RMI DEPARTMENT CHAIR TO STEP DOWN

Harold D. Skipper Jr. ends his dynamic three-year tenure as chair of Georgia State University's Department of Risk Management and Insurance (RMI) at the end of June. He will remain on the department's faculty for an additional year teaching and conducting research. He will also continue to hold the C.V. Starr Chair of International Insurance.

Dr. Skipper's involvement with Georgia State spans well over three decades, starting in the late 1960’s when he was an insurance student (BBA, ‘70) in what was then known as the College of Business. He returned to Georgia State in 1976 with a Ph.D. degree from the University of Pennsylvania's Wharton School as an assistant professor of insurance, and remains a fundamental part of the RMI Department today.

Sidney E. Harris, dean of the Robinson College of Business (RCB), recently commented on Skipper’s career: “Dr. Skipper has brought world-wide acclaim to the Robinson College of Business through his teaching, scholarship and, most recently, through his leadership of the Risk Management and Insurance Department. His frequent trips overseas have helped forge new ground and increased the international reputation of the College. And he has helped build and maintain the RMI Department’s elite ranking. Skip has had an amazing career and his leadership will be missed.”

Dean Harris appointed Sanjay A. Srivastava, a well-known expert on financial risk management, as Skipper’s successor (see separate article in this issue).

Throughout Skipper’s term as chair, he carefully crafted the foundation for the RMI Department's future development and

MEET THE NEW RMI CHAIR: SANJAY SRIVASTAVA

Dr. Sanjay A. Srivastava, nationally recognized expert on mathematical and financial risk management, has been appointed as the new chair of the Department of Risk Management and Insurance (RMI) in the Robinson College of Business (RCB). He replaces Harold D. Skipper Jr. who will formally step down and return to the faculty at the end of June.

Dr. Srivastava is already well-known to the Robinson College community. He has been a visiting professor in the RMI Department since 2002, as well as director of the department's innovative mathematical risk management program. He was instrumental in developing the department’s new vision and strategic plan, unveiled last January.

Commenting on the department’s new envisioned future, Srivastava said, “Our goal over the next few years is quite simple: to achieve a reputation for excellence so that when anyone thinks of ‘risk management’ they think of Georgia State.”

Prior to joining Georgia State, Srivastava was Carnegie-Mellon University’s Alumni Professor of Economics and Finance in the Graduate School of Industrial Administration (GSIA), as well as director of GSIA’s Center for Financial Analysis and Securities Trading (FAST) Program, a research and teaching program that underwent tremendous growth under his leadership. The FAST program currently operates in 20 countries and is part of the permanent research collection on innovative information technology at the Smithsonian Institution’s Archive of American History. While at Carnegie-Mellon, Srivastava created and led GSIA’s outstanding program in computational finance.

(continued on page 14)
“While I would like to thank personally the many individuals who have shown innumerable kindnesses... they are simply too numerous to name. You know who you are and have constituted easily the most enjoyable aspects of my serving as chair of this incredible department. Thank you.”

When I accepted the chairman’s position almost three years ago, I told Dean Sidney Harris and my faculty and staff colleagues that they could count on a three-year commitment from me as head of the department. I believed that three years was sufficient time for us to lay some potentially important groundwork for the future development of our department’s programs. Some month’s ago, I informed my colleagues and Dean Harris that I intended to stick with that timetable, and that we needed to begin the process of securing a successor. This process has proceeded nicely, and we will soon make a formal announcement on this important issue – and I can assure everyone that you will be exceptionally pleased.

I like to believe that we have built on the superb foundations laid by former departmental chairs Ken Black, John Hall, Steve Kellison, and Bruce Palmer — each of whom took the program to new heights of excellence. As I mentioned in the last RMI Report, the faculty has set a bold vision for itself: “to be the world’s leader in risk management scholarship and education.” A strategic plan for achieving this vision has been developed. Its core elements are (1) an unparalleled commitment to research on the most important risk-related issues facing individuals, businesses, and society and (2) a critical examination and upgrade of our undergraduate and graduate curricula and standards. At the center of our strategy is the hiring of several new faculty members, each trained in the most advanced methods of their specialties. Such a bold move is, as best we can determine, unprecedented anywhere in the world.

As you will read elsewhere in this Report, we have already begun implementing the strategy with the hiring of three first-rate scholars. Our review of the undergraduate programs is well along, and we begin the graduate review next year. These steps are just the beginning of what will prove to be an unbelievably exciting time for the department and its programs.

The creation of the Strategic Plan that underpins these efforts has required countless hours of dedicated faculty and staff time. We have enjoyed the strong encouragement and support of Deans Harris and Fenwick Huss; without which, our efforts would have been fruitless. Finally, many of our external friends continue to offer their time and talents to ensure that we head in the right direction and have the financial support essential to underwrite this bold initiative — especially the Board of Trustees of Educational Foundation, Inc., each of whom is listed in this Report.

I will step back into my faculty position next year, enjoying more flexibility to assist in our continuing outreach efforts internationally. While I would like to thank personally the many individuals who have shown innumerable kindnesses and support for our programs in general and me personally, they are simply too numerous to name. You know who you are and have constituted easily the most enjoyable aspects of my serving as chair of this incredible department. Thank you.
PRODUCTIVE YEAR FOR EFI

It has been an exciting year working with the Department of Risk Management and Insurance and seeing the development of bold initiatives for the future. Members of the Board of Trustees of Educational Foundation, Inc. (EFI) have been working closely with the RMI faculty to review and provide input to the process of developing a new strategic plan for the department.

