

## Bringing private insurance back in

### An international insurance think tank for the post Keynesian decades: the “Geneva Association” (1971-2000s)

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This paper presents preliminary reflections on the International Association for the Study of Insurance Economics, better known as the “Geneva Association”, founded in 1971 on the shores of the eponymous Swiss lake. This exploration of the structures and activities of this forum for leading insurance executives is used as an example of the reorganization of business interests that constituted the background of the shift towards the contested but dominant neoliberal consensus of contemporary capitalism. After discussing briefly the context for the emergence of new business groups in the 1970s and defining a few of their key features, I turn to the foundation years of what one could describe as a genuine International of insurers or, in the own words of its long-term secretary, the “most prestigious assembly of world insurance”.<sup>1</sup> Using annual reports and publications, the second and third sections of this paper present the founders of the Geneva Association and focus on the core features of its membership. The second half of this contribution, divided in three sections, presents a short case study of the intellectual production of the Geneva Association, and in particular its contribution to the definition of pensions and retirement policies reforms attuned to market-based solutions.

### ***Elite business networks and think tanks during the 1970s***

The emergence of neo-liberalism is often linked in popular opinion often with the coming to power of Margaret Thatcher in the United Kingdom (1979) and Ronald Reagan in the United States (1981). Yet, research has shown that the 1970s constituted a crucial gestation decade for their offensive against the postwar Keynesian consensus. During this period, elites in the core capitalist economies were confronted with mounting challenges. Inflation, disappointing growth, spiraling oil prices and exacerbated international competition disrupted the postwar equilibria of the golden decades.

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<sup>1</sup> Orio Giarini, *Itinéraire vers la retraite à 80 ans* (Paris/Genève: Economica/Institut du risque, 2002), 172.

Whereas the impact of industrial processes on the environment questioned the rationale of industrial growth, core capitalist elites also looked with anxiety at the destabilization brought by heightened working class militancy, post-colonial revolutionary upheavals, increased state regulation, and attempts to further the cause of a “new international economic order” at the multinational level. The reaction against these trends gradually coalesced to form the basis of a major shift towards a new neo-liberal orthodoxy focused on anti-inflation drives, cost-cutting, the rollback of workers' organizations, and more generally a strident anti-state discourse and strong preferences for market-based solutions. This shift heralded a redeployment of elite business networks that aimed to answer what political scientist Kim McQuaid has termed “pan industrial threats” and challenges through new forms of organization suitable for defining a new “common voice” for capitalist interests, a prerequisite for enacting common action.<sup>2</sup>

This reorganization was shaped by the reactivation or creation of private foundations and think tanks providing research, policy briefs, educational materials and advocacy to sustain the pro-market offensive among the business community and public opinion. This trend was first noticeable in Anglo-Saxon countries.<sup>3</sup> The 1970s thus witnessed the growing influence of older networks such as American Enterprise Institute and the Institute of Economic Affairs (founded respectively in 1943 and 1955 in the United States and United Kingdom), as well as the foundation of new forums such as the Heritage Foundation (1973, USA), the Centre for Policy Studies (1974, UK), the Fraser Institute (1974, Canada) or the *Institut de l'Entreprise* (1975, France). The gathering of leading business executives in elite groups, clubs and networks constituted another feature of this reorganization. Bypassing traditional employers' federations, groups such as the Business Roundtable (1976, USA) or the Business Council for National Issues (1976, Canada) served explicitly as gathering sites for a select membership of key executives from leading industrial and services companies that aimed to give a single, common and effective platform to an “undiluted business elite”.<sup>4</sup>

This reorientation and transformation of national networks had its counterpart at the international level.<sup>5</sup> The increase in contacts between elite businessmen followed several channels. The 1970 thus

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<sup>2</sup> Kim McQuaid, *Big business and presidential power: from FDR to Reagan* (New York: Morrow, 1982), p. 289.

<sup>3</sup> See William K. Carroll & Murray Shaw, “Consolidating a neoliberal policy bloc in Canada, 1976 to 1996”, *Canadian Public Policy/Analyse de Politiques*, no 27, 2 (2001); Radhika Desai, “Second-hand dealers in ideas: think-tanks and Thatcherite hegemony”, *New Left Review*, no, 203 (1994); McQuaid, *Big business and presidential power*, pp. 284-96.

<sup>4</sup> McQuaid, *Big business and presidential power*, pp. 293-94.

<sup>5</sup> See Bastiaan Van Apeldoorn, “Transnational class agency and European governance: The case of the European Round Table of Industrialists”, *New Political Economy*, no 5, 2 (2000); William K. Carroll & Colin Carson, “The network of global corporations and elite policy groups: a structure for transnational capitalist class formation?” *Global Networks*, no, 3/1 (2003); Stephen Gill, *American hegemony and the Trilateral Commission* (Cambridge:

witnessed the growing influence of the Mont Pèlerin Society, an austere mouthpiece for free-market theories founded in 1947, or the renewed militancy of the venerable International Chamber of Commerce founded in the aftermath of World War I. The densification of cross-border inter-firm contacts and networking through interlocking directorates also enabled the tentative emergence of an transnational elite of corporate directors that built upon and furthered national networks on an international level. The 1970s also witnessed the establishment of private consultative and planning bodies operating between states, international organizations and corporations, such as the Trilateral Commission (1973) or the World Economic Forum (1971). These organizations offered networking opportunities, discussion forums, as well as meeting points for business elites, academic experts and key civil servants and politicians. In Western Europe, the development of supranationalism gave the impulse to the European Roundtable of Industrialists, founded in 1983 as a counterpoint to the more traditional corporatist representation of employers through the European federation of national employers' association (UNICE).

In an article on Canadian neoliberal groups, William Carroll and Murray Shaw have isolated four features of these new nodes of the business community. First, these groups gather “organic intellectuals, ‘deputies’ or members of the capitalist class” whose role is to manage and to coordinate meetings aiming to strengthen links and common objectives between the wider capitalist class, and whose intellectual and research work “is functionally predicated on the dominance of capital in human affairs”. Secondly, these groups act as crucial “sites for the construction of political discourses” that can be used to influence business and government circles as well as public opinion. Thirdly, these groups can be understood as “embedded elements of a social network” that links individual businesses with the larger community of business activism in a continuing conversation about aims, tactics and ideas. Finally, these groups operate within a “distinctive organizational ecology” in which their activism and advocacy efforts or their contributions towards consensus-building among elite business sectors often occupy specific niches.<sup>6</sup>

As we will see in this paper, the Geneva Association (hereafter GA) can be considered as a business organization situated at the juncture of several of the evolutions and features briefly sketched above. Founded in 1971 by half a dozen insurance directors, the association was at first confined to Western Europe but soon extended its reach towards all the other major international insurance markets,

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Cambridge University Press, 1990); Jean Christophe Graz, “How powerful are transnational elite clubs? The social myth of the World Economic Forum”, *New Political Economy*, no 8, 3 (2003); Kees Van Der Pijl, “Two faces of the transnational cadre under neo-liberalism”, *Journal of International Relations and Development*, no, 7 (2004).  
<sup>6</sup> Carroll & Shaw, “Consolidating a neoliberal policy bloc”, pp. 196-7.

notably in North America and Japan. While its membership is limited to a few dozen leading insurance executives (25 in the early 1970s, currently extended to a statutory maximum of 80), the numerous conferences, workshops and meetings organized and coordinated by the GA constitute key forums for a wider community of insurance professionals, academic scholars, and policy experts. Thanks to its many links with other insurance associations at the national and international levels, the GA can be considered as a clearing house in a wider network of business organizations. The GA thus can be situated at the juncture between elite business clubs and think tanks. This juncture is replicated in its major research production, that combines both exchanges about intra-industry issues and wider advocacy aims, notably in the domain of social policy or financial services and insurance regulation.

