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REPORT ON FORTHCOMING SEQUEL TO THE 1966-67 FUTURE OUTLOOK STUDY OF THE INSTITUTE OF LIFE INSURANCE

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I. A CALL TO ACTION

IS IT true, ladies and gentlemen, that 80 per cent of all actuaries who ever lived are alive today? Or does this depend somewhat on how one defines that word "alive"?

This is billed as a lecture. You may decide that it is a conglomerate—part lecture, part report, part sermon. Its sole pretension to being a sermon is that it starts with a biblical, at least an apocryphal, text—words from Ecclesiasticus that deserve to be the motto of our profession every bit as much as the quotation about substituting demonstrations for impressions. These words are: "Consider that I labored not for myself only but for all them that seek learning."

Whether on committees or in Society administration or in local clubs or in countless unsung individual, personal activities, including writing of papers and contributing to discussions, many of our members are laboring not for themselves only but for the benefit of all. Yet, alas, one cannot stand at an industry vantage point as John Miller and I have done without a chill feeling that neglected opportunities exceed in magnitude, perhaps even in importance, those that we are grasping.

Some of those who heard Richard Roddis at the Society's Seattle meeting last year or who read the account in the *Transactions* must have meditated on his indictment. Said Roddis:

> When some [basic questions] have been exposed to public discussion and criticism, the moving individuals have usually not been actuaries.
>
> I have not observed the actuaries . . . to be in the forefront of criticism or deep thought about some of these issues.
>
> Perhaps [actuaries] should be speaking out and thinking out more aggressively.

I offer just one example of the necessity for rethinking matters that we have been reared from actuarial childhood to regard as settled, perhaps as immutable. Until now, the dominant theory, which may still be in our Study Notes, has been that people who drop their policies soon after issue are entitled to only the crumbs that may remain after due provision has been made to ensure that costs to continuing policyholders are not adversely affected. Today we see ascending to a position of respectability a rival theory that asserts that the company, which must mean the continuing policyholders, must accept some dollar responsibility for having sold policies which those others were unwilling or unable to keep in force.

Since the founding of The Actuarial Society of America eighty-three years ago, there have been, I suppose, about six or seven identifiable generations of actuaries who in succession have occupied the seats of the decision makers in our profession. Today's generation may be the first one to be significantly confronted with a fresh theory about the ethics of dealing with early lapsers. Mark you, this is only a single illustration of the challenges to settled ideas that are on or over our horizon.

In my capacity as project director for the Institute of Life Insurance my task, in part, is to worry about the life insurance business—its myopia or astigmatism, its errors, its missed opportunities. This morning let us switch that worrying from life insurance as a whole to the actuarial profession in particular. To accomplish this, let us try to document Project 2 in terms of specific opportunities for actuaries.

According to the graffiti, "God is not dead, He just doesn't want to get involved." Our profession, I believe, is largely failing to use the powers bestowed upon us by our own abilities and arduous learning to become deeply involved. The antonym of involvement is abdication, and we are perilously close to abdication.

There is but faint hope, I think, that the Society of Actuaries as an organization can be the instrument through which actuaries who feel moved to do so can become influential in resolving the large issues that loom around us. This is because of three characteristics of the Society that doubtless are virtues in some conditions but clearly are disabilities for the purposes we are now discussing. These characteristics might be called the three R's of the Society of Actuaries: rumination, restraint, and reluctance.

Rumination.—We like to meditate at great length, which is desirable except under circumstances, increasingly frequent, I fear, when the adage applies, "He who hesitates is lost."

Restraint.—The Society of Actuaries is clearly not a believer in blowing its own trumpet. The consequence is that very few know what we are doing or how we feel about current issues.

Reluctance.—Rumination and restraint are virtues, but reluctance to accept responsibility for pronouncements on matters of great importance is, in my view, a besetting sin rather than a virtue. Discussions and confrontations in our workshops and in some of our general and concurrent sessions may be considered to belie this accusation, but this is not the case. Such sessions, excellent though they are for developing ideas and rubbing them together, provide no mechanism for persevering to the goal of some pronouncement that will, if it so deserves, have influence upon future actions within and outside our ranks.

On the other hand, experiences of others that one observes, and personal experiences of one's own failures in the role of Don Quixote, convey alike the doleful message that the path of an individual one-man enterprise has all the pitfalls, pratfalls, detours, and barriers that John Bunyan portrayed in his famous work.