With the implementation of EFI’s own revised strategic plan, which includes membership term-limits, the Board will be losing some valuable members this year. While we regret the retirement of these long-standing Board Trustees, we are very grateful for their years of advice and support. We are indeed fortunate to be gaining several new Trustees who are leaders in the business community, and who—along with the rest of the Board—offer great promise to the future success of EFI and the RMI Department.

The Trustees have also been working hard to secure new and greater funding opportunities to support these new developments. As already mentioned, EFI’s strategic plan was updated this year and the Board of Trustees is reviewing and updating EFI’s bylaws.

We are grateful for the fine leadership of Harold D. Skipper Jr. during his tenure as chairman of the department and as executive director of Educational Foundation, Inc., and look forward to working closely with new chairman Sanjay Srivastava, who will also be joining the EFI Board of Trustees in 2004.

EFI BOARD MEMBER HONORED WITH RCB ALUMNI SERVICE AWARD

The Robinson College of Business (RCB) recently recognized eight of Atlanta’s most respected business executives at the Inaugural Robinson College of Business Alumni Awards luncheon in Atlanta. Among the executives was J. Gary Meggs, director of risk management for The Southern Company and RMI Department alumnus (BS ’74, MBA ’78, and MS ’83), who received the Service to the College award for his tireless work as a past chairman and current member of the Board of Trustees of the Educational Foundation, Inc. (EFI)—the RMI Department’s fundraising arm.

Mr. Meggs’ decade-long active involvement with the EFI Board contributed to the creation of two new program chairs, three named professorships, and the endowment of many new scholarships, fellowships, and other successful programs in support of student and faculty activities.

Meggs’ exemplary involvement with the department’s undergraduate and graduate students as mentor and industry leader role model speaks highly to the importance of alumni support. “It is important that all of us who have drawn from the well, give something back,” said Meggs. “State funding alone will not enable the RMI Department to sustain the highest levels of academic excellence and reputation. This requires something extra—a personal commitment of support by my fellow alumni.”

The Robinson College boasts nearly 50,000 living alumni—one of the strongest alumni networks in the nation. Many hold key positions with leading multinational firms. Alumni Award recipients were selected by a committee of alumni representatives, members of the College Board of Advisors, and faculty/staff members. Awards were presented by Sidney E. Harris, dean of Georgia State’s Robinson College of Business.

EDI BOARD OF TRUSTEES

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Palmer & Cay, Inc.
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NEW FUNDING OPPORTUNITIES FOR RMI STUDENTS

ASSURANT GROUP SCHOLARSHIP PROGRAM

RMI students may now apply for one of two scholarships sponsored by the Assurant Group Scholarship Program. One junior- or senior-level undergraduate student majoring in actuarial science and one majoring in risk management and insurance will receive up to $2,500 for the academic year. Selection is based on scholarship and merit.

Assurant Group provides specialty risk management products and services through a large variety of clients to their respective customers. Headquartered in Atlanta and Miami, the firm does business throughout North America, Latin America, and Europe. Assurant encourages recipients and graduating seniors to visit their web site at www.Assurant.com for additional information on the company and available employment opportunities.

AON RISK SERVICES, INC. OF GEORGIA SCHOLARSHIP

Aon Risk Services, Inc. sponsors annual scholarships of up to $5,000 for undergraduate or graduate RMI students. Selection is based on both need and merit.

Aon is a global Fortune 500 provider of risk management, retail, reinsurance and wholesale brokerage, claims management, specialty services, and human capital consulting services. The firm employs 53,000 people in 600 offices in more than 120 countries.

Aon views risk management as the cornerstone of every company’s capital structure. A poorly constructed risk management program may leave an organization vulnerable to major long-term setbacks or, worse, insolvency and bankruptcy. A well-designed program frees a company to pursue its vision. Visit the firm’s web site at www.aon.com.

The RMI Department is fortunate to be able to award over $200,000 every year in scholarships and fellowships to our students. These funds represent the continuing support of our programs by employers, alumni, professional organizations, and other friends of the department. Visit the “Financial Aid & Scholarships” section of our web site at www.rmi.gsu.edu for additional information and to download an application or renewal form. Potential recipients only need to submit one application to be considered for any departmental scholarship/fellowship.

ACE WESTCHESTER SPECIALTY GROUP SCHOLARSHIP

Three ACE Westchester Specialty Group Scholarships of up to $2,500 each are now available to undergraduate and graduate students enrolled in any degree program offered by the RMI Department. Recipients are selected based on scholarship and financial need.

ACE Westchester Specialty Group specializes in the wholesale distribution of excess, surplus, and specialty property and casualty products, as well as the retail and wholesale distribution of specialty inland marine products.

Additionally, the firm provides a variety of commercial coverages through program agents, including sports/leisure activities, farm, and crop/hail insurance. Visit the firm’s main web site at www.acelimited.com.

