.

The deadline for full paper submission is 31 May 2014.

**Proposal Submission:** The proposal must be in English. Each proposal should be in two separate files:

- a document containing only the author's name and full contact information, plus the paper's title and abstract;
- a document containing the title of the paper and the detailed proposal (i.e. the purpose and importance of the research, methodology and data; expected results and references), but no author information.

A full paper in lieu of a proposal is encouraged. The submission should be made via:

<https://www.scicollege.org.sg/APRIA2014>

**Full Paper Deadline:** Authors of accepted papers are required to present their papers at the conference. They must submit the full paper in MS Word or PDF format by **31 May 2014** using the above link. **Only full papers submitted by the deadline will be included in the proceedings.**

**Kyobo Life Travel Scholarship:** APRIA, with the financial support from Kyobo Life Insurance Company, plans to provide limited travel aid selected junior authors—Ph.D. candidates and full-time professors within three years of teaching experience. The qualified author may apply for the support by submitting his or her resume at the time of proposal submission.

**Harold D. Skipper Award for the Best Paper:** Applicants for this Best Paper Award must submit completed papers by **31 May 2014**. Award winner(s) will be announced at the conference.

For more information about the association and the Moscow conference, visit the website or contact the secretariat or the Program Committee chair.

APRIA Secretariat  
c/o Singapore College of Insurance  
[apria@scidomain.org.sg](mailto:apria@scidomain.org.sg)

Soon-Jae LEE  
2014 APRIA Program Committee Chair  
[sjlee@sejong.ac.kr](mailto:sjlee@sejong.ac.kr)



## Call for Papers

### American Risk and Insurance Association 2014 Annual Meeting

3–6 August 2014, Seattle, WA

You are encouraged to submit a proposal to present research findings at the 2014 meeting of the American Risk and Insurance Association (ARIA). Papers on any risk or insurance related topics are welcome. Specific subject areas include, but are not limited to, insurance economics, risk management, insurance law or regulation, insurance company operations, corporate governance, public policy, health care, international issues, retirement, or employee benefits.

Executive summaries (not exceeding three pages) that focus on the purpose, expected results, and importance of the research may be submitted. Completed papers are preferred. Proposals from doctoral students are encouraged.

The deadline for submission is **14 February 2014**. This deadline will not be extended.

Proposals must be submitted electronically on ARIA's website at <http://www.aria.org> in Acrobat (.pdf) or Word (.docx) format. The submission link will be available no later than 8 January. Please remove all author information from your paper (double-blind review process).

Notes: Papers already accepted for publication should not be submitted. Authors will be notified by e-mail of the Program Committee's decision regarding their paper by the end of April 2014. In order to stay on the programme, at least one author must register for the meeting no later than **15 June**.

Questions or suggestions concerning the programme can be directed to the ARIA Vice President and 2014 programme chair:

Andreas Richter, Munich School of Management Ludwig-Maximilians-Universitaet Munich [richter@lmu.de](mailto:richter@lmu.de)  
Telephone: +49 89 2180 2171

Other questions about the meeting should be directed to the ARIA executive office by phone at +1 (610) 640-1997, fax at +1 (610) 725-1007, or e-mail at [aria@TheInstitutes.org](mailto:aria@TheInstitutes.org).

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## Call for Papers

### International Conference on Economic and Financial Risks

12–13 June 2014, Niort (France)

Jointly organised by:

**IRIAF** (Institute of Industrial, Insurance and Financial Risk)

**CRIEF** (Research Centre on Economic and Financial Integration)

Bringing together researchers and professionals, this conference aims at providing further insight into risk management by means of an economic and financial approach.

We invite both theoretical and applied studies that may address one of the **following topics** (non-exhaustive list):

**Financial Risks** - financial crisis and systemic risk; international financial regulation; alternative investments; risk modelling and risk measures; market volatility and behavioural finance.

**Bank Risks** - banking profitability and prudential supervision; bank loan supply, capital structure and risks; bank governance and incentives mechanisms; contagion and risk management; banking intermediation and asymmetric information.

**Major Risks** - industrial risks, environmental risks, geopolitical risks - (insurability; major risk management: incentives mechanisms, risk prevention and interactions between the actors (public sector, firms, individuals); reinsurance; legal risks).

**Health and Ageing** - health insurance systems; health market regulation: rationalisation, incentives mechanisms and asymmetric information; retirement, saving and life cycle; life insurance; dependency risk.

**Risk and Innovation** - technological risk, firms and R&D strategies, innovation and growth, innovation and intellectual property rights, innovation and sustainable development.

