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PANEL DISCUSSION

PAST IS PROLOGUE

**MODERATOR THOMAS P. BOWLES, JR.:** Twenty years are but a brief flash of light in the span of history, or so it seems to those of us who were there in November, 1949. It seems as if it were only yesterday. On that significant day, the American Institute of Actuaries and The Actuarial Society of America took a giant step and merged into one great body—the Society of Actuaries.

Clearly written in the record of those twenty years is the story of people. Through our history these good people have evidenced commitment and dedication; have given the blood, sweat, and tears of progress, as well as the sacrifice of contribution. Are not these, after all, the ingredients of success—and its rewards? The Society is an organization of individual people upon whose shoulders rests the burden of the Society's collective attainment. The measure of greatness of a professional body is the extent to which each member discharges his debt to his profession.

On this day in November, 1969, twenty years later, we pause for a moment to consider the past and to relate it to the future. If the lessons of history are heeded, past truly is prologue.

The story of the past has been etched in human effort and accomplishments. To pay adequate tribute to those twenty men who have functioned as your presidents, and to the host of others who have served the Society unselfishly, would require hours and carefully written volumes. Their individual efforts were and are sublimated in over-all deference to the 1,000 here in this grand ballroom today. Each of you has in some way made his contribution,

We look upon the individuals spotlighted here today with a view beyond their personal identities. We see them as representatives, as living symbols, of those dedicated members who have given so much and served the Society so well.

Mr. Henningsen, your history of the first twenty years is a scholarly work. To establish perspective for our discussion, will you summarize your paper for us?

**MR. VICTOR E. HENNINGSEN:** The story of the origin of the Society is thoroughly and interestingly covered by R. A. Hohaus in his paper in Volume I of the *Transactions* and need not be retold here. The merger was

a natural outcome of the close relationship and co-operation that had developed gradually over the forty years of the joint existence of The Actuarial Society and the American Institute.

The concerns expressed at the time of the merger did not prove to be problems in the single organization. The loss of a continuous history—it would have been eighty years for The Actuarial Society of America and sixty years for the American Institute of Actuaries—has been a very small price to pay for what has been accomplished.

The changes and developments during the twenty years of the Society are examined against the background of broad questions stemming from the purposes of the Society as stated in the Constitution:

1. How has the Society advanced the knowledge of actuarial science?
  - a) Papers printed in the *Transactions*. Surely the subject matter and quality of papers at this meeting underscore this point. Incidentally, I am fairly certain that some of the older members of the Society were grateful for my paper, if for no other reason than that it provided them the only one which they could understand.  
 In referring to the papers for this meeting, an investigation should be undertaken with respect to the stray article on family living that found its way into the galley proofs. This constitutes a sneaky method of seeking to introduce new subjects into our proceedings. As a school board member in a suburban Milwaukee area in the middle of the crossfire on the subject of sex education, I thought that I could rely on actuarial publications to be free of the subject, but apparently not.
  - b) Discussions at Society meetings.
  - c) *Mortality and Morbidity Reports*.
  - d) Publishing *The Actuary*.
  - e) Committee on Research.
  - f) Committee on New Recording Means.
2. How has the Society promoted the maintenance of high standards of competence?
  - a) Education and examination activities.
  - b) Publications.
  - c) Continuing education.
3. How has the Society promoted the maintenance of high standards of conduct within the actuarial profession?
  - a) Committee on Professional Conduct.

An extensive section covers ten "Other Society Activities and Developments." We shall not enumerate them in this brief summary. The final topic covers "Relations with Other Actuarial Organizations."

The paper concludes that the first twenty years have seen substantial

progress by the Society in meeting the needs of an enlarged membership engaged in ever wider and more complex activities.

The growth in membership has been noteworthy, but, even so, the gap between the demand for and the supply of actuaries may well be widening. All augurs well, however, for further constructive growth and service.