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EFI ESTABLISHES BERMUDA SCHOLARSHIP FUND

The Board of Trustees of Educational Foundation Inc. (EFI)—the RMI Department’s non-profit fundraising arm—is undertaking an initiative to develop a Bermuda Scholarship Fund to assist the very best Bermudian students in pursuing an education in risk management at Georgia State University. The project is being spearheaded by J. Gary Meggs, director of risk management for The Southern Company and current EFI Trustee.

With his usual enthusiasm and strong commitment to student support, Meggs led the first major fundraising event for this initiative on June 6—the 2004 Bermuda Railway Trek—a 22-mile pledge walk through the island’s old railway tracks. The Bermuda Railway was in operation from 1931 until 1948 and ran from one end of the island to the other: Although, the tracks themselves were removed long ago, many of the paths remain intact. Today, this network forms a beautifully scenic nature walkway that offers hikers a wonderful way to get to know the island.

When all the pledges and contributions are counted, Meggs will have raised over $16,000 toward the fund. The annual cost of tuition, matriculation fees, and books for one undergraduate student in the Robinson College of Business is approximately $12,000.

The 2004 Bermuda Railway Trek was cosponsored by Park (Bermuda) Limited and McGriff, Siebel & Williams.

Contributions in support of the Bermuda Scholarship Fund are being accepted through EFI. Contact Jan Wilcox at 404-651-4201 or by email at jwilcox@gsu.edu.

MUNICH RE FELLOWS PROGRAM IN ITS 24TH YEAR

Under the direction of Larry D. Gaunt, Georgia State University’s Professor Emeritus of Risk Management and Insurance, the Munich Re International Visiting Fellows Program recently completed its 24th consecutive year.

Sponsored by Munich Reinsurance Company, the Horst K. Jannott Scholarship Program, and Georgia State University, the program brings 8 fellows from different countries to the Georgia State campus for a two-month intensive program of study that provides participants with a greater understanding of U.S. risk management practices.

Fellows will attend daily classes specifically designed for the group and taught by some of the best Robinson College of Business faculty. They will also take various field trips to some of the top local risk management organizations and firms, as well as complete a specialized business project and presentation. This year’s fellows were:

- Stephane Berthault (France)
- Antonius Bastiaan Bloemink (Netherlands)
- Tuan Le Minh (Vietnam)
- Christopher Little (Great Britain)
- Martin Neuhaus (Germany)
- Iwan Stalder (Switzerland)
- Giovanni De Marchi (Italy)
- Enrica Kaiser (Germany)

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From left to right: Stephane Berthault, Tuan Le Minh, Antonius ‘Bas’ Bloemink, Christopher Little, Rhodri Charles, Enrica Kaiser, Iwan Stalder, Eberland Witthoff

John Phelan, Chairman & CEO of American Re, addresses the 2004 Munich Re Visiting Fellows.
When RMI Department Chairman Harold D. Skipper Jr. was asked about new hire, Shaun Wang, the former assistant vice president and group research director at SCOR—a global reinsurance company, Skipper’s excitement was barely containable. “We could not have invented a better person to head our actuarial program and teach our students,” said Skipper. “Dr. Wang is recognized internationally as one of the—if not “the”—leading actuarial scholar in enterprise risk management. I cannot adequately express how pleased we are to have him join our faculty.”

Indeed, Dr. Wang, an internationally renowned expert on the quantification and measurement of risk, will be joining the Robinson College of Business faculty next fall as professor and director of the actuarial science program, as well as holder of the Robert W. Batten Chair of Actuarial Science. He is a fellow of the Casualty Actuarial Society, an associate of the Society of Actuaries, and holds memberships in the American Academy of Actuaries and the American Risk and Insurance Association.

As an active researcher, Dr. Wang has published extensively on the topics of risk measurement, correlation modeling, and the pricing of risk. An astonishing 65% of his scholarly articles have appeared in academic journals that are considered tier “A” or at the very top of their specialization, including the ASTIN Bulletin, the Journal of Risk and Insurance, the North American Actuarial Journal, and Insurance: Mathematics and Economics. He also serves on editorial boards of many of these publications.

Wang has received multiple research awards including the Bob Alting von Geusau Memorial Prize from the International Actuarial Association, the Charles A. Hachemeister Prize from the Casualty Actuarial Society, and a Best Paper Prize from the Casualty Actuarial Society.

While at SCOR, Dr. Wang developed a universal pricing formula—now commonly known as the Wang transform—for insurance risks, credit risks, and weather derivatives. He extended the Wang transform to analyze catastrophe bond transactions, corporate bond yield spreads, and applied the new 2-factor model to the pricing of aggregate stop-loss reinsurance and catastrophe reinsurance.

In addition to Dr. Wang’s outstanding research record, he brings a wealth of teaching experience to Georgia State, bolstered by visiting professor appointments at the University of Copenhagen in Denmark, as well as at Nankai University and Peking University, two of China’s leading academic institutions. He has also held permanent teaching positions at the University of Waterloo and Concordia University in Canada.

Georgia State’s actuarial science and mathematical risk management students will undoubtedly be the benefactors of Wang’s range of knowledge and unique understanding of the issues. He holds an undergraduate degree in mathematics from China’s Beijing University and a doctoral degree in statistics from the University of Waterloo.