Given its global but sectoral scope, as well as its focus on a specific set of issues, the GA straddles the boundaries between individual companies, business organizations, academic and industry experts, and public opinion. This profile can be compared with that of the Consultative Group on International Economic and Monetary Affairs, Inc., better known as the “Group of Thirty”. According to economic geographers Gordon Clark and Adam Tickell, this group founded in 1978 gathers an elite constituency of business executives, economists, international regulators, ministers, and central bankers (its membership is limited to 30 individuals, whence its name) who are part of the “supporting infrastructure” of international financial reform., and whose discursive practices contribute to influence mainstream opinion towards pro-market solutions in financial regulation and to pre-structure the debates and work of institutions such as the Bank of International Settlements.<sup>7</sup> If the Washington-based Group of Thirty can be described as a beacon for Anglo-American neoliberal perspectives on banking and monetary issues, the GA has retained, despite its global membership, a European profile. This profile is linked to the origins of the association, the composition of its core membership, as well as its distinctive point of view on issues such as social policy reform. These various dimensions are analyzed in turn in the following sections.

### ***At the origins of an International of insurers***

In the mid 1970s, the influence currently enjoyed by the GA among the global insurance industry was still uncertain. However, an analysis of the personalities, motivations and networks that were influential in its establishment shows that, as many comparable think tanks and elite business clubs, the GA greatly benefited from the economic, social, political and intellectual capital of its core

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<sup>7</sup> Gordon L. Clark & Adam Tickell, *New architectures or liberal logics? Interpreting global financial reform* (ESRC, 2001), pp. 7-9. See also <<http://www.group30.org>>.

founders. In other words, the success of the GA had a lot to do with the perseverance of its initiator Fabio Padoa, a Generali Assicurazioni executive, of its first president, French economist Raymond Barre, and of its secretary between 1973 and 2005, the Swiss-based Italian researcher Orio Giarini. The involvement of this triumvirate in the establishment and early activities of the GA is detailed below.

Raised in Trieste, Fabio Padoa-Schioppa (born 1911) had studied philosophy and taught this subject in a local *liceo* (high school) before joining belatedly Assicurazioni Generali at the urging of his father, who was also a high-ranking manager in this company. According to Orio Giarini, this atypical career and late start into the insurance business explains in part Padoa's desire to develop far sighted and innovative research on insurance issues.<sup>8</sup> Beyond these personal intellectual motivations, the involvement of the Generali executive in the intricacies of European institutions also exposed him to the shortcomings of traditional forms of insurance representation and organization. Besides reaching directorial duties at Generali in 1968, Padoa chaired the *Comité Européen des Assurances*, the trade association representing insurers in Brussels. He was then well-situated to witness cross-borders issues such as the painstaking first attempts to open a single market for financial services in the European Economic Community (EEC).<sup>9</sup>

In a contribution on the tenth anniversary of the GA, Fabio Padoa described the early 1970s as both a time of challenges and opportunity for the insurance branch. On the economic front, the inflation rates and currency instability of this period could in particular set serious problems for insurance companies with long-term operational horizons. The insurance branch also witnessed increasing interdependencies and competition between financial providers, structural changes in the insurance branch itself (introduction of computing, transformation of relations between insurers and insurance brokers, etc.), as well as the growing shift of national economies towards services. On another level, the impact of industrial activities on the environment, as well as the development of risk management for large industrial undertakings represented new challenges for underwriters. Last but not least, these uncertainties and transformations were compounded by the “proliferation of social provision measures and increasing state encroachment on the economy”.<sup>10</sup> Considering that insurance should define a “common voice” to have “its word to say” on these important challenges and

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<sup>8</sup> Interview with Orio Giarini, Geneva, July 24, 2007. For biographical information, see also *Who's Who in the World 2002* (New Providence: Marquis, 2001). Fabio Padoa-Schioppa is also the father of Tommaso Padoa-Schioppa (born 1940), currently Finance Minister in the Prodi government and member of the Group of Thirty mentioned in the preceding section of this paper.

<sup>9</sup> The first directives allowing the establishment of foreign non-life and life insurance companies in EEC countries date respectively from 1973 and 1979, whereas a single insurance market emerged only in 1994. See Marc Bezançon, “Le tournant européen”, *Risques*, no. 1 (1996).

<sup>10</sup> Fabio Padoa, “Genève, dix ans après”, *Geneva Papers on Risk and Insurance*, no 8, 28 (1983). p. XXX Note: I have translated all quotations in English when necessary.

transformations, Fabio Padoa estimated that new forms of interest representation were necessary for the insurance branch.

Padoa's Brussels network enabled him to gather a handful of colleagues with a good knowledge of international insurance issues and “the intellectual enthusiasm for studying in depth the meaning of their function”.<sup>11</sup> On September 22, 1971, Padoa convened in Paris a small group of executives to discuss the foundation of a new association. Those present at this meeting included the Germans Emil Frey of the Mannheimer Versicherung, [now part of the Austrian Uniqa group] and Ernst Meyer of Allianz, the Belgian Georges Martin of Royale Belge and the French Bernard Pagézy of La Paternelle [now both part of AXA]. The founding members of the soon to be inaugurated International Association for the Study of Insurance Economics held their first assembly in Paris in February 1973. On this occasion the nascent association opened its ranks to British, Dutch, Swiss and Austrian underwriters, its twenty members encompassing many of the key players on these important insurance markets (see Table 1, in the appendix).<sup>12</sup>

Padoa's knowledge of the Brussels bureaucracy had enabled him to befriend the man who would become the first president of the Association: French economist Raymond Barre (1924-2007). A renowned professor of economics and close collaborator of the Gaullist Minister of Industry Jean-Marcel Jeanneney, Raymond Barre had held the vice-presidency of the European Commission between 1968 and 1972. There he had been responsible for economic and financial affairs during the period that preceded the 1973 introduction of the first EEC directive jumpstarting the protracted process towards the adoption of a single common market for insurance. Before his successive nominations as Minister of Foreign Trade (early 1976) and Prime Minister (August 1976-1981) under the centre-right Giscard d'Estaing presidency, Barre contributed to the GA not only a thorough knowledge of the intricacies of transnational financial issues and politics, but also impeccable liberal intellectual credentials. As an early translator of Friedrich von Hayek's *Counter-Revolution of Science* (1952)<sup>13</sup>, Barre would introduce during his political tenure austerity and monetarist measures that gave a proto-neoliberal profile to France's economic policy. He was also an early member of the Trilateral Commission, another elite policy planning group that was emerging during this period.<sup>14</sup>

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<sup>11</sup> See Fabio Padoa's interview in Patrick M. Liedtke, ed., *Ventures in insurance economics. 30 years - the Geneva Association* (Geneva: International Association for the Study of Insurance Economics, 2003), pp. 3-4.

<sup>12</sup> *Ibid.*, pp. 19-20.

<sup>13</sup> Translated as *Scientisme et sciences sociales : essai sur le mauvais usage de la raison* (Paris: Plon, 1953 for the first edition).

<sup>14</sup> On Barre's role in the diffusion of neo-liberalism, see François Denord, “La conversion au néo-libéralisme. Droite et libéralisme économique dans les années 1980”, *Mouvements*, no. 35 (2004), p. 19. See also the list of

If Brussels and Paris had constituted the first meeting places for Padoa and his colleagues, the establishment of the offices of new association in Geneva was linked to the recruitment of Swiss-based Italian economist Orio Giarini (born 1936) as its secretary. After studies in economics in Trieste and Austin (Texas), Giarini had worked in sales promotion and market research for the chemical company Montecatini (1959-65). In 1965, he had joined the Geneva branch of the Battelle Memorial Institute. Founded in 1929 in Columbus Ohio by a bequest of steel industrialist Gordon Battelle, this private non-profit research and development outfit conducted market and industrial innovation research for private firms and, mainly in the United States, state agencies.<sup>15</sup> Besides his experience as research coordinator, Giarini had also worked for the secretariat of the *Mouvement Fédéraliste Européen*, a branch of the postwar network of civil society organizations promoting the idea of a federal union of Western Europe, and edited in Trieste a small pro-European newsletter (*Rassegna Europea*). After publishing a research on the EEC and space exploration<sup>16</sup>, the young economist had befriended Italian industrialist Aurelio Peccei, one of the founders of the renowned Club of Rome, and had participated to the preparatory meetings that led to the publication of the Club controversial report on the *Limits to Growth* (1972).<sup>17</sup> It was Peccei, a well connected executive heavily involved in business networks who advocated a key role for multinational firms in the establishment of a “transnational society”, who had recommended Giarini to Fabio Padoa.<sup>18</sup> Besides Padoa's insurance contacts and Barre's political and academic credentials, Giarini's corporate and market-oriented research experience, his familiarity with international networks, as well as his team building skills made him a particularly well-suited secretary for the new association, a position that he would hold until 2005.