As an aside, one of the historical papers in the *Transactions* of The Actuarial Society of America was entitled "Some Sidelights on Actuaries and Their Organizations," by William A. Hutcheson. This paper was presented thirty years ago on the occasion of the fiftieth anniversary of The Actuarial Society. One of the discussers of that paper began with the following comment:

It seems to me not only inappropriate, but almost impertinent, for one of my junior standing in the Society to discuss this paper in the company of the distinguished gentlemen who have just spoken. However, it was felt by some that the younger generation should take a part in commemorating this occasion, and action was taken by the Actuaries' Club of New York to ensure such participation. I speak, therefore, as a representative of the younger generation, and more specifically as a representative of the Junior Branch of the Actuaries' Club of New York.

Reference is made to this because that then junior member who made this self-deprecating statement thirty years ago is now the President of the Society of Actuaries—Wendell A. Milliman.

Referring again to our President, let me add that, if the annual publication of future *Year Books* gets back on a reasonable and helpful schedule, Wendell will go down in history as the president whose picture was before the members for the shortest period of time.

MODERATOR BOWLES: Mr. Henningsen, the history is factual, not people-oriented; why did you take this approach?

MR. HENNINGSEN: As background for this paper, I read, among various books and papers, "The Faculty of Actuaries in Scotland, 1856–1956." The author of that history, Mr. A. R. Davidson, made the following statement:

The plan upon which I have endeavoured to work in writing this story has been to describe—so far as I have been able—the men who have been prominent in the affairs of our institution and to allow the facts to emerge as occasion offered. Now that I have reached a point at which I shall be dealing with persons still alive, some of whom still actively pursue their calling, good taste seems to require a rather less rigid application of the original design; but it will still be necessary, with due circumspection, to write of the outstanding personalities

—for the men make the Faculty, moulding its destiny and varying its activities in the light of their own characters and views. It will be apparent that the Presidents have by no means invariably been those who have done most for the profession, for actuarial science or indeed for the Faculty itself.

Perhaps I should let my response to the question rest with that quotation.

It simply would have been presumptuous of me to have appraised the work of the many members of the Society who have advanced actuarial science and who have contributed in various ways to the progress of the Society. Also, from a purely selfish view, someone would have been missed or not dealt with properly, which could only have caused me difficulties. Imagine if all that could be said about one of our Society presidents was, "It would be fair to describe him as a kindly and wise man; but he was not one who took a noticeably active part in strictly actuarial affairs"; or, "He seems to have been at some pains to uphold the dignity of his position (as president) and was in a sense autocratic; he was credited with being approachable and having a keen sense of humor. His signature was considered a work of art."

**MODERATOR BOWLES:** Mr. Hohaus, some say that you are the "father" of the Society. You must recall several intense or dramatic moments as the two bodies approached the altar.

**MR. REINHARD A. HOHAUS:** Yes. One was at the 1947 Quebec Joint Meeting, at which one session was set aside for an off-the-record discussion of the Merger Committee proposals. They included several provisions to allay fears that many Institute members might otherwise have that the merger would prove to be a take-over by the "Eastern Establishment."

Objection to these proposals arose in the discussion from a most unexpected source—a highly regarded elder statesman of The Actuarial Society with great influence and exhortatory talent. After endorsing the general idea of merger, he expressed his "profound concern with the implications of the proposals for autonomous regional meetings and elections for vice-presidents and board members" and prophesied that they would in fact breed disunity. His eloquence inspired others to echo his warning with equal fervor and conviction.

Hence, it became quite evident that the committee proposals needed to be modified before proceeding with the merger and that the Constitution of the new organization should stick to principles with avoidance of procedural details, thereby permitting experimentation on those questions on which there were varying shades of opinion. New proposals based on that

approach were unanimously approved at the 1948 French Lick Joint Meeting.

That, however, was not the end of the story.