Dr. Wang is no stranger to Georgia State University. In 2003, he led the Thomas J. Bowles Jr. Symposium on Fair Valuation of Contingent Claims and Benchmark Cost of Capital and worked very closely with our top choices out of more than 220 applicants. Need I say more?”

Ajay Subramanian, most recently an assistant professor of finance at the Georgia Institute of Technology, specializes in mathematical finance and financial economics. His cutting-edge research focuses primarily on applications of stochastic control techniques to problems in asset pricing theory, corporate finance, and financial intermediation. His work has appeared in widely-recognized journals such as Communications in Statistics, Stochastic Models, Mathematical Finance, and The Journal of Finance.
Sidney E. Harris concludes his seven-year tenure as dean of Georgia State’s Robinson College of Business (RCB) at the end of June 2004. He will continue as member of the RCB faculty, teaching and conducting research in the areas of international trade, productivity and technology, international corporate governance, and leadership. He also plans to conduct country and regional studies focused on Asia and Africa.

Harris’ term as dean caps an impressive period of growth for RCB. The College received a $10 million naming gift from J. Mack Robinson, the largest financial gift in Georgia State’s history. Two research centers were founded, the global dimension of the curriculum was strengthened through the acquisition of more than $10 million in grants for international programs, top faculty were hired, and over $25 million in private gifts were secured for RCB initiatives. Externally, the College has effectively capitalized on its Atlanta location and developed new partnerships with the business community, as well as other colleges and universities internationally.

In addition, the Robinson College has garnered increasing recognition as one of the world’s best business schools. Out of 400 accredited business programs, its undergraduate studies program was recently ranked among the top 25 for public universities. Its FLEX MBA was ranked 3rd among public programs, and 7th in the nation overall in the U.S. News and World Report rankings. The College’s Executive MBA is ranked 20th in the world by BusinessWeek and is one of only two ranked programs in Georgia. Overall, the College is ranked in sixteen different areas by eight of the nation’s leading publications.

“Sid Harris has done an outstanding job as dean and we are grateful for his vision and leadership during a very important phase of the College’s growth and development,” said Georgia State University president Carl V. Patton.

The College’s naming benefactor J. Mack Robinson commented that “Atlanta has emerged as a leading center for higher education, in part, because of the preeminence of the Robinson College of Business. The College is in a strong position to expand its global orientation and linkages with the corporate community. Dean Harris’ accomplishments have laid a strong foundation for the College and his successor.”

UPDATE: As this publication went to press, Georgia State University Provost Ron Henry announced the appointment of Dr. J. Mack Robinson as the new dean of the Robinson College of Business, effective July 1, 2004. Dr. Huss has served as associate dean of the college since 1998 and has been at Georgia State for the past 15 years in various positions. According to Henry, “Fenwick has provided intellectual leadership, strong administrative values, honed his people skills, and is widely regarded for his university citizenship.”

NEW RMI FACULTY (continued from page 6)

Prior to Dr. Subramanian’s return to the academic community, he was a quantitative research associate with the investment firm Susquehanna International Group in Pennsylvania. He received a doctoral degree (PhD) in applied mathematics as well as a master of science (MS) degree in mathematics from Cornell University. He also received a master of arts (MA) degree in physics from the State University of New York at Stony Brook. As an undergraduate student at the Indian Institute of Technology in Bombay, he obtained a bachelor of technology degree in engineering physics, and was honored by the Jawaharlal Nehru Center for Advanced Scientific Research as recipient of a research fellowship in theoretical physics.

RMI Chairman Skipper is very pleased with Dr. Subramanian’s decision to join the department and believes that Georgia State’s RMI students will be the ultimate beneficiaries. “I look forward simply to observing him apply his incredible intellect and talent to solving challenging risk-related problems,” stated Skipper. “Our students will gain enormously from his background and dedication.”
The sixth iteration of the RETIRE Project—2004 GSU/Aon RETIRE Project Report—was released in April by the Center for Risk Management and Insurance Research at Georgia State University. The goal of this ongoing research project—led by Bruce A. Palmer, Director of RMI Executive Education, and funded by Aon Consulting—is to help individuals and couples determine the amount of money they must save at retirement to maintain their pre-retirement standard of living throughout the post-retirement period.

In addressing the issue, the RETIRE Project calculates a series of income replacement ratios at eight pre-retirement salary levels ranging from $20,000 to $90,000. The calculations include factors such as Social Security taxes; federal, state and local income taxes; pre-retirement savings; and selected expenditure changes. This landmark project has received much national media attention because of the impact it has had on the design and administration of pension plans.

In comparison with the 2001 RETIRE Project, the 2004 findings suggest an increase in the amount workers must save to maintain their standard of living after retirement, especially for low-income workers, with a “flattening-out” for middle-income workers, and a slight increase for higher-income workers. For example, the gross retirement replacement ratios for the 2004 study’s baseline scenario (i.e., married couple with an age 65 wage-earner and an age 62 non-wage-earning spouse) start at a high 86% at a pre-retirement salary of $20,000, successively decrease to a low of 75% at $60,000, and then begin to increase topping at 78% at $90,000. The 2001 study found gross pre-retirement replacement ratios of 83%, 75%, and 76%, respectively. Despite the differences in magnitude, this modified “u-shaped pattern” has been observed in all but one of the previous RETIRE Project studies. Palmer suggests that the variation in the retirement income replacement ratios observed across studies can be explained by changes in federal income tax laws as well as changes in consumer savings and expenditure behavior. He explains that stability in the ratios is preferable because it helps in the retirement planning process. The 2004 RETIRE Report explores retirement income replacement ratios for other consumer unit configurations, including single workers and two-wage earner couples.