This brief overview of the triumvirate that presided over the establishment of the GA confirms that this burgeoning International of insurers was connected by several personal and thematical threads to the multi-faceted reorientation of business networks described in the previous section. In 1973, the success and longevity of the GA was far from certain. However, by the early 1980s the association, after several three-year temporary terms, was made permanent. In less than a decade, its membership

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European members in *Triologue. A bulletin of American-European-Japanese affairs*, n°4, April 1974 (available on <<http://www.trilateral.org>>).

<sup>15</sup> See <<http://www.battelle.org>>.

<sup>16</sup> Orio, Giarini, *L'Europe et l'espace* (Lausanne, Centre de recherches européennes, 1968).

<sup>17</sup> Interview with Orio Giarini, Geneva, July 24, 2007. See also Giarini, *Itinéraire vers la retraite à 80 ans*, pp. XXX (check).

<sup>18</sup> According to Robert Golub and Joe Townsend, there are strong continuities between Peccei's career at Fiat and Olivetti, his involvement in “Atlantic” networks such as the Committee for Atlantic Economic Cooperation (1965, a precursor of the Trilateral Commission) and the investment consortium ADELA (Atlantic Development Group for Latin America, 1966), and his establishment of the Club of Rome as a vessel for discussing the need for global economic regulation at the global level with the benevolent help of multinational firms. See Robert Golub & Joe Townsend, “Malthus, multinationals and the Club of Rome”, *Social Studies of Science*, no 7, 2 (1977), pp. 208, 212, 214, 217-18 Peccei had also been invited at the first 1971 conference of the World Economic Forum, see Graz, “How powerful are transnational elite clubs?” pp. 339-40 (note 42).

and research output had indeed made it into an essential and lasting fixture of the insurance community.

### ***The “most prestigious assembly of world insurance”: the members of the Geneva Association, 1975-2005***

From its inception, the GA brought together the largest life, non-life and reinsurance companies of Western Europe. Over three decades, its constituency of hand-picked executives expanded to the world stage while retaining a clear European outlook. This evolution can be followed in Table 1 (see appendix), which offers four snapshots of its membership between 1975 and 2005.

In 1975, the eight countries represented in the association belonged to core EEC countries and included two important insurance markets of the European Free Trade Area (EFTA), namely Switzerland and Austria. Significantly, all the companies that had joined in 1975 were still members of the association thirty years later. Many of them had been bought by larger insurance groups such as Allianz, Generali, or Swiss Re, or had been merged to form new groups such as AXA (France), Aviva (UK), Ergo (Germany), Uniqa (Austria), Fondiaria (Italy) or the ING bancassurance group (Netherlands). The continuing presence of this core membership corresponds to the growing weight of European insurers on the global stage. The 1973-1983 decade in which the GA had emerged indeed witnessed the relative decline of US insurance (whose share of global insurance premiums decreased from 57 to 47 percent of the world total) vis-à-vis their European and Japanese competitors (whose share of global premiums rose respectively from 27 to 34 percent and from 9 to 11 percent during the same period). This constituted the first stirrings of a long-term shift that would lead European insurers to overtake US ones in the early 2000s: In 2004, Western and Eastern European insurers represented 36.9 percent of the global insurance market, against 36 percent for US underwriters and 22.7 percent for Asian ones.<sup>19</sup> The importance of the core European members of the GA is underlined in Table 2 (see appendix). In 2005, 14 of the 20 largest European insurance groups were affiliated to the GA. Moreover, 7 of these 14 companies were also listed among the 10 world largest insurance groups, whereas one could find another 4 European GA members (Munich Re, Swiss Re, Hanover Re, Lloyd's) among the 10 largest reinsurance groups in the world.

By the mid 1980s, the GA had expanded its membership by drafting insurance executives from Scandinavian EFTA countries and Southern European newcomers to the EEC, as well as North

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<sup>19</sup> For 1973-1983, see Padoa, “Genève, dix ans après”, p. 180. For 2004 data, see *European Insurance in Figures*, CEA Statistics n°24, June 2006, p. 17.

American executives (John J. Roberts from AIG in 1980 and Earl Orser from the Canadian London Life in 1986). Over the years, a small number of persons representing insurers' associations or research institutes (such as the American Foreign Insurance Association, or the German *Institut für Versicherungs-Wissenschaft*) also joined the GA, but its membership remained first and above all composed of holders of executive positions. By the end of the millennium, the GA encompassed companies chartered in the island of Bermuda, a fast emerging pole for reinsurance business, as well as Japanese, Australian and South American companies. In 2005, the first Chinese insurers had joined the GA, while Taiwanese, South African or Korean ones are currently following its activities as of 2007.

Despite this global scope, a brief look at four snapshots of the board of the GA (see the appendix, Table 3) confirms once again the weight of a small core of European companies in the association. Between 1975 and 2005, only four insurance groups (AXA, Generali, ING and Swiss Re) were continuously present in this board (per se or by their intermediary of their forerunners) and provided six out of the eight successive presidents of the association. Finally, out of 19 members of the board in 2005, only three (two executives from US companies and one from Brazil) did not represent Western European companies.

This top-heavy executive profile differentiates the GA from other international insurance interest groups. Organizations such as the International Congresses of Actuaries have enabled insurance executives to mingle with professionals and regulators for over one century.<sup>20</sup> However the often technical nature of these quadrennial Congresses has not enabled them to become a suitable forum for discussing current policy-related issues. Despite its origins in a small group of Brussels insiders, the GA also differed clearly from the *Comité Européen des Assurances* (CEA), a federation of national insurance federations which has followed since 1953 the establishment of a single European insurance market.<sup>21</sup> As I have mentioned in the opening section of this paper, the elite and select membership of the new business networks that emerged during the 1970s, and to which the GA clearly belongs, sets them apart from such federations where membership is defined on the basis of national origins and whose margins of maneuver is often restrained by their insertion in corporatist representation structures. The cross-sector nature of the Geneva Association, whose members span both the life and non-life insurance branches, as well as reinsurance, also cuts through traditional national or

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<sup>20</sup> See Martin Lengwiler, "Conference or Cartel? The International Congress of Actuaries and the Emergence of a European Market for Private Sickness Insurance (1890-1950)", paper presented at the European Business History Association, Geneva, September, 2007.

<sup>21</sup> See <<http://www.cea.assur.org/>>.

international trade associations limited to one of these domains. As a meeting point for a selected number of business executives, the GA is finally both more representative and well connected than the International Insurance Society (IIS). This New York based non-profit group was established in 1965 to serve as a forum for insurance companies and academics, and its annual gatherings assemble several hundred participants. However the broad-based membership of the IIS (with over 900 corporate and individual members in 90 countries) often gives to its meetings the atmosphere of an insurance fair that contrast with much more focused meetings of the GA whose membership is limited to 80 individuals.<sup>22</sup>

Now that I have ascertained the role of the GA as an elite business organization, I can turn to its activities as both a think tank producing research reports and a channel for the diffusion of insurers' viewpoint on a select number of key issues. In his autobiographical essay, Orio Giarini recounts that Jean-Claude Trichet, a former chairman of the *Banque de France* and current president of the European Central Bank, told him during a conference of the Group of Thirty that he considered the GA as a “very clever way to defend the long-term interests of the insurance branch”.<sup>23</sup> Because of the pertinence of its research output, the GA has indeed become an important magnet for the leading companies of a sector that plays a growing role in our contemporary societies.

### ***The “research interfaces” of the Geneva Association***

According to its own count, the GA organized between 1973 and 2003 no less than 232 seminars, colloquia and conferences for a total of over 9'000 participants, published 107 issues of its *Geneva Papers on Risk and Insurance*, more than 250 working papers as well as over 560 newsletters.<sup>24</sup> This prolific output is coupled to intensive contacts between the insurance industry and academic circles, through the granting of book prizes, small grants, research ventures and invitations to meetings. The annual budget of around 1.5 million Swiss Francs in 1998 (an amount roughly comparable, in real terms, to the first 1973 budget) financed by member fees covers mainly the salaries of the Geneva secretariat staff (half a dozen permanent positions) as well as printing costs. Of course, member companies extend this budget manifold by shouldering the logistics of the countless assemblies and meetings of the association, by delegating paid experts or executives to help on GA projects or its

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<sup>22</sup> See <<http://www.iisonline.org/>>.