Another dramatic episode occurred at French Lick. As Vic notes in his paper, there were still some merger dissidents. They called an evening rump meeting by word of mouth. The chairman of the Merger Committee was the only one of the "Eastern Establishment" invited, perhaps because they felt he [Hohaus] was their undercover agent. It was a large and spirited meeting. As Vic points out in his paper, the dissidents emphasized the value of the give-and-take discussions of the Institute meetings to actuaries of smaller companies. Such discussions, they said, would not be had in the new organization, and they advocated a new actuarial body to fill the vacuum.

Calmer heads advocated a "wait and see" attitude before doing something which would negate the objectives of merger. They prevailed after someone proposed the idea of asking the new society to add a smaller company forum to their regional meetings. As Vic noted, that idea was adopted and the forums were a success and filled the vacuum.

And so all ended well.

MODERATOR BOWLES: Mr. Lee, to what extent is the past a prologue with regard to the Society's future?

MR. H. DOUGLAS LEE: I rather like the analogy which you suggested in your question to Reinie, Tom, that he was the "father" of the Society. If we explore the analogy for a moment, we see the Society in its twentieth year, having just emerged from adolescence; it has gained considerable experience from its parent organizations, it has introduced a number of its own ideas, and we see evidence that even greater changes will come about in the near future.

I think that one of these changes is that the Society must play an even greater role in fulfilling the needs of a professional organization. The introduction of a code of ethics and the very serious consideration given by the Society to permit expression of public opinion are indicators of this change. The significant increase in the numbers and percentage of members associated with the consulting field must be one of the motivating factors in this matter.

Other ideas or concepts which, I think, will grow in importance will be such items as corporate planning, professional management, and the services related to provide complete financial security for the individual.

We have seen all these concepts and ideas and have discussed some of

them, but I believe that they will assume a more important position in our thinking in the future. So do I think that the past is in fact a prologue to the Society's future. But one cannot, of course, extrapolate from the experience of the last twenty years and predict the Society's future with any great degree of accuracy; just as few of you who are parents of twenty-year-old sons can predict what your sons will be doing ten or even five years from now—perhaps not even one day. I believe we will see a significant change in the Society's role vis-à-vis its members in the next five or ten years.

**MODERATOR BOWLES:** Mr. Watson, what are the major problems that the Society has in closing the demand-supply gap for actuaries?

**MR. CHARLES B. H. WATSON:** First let me say that the gap you mention is not like the celebrated missile gap—this one is real! A committee studying the future of the Society said ten years ago we should be matriculating at least two hundred Fellows a year by 1970. The actual figure is one hundred and twenty.

The first and most basic problem is getting bright students interested in our field. Mr. McConney, in his presidential address twenty years ago, quoted the English saying that if you want to make a rabbit pie, "First catch your rabbit, and the younger the better." This is what we have to do. The Public Relations Committee is doing great work to spread the name of the Society in the high schools and colleges, but it still needs the help of all of us. Speaking to student groups, counseling individuals—there is much that each of us can do. If a student does not know what an actuary is, he will not become one.

Second, I think that actuarial science needs a bigger play in the colleges and universities. Our profession is no longer the only field that a mathematician of practical bent—some would say twisted—can enter. Operations research, computer science, econometrics, all offer their own allure today. I feel that we may suffer a bit by comparison, partly because we do not have the same academic image. The M.A. and M.B.A. have a lot of luster today. We should encourage actuarial science programs, both graduate and undergraduate.

This brings me to a third problem. It is true that actuaries belong to one of the few professions—it was the only one before the lawyers got into the act—in which the working apprentice can earn enough to keep the wolf off his back. But, as a profession, we are remiss, I feel, in failing to provide financial support to students, through scholarships or bursaries. Requests for financial aid occur over and over again in the letters I re-

ceive. A small investment here by individual companies, by actuarial clubs, or even by the Society itself would bring large dividends.

As a side issue, I wonder whether the day may not come when we find it desirable to provide actuarial training on a wider scale outside North America, as the Institute has done for so long. This might be an appropriate "burden," if I may borrow an old, misused phrase.