Consequently, as one result of twelve months of meditation and ferment on Project 2, I am here to bespeak your consideration (and ultimately perhaps your espousal) of some informal co-operative efforts which can enable you to give more of your time and energies to laboring not for yourself only but for all those who, like you, seek learning.

In short, I have combed the raw material of this Institute of Life Insurance enterprise with an eye especially alert for activities on which actuaries, young and old, may pool our talents and may generate and multiply our ideas in geometrical if not exponential progression.

II. SOME FEATURES OF PROJECT 1

Of the history of Project 2 and its pioneering predecessor of five years ago, the Future Outlook Study ("Project 1"), this well-informed gathering needs but a reminder. Only four sentences cover sufficiently the earlier study:

1. Its project director was John H. Miller, F.S.A.
2. It was a smashing success up to the moment when its report was issued.
3. Mr. Miller set an exemplary precedent for project directors by promptly emigrating to Switzerland.
4. The fourth point escapes my recollection.

One of the most pungent criticisms of Project 1 was penned by a Canadian, James L. Clare, and this source is appropriate because the life insurance industry in Canada was ahead of that in the United States in conducting an industry-spanning study of this type. Mr. Clare considered the report of the Future Outlook Study "not nearly vigorous enough to be used within a life insurance company as a self-contained blueprint for change." "Arguments within a life insurance company," he said, "will have to be much harder hitting, more sweeping in scope, sparked with a greater sense of urgency and supported with stronger facts and demonstrations." He then called (appropriately, I think) upon younger actuaries (along with other interested people) to rise and be heard from. That last imperative differs hardly at all from what I shall propose today.

Another Canadian actuary, John Gardner of Montreal, writing to me as a contributor to the raw material of Project 2, expressed a desire that the Project 2 report be designed to jar us, to stir up some arguments, to highlight ideas from outside our ranks—ideas that we may not entirely relish but which will force us to sit up and take notice.

Perhaps we can do this—I hope that we shall. But it must be acknowledged that others say, in essence, "Let's not publish anything that provides our detractors with convenient brickbats." At one stage I toyed with the notion of preparing two reports—the hard-hitting one for internal industry use only, the mild version for broader distribution—but I dropped this when Morton Miller accused me of having learned nothing from the episode of the Pentagon Papers.

III. SIMILARITIES AND DIFFERENCES

When one compares Project 2 with Project 1, the similarities and the differences are equally striking.

Similarities

First, each project has been a co-operative effort among and by about one hundred company people nominated by their presidents for service in the enterprise. Second, the main objective of each is the preparation of a written report—titled in Project 1 *With an Eye to Tomorrow*. The third similarity is the extent of enrollment of *actuaries* in both projects. It should please and comfort us to observe that a president who is asked to furnish a person of imagination and of organizational promise to such an industry study is reasonably likely to nominate an actuary.

On the first project, of eight task force chairmen, three (Norman Buck, Edward A. Lew, and James Ross) are actuaries—a ratio of 0.375, or, if you weight Ed Lew by the factor 2, this becomes 0.4 (recurring). In Project 2, of eleven study group chairmen, four are actuaries: John Roberts of New Orleans; William Burns of Bloomington, Illinois; John Harding of Montpelier, Vermont; and Robert Houser of Des Moines. This ratio I compute at 0.3636 (recurring), and I further determine that in samples of these sizes the difference between 0.375 and 0.364 can safely be attributed to the machinations of chance.

Differences

First, the 1967 study was a forecasting effort with undertones of admonition. The 1972 study aims to be an admonitory message, with almost no forecasting, quantitative or situational. We do recommend systematic forecasting of the situational type but do none of it ourselves. Second, this new project embarks upon more statistical work than its predecessor did. Third, Project 2 brought together more diverse, perhaps less expert, bands of company people than was done before. Our reasons for this last, apparently backward step were twofold: (1) It was our desire that each industry question be looked at by people who clearly would have no personal vested interest in the status quo. Vested interests rank closely behind narrowness of vision as the greatest dangers our business faces. (2) The broadening, educational benefit for any study group member of being called upon to dig into a topic that he does not encounter in his daily work seemed worth going after.