<sup>23</sup> Giarini, *Itinéraire vers la retraite à 80 ans*, p. 160.

<sup>24</sup> Liedtke, ed., *Ventures in insurance economics*, p. 75.

governing board, or simply by keeping its accounts (a task for which Swiss Re has been responsible since the foundation of the GA).<sup>25</sup>

Besides offering a club-like meeting point between high-heeled insurance executives, academics and insurance experts, the main activities of the GA have revolved around the production, coordination and diffusion of research on various issues pooled among “interfaces” covering the interplays between insurance and the following fields: social policy, industry, services, finance, and other miscellaneous issues. These five fields are pictured on the logo of the association, which represents intersections between a central insurance field and five intersecting orbs (see Figure 1). Before detailing the activities undertaken in the *insurance/social policy* interface, I will briefly present the remaining four interfaces in order to give a overview of the scope of the GA interests.

The *insurance/industry* interface covers risk management in its various shades: the role of insurance in sectors such as container transport, space and engineering, risks linked to computer technology (software security, year 2000 changes, e-commerce, etc.), as well as the challenges set by environmental, climate change and “man-made-catastrophes” such as terrorism. In the *insurance/finance* interface, one can find research on bancassurance, financial intermediaries or offshore insurance techniques. Under the *insurance/others* heading, one finds miscellaneous issues such as criminology, the role of planning and accounting methods. In short, these three interfaces focus on problems related to insurance practices and techniques that are shared among industry professionals.

The *insurance/services* interface gathers contributions on theoretical issues presented in the *Geneva Papers on Risk and Insurance Theory*, a journal published since 1990, and contributions related to the teaching and popularization of insurance economics in universities and in the wider public. This interface also deals with the role of economic factors such as inflation on insurance development, as well as issues linked to trade and services regulation and liberalization at the international level. In this last domain, the GA secretariat has used its Geneva location, in close proximity with the GATT and its WTO successor in order to initiate meetings and seminars between experts and service sector coalitions from various countries through its Applied Service Economics Center (ASEC) and its links to the European Services Federation (ESF). Not unlike the Group of Thirty mentioned in the first section of this paper, such technocratic-business outfits are key parts of the consultation and

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<sup>25</sup> “General Report on the 25 years activity of the Geneva Association”, *GPRI*, n°88, 1998, p. 432.

negotiation machinery for trade and services liberalization that has gained influence during the last decade of the twentieth century.<sup>26</sup>

### ***Social policy for insurers (I): the “three-pillar doctrine” as model (1975-1985)***

The definition of boundaries between social and private insurance, as well as the competition or collaboration between the state and business actors for the coverage of risks related to health, old age or accident are of key importance for insurers involved in what historian Jennifer Klein has termed the “business of social policy”, or the development of market-based social provision.<sup>27</sup> These issues had a distinctive urgency for the European companies that constituted the core of the GA: from 1960 to 1973, average social insurance expenditures had increased from 11.4 to 18.1 percent of GDP in Western Europe and this growth seemed to be a lasting, and even accelerating, phenomenon.<sup>28</sup> If several early GA members originated from countries such as Germany, France, or Italy that figured at the front of an expansion of social expenditures that left little space for commercial social provision, they were also aware of the role their colleagues in countries such as Switzerland, the United Kingdom or the Netherlands had played in the establishment of mixed social welfare regimes in which private insurers had retained much larger chunks of the health and pension markets. Indeed, the secretariat of the GA knew well enough that Swiss insurers had been key inspirers and proponents of the so-called “three-pillar doctrine” according to pay-as-you-go basic state pensions (the first pillar) should be supplemented by funded occupational and personal pensions (the second and third pillars). The acceptance of this doctrine in December 1972 had constituted a major victory for private pension providers, and in particular for group insurance contracts.<sup>29</sup> The GA was one of the channels through which this doctrine would become a tenet of the international neoliberal criticism of pay-as-you-go pensions and the parallel offensive in favor of alternatives based on market-based funded solutions

Among the first working papers produced for the GA by a Basel private research firm, one can find contributions on the role of group pensions and personal savings plans developed by insurance companies. These studies published between 1975 and 1977 underscored that group premiums were

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<sup>26</sup> Belén Balanyá, Ann Doherty, Olivier Hoedeman et al., *Konzern Europa - Die unkontrollierbare Macht der Unternehmen* (Zürich: Rotpunkt Verlag, 2001), pp. 225, 304.

<sup>27</sup> On this topic, see Jennifer L. Klein, *For all these rights: business, labor, and the shaping of America's public-private welfare state* (Princeton: Princeton University Press, 2003).

<sup>28</sup> See ILO data quoted by Manfred G. Schmidt, *Sozialpolitik. Historische Entwicklung und internationaler Vergleich* (Opladen: Leske + Budrich, 1988), p. 137.

<sup>29</sup> Matthieu Leimgruber, *Solidarity without the state? Business and the shaping of the Swiss welfare state, 1890-2000* (Cambridge: Cambridge University Press, forthcoming 2008), chapter 4.

growing faster than either individual insurance premiums or national GDPs, but that insurers faced difficult challenges on these markets. In countries such as the UK and Switzerland, group pensions represented respectively one third and over half of all insurance premiums, a key indicator of their role in pension provision. By contrast, the prospects for group pensions were less favorable where insurers were crowded out by occupational schemes organized on a pay-as-you-go basis (as in France) or where state pensions left only a narrow space for private supplements (as in Germany).<sup>30</sup> In short, there existed a genuine potential for the development of private provision but its implementation faced the competition of the state.

Accordingly, a second series of working papers was devoted to the interplays between “State – Security – Insurance”. In these reports, experts from the Insurance Economics Department of the Hochschule St. Gall, an elite Swiss business school, laid out in 1977-1978 what was becoming at the time a classic discourse about the “crisis in the welfare state”. Firstly, the rapid growth of social expenditure has taken place without much thought about its long term impact (which could endanger economic and financial stability) and without being strictly limited to basic provision (which was crowding out private schemes). Secondly, the growing conflict about these aims took place at a time when the “need for security” was continuing to increase. This situation offered both opportunities for private insurers desiring to respond to this demand while trying to contain the expansion of state-based solutions.<sup>31</sup>

The first empirical researches were given more solid foundations during the third annual lecture of the GA in 1979, during which the renowned Harvard economist Martin Feldstein spoke on the adverse “Effect of Social Security on Savings”.<sup>32</sup> The themes raised in this classical paper belonged to the ideological backbone of the offensive against social insurance peddled by neoclassical luminaries during Reagan's presidency. Two years later, the GA also published a report elaborated by two junior academics of the Paris-based *Centre de recherche économique sur l'épargne*, Dominique Strauss-Kahn and Denis Kessler. In this working paper, the two authors cautiously argued in favor of the development of funding to supplement pay-as-you-go social insurance in France. Published in book form in 1982,

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<sup>30</sup> Matthias Bittner & Brigitte Reitz [Prognos AG, Basel], “Zur Entwicklung des Kollektiven Sparens in vier Länder bis 1980”, Geneva Association, working paper 5/1976 [hereafter GA-WP], pp. 27-8, 50-51. See also Brigitte Reitz [Prognos AG, Basel], “Zur Entwicklung der Gruppenversicherung und des kollektiven Sparens in der BRD und in Grossbritannien bis 1990”, GA-WP 13/1977. (translated in English as working paper 13bis/1977). These studies were extended to the Italian case, see Antonio Martelli, “La situazione e le prospettive del mercato delle assicurazioni collettive in Italia”, GA-WP 31/1979 (volume 1) and GA-WP 32/1979 (volume 2).

<sup>31</sup> Matthias Haller & Walter Ackermann [Hochschule St.- Gall], “Staat – Sicherheit – Versicherung”, GA-WP, 15/1977 (volume I). See also GA-WP 19/1978 (volume II) and GA-WP 20/1977 (volume III).