### Scientific Committee

Lydie Ancelot, CRIEF, University of Poitiers – IRIAF; Christian Aubin, CRIEF, University of Poitiers; Raphaëlle Bellando, LEO, University of Orléans; David Crainich, CNRS, IESEG School of Management; Faridah Djellal, CLERSE, University of Lille; Johanna Etner, EconomiX, University Paris Ouest - Nanterre La Défense; Roméo Fontaine, LEG, University of Bourgogne, IRDES; Daniel Goyeau, CRIEF, University of Poitiers; Agnès Gramain, University Paris 1 Panthéon-Sorbonne; Christophe Hurlin, LEO, University of Orléans; Meglena Jeleva, EconomiX, University Paris Ouest - Nanterre La Défense; Florence Jusot, CREAM, University of Rouen; Nadine Levratto, EconomiX, University Paris Ouest - Nanterre La Défense, CEE; Henri Loubergé, University of Genève, Swiss Finance Institute; Catherine Lubochinsky, University Panthéon Assas; Jean-François Outreville, HEC Montréal; Cornel Oros, CRIEF, University of Poitiers – IRIAF; Béatrice Rey-Fournier, Institute of Financial Science and Insurances; Amine Tarazi, LAPE, University of Limoges.

### Invited Speakers

Georges Dionne, HEC Montréal

Louis Eeckhoudt, Catholic University of Louvain and IESEG School of Management

Bertrand Villeneuve, University Paris Dauphine

### Paper Publication

Selected papers will be published in a collective book.

### Young Researcher Award

Two 1500 euro prizes will be awarded to the best articles submitted by a Ph.D. student or a young researcher (having defended the Ph.D. within the last three years).

### Local Organising Committee

Lydie Ancelot (CRIEF, University of Poitiers – IRIAF); Jean-Marc Bascans (CRIEF, University of Poitiers – IRIAF); Marc-Hubert Depret (CRIEF, University of Poitiers – IRIAF); Cornel Oros (CRIEF, University of Poitiers – IRIAF)

Contact: [iriaf-colloque@univ-poitiers.fr](mailto:iriaf-colloque@univ-poitiers.fr)

Web page: <http://iriaf.univ-poitiers.fr/>

### Paper Submission

The papers should be submitted electronically in pdf format to the following address: [iriaf-colloque@univ-poitiers.fr](mailto:iriaf-colloque@univ-poitiers.fr)

**Submission deadline: 1 March 2014.**

The following information is requested:

1. The title of the paper and the keywords.
2. Authors' full name, affiliations, and address (including e-mail).
3. The full paper (in French or English) or a long abstract (2 pages) describing the topic, the methodology used and the results.

**Notification of acceptance: 15 April 2014.**

**Deadline for full papers: 15 May 2014.**

## Call for Papers

### Insurance Risk Research Conference 2014

**26 June 2014, Singapore**

Insurance Risk and Finance Research Centre (IRFRC)  
Nanyang Business School, Nanyang Technological University, Singapore

#### General Information

The Insurance Risk and Finance Research Centre (IRFRC) invites high-quality research in insurance and actuarial science for its Annual Insurance Risk Research Conference. Submissions may be in the form of completed papers (preferred) or extended proposals. Topics may include, but are not limited to: insurance risk in emerging markets, longevity risk financing and actuarial pricing of catastrophes. Papers with a focus on the Asia-Pacific insurance industry are especially welcome.

#### Confirmed Keynote Speakers

Andrew Cairns, Heriot Watt University; Morton Lane, Lane Financial LLC.

#### Funding

The IRFRC will provide travel support and cover local expenses for participants that are selected to present papers. University guidelines apply. The conference may extend over two days (June 26–27, 2014) depending on quality of submissions.

#### Submission Guidelines

Please email your paper or extended proposal to Andreas Milidonis. Email: [d-irfrc@ntu.edu.sg](mailto:d-irfrc@ntu.edu.sg). Deadline for submission of papers or extended proposals: **15 March 2014**. Decisions to be communicated no later than: 30 April 2014. Final papers and presentations to be sent by: **31 May 2014**. Please provide complete contact information of all co-authors and the presenter on a separate cover page.

#### Scientific Committee

Submitted papers will be reviewed by the Scientific Committee comprising: Uditha Balasooriya, Nanyang Technological University; Wai-Sum Chan, Chinese University of Hong Kong; Michel Dacorogna, SCOR; Jun-koo Kang, Nanyang Technological University; Marie Kratz, ESSEC Business School; Andreas Milidonis, IRFRC, Nanyang Technological University; Shaun Wang, The Geneva Association.

