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YOU AND YOUR PENSION

Ralph Nader and Kate Blackwell, *You and Your Pension*, Grossman Publishers, New York 173, pp. 215, \$5.95 (cloth) and \$1.65 (paper).

by *Barnet N. Berin*

The word has been out for some time that Ralph Nader has spread himself too thin. Studies are coming quickly but they are superficial, marred with errors and the leading consumer-advocate's reputation is about to plummet. With this in mind, I wish to report that despite certain flaws and despite certain errors, this book on pensions is helpful in many respects and deserves to be read by all in the field. Interestingly, most of the errors could have been avoided by more knowledge of what the pension actuary does and the technical areas in which the actuary operates.

The book's primary objective is to increase awareness of pension plans, their features and how they might be improved. In this objective, the book is successful. Beyond discussing the "he didn't know" problems that may occur as employees get closer to actual retirement date, there are proposals for specific action. The various check lists for employees are generally excellent. There is also an awareness, on the part of the authors, that some of their proposals represent a bias in favor of the younger and shorter-service employees—a bias that might be difficult to correct.

First, the negatives. A split personality, possibly the result of two authors, is all too apparent. One travels the high road of intelligent comment, the other the road of uninformed and sometimes abusive carping. Analogies to horseraces, snakes, the game, a throw of the dice, hedging the bet, winner takes nothing, the dealers, payoff, are not necessary, add nothing to the principle arguments

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ARCH

The list of contents for the fourth number of ARCH is given below.

Issue 1972.4

A Statistical Treatment of Roundoff Error, Stephen G. Kellison

Poisson Deaths Assumption—1000 Companies and Four Seasons Test, James L. Lewis, Jr.

A Consistent Description of Actuarial Financial Projections Using Matrix Notation and Terminology, Robert L. Collett

Asset Shares and Anderson's Concept, Gottfried Berger

On Calculation of Ruin Probabilities, Evi Giezendanner, Erwin Straub, and Kurt Wettenschwiler

Issue 1973.1

This is a Special Issue of some of the papers discussed at the Waterloo, Ontario Research Conference reported in *The Actuary*, December 1972.

Subscriptions can still be sent to David G. Halmstad, Area 22 Z, Metropolitan Life, One Madison Avenue, New York, N. Y. 10010.

Social Security Notes

A. Rettig and O. Nichols, *Some Aspects of the Dynamic Projections of Benefits Under the 1972 Social Security Amendments*, Actuarial Note No. 81, January 1973, Social Security Administration, Washington, D. C., pp. 8.

This Actuarial Note discusses projections of the relationship between benefits and final earnings for male workers with maximum, median, and low earnings under various assumed increases in CPI and earnings, in accordance with the automatic adjustments provisions in the 1972 Amendments.

Free copies available from Social Security Administration.

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MORE ABOUT MORTALITY

S. H. Preston, N. Keyfitz, R. Schoen, *Causes of Death: Life Tables For National Populations*, Seminar Press, New York, 1972, pp. 787 + xi, \$18.50.

by *Frederic Seltzer*

In the December 1969 issue of *The Actuary*, we favorably reviewed *World Population: An Analysis of Vital Data* by N. Keyfitz and W. Flieger. It presented a collection of life tables and related data covering more than 60 populations over 180 years. "This book presents data on mortality from recorded causes of death in 180 populations, with detail provided on age and sex. . . . This volume should reduce substantially problems of data availability by providing information on mortality experience spanning a period of 103 years, for 48 nations, and encompassing a range of life expectancies from 27 to 77. The data will assist the social scientist in documenting such matters as the sources of the vital revolution, causes of increasing sex mortality differentials, components of age curves of mortality, geographic and temporal variations in mortality structure, and economic and social costs of a disease."*

Cause of death mortality research has been hindered by problems of incomparability and inaccuracy of data, coding changes and definitions, as well as difficulty in obtaining statistics from various countries covering different time periods. The work of the authors, while not solving all these problems, at least minimizes some of them. The Introduction describes the populations reviewed and the selection and combination of the causes of death included. The methodology of calculating life tables for all causes of death combined, for multiple decrement tables, and for associated single-decrement tables is discussed in

*Quoted from the Preface.

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Social Security Notes*(Continued from page 1)*

Robert J. Myers *Summary of the provisions of the Old Age Survivors and Disability Insurance System, the Hospital Insurance System and the Supplementary Medical Insurance System.* Mimeograph 21 pages, November 1972.

Mr. Myers has updated the Social Security Note which was reviewed in *The Actuary* in April 1972. The new note includes a summary of the changes made in the amendments of July 1 and October 30, 1972. This booklet gives a concise comprehensive description of the various systems and is conveniently arranged for easy reference.

Free copies of the booklet may be obtained by writing to Mr. Myers at 9610 Wire Avenue, Silver Springs, Md. 20901.

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Auxiliary Benefits in Private Pension Plans, Actuarial Note No. 1-73, January 1973, Railroad Retirement Board, Chicago, Illinois, pp. 3.

This Note is a survey of auxiliary benefits in private pension plans as listed in the United States Bureau of Labor Statistics Digest of Selected Pension Plans (1970) with later revisions. The Note concludes that few private plans allow for benefits to dependents. For widows of retired workers, most private plans allow for joint and survivor benefit elections by the worker, although an increasing number of them are now providing for separate survivor benefits.

Free copies of this Note may be obtained from the Office of the Chief Actuary, Railroad Retirement Board, Chicago, Ill. 60611.

More About Mortality*(Continued from page 1)*

Chapter II; a computer program is also supplied. Chapter III is concerned with the accuracy and comparability of the population and mortality data used, and particularly cause of death complications such as accuracy of diagnosis. The mortality data for each country-sex-year combination is presented in four tables:

Table 1 — Population, deaths, death rates for all causes combined and for specified causes

Table 2 — Life table for all causes combined

Table 3 — Number of persons dying (out of 100,000 at birth) above age x from specified causes

COMMITTEE CHAIRMEN: FEBRUARY 1973

We are glad to provide an up-to-date list of Chairmen of Committees in advance publication of the Year Book.

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*General Chairman

Table 4 — Number of persons surviving to age x if death from specified causes were eliminated.

The computer spews forth tables faster than we can read or analyze them. Printouts and copies pile up and suffocate us, we feel swamped, inundated. No one

wants to read 720 pages of tables and 65 pages of supporting text, but many will find collections of this type valuable for reference purposes and as a time saver because of increased accessibility of data. □