<sup>32</sup> This classical paper, the 1979 Frank Paish lecture given in front of the British Association of University Teachers of Economics, was published in 1981 in *Contemporary Economic Analysis*, volume III (London: Croom Helm, 1981). see also Liedtke, ed., *Ventures in insurance economics*, pp. 110-27.

this study caused a sensation and is often considered as one of the starting point of the French discussion on pension funds.<sup>33</sup> If Strauss-Kahn would become a key proponent of the social-liberal wing of the Socialist Party and become the current European nominee for heading the IMF, Kessler pursued an exemplary career as “organic intellectual” for French insurance and business circles. After an academic tenure (1977-1990), Kessler presided the *Fédération française des sociétés d’assurances* (1990-97, 1998-2002), became a vice-president of the *Comité européen des assurances* (1996-98, 2001-02), and was finally nominated as number two of the *Mouvement des entreprises de France* (MEDEF, 1991-2002). In parallel to these postings in key business organizations, Kessler also held several executive positions in financial firms (Dexia, BNP Paribas, Bolloré) before finally joining the direction of SCOR, a major French reinsurance underwriter. As we will see in the next section, Kessler continued to be active in the GA, acting among others as its Deputy Secretary General (1988), vice-president in charge of scientific research (1990s) and member of its board (early 2000s).<sup>34</sup>

Summarizing a first decade of discussion on the *social policy/insurance* interface, Raymond Barre underlined in a 1983 anniversary issue of the *Geneva Papers on Risk and Insurance* that there existed two paths to solve the crisis of the welfare state in the context of inflation, monetary instability and international competition. Besides reducing the growth of both public and social expenditures and lower tax rates so as to give more breathing space to entrepreneurs, the ex-first president of the GA underscored that “the state should, secondly, limit the extension of risk coverage through national solidarity schemes et facilitate, besides the collective protection of fundamental risks weighing on individuals, the development of risk coverage mechanisms based on group and personal insurance.”<sup>35</sup> For him, insurers working at the juncture between social insurance and the insurance market had a key role to play in order to convince policy makers and the public of these highly desirable and parallel reform paths. Arguing that social security had “decreased the freedom of the West European individual”, and that “a transfer towards more self-retained risk for the insured could be a step in the right direction”, two executives of Nationale Nederlanden [forerunner of ING] compared in the same *Geneva Papers* issue the welfare state as an “overloaded ship”: while some wanted to retain all the cargo, others were keen on throwing away some of it to save the ship from capsizing. Between these two extremes, insurers spoke in favor of a better solution: leading the ship towards a safe harbor

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<sup>33</sup> Denis Kessler & Dominique Strauss-Kahn, “La capitalisation a-t-elle un avenir en France?”, GA-WP 48/1981. Published in book form as Denis Kessler & Strauss-Kahn. Dominique, *L’épargne et la retraite. L’avenir des retraites préfinancées* (Paris: Economica, 1982)

<sup>34</sup> See *Who is Who in France, 2006 edition* (New Providence: Marquis, 2005).

<sup>35</sup> Raymond Barre, “L’Etat et la demande de sécurité dans les sociétés contemporaines”, *Geneva Papers on Risk and Insurance*, no 8, 27 (1983), p. 85.

where some of its cargo could be then “sold in a free market” so as to relieve the ship and enable it to continue its journey.<sup>36</sup>

By the early 1980s, the GA was by far not the only business outfit discussing the “crisis in the welfare state” and calling for both austerity measures and more market-based reforms in social provision. Themes such as the containment/cutback of state programs alongside the development of occupational and personal solutions had become a regular fixture of OECD policy and had been taken up by the *Comité européen des assurances*.<sup>37</sup> The “three-pillar doctrine” was formally consecrated in the 1994 World Bank report *Averting the Old Age Crisis*, a key blueprint of what Robin Blackburn has described as the “global drive to commodify pensions”.<sup>38</sup> Well before this date, the GA had found a more specific niche in the ecology of late twentieth century pension reform by advocating the addition of a fourth pillar to the three-pillar model.

### ***Social policy for insurers (II): the “four pillars” research program (mid 1980s-2000s)***

“[The Geneva Association has] advocated a strengthening of the second pillar based on funding and a further development of third pillar resources. Our attention has, however, focused above all on the need in future years for a flexible extension of working-life, mainly on a part-time basis, in order to supplement the income of the existing three pillars. [...] This reorganisation of end-of-career and the new age-management strategy it implies - in which gradual retirement is destined to play a key role - also corresponds to many of the changes (in quality of work, life cycle, etc) which are specific to our contemporary service economies. The fourth pillar, then, forms part of the Geneva Association's more general theory that an aging population, rather than a problem, can constitute a positive challenge for our firms, communities and individuals.”<sup>39</sup>

The implementation of a second pillar of occupational pensions, made mandatory by the state but managed by private providers, constituted the heart of the three-pillar doctrine accepted in December 1972 in Switzerland. However, its implementation took more than a decade: the law on the mandatory second pillar was accepted in 1982 and began its operations in 1985, while the fiscal encouragement of third pillar savings accounts became operational at the end of the decade. It is in this context that the GA inaugurated a research program that constituted the second stage of its reflection on the “State – Social Policy – Insurance” nexus: namely encouraging the (re-)insertion of the elderly into a labor

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<sup>36</sup> E.K. Den Bakker & G.W. De Witt, “Social security in a European perspective”, *Geneva Papers on Risk and Insurance*, no 8, 28 (1983), p. 262

<sup>37</sup> See “The welfare state in crisis”, OECD Conference, Paris October 1980 (published in book form in 1981). See also *Die Zukunft sichern*, Conference held in Zurich on August 28, 1984, published as Cahiers du CEA n° 3, 1984 as well as *L'avenir des systèmes de retraite en Europe*, Cahiers du CEA n° 4, 1986.

<sup>38</sup> Robin Blackburn, *Banking on death or, investing in life: the history and future of pensions* (London: Verso, 2002), pp. 225-36.

<sup>39</sup> Source: <[http://www.genevaassociation.org/four\\_pillars.htm](http://www.genevaassociation.org/four_pillars.htm)>.

force from which they had been “expelled” by overly generous pensions schemes and the unreasonable early retirement programs introduced during the industrial restructuring of the 1970s and 1980s in Europe.

Over the years, the fourth pillar research program has become a mainstay of the GA activities and its staff has developed a genuine cottage industry of policy reports and meetings around this theme. After commissioning more than a dozen working papers on the “fourth pillar”, the interplay between ageing and health, as well as post-retirement work, the GA has published since 1999 four special issues of its *Geneva Papers on Risk and Insurance* focused on the twin challenges of “the future of pensions” and “work beyond 60”<sup>40</sup>. Moreover, around 3'000 researchers and organizations receive its bi-annual “Fourth Pillar” newsletter. In 2005, Geneviève Reday-Muldey, the GA research officer in charge of the program published a synthesis on the advancement of “key policies and practices” in this domain in Europe, while Orio Giarini, the now retired but still very active secretary of the GA, had founded in Trieste a new venture sponsored by Italian insurers Montepaschi Vita and Fondiaria, namely the quarterly journal *European Papers on the New Welfare – The Counter Ageing-Society*.<sup>41</sup>

To understand the objectives and leitmotifs of this flourishing production, it is useful to read two articles published at the onset of the research program by Denis Kessler.<sup>42</sup> In these contributions entitled “The four pillars of retirement” and “Solutions to the coming crisis in social security: save today or work tomorrow”, the French insurance intellectual (and soon on his way to become an insurance executive) argued clearly in favor of a gradual shift from *collective* pay-as-you go and funded pensions (1<sup>st</sup> and 2<sup>nd</sup> pillars) towards *individualized* savings and part-time post-retirement work (3<sup>rd</sup> and 4<sup>th</sup> pillars). Behind benevolent objectives such as fighting back the “ageism” that allegedly prejudices the employment of elderly workers, offering more “flexibility” to individuals wishing to pursue post-retirement careers, we can recognize the same drive towards the re-commodification of social policy that has become a mainstay of contemporary pension reform. As it had been the case a decade earlier, these narratives use a “crisis” (be it of economic, budgetary or demographic nature) as a wedge to reorient policy debates towards very precise horizons.

