



AMERICAN ACADEMY
of ACTUARIES

The Editor
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Dear Sir:

Actuaries in the United States take offense to your article's sweeping mischaracterization of actuarial approaches to valuing insurance obligations ("Learning lessons", December 5). Your description undercuts the value of actuarial work and oversimplifies complex matters.

Actuaries worldwide are highly skilled experts in the evaluation of contingent events and the explanation of uncertainties. Actuarial practice consists of careful evaluation of the available information, including historical experience and ongoing trends, combined with reasoned actuarial judgment, to project future results. In the United States and similarly in most developed nations, actuarial work is performed in accordance with professional codes, technical standards of practice, and local statutory requirements.

Sincerely,

Henry Siegel, Vice President
Risk Management and Financial Reporting Council
American Academy of Actuaries
Washington, D.C.