IV. HIGHLIGHTS OF THE 1967 PROJECT, AS SEEN IN 1972

Here are thumbnail sketches of four items in the Project 1 report that were, or should have been, of special interest and concern to actuaries and that may now be appraised with five years of hindsight.

First, that report set forth a first-class summary of what it called "tidal forces, largely outside (our) influence, which are shaping our destiny" and which, the report strongly suggested, we ignore or belittle at our peril. These tidal forces, as seen in 1967, were six in number:

1. The new economics, that is, heavy use by the federal government of taxing and spending for purposes other than just raising money and providing particular services to our citizenry. Do we agree that this is new?
2. The affluent society, that is, an increasing proportion, although not yet a majority, of our people who not only have the means for self-fulfillment as contrasted to only subsistence resources but also have deeper and deeper confidence that they will continue to enjoy that secure and allegedly happy condition.
3. Demographic change, seeming to lead inevitably to an America in which fear of disability and fear of superannuation will loom more ominously than dread of premature death.
4. Political change. The report said this, and you may judge whether the passing of five years does or does not give the words a ring of truth: "Government leadership, with new recognition of the limits of its capability, is seeking a partnership with the private sector in solving national problems."
5. Sociological change. Says the report, "The search for individual expression in a more complex and more crowded continent can mean changed attitude

toward many things," including life insurance as we have become accustomed, and perhaps all too satisfied, to offer and to depict it.

6. The new technology: "Ability to store, manipulate, transmit and generate information—indeed to reach profound decisions—by machine will vastly alter the structure and perhaps the purposes of life insurance companies."

So much for the summary of "tidal forces."

Second, the 1967 report introduced the "life-cycle" concept of product design. Last June when I visited the Project 1 director, John Miller, to seek his advice, one question that I posed was, "What enterprise embarked upon in the Future Outlook Study most deserves to be followed up in Project 2?" He nominated the life-cycle concept as the one with the greatest unrealized potential.

Third, the study approached the problem of measurement of what can be regarded as adequate life insurance for an individual at any particular income level and age and in any particular family situation. John Miller made this exploration a personal effort five years ago. His findings form an appendix to the study. Perhaps others have carried the task further, but that much more needs to be done seems beyond doubt. It hardly seems possible to achieve wise product design or intelligent training of agents without first gaining deeper insight into this neglected subject.

Fourth (and last), the report of the Future Outlook Study included a small practical demonstration of the so-called Delphi method for obtaining and reconciling the views of authorities on what lies beyond our horizon. Project 2 will have more to say and to advise and recommend about the Delphi method.

V. THE ELEVEN STUDY GROUPS

As I have indicated, Project 2 is a two-headed monster—on the one hand, an aggregation of eleven study groups of company people assigned to work on the project and, on the other, a series of statistical studies strictly of a pilot nature.

Although my thesis today draws substantially on the material of the study groups, I shall not attempt a recital of their work. It will suffice to tell you the study group subjects and to identify their chairmen. There are eleven study groups, with eight company people in each, with subjects and chairmen as follows:

1. Products, John K. Roberts
2. Customer service, George D. Sutherland
3. Manpower needs, David W. Haskins
4. Social responsibilities, William O. Burns
5. Statistical exploration, Bert Van Uitert

6. Regulation and structure, John H. Harding
7. Pensions, Roy B. Steenhoff
8. Distribution and marketing, Gerald E. Mayo
9. Response to consumers, Robert N. Houser
10. Expense control, H. Edwin Trusheim
11. Situational forecasting, William Lutton

VI. THE STATISTICAL PROJECTS

The six pilot statistical studies—the other half of Project 2—are as follows:

1. A so-called 100-Company Study.
2. A New Company Study, from which I will give you a figure or two.
3. A historical review of prices of life insurance since 1955.
4. An attempt at a prospect profile (what are those people to whom we attempt to sell life insurance really like?).
5. A study of incomes of people over age 65 (what some call the aged but I call the elderly).
6. An examination of family asset and debt situations at various stages in the life cycle.

100-Company Study

The 100-Company Study is a history of financial experience at scattered points through the last twelve years of the 100 companies whose assets ranked them in positions 6–105 among all life insurance companies in 1960. Its purpose is to give management some performance yardsticks not now easily obtained. Nos. 1–5 were omitted because individually they have too much impact upon aggregate results.