MODERATOR BOWLES: Mr. Rugland, how do the younger members of the Society relate themselves to it after achieving Fellowship?

MR. WALTER S. RUGLAND: Most new Fellows consider Fellowship as the springboard to the future. For some, the future is well charted; for others, it is not—our concern to date has been "Fellowship." I personally feel most fit into the second category. I have always said that "Fellowship" ended my apprenticeship and started my career.

The result is that the Society turns out about one hundred and fifty highly self-disciplined, fairly well-motivated men each year, at average age 30, who have in great measure the following characteristics:

1. A restricted intellectual development over the past six years, oriented to a set routine of actuarial topics, never dynamic or associated with the world around us.
2. A complete void in experience or association in community projects.
3. A weakness in the level of "people skills" demanded from professionals with equal stature.
4. An overdue commitment to our families in terms of time and participation.

The new Fellow, in some manner, quickly recognizes the pitfalls of his own personal situation; and the Society, then, becomes relevant to him to the extent that it addresses itself to these and other problems of this newly found "real" world.

What is the new Fellow's immediate reaction to the Society in terms of its response to these problems?

1. We find resistance to new ideas and changes.
2. We find ourselves far removed from the Society policy-making and government.
3. We find our Society in the "social closet," in that it cannot benefit the public through public position statements.
4. We find a haphazard approach to continued education.

I think that the new Fellow has real difficulty relating to the Society. As students, we thought of it as a "resource center"—source of all "manna" from above. As Fellows, we think it may be apart from our basic concerns.

The Society loses in this regard. Until Fellowship, we accepted it on faith. Then, suddenly, we could not. Most of us prefer to say, "I am an actuary" rather than "I am a Fellow of the Society of Actuaries."

Do we relate? Professionally, yes. Personally, no.

Can we relate? We can; we want to; we are ready to.

**MODERATOR BOWLES:** Mr. Henningsen, the accelerated exam program has created a number of new Fellows who have only periodic access to annual meetings of the Society. How do you relate this to the statement in your paper about the "democratic process for choosing our President-Elect"? Should not all Fellows, those in attendance and those not, participate in elections?

**MR. HENNINGSEN:** The phrase "democratic process" particularly had reference to the fact that there are no advance nominees for the office of President-Elect, as there are for the other offices.

The suggestion that you have made may well have some merit, namely, that all the Fellows should vote even though not in attendance. Actually, however, we do have a very heavy representation of first-year Fellows at the annual meeting because of the rather widespread practice of new Fellows being given a sort of reward for completing their exams by attending the first annual meeting. That being the case, the first-year Fellows attending the fall meeting constitute a very high percentage of the total Fellows in attendance at the annual meeting and, therefore, may have as much or more of an influence on the voting, not only for the President-Elect but for the other officers, than would be true if all Fellows voted throughout the entire membership, namely, through a mail vote.

**MODERATOR BOWLES:** Mr. Henningsen, in the conclusion you do not list education and examinations as one of the challenges of the future. Why not?

**MR. HENNINGSEN:** Frankly, the thought of including education and examinations as one of the challenges of the future did not occur to me.

That such was the case only reflects the high appraisal which I have had over the years for the quality of our education and examination activities. They have been modified and broadened from time to time to meet changing problems. I have not the slightest doubt that the quality of the past will be maintained, undoubtedly in a different pattern, as the challenges of the future emerge.



MODERATOR BOWLES: Mr. Watson, since you were a consultant before assuming the position of Executive Director, you may speak for the consultants. Vic's history shows that consultants accounted for 7 per cent of the membership in 1949 and 18 per cent in 1969. What role do you see the consultant playing in the future?

MR. WATSON: I feel a bit timid about replying to this question, Tom, because—and you may agree with me here—from what I know of consultants, they would not want anyone else to speak for them, especially not a renegade. But I will try.