For additional information or to purchase the full 2004 GSU/Aon RETIRE Project Report, visit the Center for Risk Management and Insurance Research’s web site at rmictr.gsu.edu. You may also contact the Center’s Shannon Mosher at 404.651.4250 or by email at smosher@gsu.edu.

CERMAS LAUNCHES EXECUTIVE EDUCATION PROGRAM

The Center for Enterprise Risk Management and Assurance Services (CERMAS) in the Robinson College of Business (RCB) has launched a new, innovative executive education program, sponsored in part by the Spencer Educational Foundation. The Advanced Management Program in Enterprise Risk Management provides business professionals with the cutting-edge skills and knowledge necessary to effectively manage their company’s various risk exposures.

The program is offered in four convenient one-week modules, spaced throughout the calendar year. Classes are taught by some of the best and most experienced Robinson College faculty, and are delivered in an interactive fashion that appreciates the requirements of participants’ “real jobs.”

The Program will enable participants to:

- Analyze and quantify risks using various models and approaches.
- Value and select appropriate cost effective risk management tools and strategies.
- Develop a risk management implementation plan for their firm that addresses organizational, cultural, process, and stakeholder concerns.
- Transform their organization’s risk management capabilities into value-enhancing business strategies.

Ideal candidates are middle-through senior-level professionals involved in managing some aspect of risk for their respective companies. Appropriate functions include risk managers, general counsels, treasury officers, credit officers, line management professionals, brokers, accountants, auditors, consultants, and insurers. The program is especially important for managers responsible for implementing Sarbanes-Oxley Section 404 requirements.

VISITING SCHOLAR JOINS DEPARTEMENT

Francesco Paolo Natale, an assistant professor from the Department of Financial Institutions Management at the University of Bocconi—the premier business school in Italy—will be visiting the RMI Department through the end of August to conduct research on the determinants of the cost of capital for EU banks and insurers. Professor Natale’s studies are based upon the work of the RMI Department’s Richard D. Phillips, Bruce A. Palmer Associate Professor of Risk Management. The two researchers will be collaborating closely over the summer months to extend the methodology developed and tested by Phillips on the U.S. insurance industry to the European market.

Issues of capital management and capital allocation in integrated financial institutions are topics of great interest in Europe, as the EU financial services sector is more integrated than in the US. There is strong interest to determine if there are differences in the cost of capital across the various...
STUDY: GSU ALUMS BOOST GEORGIA ECONOMY

According to a study by researchers with the Georgia Institute of Technology, Georgia State University graduates have a greater economic impact on Georgia than those of any other public college or university. They analyzed the earnings of close to 90,000 recent graduates (between 1993 and 1997) of academic institutions within the University System of Georgia and found that the increased earnings resulting from their college degrees added approximately $1.25 billion to Georgia's economy in 1998.

The study found that 11,767 Georgia State alumni added $218 million to Georgia's economy in 1998. University of Georgia came in second with $211 million from 14,383 graduates, and Georgia Tech came in third with $101.9 million from 5,472 graduates.

Georgia State graduates also earn an average of $18,500 more than people who hold only high school diplomas. This figure was third highest among state universities (2003): Bahrain, Brazil, Cambodia.

Percentages of international students enrolled in RMI Department programs (Spring 2004): 25%

Number of chartered international student organizations at Georgia State: 21

Number of international students attending Atlanta's colleges and universities (2003): 10,712

Amount of money international students spent in Georgia in 2002: $233 million

BY THE NUMBERS....

INTERNATIONAL STUDENTS AT GEORGIA STATE UNIVERSITY

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<th>Country</th>
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<td>Bahrain</td>
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<td>Brazil</td>
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Number of international students enrolled in RMI Department programs (Spring 2004): 91

COUNTRIES REPRESENTED BY RMI

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<tr>
<th>Country</th>
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For other information and registration visit:
www.actuary.gsu.edu
Tel: 404.463.9142
Email: ASPPrograms@gsu.edu
James Tyler Leverty, fourth-year doctoral student in the RMI Department, received the distinguished State Farm Companies Foundation Doctoral Dissertation Award for his work on the measurement of property-liability insurer efficiency. The award specifically recognizes his academic excellence at Georgia State University, as well as the quality of his dissertation proposal and its potential contributions to the insurance field.

Mr. Leverty was nominated by department Chairman Harold D. Skipper Jr. and Martin F. Grace, James S. Kemper Professor of Risk Management and Insurance and RMI doctoral program coordinator at Georgia State. “Ty is outstanding and an excellent choice for this award,” Skipper proudly commented. “The award committee chose wisely (and so did we)!”

Mr. Leverty developed an academic interest in the economics of insurance markets while working as a consultant for various financial services companies in Nevada, including Worldwide Risk Management Inc. and Bell United and Western Insurance Companies. “Researchers have found that measuring and testing firm efficiency can be extremely challenging,” said Leverty. “The researcher’s view of the operational objectives tends to influence the analysis.” His dissertation aims to provide some clarity for property-liability insurers by objectively determining which efficiency approach is most economically meaningful for that segment of the insurance industry.

