

**TRANSACTIONS OF SOCIETY OF ACTUARIES
1995 VOL. 47**

FOREWORD

And so, with this volume, the 104-year era of the *Transactions* comes to a close. The book has been transformed over these years from a compilation of the official business of the Actuarial Society of America, to a record of the papers presented at meetings—as well as the ensuing discussions—to a widely respected forum for the presentation of seminal papers in the actuarial profession.

The first *Transactions*, entitled “Papers and Transactions of the Actuarial Society of America for the Years 1889 and 1890,” appeared in 1891. That volume comprised a history of the foundation of the Actuarial Society; minutes of the first meeting of the society held in New York City on April 25, 1889 (including the toasts that were given); lists of members; the constitution; papers read at the October 3, 1889 meeting in New York City (including “History of the Dividend System in the United States,” by David Parks Fackler); papers read at the April 24, 1890 meeting, again held in New York City; and papers read at the October 23–24, 1890 meeting in Hartford.

Volume I, No. 1 of the *Record* of the American Institute of Actuaries (RAIA), also a predecessor of the TSA, was published in June 1909 and contained a listing of the Board of Governors, Officers, and Members; the Inaugural Address of the President, Lucius McAdam; the history of the organization of the Institute; the constitution and by-laws; and requirements for admission. Papers read at meetings appeared in No. 2 of Volume I, published in June 1910.

Both publications continued to present papers read at the meetings of their respective organizations and associated discussions through the first half of the twentieth century. Additional materials included at various times were experience studies; examination questions; lists of members; lists of candidates passing the examinations; legal notes; book reviews; minutes of business meetings; obituaries; treasurer’s reports; and the presidential addresses.

The last volume of the *Transactions* of the Actuarial Society of America (TASA), Volume L published in 1949, reported on the final meeting of that Society, which was held May 19–20, 1949 in New York City. In remarks reprinted therein, Dr. Arthur Hunter, who at the time had been a member for 50 years and admitted to having known all 30 Presidents (having been President himself in 1916–17), reminisced:

“When the organization [the Actuarial Society of America] was first suggested there was considerable opposition on the part of several competitive companies who did not realize that the publication of their experience by a professional group would be of benefit to all. ... A few years later, however, one of the companies which had not favored the formation of the Society had a change of heart, its President stating that the results of all actuarial investigations which would benefit the life insurance business should be made public.”

Volume XXXVII¹ of *RAIA*, appearing in 1948, was the last for that publication. It reports on the final joint meeting of the ASA and the AIA, held in French Lick, Indiana, October 27–29, 1948. One of the actions taken by the AIA, in its business meeting after the joint meeting, was the following:

“Authorized the Presidents of the Institute and the Society to appoint a committee to study the questions in connection with the printing of the final copies of the *Transactions* and *The Record* as well as the problems in connection with the *Transactions* of the Society of Actuaries and to report at the next meeting of the Board and Council.”

And so, as a result of the merger of the Actuarial Society of America and the American Institute of Actuaries, began the *Transactions* of the Society of Actuaries. Contents of the first volume of the new journal differed rather remarkably from those of the predecessor publications, setting a new direction for actuarial literature on this continent. Space limits us to mentioning only a few of the numerous important contributions here.

In his landmark paper “Pensions—1949” (*TSA* I, 219), Dorrance C. Bronson showed clearly the growing pains being experienced in the pension field and went so far as to include a glossary of technical terms in an effort to standardize pension language. Another major contribution to the pension literature was Charles Trowbridge’s² “Fundamentals of Pension Funding” (*TSA* IV, 17), in which he undertook to classify the range of funding methods into six classes, from Class I (pay as you go) to Class VI (the theoretical ultimate in heavy advance funding).

¹Note that a paper in that *last* volume of *RAIA*, “Rate Functions and Their Role in Actuarial Mathematics,” was written by C. J. Nesbitt and Marjorie L. Van Eenam. A discussion on a paper in this volume (“Testing Financial Stability of Continuing Care Retirement Communities”) was prepared by the same C. (Cecil) J. Nesbitt (see page 349). We couldn’t have scripted this occurrence any more fortuitously.

