

# Growing Starr

An Interview with Maurice R. Greenberg, Starr Insurance Companies

**EDITORS' NOTE** *Maurice R. Greenberg is Chairman of Starr Insurance Companies, a global insurance and investment organization. Starr was founded by Cornelius Vander Starr in 1919 in Shanghai, China. Greenberg formed American International Group, Inc. (AIG) as a Starr subsidiary, and served as that company's Chairman and CEO until March 2005. Under his nearly 40 years of leadership, AIG grew from an initial market value of \$300 million to \$180 billion, becoming the largest insurance company in the world. Greenberg is also the Chairman of The Starr Foundation, a philanthropic organization initially funded by Cornelius Vander Starr's estate. The Foundation has made more than \$3.5 billion in grants to many academic, medical, cultural and public policy organizations around the world. Greenberg received his pre-law certificate from the University of Miami and an LL.B. from New York Law School.*



Maurice R. Greenberg

AIG, I was working for Starr. We kept Starr out of AIG and it was more personal to Starr, to me, and a number of others. I'm glad we did based on what happened.

We took it out of mothballs and began after I left AIG. We've come a long way. We have great people. We're bringing people in who have no experience in the insurance business but have a great background and a great personality to grow and lead. I'm very pleased with where we are. I'm grateful for the support we've gotten from

our clients and business relationships and that continues to grow worldwide.

We've just opened another office in Europe, and we'll be adding to that, not only in Western Europe but in Eastern Europe as well. We operate globally, including all through Latin America, which is experiencing many challenges right now. We're all over Asia, of course. That's our history. We're doing quite well in China. We played an important

role in opening that market and we were the first ones there.

I spent 40 years going to China every year, and they recognize that we've been helpful to them. Is China open completely? The insurance industry is, and the banking industry as well. We had a hand in that.

**Is the Starr story well-understood today?**

No. Some do understand it, but many do not and we work at this all the time. You can have ads that say one thing, but people don't read the ads. If they do, it doesn't stick with them. We need to continue to tell the story since we have a great story to tell.

**Throughout your career you have been involved in China/U.S. relations. You were recently in Washington for the signing of the phase one trade agreement. Are you optimistic that a mutually beneficial trade agreement will be reached?**

I think that President Trump quickly understood that not only with China, but many other countries that we trade with, we have an uneven

**COMPANY BRIEF** *Starr Insurance Companies (starrcompanies.com) is a global, privately-held insurance and investments organization. Through its operating insurance companies, Starr Insurance Companies provides commercial property and casualty, as well as accident and health insurance products worldwide, with significant access to the U.S. excess and surplus marketplace for certain lines of business. Starr Insurance Companies underwrites a wide variety of specialty and international lines including aviation, marine, energy, environmental, crisis management, excess casualty insurance, accident and health, and political risk insurance. Starr Insurance Companies also provides a broad spectrum of insurance-related services including claims handling and settlement, reinsurance, risk assessment, loss control and worldwide travel assistance service.*

**Will you provide an overview of Starr and how the company has evolved?**

Starr is a property casualty company, commercial insurance principally. We also write A&H insurance out of commercial insurance. We've come a long way since we started Starr up again. The company has a wonderful history. Starr started in China and when we organized

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balance. Our tariffs, in many instances, would not recover what the other side is getting. The President has been trying to even out the relationship in many countries. When somebody's had an advantage for many years, they're obviously reluctant to give it up, so it has not been easy, but it is happening.

**Are you focused on growing Starr's size or is it more about the quality of the clients Starr works with?**

The two go hand in hand. If you're doing your job right, you'll benefit and grow. If you don't, you won't.

**How critical is investing in technology for Starr?**

You can't ignore the technological changes that are going on. We're living in an era right now that will go on for at least another decade of new opportunities based on new technology that didn't exist before. Not everybody will benefit equally from that, but we expect to benefit in the top tier.

**How critical is it to adapt and evolve with the changes taking place around the world?**

You want to be among the leaders in the world in terms of new products as well as with products that have been around for some time but that we can now deliver in a more efficient way. We work at this all the time. Are you always satisfied? No. There's more we can do, and we're going to keep trying to do that.

**Will you highlight the work of The Starr Foundation?**

We have had an important impact, for example, in the healthcare area in New York. We've built new hospitals. We now have hospitals in Brooklyn, in downtown New York, uptown New York, and even north of New York today. These are great institutions with great leaders that we were very instrumental in creating.

When Starr died, his foundation was worth \$15 million. We built it to \$6 billion. We are now able to do many things. For example, we have many programs to help veterans, and I feel good about that. I've had that experience of serving in the military and know what can happen to you. We owe those who were unfortunate and wounded a hell of a lot.

**How important is it for schools and universities to teach young people about China/U.S. relations so that future leaders understand China and its history?**

This needs to happen and it's a two-way street. I'm on the advisory board of Tsinghua

University in China. There are quite a number of American students at the school who graduated from Yale or other top schools who wanted to spend a year or two at Tsinghua to better understand China. This seems to be happening more and more. Of course, many Chinese students also study in universities in the U.S. There are several universities in China and I'm on the board of three of them. This takes time, but it's helping build relationships.

**Your military service is obviously close to your heart. When you look at your leadership style, was much of that developed from your military experience?**

No question about it. I was in the military when I was very young. I enlisted when I was 17. I lied about my age and I ended up serving in two wars. It had a major impact on my leadership skills.

**What do you tell young people about how to build a career in the insurance industry?**

They have to understand the business and this doesn't happen overnight. We train them, but there is more than basic training that they

need. They have to have specific skills in whatever area they're in. If they're in underwriting or they're in production, each takes different skills. A great many of them make it, but some don't. Within a year or two, they will know whether this is an industry in which they will grow or not.

**Is it important to be entrepreneurial in the industry?**

Absolutely. You have to understand the other guy you're trying to insure and what his business is. You have to be open-minded to understand many different businesses, what makes them successful and what their risks are.

**As someone who is known as a leading entrepreneur, do you feel that entrepreneurship can be taught or do you have to have it in you?**

You have to have a lot of it in you, but you can teach the areas to be cautious about and make sure that those are understood. If you want to help the other guy, you have to understand his business. ●

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