#### About the Insurance Risk and Finance Research Centre (IRFRC)

Founded in March 2011, in partnership with global reinsurer SCOR, the IRFRC sponsors and directs primary research on insurance and insurance-related risk research in the Asia-Pacific region. Through research, industry collaborations and seminars it aims to provide a critical foundation to create knowledge and support the growing role of the insurance industry in the economic development of the region. IRFRC website: [www.irfrc.com](http://www.irfrc.com).

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## Call for Papers

The *Journal of Insurance Regulation* invites you to submit a manuscript for its special issue on insurance **fraud and regulation**. Possible topics include:

- Fraud and the impact of legal remedies as a deterrent
- Prevalence of fraud
- Cost of fraud
- A review of fraud detection methods
- An examination of the effectiveness of fraud detection methods
- Changes in how insurance companies respond to fraud
- Policy language and provisions and their impact on fraudulent activities
- Impact of claims settlement practices on fraud
- Use of big data analytics.

Other topics will be considered at the discretion of the editors. In keeping with the focus of the journal, all manuscripts should include links to insurance regulation and/or discuss the regulatory impacts of the topic. All manuscripts will go through the double blind review process. Papers must be submitted by **1 March 2014**.

If you have questions, contact the editors at [jireditor@gmail.com](mailto:jireditor@gmail.com) or visit the Journal's website at [http://www.naic.org/store\\_jir.htm](http://www.naic.org/store_jir.htm).

## Publications of The Geneva Association

### Announcement

Past issues of *The Geneva Papers on Risk and Insurance—Issues and Practice* (GPP) and of *The Geneva Risk and Insurance Review* (GRIR) are available for free on The Geneva Association's website three years after their date of publication: <https://www.genevaassociation.org/publications>. Vol 36(1) January 2011 of GPP and Vol. 35(2) December 2010 of GRIR have now been made available online.

### Latest Issues

#### *The Geneva Risk and Insurance Review*

##### Vol. 38, No. 2 / September 2013

- Background Risk in the Principal-Agent Model, *by James A. Ligon and Paul D. Thistle;*
- An Examination of Adverse Selection in the Public Provision of Insurance, *by Randy E. Dumm, David L. Eckles and Martin Halek;*
- The Satellite Insurance Market and Underwriting Cycles, *by Piotr Manikowski and Mary A. Weiss;*
- Attitudes Towards Income Risk in the Presence of Quantity Constraints, *by Fred Schroyen.*

#### *The Geneva Papers on Risk and Insurance—Issues and Practice*

##### Vol. 39, No. 1 / January 2014

- The Determinants of Life Insurer's Growth for a Developing Insurance Market: Domestic vs Foreign Insurance Firms, *by Joseph J. Tien and Sharon S. Yang;*
- Insurance Salespeople's Attitudes towards Collusion: The Case of Taiwan's Car Insurance Industry, *by Lu-Ming Tseng and Wen-Pin Su;*
- A Competing Risks Dynamic Hazard Approach to Investigate the Insolvency Outcomes of Property-Casualty Insurers, *by Huong Dang;*
- Quantile Regression Analysis of Corporate Liquidity: Evidence from the U.S. Property-Liability Insurance Industry, *by Vincent Y. Chang and Jeffrey Tzuhao Tsai;*
- Insurance Marketing Channel as a Screening Mechanism: Empirical Evidences from Taiwan Automobile Insurance Market, *by Shu-Hui Hsieh, Chun-Ting Liu and Larry Y. Tzeng;*
- Asymmetric Information on Risky Behaviour: Evidence from the Automobile Insurance Market, *by Sara Forsstedt.*

##### Shin Research Excellence Award-Winning Papers

- Editorial—Shin Research Excellence Awards: A Partnership of The Geneva Association/International Insurance Society, *by Joan Lamm-Tennant;*
- Fair Valuation and Risk Assessment of Dynamic Hybrid Products in Life Insurance: A Portfolio Consideration, *by Alexander Bohnert and Nadine Gatzert;*
- Human Capital Risk and Talent Management Issues in the Insurance Market: Public Policy, Industry and Collegiate Education Perspectives, *by W. Jean Kwon.*

## THE RESEARCH PROGRAMME ON RISK AND INSURANCE ECONOMICS

The research programme on risk and insurance economics comprises the theoretical and academic activities of The Geneva Association.