Leverty, who holds a B.A. degree in history and economics with distinction (cum laude) from the University of Washington in Seattle, hopes to complete his dissertation by the end of 2004. Award sponsor State Farm Companies Foundation reflects State Farm’s “Good Neighbor” focus by funding efforts that build stronger communities and that enhance educational opportunities for the neighbors that live in these communities. Community support is provided in the form of scholarship programs, grants to colleges and universities, and annual contributions to the United Way.

The Doctoral Dissertation Award is designed to stimulate research and development of new knowledge in the fields of insurance and business, and to increase the number of qualified teachers of insurance and business at U.S. colleges and universities. A maximum of three awards are given annually in each of those two categories. Recipients are selected by an independent committee of educators and scholars, not associated with the State Farm Companies. As one of this year’s award recipients, Leverty received a $10,000 research grant. The RMI Department also received a $3,000 grant, as the respective graduate institution.

Minglai Zhu, a graduate of Georgia State University’s doctoral program in risk management and insurance (Ph.D., 2003), has been appointed to the faculty of Nankai University’s Department of Risk Management and Insurance as a professor. Nankai University—located in Tianjin, the third largest city in the People’s Republic of China—is considered by many to be the country’s top insurance school.

Dr. Zhu—an alumnus of Nankai’s masters and undergraduate programs in economics—teaches courses in health insurance, life insurance, and insurance law. Despite recently receiving his doctoral degree, Zhu is already an accomplished researcher, with more than 21 journal articles (in English and Chinese) and 4 authored textbook chapters to his credit. His research interests are in the areas of insurance economics; insurance law, regulation, and taxation; social insurance; and health economics. He is a member of the American Risk and Insurance Association (ARIA), the American Economic Association (AEA), the Asia Pacific Risk and Insurance Association (APRIA)—an organization founded by RMI Department chairman Harold D. Skipper Jr.—and the International Health Economics Association (IHEA). He is also a fellow of the Life Management Institute (FLMI). Prior to his academic career, Zhu worked for the People’s Insurance Company of China.

SUMMER 2004 RMI ALUMNI EVENTS IN KOREA

A group of RMI Department alumni who live in Korea are hosting a reception and dinner on July 16, 2004 for all RMI alumni and faculty attending the annual conference of the Asia-Pacific Risk and Insurance Association (APRIA) in Seoul this summer. The conference will take place from July 18 to 21.

APRIA was founded in Singapore in 1997—largely through the efforts of Georgia State University’s Harold D. Skipper Jr., RMI Department Chair, and Kenneth Black Jr., Regent’s Professor Emeritus and Dean Emeritus—as an international learned society for all academics, executives, researchers, and government leaders with an interest in risk management, insurance, actuarial science, and related areas. APRIA provides multiple forums for members to share ideas and to engage in collaborative research, openly and in a spirit of helpfulness, for the ultimate benefit of the insurance industry.

Also taking place during this summer’s APRIA conference will be a special event, cosponsored by Georgia State’s RMI Department and the Korean Insurance Development Institute (KIDI). Conference participants are invited to attend a research seminar on July 22 that will explore appropriate solvency regulation for insurers and issues in financial services integration. Presenters include RMI faculty members Martin Grace, Richard Phillips, and Harold Skipper.

For information on these events, please contact Dr. Harold Skipper at 404.651.2729 or by email at hskipper@gsu.edu.
2003-2004 RMI SCHOLARSHIP & FELLOWSHIP RECIPIENTS

The Department of Risk Management and Insurance at Georgia State University awarded over $200,000 in scholarships and fellowships to deserving students enrolled in our programs during the 2003-2004 academic year.

These funds represent the continuing support of alumni, professional organizations, business services firms, and other friends of the department, seeking to attract outstanding students and reward exceptional current students who demonstrate academic excellence, leadership, and service to the university community.

The faculty and staff of the RMI Department wish to recognize and thank our supporters and to honor our 2003-2004 award, scholarship, and fellowship recipients. This group was also honored by the Robinson College of Business in an Honors Day Ceremony last April at the Rialto Center.