Certainly the growth of the consulting field has been one of the striking developments of the last twenty years. And, at first blush, the future seems equally bright.

The continuing expansion in the number of new life companies creates a need for consulting talents. After all, at present in the United States, if you compare the number of life company actuaries with the number of life companies, there is only about half an actuary per company—and I would think that makes it rather hard on him. Also, the proliferation of new, more complex policy types, needed for competition even by small companies, puts a premium on actuarial advice. However, the trend toward life company mergers and acquisitions may tend to reduce the market.

The employee benefit field remains as it has been for many years—yeasty. This is good for consulting growth. On the other hand, many companies now have relatively full benefit programs, and the care of a program seems to take less time and effort than its conception; those smaller companies now moving into the market—and here I am thinking mainly of pension plans—will perhaps have their needs satisfied by the type of mass-produced master contracts that require relatively less actuarial attention.

I think that Mr. McConney in his presidential address of twenty years ago—and so you can see that I have done at least one piece of research—put his finger on two major areas of future activity for consultants. He suggested that the actuary should apply himself to an over-all appraisal of all benefit programs; from here it is only a step to general management consulting and to employee communications, both fields of growing interest to consultants. He also suggested that actuaries must concern themselves more deeply with future prospects for principal and earnings, and, of course, we have more and more consultants getting their feet wet in the investment field. This has been done for many years in England, and I think it is an encouraging development here.

I do feel that in the future consultants will take the lead in applying actuarial techniques in many new fields, some related to the current ones and some not.

To sum up, although there are problems, I would say that consulting is a good growth stock.

**MODERATOR BOWLES:** Mr. Hohaus, did you fellows in 1949 anticipate the switch to consulting?

**MR. HOHAUS:** I do not think the shift to consulting has been as dramatic as Vic concluded on the basis of the 1949-69 statistics in his paper. Let me explain why. To borrow a sentence from recently published letters of Whittaker Chambers, "I begin much farther up the valley of history in my thoughts about [this question], so that I come out by a different pass and have a somewhat different view of the landscape below."

Consulting actuaries were always active and prominent in both The Actuarial Society and the Institute. David Parks Fackler, an outstanding consultant, has been generally regarded as the founder of The Actuarial Society. Consulting actuaries were also prominent in the group which organized the Institute.

"So what?" you ask. "Sure, there were quite a number of consultants in the early years of The Actuarial Society and Institute. But how do you explain the lack in later years?" Quite simply. They were still in ample supply and active, but they were not called consulting actuaries.

For example, after World War I, much of the consulting work for small and new life insurance companies was taken over by actuaries of companies doing reinsurance business. I hesitate to name particular companies, but, to give you a clue, think of companies in Fort Wayne, Hartford, and New York.

Then, too, there were the college professors who also did consulting work. Old-timers will recall Glover of Michigan, Rietz of Iowa, Mowbray of California, and McKenzie of Toronto. Doubtless you can add names of those now following in their footsteps.

"But," you may say, "how do you explain the great post-World War II expansion of consultants in the employee benefit field?"

The most remarkable and versatile member of the United States actuarial profession was Miles M. Dawson. After he retired, I asked him why he decided at the peak of his actuarial career to study law and become an active member of the Bar. "Money," he replied. "You see, much of my consulting practice was for lawyers involved in litigation or legisla-

tive investigations. I would do almost all the work in preparing the lawyer's case, and submit a bill for, say, \$1,000. He would pay my bill, and then charge his client a fee of two, three, or more times that amount. That naturally distressed me greatly, until I realized I could charge the client directly and retain the higher fee myself by becoming a member of the legal profession."

When the employee benefit field exploded some twenty-five years ago, group insurance companies gave consulting services to their policyholders. The actual work was often done by young actuaries with modest salaries. Impatient to get to the higher earnings level that they assumed consulting actuaries had and that they felt they also deserved, many concluded, as Dawson did, "If you can't lick them, join them," and became consultants in name, as well as in fact, by joining the ranks of actuaries in public practice.