²Trowbridge was a prolific contributor to the *TSA*. Discussions or papers with his byline appeared in practically every volume, his latest in Volume XLVI, “Mortality Rates by Marital Status.”

Also in that first volume was “A New Mortality Basis for Annuities” (*TSA* I, 369). Authors Wilmer A. Jenkins and Edward A. Lew introduced North American actuaries to the concept of forecast tables based on direct estimates of future mortality decline rather on the crude device of setting back the ages in existing tables. It is indeed fitting that this last volume contains a paper by Robert Johansen (“Review of Adequacy of 1983 Individual Annuity Mortality Table”) that deals with the same issue: improving mortality and its effect on annuity valuation tables.

Social Security has been a recurrent topic in the pages of the *TSA*, most notably, the papers by the Social Security Administration’s long-time Chief Actuary, Robert J. Myers. His lucid explanations of Social Security Act amendments appeared in every even-numbered year between 1950 and 1960, and also in 1961. In all, 33 papers by Myers appeared in *TASA*, *RAIA*, and *TSA*. His last paper in the *TSA* was “An Updated Money’s-Worth Analysis of Social Security Benefits” (co-authored with Bruce Schobel, Volume XLIV) and dealt with the question “Do workers get their money’s worth from the payroll taxes that they pay under the U.S. Social Security program?”—a subject the same authors had first presented in Volume XXXV.

Change in the format of the *TSA* has been inevitable as the profession expanded in new directions. The “Legal Notes” section, started in 1909 in *TASA* and continued in *TSA*, presented authoritative information on important U.S. court decisions affecting actuarial work. The department was largely the work of Wendell M. Strong (from its inception until 1940, except for a hiatus between 1928 and 1935) and Buist M. Anderson (from 1940 until 1964). When Anderson resigned in 1964, the feature was discontinued; possibly actuarial work had expanded into so many areas that it was no longer feasible to cover them all.

A major change occurred in 1975, when the *Record* was created to contain transcripts of presentations and discussions at concurrent sessions, as well as some addresses, lectures, and teaching sessions of Society meetings. Thus, publication of papers and discussions in the *TSA* became independent of the meeting schedule of the Society. The *Record* was in paperback only and would not be published a second time in a clothbound volume, which was then the case for the *TSA* (to allow the insertion of discussions). The *TSA* would print papers, discussions of papers, authors’ reviews, and the chronicle of official business of the Society. The *TSA Reports*, containing reports of various Society committees and experience studies, would continue to appear as a separate publication.

In this last volume, we acknowledge with gratitude those editors of this book who worked tirelessly to bring papers of note to the attention of members and to maintain the highest standards of quality in doing so:

John R. Larus	1949
Alden T. Bunyan	1950–1961
Alton O. Groth	1962–1965
Robert T. Jackson	1966–1968
Floyd T. Beasley	1969–1972
K. Arne Eide	1972–1976
Anthony T. Spano	1977–1979
John T. Dillon	1980–1982
Jonathan L. Wooley	1983–1985
Douglas A. Eckley	1986–1988
Jerry F. Enoch	1990–1992
Wilfred L. Thornthwaite	1993–1996

And so now we look to the future. In January 1997, the *North American Actuarial Journal* will make its debut, continuing and enhancing in many ways the spirit and excellence of the *Transactions*. The *Reports* will continue to present mortality and experience studies, task force reports, and industry studies but, beginning in 1997, will add features formerly found in the *Transactions*, such as the Presidential Address, Obituaries, and Financial Report. The *Record* will continue in its current role, offering transcripts of sessions and floor discussions of the Spring and Annual Meetings of the Society, though it will be disseminated in an electronic format.

The Society's intent in developing the *North American Actuarial Journal* is that it will be the premier publication of the Society of Actuaries, serving not only the membership but also the international, scientific, academic, business, and governmental communities. Its content, through feature articles—many of them solicited from widely recognized experts—and regular departments such as research, legislation/regulation, actuarial notes, and book reviews, is intended to scientifically address the domestic and international problems, interests and concerns of actuaries, their customers, related professionals, and public policy decision-makers.

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