### 2004 RMI Alumni Club Undergraduate Student of the Year Award:
- Blesson Samuel

### 2004 Outstanding Personal Financial Planning Graduate Student of the Year Award:
- Pamela F. Clinard

### 2004 Outstanding Risk Management and Insurance Graduate Student of the Year Award:
- Kristina Dials Barronton

### 2004 Robert W. Batten Actuarial Science Award:
- Richard Day

### 2004 Floyd S. Harper Award:
- Ashlee "Seph" Mouton

### 2004 Eli A. Zubay Actuarial Science Award:
- Manus Chan

### 2004 Gamma Iota Sigma Leadership Awards:
- Deepak Gupta
- Kanethia Henderson
- Lisa Martin
- Crystal Wallace

### 2004 Gamma Iota Sigma Service Awards:
- Patricia Mukenge
- Lisa Martin
- Kanethia Henderson

### Ace Westchester Specialty Group Scholarship:
- Xin Chen
- Steven Herrin
- Raimundo Molina-Baez

### Assurant Group Scholarship:
- Kenneth Ho
- Kevin Ho
- Lisa S. Martin

### Atlanta Association of Health Underwriters Scholarship:
- Steven Herrin
- Lisa S. Martin

### Atlanta Association of Insurance Women Scholarship:
- Laura Hamilton

### Atlanta Claims Association Scholarship:
- Kristina Dials Barronton

### Robert W. Batten Scholarship:
- Bin Jiang
- Yang Liu
- Meghan Michaels
- Sungki Park
- Tei Tuan

### Educational Foundation Inc. Scholarship:
- Laura Hamilton
- Meghan Michaels
- Nitin Jian
- Jian Wen

### Leyton B. Hunter Fellowship:
- Wonku Hong
- James Tyler Leverty
- Yijia Lin
- Andreas Milidonas
- Puneet Prakash
- Jeung Bo Shim
- Yuan Yuan

### James S. Kemper Foundation Doctoral Fellowship:
- Ranada D. Robinson

### James W. Morton Jr. Scholarship:
- Todd Campbell

### Risk and Insurance Management Society Scholarship:
- Kelly Lee
- Hsuan-Te Lin
- Leng Ling
- Yiming Pan
- Jan-Peter Treusch

### Southern Loss Association Scholarship:
- Laura Hamilton

### C.V. Starr Scholarship:
- Jan-Peter Treusch
9-11 LITIGATION
Assistant professor of legal studies Perry Binder continues to provide expert opinion and testimony on the complex topic of 9-11 civil litigation to such news sources as The New York Times, and through radio appearances on WRVA (Richmond, VA), WSYR (Syracuse, NY), and CFRB (Toronto, Canada). Detailed information and numerous reference links are available at Binder’s web site, www.gsu.edu/~pbinder.

WAL-MART LAWSUIT
One of the nation’s largest employers may be facing one of the largest civil rights lawsuits ever filed in the United States, covering more than 1.5 million current and former female employees of Wal-Mart. Six women filed the suit alleging gender discrimination in pay and promotion, and are looking for it to be elevated to class-action status. A judge is set to rule shortly on the matter. In statements to the Associated Press and USA Today, Perry Binder suggested that the judge’s ruling will be crucial to both parties in obtaining leverage. “Any time a class gets certified, there is power in unity,” Binder said. “Any time a class-action suit is not certified, then you have to have individual plaintiffs filing individual lawsuits.”

2003 BUSINESS ETHICS AWARDS
For the third consecutive year, Ellwood Oakley, associate professor of legal studies, took the lead in coordinating the Georgia Business Ethics Awards, sponsored by the Robinson College of Business and the Society of Financial Services Professionals. “These awards recognize businesses that exemplify a strong commitment to ethical practices as demonstrated in every day business dealings and in response to specific crisis and challenges,” said Oakley. Companies are selected by an independent panel of judges drawn from academia and business. Companies are evaluated according to criteria established to measure the organization’s commitment to sound ethical business practices, management philosophies, and everyday operations. Past recipients include Party City of Atlanta, Inc. and Professional Management Resources, Inc. The 2003 recipients are Jordan, Jones & Goulding, Inc., an engineering consulting firm (mid-sized category) and Aspen Productions, Inc., a production company specializing in business meetings and special events (small company category).

PRESENTATIONS & PUBLICATIONS


William Feldhaus, associate professor of risk management and insurance, and Lorilee Schneider, associate professor of risk management and insurance, presented their paper, “Assessing an Undergraduate RMI Program: Tools and Techniques,” at the annual meeting of the Western Risk and Insurance Association.

Ellwood Oakley
Associate Professors (legal studies) Joan Gabel and Nancy Mansfield coauthored a paper, “The Information Revolution and Its Impact on the Employment
RESERVE, reinsurance cession, investment regulation, obligations to the rural and social sector, rate and form regulation and solvency margin computation.

SPENCER FOUNDATION AWARD
Congratulations to Xin Chen, graduate student in risk management and insurance (MS-RMI) at Georgia State University, who received a $10,000 scholarship from the Spencer Educational Foundation for the 2003-2004 academic year. The Foundation was established by the Atlanta Chapter of the Risk and Insurance Management Society, Inc. (RIMS) in 1979 to stimulate, promote, and encourage promising risk management students to fulfill their educational goals primarily by providing scholarship awards and educational grants. As a Spencer Scholar, Chen is working closely with the Atlanta Chapter of RIMS.

2004 RCB HONOR’S DAY
The RMI Department was well-represented at this year’s Robinson College of Business Honor’s Day celebration on April 8. Congratulations to the 2004 award recipients: Kristina Dias Barron-ton (Outstanding Risk Management and Insurance Graduate Student of the Year), Manus Chan (Eli A. Zubay Actuarial Science Award), Richard Day (Robert W. Batten Actuarial Science Award), Pamela Clinard (Outstanding Personal Financial Planning Graduate Student of the Year), Deepak Gupta (Gamma Iota Sigma Leadership Award), Kanethia Henderson (Gamma Iota Sigma Leadership Award, Gamma Iota Sigma Service Award), Lisa Shamp-Martín (Gamma Iota Sigma Leadership Award, Gamma Iota Sigma Service Award), Ashlee "Sept" Mouton (Floyd S. Harper Award), Patricia Mikelenge (Gamma Iota Sigma Service Award), Blessom Samuel (RMI Alumni Club Undergraduate Student of the Year), Crystal Wallace (Gamma Iota Sigma Leadership Award). Page 9 of this issue contains a full listing of RMI 2003-2004 award/scholarship/fellowship recipients.