Thus ends the parable, the lesson being the eternal truth of Jim Little's actuarial proverb: "If statistics give you an answer different from common sense, first look for the mistake in the statistics."

**MODERATOR BOWLES:** Mr. Lee, is the Society adequately responding to the need of the young member for involvement?

**MR. LEE:** There is no doubt that the current feeling is that one wishes to participate and make a contribution. I believe that the person who has recently attained his Fellowship is particularly anxious to become involved in some of the projects of the Society. The Education and Examination Committee satisfies this need for many Fellows. When you are writing examinations, you have all sorts of ideas on how the examinations should be changed, including abolishment of multiple-choice questions after Part 4, open-book examinations, and oral examinations. It is therefore appropriate that you have the opportunity to try to put your ideas into practice when you serve on the Committee. Other committees, such as the Committee on Continuing Education and the Subcommittees of the Public Relations Committee, have a large number of recent Fellows.

The workshops at our meetings also tend to encourage the more recent Fellows to express their ideas, owing to the small number of people present at a specific workshop. I believe it is worthwhile to have topics of discussion at our meetings which are specifically directed to our younger members; for example, a discussion of the problem of how the effectiveness of our actuarial examinations might be improved.

I think the Society is doing an adequate job in this area, but we must

take advantage of every opportunity to encourage our more recent Fellows to participate if the Society is to remain a viable and vigorous organization. It is not, however, a one-way street; the new members must be willing to throw aside their fears and express their views publicly. In addition, the more senior Fellows who have recent Fellows in their employ, should take steps to encourage the younger members to express their views and the views of their companies on various topics for discussion at our meetings.

On the other side of the coin, some of our more senior members might feel like the professor at the University of Toronto whom I talked to recently. He said that he was sick and tired of reading in the papers and hearing people say, "The youth should have more say in our government," or "The youth should run our universities." He felt this sort of adoration of youth is something like the admiration and interest one might show in a Sherman tank just before it rolls over you.

MODERATOR BOWLES: Mr. Rugland, do the younger members feel that Society meetings provide meaningful and worthwhile discussions?

MR. RUGLAND: My Connecticut General compatriots and I have often discussed the value of Society meetings. Recently, a new phrase enters our critiques—"too much going on; I would like to be two or three places at once!" This is a terrific milestone. It means that we have reached the point where an individual can gain from the meetings to the extent he wishes.

As for discussions, they are meaningful to the extent that the topics are current and the give and take candid, bringing the topic down to our everyday problem-solving level. We should strive to summarize all points, so that, especially with topics of divergent opinions, all participants have an understanding of all viewpoints. Discussions are worthwhile when the participant learns new things through involvement. The degree of worthiness is directly related to his own personal participation. The topics must generate his participation.

Workshops greatly promote a personal participation. They can make the topics come alive! I think we could capitalize on workshops by developing them as the second source of the Society knowledge. We create most workshops because a point is troubling one or more people; they would like to see it discussed. Should not some workshops continue to pursue the problem to conclusion—perhaps even to the point of publishing a group paper?

MODERATOR BOWLES: Mr. Lee, Vic gives the background of the proposed constitutional amendment, which was only barely defeated, to permit public expression of opinion. Was there a generation-gap influence in the response to this proposal?

MR. LEE: A first reaction to this question may be that there certainly was a generation gap and that it was the senior members who were responsible for the defeat of the constitutional amendment. But, then, I remember that someone once told me that I was to substitute facts for appearances and demonstrations for impressions, and so I did a little research. I was not able actually to examine the ballots cast at our annual meeting in 1967, but I did make a study of those people who discussed the constitutional amendment at the regional meetings, and I was surprised to find that those members who spoke FOR the amendment attained their Fellowships in the 1950's or earlier, whereas those members who spoke AGAINST the amendment by and large attained their Fellowships in the late 1950's or in the 1960's. If it is valid to draw any conclusion from this, there was a generation gap, but not in the manner that I had anticipated. Perhaps the people who spoke were not representative of the membership, since many of the members who spoke in favor of the amendment were on the Board of Governors, who might have been more inclined to speak since they had submitted the amendment to the membership. In addition, some of the more recent Fellows who spoke against the amendment were objecting only to the wording of the amendment, and one gathered that they would be in favor of it with a modified wording.

