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**2019**
https://hdl.handle.net/10539/28537
Louw, Simon (2019) The Actuary's duty to the public interest, University of the Witwatersrand, Johannesburg, <http://hdl.handle.net/10539/28537>

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# THE ACTUARY'S DUTY TO THE PUBLIC INTEREST

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A research report submitted to the Faculty of Humanities, University of the Witwatersrand, Johannesburg, in partial fulfilment of the requirements for the degree of Master of Arts, Applied Ethics for Professionals

Johannesburg
May 2019

## Abstract

The Code of Professional Conduct of the Actuarial Society of South Africa is the primary professional normative standard for South African actuaries. This Code contains a provision that members should act in the public interest. I argue that this results in an obligation: that actuaries have a duty to act in the public interest. The nature of this duty could be interpreted in a narrow or broad way, and I argue for favouring a broad conception. I discuss several arguments in support of the public interest. My judgement is that the main justification is the provision of negative and positive protections for the public. However, I argue that that the negative protections are sufficiently covered by other professional requirements, and that the positive protections should come from outside the profession. In opposition to the provision, I argue why I think the public interest duty for actuaries cannot be supported. It raises too many problems, such as not being able to keep the promise, and an inconsistency with a duty to manage conflicts of interest. It is too vague, leading to problems with enforcement, for example. Also, the public interest is properly the role of the state, rather than the actuarial profession. For these reasons, I propose that the public interest duty be removed from the Code. I argue that this will not detract from the primary professional obligation, which is to provide a quality service to clients.