These 105 companies produced 90 per cent of all life insurance business issued and in force during the period studied. For the 100 companies the figure is 45 per cent. The ways in which this study differs from many aggregate analyses with which you are familiar are these: First, different kinds of companies are not mixed (mutual, stock; New York, non-New York). Second, different lines of business are not mixed (ordinary, group, accident and health, annuity). The results are exceedingly interesting and in many instances paint a picture quite different from that widely believed to be true.

New Company Study

The purpose of the New Company Study is to observe what successes have been achieved in launching new companies in 1955, 1960, and 1965. Only genuinely new enterprises (not affiliates or subsidiaries and not limited types) are included in this study. A summary of the findings on survival of companies is given in the accompanying tabulation.

No. of Years	Proportion of Companies Surviving		
	Formed 1955 (78 Companies)	Formed 1960 (45 Companies)	Formed 1965 (82 Companies)
5	65%	56%	60%
10	40	36	.....
15	33	.....	.....

Of course, not all failures to survive arose from financial difficulties. The published tables will make this distinction. Also, an attempt is being made to relate kind of sponsorship to probability of survival.

Pricing Study

In the study of pricing, a small sample of twelve participating policies and twelve nonparticipating policies is being used to demonstrate the usefulness of the interest-adjusted method in displaying the historical trend of life insurance costs—in this case over the period 1955–71.

On this subject of price of an ordinary life policy, one very interesting question has arisen several times. Evidently several of our study group people firmly believe that our business in its public relations is missing a grand opportunity by failing to keep emphasizing that in the last fifteen years or so the price of life insurance has dropped sharply while the price of almost everything else has been rising. I have my doubts about desirability of such a theme for publicity.

It seems to me that, if we look at the causes of our price trend, we cannot do much trumpeting about mortality decline because that reduces the benefits equally with the premiums. We should not make much of the investment earnings rise unless we can show that life insurance has grasped that opportunity more rewardingly than other savings forms have. And the expense element does not offer much grounds for self-congratulation. I would be much interested in the views of others.

Prospect Profile

The attempt at a prospect profile involves comparing characteristics in 1950, 1960, and 1970 of life insurance prospects in key age brackets and income levels. In what significant ways does the prospect (behind the door on which our agent knocks) differ from the corresponding person of one or two decades ago? Not much success has been achieved with this yet. Although there are plenty of statistics on distribution of individual characteristics, not much is available on characteristics taken in conjunction with one another, for example, age, income, and education taken together. The 1970 census starts a new era in this respect.

Incomes of the Elderly

The study of incomes of the elderly has been called "A Problem in Search of a Solution." The problem is that different sources show conflicting pictures—census data, IRS tax return studies, and Social Security Administration studies. Can we reconcile these to show reliably what proportions of elderly people are in satisfactory self-supporting circumstances (*a*) when still earning and (*b*) when not still earning? How rapidly is pension income developing a substantial position in the financial standing of those over age 65?

Family Asset and Debt Patterns

The study of family asset and debt patterns examines the validity of some widely held beliefs. "What if saving through life insurance is expensive (if indeed it is)?" "People won't save any other way!" "People will pay whatever we decide to ask them to pay for our unique products!" How true or how false are these views?

Savings and loan association assets are now equal to those of life insurance companies. But are these in-and-out dollars, or are people developing permanent savings other than through life insurance? Perhaps we can begin throwing more light on this.

VII. SIX THINGS ACTUARIES MIGHT DO

Now I come to the final section of my address, in which are enumerated six activities that small, informal groups of Society members might undertake, usefully for the life insurance business, advantageously for our profession, pleasantly and beneficially for yourselves.

Activity 1. New-product analysis.—Goal: To draw attention to the good and the bad in new products.

Already we have the names of several actuaries eager to deliberate on the life-cycle approach (being discussed at this meeting) which is a major topic in Project 2. A group such as this could have written a paper similar to the one presented by Robert C. Tookey at the 1971 Pacific Insurance Conference but more critical. They could also have moved quickly with thoughtful analysis of split life, a phenomenon whose merits and blemishes are being publicly debated, mainly by nonactuaries.

Activity 2. Letters to editors.—Goal: To comment promptly and authoritatively when figures are mishandled or statistics misused.

Example: Company sales promotion material has proliferated, by copying, the nonfact that the probability that a man aged 35 will be totally disabled for at least 90 days before age 65 is $\frac{1}{3}$. We should be offering a statement of what we know about this.