It is dedicated to making an original contribution to the progress of insurance by promoting studies of the interdependence between economics and insurance and to highlighting the importance of risk and insurance economics as part of the modern general economic theory. The objectives of the Programme are to detect and define special aims for research programmes in risk and insurance economics, to stimulate and support academic and professional research work in risk and insurance economics, and to diffuse knowledge and the results of research in risk and insurance economics worldwide.

### The Geneva Association

The Geneva Association is the leading international insurance think tank for strategically important insurance and risk management issues.

The Geneva Association identifies fundamental trends and strategic issues where insurance plays a substantial role or which influence the insurance sector. Through the development of research programmes, regular publications and the organisation of international meetings, The Geneva Association serves as a catalyst for progress in the understanding of risk and insurance matters and acts as an information creator and disseminator. It is the leading voice of the largest insurance groups worldwide in the dialogue with international institutions. In parallel, it advances—in economic and cultural terms—the development and application of risk management and the understanding of uncertainty in the modern economy.

The Geneva Association membership comprises a statutory maximum of 90 Chief Executive Officers (CEOs) from the world's top insurance and reinsurance companies. It organises international expert networks and manages discussion platforms for senior insurance executives and specialists as well as policymakers, regulators and multilateral organisations. The Geneva Association's annual General Assembly is the most prestigious gathering of leading insurance CEOs worldwide.

Established in 1973, The Geneva Association, officially the "International Association for the Study of Insurance Economics," has offices in Geneva and Basel, Switzerland and is a non-profit organisation funded by its Members.

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### The Geneva Association Insurance Economics Newsletter, N° 69, January 2014

This *Insurance Economics Newsletter* is published biannually by The Geneva Association as an information and liaison bulletin to promote contacts between economists at universities and in insurance as well as financial services companies with an interest in risk and insurance economics. Any suggestions concerning the content or layout of the newsletter are welcome. To subscribe to the e-Newsletter, please go to: <https://www.genevaassociation.org/subscriptions>.

**Editor:** Christophe Courbage, [christophe\\_courbage@genevaassociation.org](mailto:christophe_courbage@genevaassociation.org). **Production:** Valéria Pacella Available at [www.genevaassociation.org](http://www.genevaassociation.org)

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© 2014, The Geneva Association, route de Malagnou 53, CH-1208 Geneva. Tel: +41 22 707 66 00  
The Geneva Association, Sternengasse 17, CH- 4051 Basel. Tel: +41 61 201 35 20

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## FORTHCOMING CONFERENCES OF THE GENEVA ASSOCIATION

### 2014

#### January

**14**      **New York**      **Joint Industry Forum for P&C Insurance Industry**, co-sponsored by The Geneva Association

#### February

**27**      **Munich**      **16<sup>th</sup> Meeting of the Annual Circle of Chief Economists (ACCE)**, hosted by Munich Re (ACCE members only)

#### March

**24**      **Geneva**      **The Geneva Association/IAIS Executive Committee High-Level Meeting**, hosted by The Geneva Association (Board members only)

**24–25**      **Geneva**      **30<sup>th</sup> Regulation and Supervision (PROGRES) Seminar on “Growing Complexity and Sophistication of the Multiple Regulatory and Supervisory Regimes in Insurance Around the Globe: Are We Safer?”**

**28**      **Berlin**      **International Conference on Collateral Risk: a Historical Perspective and German and United States Case Studies**, Sponsored by The Geneva Association, HypZert GmbH, and the AEI International Center on Housing Risk

#### May

**14–17**      **Toronto**      **41<sup>st</sup> General Assembly of The Geneva Association** (members only)

#### June

**4**      **Zurich**      **8<sup>th</sup> Meeting of Chief Investment Officers in Insurance**, hosted by Swiss Re (CIO members only)

**22–25**      **London**      **The Geneva Association/IIS Research Award Partnership**

#### September

**15–17**      **St. Gallen**      **41<sup>st</sup> Seminar of the European Group of Risk and Insurance Economists (EGRIE)**, sponsored by The Geneva Association

**17–18**      **Washington DC**      **2<sup>nd</sup> International Conference on Collateral Risk**, jointly hosted by the American Enterprise Institute and The Geneva Association

#### October

**tba**      **Stamford**      **6<sup>th</sup> CR+I Seminar on “Extreme Climate and Weather Events in the USA”**, jointly organised with XL Capital Holdings

#### November

**6–7**      **Madrid**      **11<sup>th</sup> Geneva Association Health and Ageing Conference on “Emerging health risks—Emerging insurance solutions”**, hosted by MAPFRE Foundation

**18–19**      **Munich**      **10<sup>th</sup> CRO Assembly**, hosted by Munich Re