Gamma Iota Sigma
Congratulations to Gamma Iota Sigma Zeta Chapter’s incoming Fall 2004 officers: Deepak Gupta (President), Ginny Wen (Vice President), Lora Bock (Treasurer), Lindsay Barbour (Secretary), and Amy Dejarme (Alumni Liaison).

Where are they now?
RMI Department alumnus Matt Plachta was formally hired by Towers Perrin Atlanta last November. Prior to being appointed to a permanent position, he was an intern with the company.

RMI Alumni Events at APRIA
RMI Department alumni living in Korea are hosting a reception and dinner on July 16, 2004 for all RMI alumni and faculty attending the annual conference of the Asia-Pacific Risk and Insurance Association (APRIA) in Seoul this summer (July 18-21).

Also during APRIA, the RMI Department and the Korean Insurance Development Institute (KIDI) are co-sponsoring a research seminar on July 22 that explores appropriate solvency regulation for insurers and issues in financial services integration. Presenters include RMI faculty members Martin Grace, Richard Phillips, and Harold Skipper among others (see full article on page 10 of this issue).

We want to hear from you!
Calling all alums and students...send us your news! We want to hear from you. Contact Dr. Lorilee Schneider, our alumni relations coordinator, at schneider@gsu.edu and take an active role in shaping the future of your alma mater.
expansion, in terms of its vision, structure, resources, and status in the academic community. Under his leadership, the faculty and staff adopted a bold, new vision for itself—to be the world’s leader in risk management education and scholarship—and developed a new strategic plan to bring about the vision. The plan emphasizes a dramatic expansion and redirection of the department’s research programs, primarily focusing on addressing the world’s most pressing risk management issues through cutting-edge, sound empirical research. Another fundamental component of the plan involves significantly upgrading the department’s academic programs and standards. Implementation of the strategic plan is well underway, primarily through the hiring of two RMI research specialists and a world-class actuarial science expert to the RMI faculty.

Dr. Skipper also oversaw the expansion of the department’s presence in the global community. Collaborative partnerships were formally established with the International Institute for Insurance and Finance (IIF) and the Indian Institute of Management in Bangalore (IIMB), as well as with Moscow State University in Russia and with Peking University in China. These initiatives will assist the partner universities in developing and broadening the scope of their risk management programs to produce well-trained business leaders and scholars. The ultimate goal is the development and expansion of the insurance and financial services industries of partner countries. Similar initiatives are being formalized with other academic institutions around the world.

Another international program established under Skipper’s leadership will bring the very best risk management students from Bermuda to complete their education at Georgia State, facilitated through financial support and other types of aid. Additionally, the RMI Department hosted a variety of international academics—a Fulbright Scholar from India, visiting research scholars from China’s Renmin University and Italy’s University of Bocconi, a group of distinguished professors from Moscow State University, and a visiting journalist from Korea—all of whom spent extended periods of time working closely with the RMI faculty.

Skipper’s tenure as executive director of the Educational Foundation, Inc. (EFI)—also ending in June—caps a period of extensive reorganization of the foundation’s governance structure and by-laws, that will lead to more effective fundraising and relationship-building with the department’s many constituencies. The foundation’s resources, along with the ability to fund student and faculty initiatives, were also bolstered by the addition of a named professorship and various new scholarship funds.

**SRIVASTAVA (continued from page 1)**

His distinguished academic career also includes teaching appointments at the California Institute of Technology, Monterey Institute of Technology (ITESM) in Mexico, and Aoyama Gakuin University in Japan.

While generally specializing in financial risk management, Dr. Srivastava focuses his research on the design of financial contracts, asset allocation and portfolio selection, the organization of financial markets, and experimental studies of asset markets. As an active researcher, his work has appeared in top academic journals including The Journal of Risk, Journal of Finance, Journal of International Economics, and the Journal of Economic Theory, among others. He has served on the editorial boards of many of these major journals and has published several textbooks and other teaching materials.

Srivastava’s prominence also extends into the business community, most recently serving as an advisor to such leading firms as Morgan Stanley Dean Witter, JP Morgan Advisors, and OS Financial Trading System. He earned his B.A. in Economics at Warwick University in the United Kingdom and his Ph.D. in Economics at the Massachusetts Institute of Technology.

**A.S. DIRECTOR (continued from page 6)**

closely with the RMI Department’s Samuel H. Cox, Bowles Chair and actuarial science professor, to coordinate the event. As the sixth symposium in the Bowles Series, the two-day event was inspired by the recent turbulent experiences of the insurance industry and the need for actuaries to better understand market dynamics and major risk drivers from different perspectives (i.e., detailed data analysis combined with the market “big picture”).

Because of the overwhelming success of this event, Dr. Wang organized a follow-up symposium held as a part of the 2004 Enterprise Risk Management (ERM) Symposium: Where Cutting Edge Theory Meets State of the Art Practice in Chicago on April 26 & 27. The event was co-sponsored by the Casualty Actuarial Society, the Society of Actuaries, and the Professional Risk Managers’ International Association.