A decade later, in the first special issue of the *Geneva Papers* devoted to the “fourth pillar”, Kessler again offered a list of the key features of this reform drive that encompassed:

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<sup>40</sup> See GPRI 24/4 1999; GPRI 26/4, 2001; GPRI 28/4 2003; GPRI 30/4 2005.

<sup>41</sup> Geneviève Reday-Mulvey, *Working beyond 60: key policies and practices in Europe* (Basingstoke: Palgrave Macmillan, 2005). Giarini had also published, under the form of an autobiographic essay, a plaidoyer for “active retirement”. See Giarini, *Itinéraire vers la retraite à 80 ans*.

<sup>42</sup> Denis Kessler, “The four pillars of retirement”, GPRI, n°49, 1988, pp. 342-9; Denis Kessler, “Solutions to the coming crisis in social security: save today or work tomorrow”, GPRI, n° 55, 1989, pp. 122-138.

1. fiscal incentives instead of social expenditures  
[ML: *i.e. lower social contribution and income tax levels*]
2. capitalization instead of distribution  
[ML: *i.e. funded benefits instead of pay-as-you-go and tax-based social solidarity*]
3. customization of social rights instead of standardization  
[ML: *i.e. individualized instead of collective solutions*]
4. competition rather than monopoly  
[ML: *i.e. more private market-based solutions instead of state ones*]<sup>43</sup>

Once again, the GA cannot be credited with either inventing or being the sole proponent of such policies. Since the mid 1990s, labor market and pension reformers in many Western countries as well as in the OECD or the European Commission have begun to rollback early retirement and to introduce incentives, for the moment with mixed results, to improve elderly workforce participation rates. In both domains briefly described above, the leading insurers members of the GA strive to present the insurance branch as a benevolent force keen on either rebuilding a new partnership between the state and the market (three-pillar model), or inspiring a better apprehension of generational divides in ageing societies (fourth pillar). However, in both cases, it cannot be escaped that these aims fit closely with both the broader agenda of neoliberal reforms. Indeed, Kessler's "save today or work tomorrow" slogan is now slowly but surely becoming a reality that millions of persons will have to face. This summer, the last OECD *Pensions at a glance* indeed underscored that reduction of benefits, the introduction of higher age thresholds for retirement or less favorable indexation mechanisms introduced since 1990 in 16 countries had led to cuts amounting to 22 percent of future pension promises (and even 25 percent for women) by 2004.<sup>44</sup> One may hope that the new risks opened by these measures will be covered, at least in part, by the personal annuities and pensions peddled by the proponents of the virtuous potentials of the "risk society".

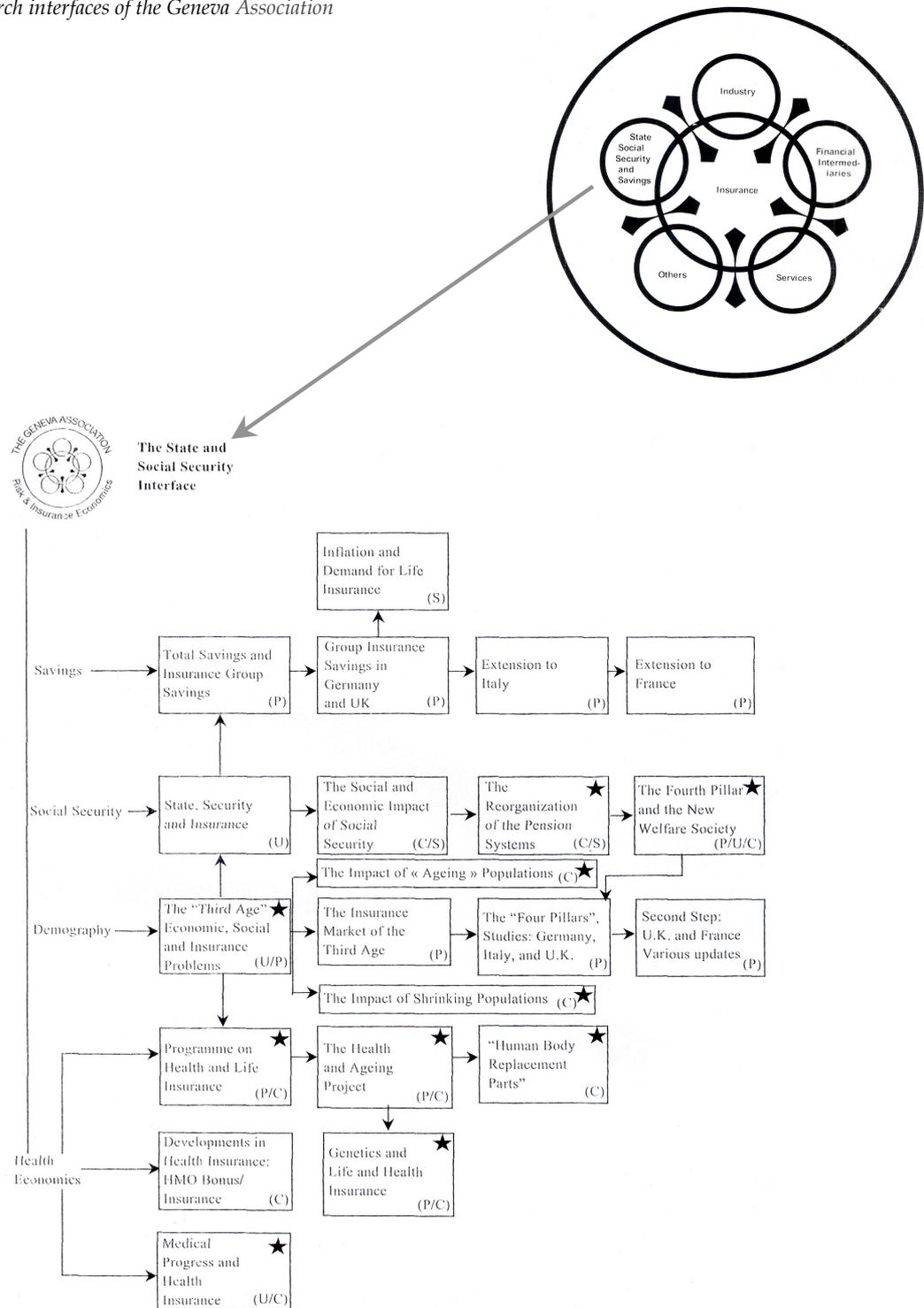
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<sup>43</sup> Denis Kessler, "Social security and private insurance: the great change", *GPRI*, n° 24/4, 1999, pp. 444-5.

<sup>44</sup> *Pensions at a glance. Public policies across OECD countries*, (Paris: OECD, 2007), pp. 10-11.

## Appendix: Tables and Figures

Figure 1. The research interfaces of the Geneva Association



Source: Patrick M. Liedtke, ed. *Ventures in insurance economics. 30 years - the Geneva Association* (Geneva: International Association for the Study of Insurance Economics, 2003), pp. 77, 80

