

Note from the Editor on Gail E. Tverberg's "The Expected Impact of Oil Limitations on the Property-Casualty Insurance Industry"

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The paper that follows, "The Expected Impact of Oil Limitations on the Property-Casualty Insurance Industry," traces the consequences of a worldwide (or even simply a local) oil shortage on the economy as a whole. The primary thesis is that no single segment of an economy rises and falls without consequence to several, if not all other segments. The property-casualty insurance industry is one such affected segment.

Author Gail E. Tverberg, though not offering advice on how casualty actuaries should prepare for or respond to these consequences, provides a very thorough description of the challenges that the members of the Casualty Actuarial Society might be called on to overcome. The more obvious consequences include a reduction in investment income as the economy at large suffers shrinkage. More subtle consequences include the deterioration of homeowners experience as the gap between replacement cost and market value expands.

Indeed it would be overwhelmingly difficult for Ms. Tverberg to offer a roadmap for us actuaries to follow. While it should be stressed that the opinions expressed are not necessarily shared by the CAS, the *E-Forum*, or its editor, should the anticipated oil shortage be sufficiently severe, only a fraction of the actual consequences can be foreseen, even by the most prophetic among us. Yet we should not too casually accept the vacuums of consequence whereby we respond, "I didn't even think of that one."

Though the focus is on the overall economy first, and the property-casualty insurance industry second, the Editor welcomes this paper's contribution to the *E-Forum*.