Example: The statement in an article in the latest *CLU Journal* that the gain from operations of the fifty largest companies has been eroded to a particular degree and with some particular consequence or significance. The figures are a mixture of results by mutual and stock companies and do not justify the conclusions drawn from them.

Example: Misuse of figures in an older *CLU Journal* article alleging that individual policy pension trust business costs much less than group.

Activity 3. Statistical series maintenance.—Goal: To see that good statistical series are kept alive with new figures.

Example: Mortality rates by cause of death originally published in the *Transactions* by the late Mortimer Spiegelman.

Example: One or more of the several new series of data being started on a trial basis as part of Project 2, as already enumerated.

Activity 4. Policy cost comparison study.—Goal: To contribute usefully to increased knowledge and decreased mythology in this currently alive subject.

Two actuaries, one in the columns of *The Actuary*, urged the Society to take on this project. Much work remains to be done. Two brand-new proposals are being offered: one in the *Journal of Risk and Insurance* and the other by Professor Belth in the May 13 *National Underwriter*.

There are some here who believe that whenever two or three actuaries are gathered together E. J. Moorhead will say something about policy cost comparisons. In a spirit of determination not to disappoint such people, I shall do so now without building any façade suggestive of a legitimate relationship between that topic and the advertised subject of today's address.

By way of news items:

1. Mrs. Knauer has been informed that eighty-six companies writing about two-thirds of all ordinary business in the United States have done or are doing something specific to inform their agents about the interest-adjusted method. Mrs. Knauer and her Consumer Advisory Council are now asking other questions about our progress in giving reliable price information to life insurance buyers.

2. Two or three states have indicated their intention of requiring all com-

panies to do what most of these eighty-six companies are already doing, that is, to give information to their agents.

3. One state has issued a *Shopper's Guide* using the interest-adjusted method, and at least one other state is said to be considering a similar move.

4. Criticisms of the report of the Joint Special Committee on Life Insurance Costs that are being heard these days range from the intelligent and constructive to the absurd and disgraceful.

5. The Joint Special Committee, which was discharged after submitting its report in 1970, has been called back into action to hear its most persistent critic and to examine what is going on.

6. The National Association of Insurance Commissioners Task Force on Price Illustrations is working hard and undoubtedly will report soon. I predict that, when they do report, a number of life insurance people who have shamefully neglected this subject for more than two years will complain because the industry has lost the initiative.

Activity 5. Stimulating intercompany studies.—Goal: To multiply the significance, as well as the reliability, of any study that may be undertaken by enrolling several contributing companies in it.

An easy recent example is Provident Mutual's study of terminated policies, reported by Robert G. Ward in the 1971 *Proceedings of the Annual Conference of the Life Office Management Association*. This is an excellent study, with good potential for decision-making; but how much better if half-a-dozen companies had conducted it concurrently among their own ex-policyholders.

There is a wide range of subjects that cry out for joint investigation by actuaries. All that is needed is a small group of us interested enough to design and spark such explorations.

Activity 6. Ten-year retrospect.—Goal: To monitor the outcomes of new ideas that have been enthusiastically offered by their respective sponsors.

One can picture a small group of actuaries in 1973, reviewing our publications of 1963 and picking up perhaps half-a-dozen of the then new ideas that were headlined. Then these actuaries might see what became of each of these notions. Which flopped, and why? Which succeeded, or led to something that succeeded? Which are yet largely untried?

VIII. CONCLUSION

This, ladies and gentlemen, has been a mixture of a description and a call to action. I hope that the description has been clear and the call to action will prove to be fruitful.

APPENDIX

DISCUSSION BY JOHN H. MILLER AT THE ATLANTIC CITY MEETING

Mr. Moorhead's account of Project 2 gives one who participated in its forerunner the feeling that the Future Outlook Study was worth the effort if it did nothing more than lead to Project 2. To comment on the points of similarity between the two would only be redundant; hence I shall address my remarks to the points of difference.

While the Future Outlook participants engaged in some prognostication, Project 2, we are told, has not included any forecasting exercises. This might be considered regrettable, were it not that suitable and, hopefully, more productive forms of analysis have been substituted. Projections and forecasts can be useful if they provide motivation and discipline by setting out desirable goals. Conversely, if the forecast or projection of trends points to undesirable developments, such forewarning may lead to timely corrective action.