Table 1. The membership of the Geneva Association, 1975-2005

Allianz = companies whose executives were present at the first preliminary meeting in September 1971  
 \*UAP = founding members in February 1973  
 (-> AXA) = merger and/or acquisition  
 [eur] / [world] / [re] = ranking among the largest European [eur], global [world] and reinsurance [re] groups in 2005 (see Table 2 below)

| 1975 (25 members)  | 1985 (45 members)   | 1995 (79 members)   | 2005 (77 members)   |
|--|---|---|---|
| <b>(a) core members (1971-1975)</b>  |   |   |   |
| <b>AT</b> *Erste Allgemeine (-> <i>Generali</i> )  | Erste Allgemeine (-> <i>Generali</i> )<br>Uniqa   | Bundesländer-Versicherung (-> <i>Uniqa</i> )<br>Generali Holding<br>Uniqa   | Generali Holding<br>Uniqa   |
| <b>BE</b> * <i>Royale Belge</i> (-> AXA)   | Wiener Allianz (-> <i>Allianz</i> )<br>Compagnies Belges d'Assurances Générales<br><i>Royale Belge</i> (-> AXA)   | Fortis<br>KBC Insurance<br><i>Royale Belge</i> (-> AXA)   | <b>Fortis [eur 15]</b>  |
| <b>FR</b> *AGF (-> <i>Allianz</i> )<br>* <i>La Paternelle</i> (-> AXA)<br>*Préservatrice Foncière (-> AGF)<br>*SAFR (-> <i>Partner Re</i> )<br>*UAP (-> AXA)   | AGF (-> <i>Allianz</i> )<br>ATHENA<br>AXA<br>La Mondiale<br>Le Secours<br>UAP (-> AXA)<br>SAFR (-> <i>Partner Re</i> )  | AGF (-> <i>Allianz</i> )<br>AXA<br>Fédération des Assureurs Privés<br>GAN (-> <i>Groupama</i> )<br>Groupama<br>La Mondiale<br>SCOR<br>SFAR (-> <i>Partner Re</i> )<br>UAP (-> AXA)  | AGF (-> <i>Allianz</i> )<br><b>AXA [eur 2; world 2]</b><br>Azur (-> <i>MMA-Azur</i> )<br><b>CNP [eur 10]</b><br><b>Groupama [eur 17]</b><br>La Mondiale<br>MMA (-> <i>MMA-Azur</i> )<br>MACIF<br>SCOR                             |
| <b>DE</b> * <i>Allianz</i><br>*Aachener und Münchener (-> <i>Generali</i> )<br>*Munich Re<br>*Victoria (-> <i>Ergo</i> )<br><i>Mannheimer</i> (-> <i>Uniqa</i> )<br>Württembergische (-> <i>Wüstenrot &amp; Württembergische</i> ) | Aachener und Münchener (-> <i>Generali</i> )<br>Ergo<br>Frankona Re (-> <i>Swiss Re</i> )<br>Institut für Versicherungs-Wissenschaft<br>Württembergisch (-> <i>Wüstenrot &amp; Württembergische</i> ) | Aachener und Münchener (-> <i>Generali</i> )<br>AXA Colonia<br>Cologne Re (-> <i>Berkshire Hathaway</i> )<br>Frankona Re (-> <i>Swiss Re</i> )<br>Gerling Group<br>Haftpflichtverband der Deutschen Industrie (HDI)<br>Institut für Versicherungs-Wissenschaft<br>Munich Re<br>Swiss Re Germany<br>Württembergische (-> <i>Wüstenrot &amp; Württembergische</i> ) | <b>Allianz [eur 1; world 3]</b><br>AMB Generali<br>Cologne Re (-> <i>Berkshire Hathaway</i> )<br><b>Ergo [eur 14]</b><br><b>Hannover Re [re 4]</b><br><b>Munich Re [re 2]</b><br>Swiss Re Germany<br>Wüstenrot & Württembergische |
| <b>IT</b> *Fondiarìa<br>*Generali<br>*Reale Mutua<br>*Riunione Adriatica di Sicurtà (RAS) (-> <i>Allianz</i> )<br>*Unione Italiana di Rassicurazione (UIR) (-> <i>Swiss Re</i> )<br>Toro (-> <i>Generali</i> )                     | Fondiarìa<br>Generali<br>Reale Mutua<br>SAI Assicurazioni (-> <i>Fondiarìa</i> )<br>UIR (-> <i>Swiss Re</i> )<br>Vita Nuova<br>Vittoria   | Generali<br>INA (-> <i>Generali</i> )<br>Reale Mutua<br>SAI Assicurazioni (-> <i>Fondiarìa</i> )<br>Toro (-> <i>Generali</i> )<br>UIR (-> <i>Swiss Re</i> )<br>UNIPOL<br>Vittoria   | BPB Assicurazioni<br>Fondiarìa – SAI<br><b>Generali [eur 4; world 5]</b><br>Mediolanum Vita<br>Montepaschi Vita<br>RAS (-> <i>Allianz</i> )<br>Reale Mutua<br>Vittoria  |
| <b>NL</b> *Nationale Nederlanden (-> <i>ING</i> )  | Nederlands Reassurantie Groep   | Achmea (-> <i>Eureko</i> )<br>Aegon<br>Eureko<br>ING  | <b>Aegon [eur 9]</b><br><b>Eureko [eur 20]</b><br><b>ING [eur 6; world 1]</b>   |
| <b>CH</b> *Swiss Re<br>Zurich  | Swiss Re<br>Winterthur (-> AXA)<br>Zurich   | Bâloise Holding<br>Swiss Re<br>Winterthur (-> AXA)<br>Zurich  | Bâloise Holding<br>Converium (-> SCOR)<br><b>Swiss Re [re 1]</b><br><b>Zurich [eur 7; world 9]</b>  |
| <b>UK</b> *Commercial Union (-> <i>Aviva</i> )<br>*Mercantile & General Re (-> <i>Swiss Re</i> )<br>*Royal & Sun Alliance  | Commercial Union (-> <i>Aviva</i> )<br>Guardian Royal Exchange (-> AXA)<br>Legal and General<br>Mercantile & General Re (-> <i>Swiss Re</i> )<br>Norwich/Winterthur Re<br>Royal & Sun Alliance        | Commercial Union<br>General Accident (-> <i>Aviva</i> )<br>Guardian Royal Exchange (-> AXA)<br>KILN<br>Mercantile & General Re (-> <i>Swiss Re</i> )<br>Old Mutual<br>Prudential<br>Royal & Sun Alliance  | Aviva [eur 5; world 7]<br>BUPA<br><b>Lloyd's [re 6]</b><br>Old Mutual<br><b>Prudential [eur 3; world 8]</b><br><b>Royal &amp; Sun Alliance [eur 19]</b>   |

| 1975 (continued)  | 1985 (continued)   | 1995 (continued)  | 2005 (continued)  |
|---|--|---|---|
| <b>(b) expansion towards the European periphery and North America (1977-1986)</b> |  |   |   |
| <b>Denmark</b> ( <i>first member in 1977</i> )                                    | Baltica Forsikring   | Baltica Forsikring  | Tryg-Vesta<br>Codan   |
| <b>Finland</b> (1977)   | Pohjola Group  | Pohjola Group<br>Sampo  |   |
| <b>Ireland</b> (1977)   | Eagle Star   | Eagle Star<br>Irish Life  | Irish Life  |
| <b>Norway</b> (1977)  | Skandia (-> <i>Old Mutual</i> )<br>Storebrand                            | Skandia (-> <i>Old Mutual</i> )<br>Storebrand<br>Vesta (-> <i>Tryg-Vesta</i> )  |   |
| <b>Spain</b> (1980)   | CHASYR<br>Mapfre<br>Union y el Fenix Espanol (-> <i>Allianz</i> )        | Banco Santander Central Hispano<br>Euroseguros (-> <i>BBVA</i> )<br>Mapfre<br>UNESPA                                      | BBVA Seguros<br>Caifo ( <i>Caixa/Fortis</i> )<br>CASER<br>Mapfre<br>UNESPA  |
| <b>United States</b> (1980)   | American Foreign Insurance Association<br>AIG<br>Allstate                | Aetna (-> <i>ING</i> )<br>AIG<br>CNA (-> <i>Swiss Re</i> )<br>Employers Re (-> <i>GE Insurance</i> )<br>Metropolitan Life | <b>AIG [world 4]</b><br>Assurant<br>AXA Financial Inc<br>Chubb<br>GE Insurance (-> <i>Swiss Re</i> )<br><b>Gen Re (-&gt; Berkshire Hathaway) [re 3]</b><br>Liberty Mutual Group<br>Metropolitan Life<br>New York Life<br>Pacific Life<br>Prudential |
| <b>Greece</b> (1981)  |  | Ethniki   | Ethniki   |
| <b>Portugal</b> (1984)  | Banco Portugues de Investimento SGPS                                     | Banco Portugues de Investimento SGPS  | Millenium BCP<br>Tranquilidade  |
| <b>Canada</b> (1986)  |  | Imperio<br>London Life  |   |
| <b>(c) a global insurance forum (1988-2005)</b>                                   |  |   |   |
|   | <b>Colombia</b> ( <i>first member in 1988</i> )<br><b>Bermuda</b> (1990) | Suramericana de Seguros<br>Ace Tempest Re<br>Axis Specialty   | Suramericana de Seguros<br>Ace Tempest Re<br>Axis Specialty<br><b>Partner Re [re 10]</b><br><b>XL Capital [re 7]</b>  |
|   | <b>Japan</b> (1991)  | Dai-Ichi Mutual Life<br>Meiji Life<br>Tokyo Marine & Fire<br>Yasuda Fire & Marine (-> <i>Sompo</i> )                      | Meiji Life<br>Mitsui Sumitomo<br>Sompo<br>Tokyo Marine & Fire<br>Insurance Australia  |
|   | <b>Australia</b> (1991)<br><b>Sweden</b> (1995)<br><b>Brazil</b> (1999)  | SEB Skandinaviska Enskilda Banken   | Bradesco Seguros<br>Sul America   |
|   | <b>China</b> (2005)  |   | China Life<br>PICC Holding  |