Hence, I cannot give a categorical "Yes" or "No" answer to your question on the possible generation gap. If it did exist, I do not think it was significant.

MODERATOR BOWLES: Mr. Rugland, what do the younger members of the Society, as the actuaries of the future, see as the major challenges to them and to the Society?

MR. RUGLAND: I am sure that there are at least a hundred or more. Of these, I believe there are four major areas: (1) communications among ourselves, (2) judgment and ethical standards, (3) community service, and (4) supply-and-demand gap.

Actuarial science is continuing to evolve—faster now than ever before. I think we can see a new pattern emerging in this advanced evolution. It is divergence. We all have our specialties; soon we will categorize these

specialties in a new way. There will be three classes: (1) management and administration, (2) client consulting, and (3) advanced scientific techniques. You can see these classes already.

What is the challenge? It is to make the Society serve as an alert and alive communications vehicle among these divergent groups. By filling this need, the Society will grow even faster in stature. If it fails, the Society will lose its position of loyalty and importance. I feel that communication is a prime challenge of the future.

What about moral standards? Picture all the facets of the attack our principles face today and in the future: an impersonal society, competition of all forms, ineffective governmental regulation, capital mobility. There are many more.

We must continue to reinforce and give life to our Code of Ethics. The future calls for our work and decisions to affect greater proportions of our population. We cannot undermine their trust in the actuary. We are in the game together, and what Doug Lee does will affect my relationship with my clientele just as my activities will affect his.

Developing and living within our standards is a major challenge. It becomes even more major if we accept my thesis of inevitable diversification of actuaries.

The third challenge is community service. Actuaries need to participate two ways in their communities. First, we must do our share, consistent with our professional peers. We must take the time and do a job consistent with our own work standards. Second, we must offer the community access to our techniques of problem-solving. We have talents few others share, and we should be alert to opportunities to use them to the public good!

Is this community-service challenge a challenge to the Society? Only in that the Society serves as a catalyst. It must give direction, where possible, and encourage personal growth in civic affairs.

The fourth major challenge is perpetuation of the actuarial species. (This is still a challenge in spite of recent infiltration by female Fellows.) The challenge is important and never ending. Actuaries today are more vital to our economy than ever before. Actuaries tomorrow will be even more so.

We must continue to plan, then to commit ourselves to manpower goals. We must plot our progress publicly. We can never be lax; we can never let George do it. Thirty years from now, our lives will be little affected by the supply of young actuaries; yet that supply is our responsibility!

To summarize, the Society and the actuary have unlimited challenges in the future. In this concept, the word "challenge" may be synonymous with opportunity. For the opportunities are also unlimited.

MODERATOR BOWLES: Reflected in the brilliant light of that brief but penetrating flash of our twenty-year history, we can see some of the challenges ahead for us.

In the light of what has gone before we have glimpsed with greater clarity the accelerating responsibilities facing us now and in the future.

With actuarial emphasis subtly turning to ever more exciting concepts and opportunities of service, it is imperative that we reach with good conscience toward advancing standards and even greater competence in what we as a Society can do toward our ultimate contributions to our singular profession.

At this time of our reflection, we should sense that not only is our profession singular but that each of us as an individual has unique value in the entire moving force of the Society of Actuaries. Every person present here at this moment has his special gift of experience, inspiration toward progress, intuition, intelligence, and freshness of thought to bestow upon the organization as a whole.

We should remember at this milestone in the Society's history that through service we are establishing each day our past, which is, indeed, the prologue for the future generations of the expanding actuarial world.