Project 2 substitutes for the obviously speculative game of prognostication a more searching analysis of what has been happening through certain new statistical studies exemplified by the 100-Company Study and the New Company Study. We can visualize how these studies can be useful in assessing the significance of current history and trends and their implications for the future.

The prospect profile, the studies of incomes of the elderly, and the examination of family assets and debt situations offer some new insights into the realities of our business. Former studies have revealed the wide gap between the programs we present to today's prospects and the benefits we are delivering to today's beneficiaries. This is not to imply that the onus is on the insurance companies when a widow discovers the extent of her late husband's underinsurance, but it should stimulate us to greater zeal, in extending more adequate protection to more people, to be reminded occasionally of difficult or even desperate family situations which could have been averted.

Of course, to promote vigorously the sale of enough of the right kind of life and disability insurance, we need a rational measure of adequate protection. I was pleased to hear that this subject has not been overlooked in the work of Project 2.

Another difference mentioned by Mr. Moorhead is that the report of his group would contain more admonition. I can only agree with Mr. Clare's criticism that the report of the Future Outlook Study was "not nearly vigorous enough." Both the actuaries and the nonactuaries whose collective opinion and judgment shaped this report were not without some measure of the "three R's." I believe that most of us hope and can expect that the report of Project 2, under Mr. Moorhead's imaginative leadership, will impart both the vigor and the feeling of condern required to inspire the action needed for change and innovation in the public interest.

Both of these Institute projects exemplify the dynamism which can result from bringing together people with dissimilar training and backgrounds but with a common interest in the improvement of the business with which they have cast their lot. It is particularly gratifying that Project 2 includes recommendations for the maintenance of some of the new statistical series. This and other recommendations mentioned by Mr. Moorhead should ensure the continuing ignition of latent ideas through communication to and among the participants in the project or those who are given the responsibility of perpetuating the studies.

As I visualize it, the ongoing activities which have been suggested would constitute a project appealing to our younger members, to whom we look for new ideas and concepts and for the energy required to bring about constructive change in the business.

Frustration is often the reward of those who attempt to initiate change, no matter how compelling the supporting arguments may seem to the proponents. This results not only from the three R's but also from a truism which is not always recognized. In opposing a new idea or in defending the status quo, it is possible to obtain the collaboration of a number of individuals or institutions, even though each has a different reason for his opposition to the change recommended. On the other hand, when change is being advocated, little can be accomplished unless the proponents are agreed not only on the general concept that is being advocated but on the specific details of a concrete implementation of the concept.

In the report on the Future Outlook Study political change was mentioned as one of the several tidal forces. Today we appear to be facing a testing of our traditions of prohibiting business monopolies and, generally, fostering unrestricted competition. Confronted with economic competition from other countries where a form of partnership between government and business is aimed at promoting business development and foreign trade, some of our historic concepts are being challenged. It seems appropriate to make a careful and objective analysis of these relationships and to explore the possible advantages as well as the hazards of alternate public policies in this area.

Five years ago the subject of a life-cycle policy was discussed by a number of members of the Future Outlook Study with interest and some enthusiasm. The report of the Future Outlook Study summarizes the ideas in the following words: "The suggested life cycle policy, designed to permit the increase in protection or cash values at any time, can take the place of a multiplicity of fixed contract forms. It will permit more precise programming, while greatly reducing the policy portfolio, and should lead to more consistent after-sale service" (from p. 63 of the report, *With an Eye to Tomorrow*). Several policies have been introduced bearing the label "life cycle," but I have not seen one which possesses the flexibility contemplated by the Future Outlook participants. Hopefully the future discussions and studies on Project 2 will encourage companies to move from the traditional policy-centered method of marketing and administration to the client-account concept underlying the life-cycle policy.

Section VII of Mr. Moorhead's lecture leads us to anticipate that the report of Project 2 will provide some defined avenues which may foster innovation and improvement in our business. I refer to "six things actuaries might do." These areas for exploration and others which they may suggest by association should provide us all with some guidance and continuing inspiration as we carry out the assignment of our business life and pursue the goals of continuing education, which have never been absent from the life of most actuaries and which are now formalized as one of the important purposes of our Society.

Now, to borrow another word from Mr. Moorhead's interesting presentation, may I admonish all actuaries to read the forthcoming report and to react to it in a positive manner.