Table 2. Leading insurance companies and the Geneva Association (2005)

(a) top twenty European insurance groups (14 out of 20 are **members** of the GA)

|    |                                 |             |                              |
|----|---------------------------------|-------------|------------------------------|
| 1  | <b>Allianz</b>                  | Germany     |                              |
| 2  | <b>Axa</b>                      | France      |                              |
| 3  | <b>Prudential</b>               | UK          |                              |
| 4  | <b>Generali</b>                 | Italy       |                              |
| 5  | <b>Aviva</b>                    | UK          |                              |
| 6  | <b>ING</b>                      | Netherlands |                              |
| 7  | <b>Zurich</b>                   | Switzerland |                              |
| 8  | Legal & General                 | UK          |                              |
| 9  | <b>Aegon</b>                    | Netherlands |                              |
| 10 | <b>CNP</b>                      | France      |                              |
| 11 | Standard Life                   | UK          |                              |
| 12 | Winterthur                      | Switzerland | <i>bought by AXA in 2006</i> |
| 13 | Crédit Agricole                 | France      |                              |
| 14 | <b>Ergo</b>                     | Germany     |                              |
| 15 | <b>Fortis</b>                   | Belgium     |                              |
| 16 | Swisslife                       | Switzerland |                              |
| 17 | <b>Groupama</b>                 | France      |                              |
| 18 | BNP-Paribas                     | France      |                              |
| 19 | <b>Royal &amp; Sun Alliance</b> | UK          |                              |
| 20 | <b>Eureko</b>                   | Netherlands |                              |

(b) top ten global insurance groups (9 out of 10 are **members** of the GA)

|    |                                  |             |   |
|----|----------------------------------|-------------|---|
| 1  | <b>ING</b>                       | Netherlands |   |
| 2  | <b>AXA</b>                       | France      |   |
| 3  | <b>Allianz</b>                   | Germany     |   |
| 4  | <b>AIG</b>                       | USA         |   |
| 5  | <b>Generali</b>                  | Italy       |   |
| 6  | <b>Berkshire Hathaway</b>        | USA         | <i>member through Cologne Re/Gen Re</i> |
| 7  | <b>Aviva</b>                     | UK          |   |
| 8  | <b>Prudential</b>                | UK          |   |
| 9  | <b>Zurich Financial Services</b> | Switzerland |   |
| 10 | State Farm Insurance Co          | USA         |   |

(c) top ten global reinsurance groups (8 out of 10 are **members** of the GA)

|    |                               |             |   |
|----|-------------------------------|-------------|---|
| 1  | <b>Munich Re</b>              | Germany     |   |
| 2  | <b>Swiss Re</b>               | Switzerland |   |
| 3  | <b>Berkshire Hathaway Re</b>  | USA         | <i>member through Cologne Re/Gen Re</i> |
| 4  | <b>Hanover Re</b>             | Germany     |   |
| 5  | <b>GE Insurance Solutions</b> | USA         | <i>bought by Swiss Re in 2006</i>       |
| 6  | <b>Lloyd's</b>                | UK          |   |
| 7  | <b>XL Re</b>                  | Bermuda     |   |
| 8  | Everest Re                    | Bermuda     |   |
| 9  | Reinsurance Group of America  | USA         |   |
| 10 | <b>Partner Re</b>             | Bermuda     |   |

Sources:

(a) = CEA statistics. *European Insurance in Figures*, n°24, June 2006, p. 23(b) and (c) = *International Insurance Factbook* < <http://www.iii.org/international/rankings/> >

Table 3. The board of the Geneva Association, 1975–2005

\* = 1971 founding committee  
 p = **president**  
 vp = vice-president  
 tr = treasurer  
 s = secretary

|  | 1975 (10 members)                                   | 1985 (11 members)           | 1995 (19 members)            | 2005 (19 members)                                   |
|--|---|-----------------------------|------------------------------|---|
| <i>members ex officio</i>                      | R. Barre (p: 1973-76)<br>O. Giariani (s: 1973-2005) |                             |                              | P. M. Liedtke (s: 2005-)                            |
| Aetna  | USA   |                             | R. E. Compton                |   |
| AIG  | USA   |                             |                              | M. J. Sullivan                                      |
| Allianz  | DE  |                             |                              | M. Diekmann (vp)                                    |
| <i>Union y el Fenix (ES)</i>                   |   | J. Arguelles y Armada       |                              |   |
| Aviva  | UK  |                             |                              | R. Harvey   |
| AXA  | FR  |                             | C. Bébéar (vp)               | H. de Castries<br>(p: 2004-07)                      |
| <i>La Paternelle (FR)</i>                      |   | *B. Pagezy                  | B. Pagezy (vp)               |   |
| <i>Royale Belge (BE)</i>                       |   | *G. Martin (vp)             | J. P. Gérard                 |   |
| Baloise Holding                                | CH  |                             | R. Baumann                   |   |
| Banco Portugues de Investimento                | PT  |                             | R. de Carvalho (vp)          |   |
| Banco Santander Central Hispano                | ES  |                             | J. Amusatogui dela Cierva    |   |
| Eagle Star                                     | IE  | A. Ratcliff                 |                              |   |
| Fortis   | BE  |                             | H. Bartelds                  | J. de Mey   |
| Generali                                       | IT  | *F. Padoa (vp & p: 1976-83) | E. Coppola di Canzano        | A. Bernheim   |
| <i>Erste Allgemeine (AT)</i>                   |   | E. Urbanski                 | D. Karner                    | Karl Stoss  |
| <i>Aachener &amp; Münchener (DE)</i>           |   | R. Schmidt                  | R. Schmidt (p: 1986-90)      |   |
| La Mondiale                                    | FR  |                             | P. Peugeot                   | P. Peugeot  |
| MAPFRE   | ES  |                             | F. Mira Candel               | F. Mira Candel                                      |
| Munich Re                                      | DE  |                             | F. Niederhaus                | N. von Bomhard                                      |
| Nationale Nederlanden<br>(since 1991: ING)     | NL  | J. van der Velden           | O. Hattink                   | J. Holsboer (p: 1993-99)<br>M. Tilmant              |
| Prudential Inc.                                | USA   | J. Kittredge                |                              | A. Ryan (vp)  |
| Prudential Plc.                                | UK  |                             | B. Corby (p: 1990-93)        | M. Tucker   |
| SCOR   | FR  |                             |                              | D. Kessler  |
| Skandia  | NO  |                             | B. Wohlath                   |   |
| Sul America                                    | BR  |                             |                              | P. de Larragoiti Lucas                              |
| Swiss Re                                       | CH  | *H. Vischer                 | P. Christen (tr)<br>A. Longo | E. Jutzi (tr)<br>W. Kielholz (tr)<br>(p: 1999-2003) |
| <i>Unione Italiana di Riassicurazione (IT)</i> |   |                             |                              |   |
| <i>Mercantile &amp; General Re (UK)</i>        |   | *J. Neave                   | J. Neave (p: 1983-86)        | J. Engeström  |
| Vittoria                                       | IT  |                             | C. Acutis                    | C. Acutis   |
| Zurich Financial Services                      | CH  |                             |                              | J. Schiro   |

Sources: *Geneva Papers on Risk and Insurance*, various years.