

Editorial: There has Never Been a Better Time to be a Minimalist...

By Ronald Poon-Affat

I can still remember how disoriented I felt when I first came across the concept of minimalism in 2003. While reading a financial newspaper in my Rio de Janeiro office, I came across an article describing the lifestyle of Andrew Hyde, a successful *serial startup entrepreneur* who had deliberately whittled his worldly goods down to 15 items.

I read the article and then I read it again, certain that either my eyes or my rudimentary Portuguese were deceiving me. Such a philosophy went against the then-current core belief that more is better and better is certainly the road to happiness, right? The luxury car, the bigger house, the lavish vacations ... the carrots that kept us burning the midnight oil in search of success and mega year-end bonuses.

My minimalist moment was akin to Neo taking the red pill in the Matrix.

THE LESS YOU OWN, THE LESS OWNS YOU

Minimalists believe the pursuit and acquisition of physical possessions will never fully satisfy the desire for happiness. In the minimalist way of thinking, “retail therapy,” or finding temporary fulfillment in buying a new item, is anathema; and oniomania, or compulsive buying, something to be pitied. By clearing clutter from our homes and our lives, we can make room for life’s most important aspects: health, relationships, passion, growth and contribution.

In 2003, being a minimalist, especially in an urban city, could be as challenging as being a teetotaler in New Orleans or a vegan in Dallas. There was Netflix and Audible, but neither was a streaming service. There was no Uber, no Spotify, no Kindle, and no Hulu. Today, however, thanks to smartphones and apps, ownership of things has never been less necessary. Car-sharing companies such as Zipcar have lessened the need for a second car, and e-books and streaming services for movies and music might either eliminate or at least halt the hoarding of books, DVDs and CDs (many still in their plastic wrapping).



There has never been a better time to be a minimalist. Indeed, from time to time, without even realizing it, we are all minimalists. When we take vacations or travel on business, most of us travel happily with a small fraction of our worldly possessions. Frequent flyer road warriors who mastered the skill of traveling for a week with only carry-on luggage were early adopters of minimalism.

In my own journey towards minimalism I reflected on what is needed to do the work I do as a reinsurance actuary, as opposed to other careers such as my sister’s, who is an optometrist. Her office is filled with things, from a visual field perimeter machine, a pachymeter, and an optical coherence tomography machine to an extensive inventory of spectacle frames and contact lenses. All of which, of course, is necessary for a successful optometry practice.

I, on the other hand, have lived in nine cities in seven countries, and I can attest to the fact that actuaries don’t really need a lot of equipment to be up and running. These days, armed with a high-end laptop and access to unlimited cloud-based storage, an actuary can hang up his or her shingle literally anywhere in the world with access to reliable wi-fi (and good coffee).

WHEN IN DOUBT, GOOGLE IT OUT

Interestingly, the actuarial profession would appear to be one of the ultimate minimalist careers. But don’t take my word for it: when I Googled the query “*What is a minimalist profession?*” my first hit was a blog listing “*the 10 most lucrative minimalist*

careers.” Clicking over to the blog, I saw that the second career listed was “Actuary Consultant.” I kid you not!

According to the blog, the two main characteristics of these minimalist careers are:

- **Flexibility:** You should be able to create your own schedule to a certain degree. Hours need to be pliable: a job demanding 50+ hours every week with no exceptions will not make the list.
- **Lucrativeness:** The point of work is to make money. The point of a minimalist career is to make money as efficiently as possible; that is, needing the least time and effort for the most gain.

THE FUTURE `S SO BRIGHT (I GOTTA WEAR SHADES)

As we prepare for the next generation of young actuaries to enter our ranks, let us consider some millennial preferences. They embrace:

- **Technology and mobility.** Millennials are the first generation born after the technological revolution. For them, mobility is the new stability. It is difficult to live a mobile lifestyle with a house full of stuff.
- **The Sharing Economy.** Technology has provided a platform on which access can take precedence of ownership.
- **Living preferences.** Millennials migrate toward smaller dwellings in walkable neighborhoods with access to shared amenities.
- **Experiences.** Millennials spend less on possessions but more on wellness, food, drink and experiences.
- **Environmental concerns.** Millennials are the most socio-civic conscious of all age groups, leaning more heavily towards environmental initiatives than ever before.

Based on this list, it would appear millennials are hard-wired for minimalism.

SMILE, BREATHE AND GO SLOWLY

While I am still nowhere near to having a 15-item inventory, I consider myself to be an aspiring minimalist. I certainly make an effort to donate household and clothing items almost every weekend.

I vividly recall a scene in “About Schmidt” (2002), Hollywood’s most famous movie about an actuary. On his last day, Warren Schmidt leaves the building with a small box. Turning around, he sees his life’s work packed away in a few boxes in the building’s garage, waiting for the garbage truck. He walks off forlornly in a post-career funk, thinking how little his professional life truly meant in the great scheme of things.

Let’s fast forward to the hit Netflix series, “Unbreakable Kimmy Schmidt.” Ms. Schmidt (no relation to Warren) would not pull a long face. Rather, she would smile from ear to ear (a.k.a “Kimmying”), reflecting that she made a significant contribution to the long-term sustainability of a leading financial institution while generating very little packaging waste and thus had an ecologically-friendly career.

The Society of Actuaries’ 2017–2021 Strategic Plan includes the goal of encouraging talented students with diverse backgrounds to pursue actuarial science. Could actuarial science be marketed to millennials as a minimalist career? Indeed, could actuarial science become the next “cool” profession? Something to think about when you are packing for your next holiday. ■



Ronald Poon-Affat, FSA, CFA, FIA, MAAA, is co-editor of the Society of Actuaries’ *Reinsurance News* newsletter. He can be contacted at rpoonaffat@rgare.com.