



SOCIETY OF ACTUARIES

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Letters

(Continued from page 5)

Professional Conduct

Sir:

I am disappointed to read an opinion to the effect that many members rarely think of the "Guides to Professional Conduct." We are only a small body. If even a few of our members are careless of observance or are ignorant of the professional obligations of being an actuary, it can be vastly harmful to the rest.

In an era when life insurance merits are judged by consumerists and pension legislation is dictated by demagogic factions, it behooves us all to be genuinely concerned with the published guides. I, for one, hope that the Guides will become more extensive and explicit.

James B. Germain

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Male Chauvinist Actuarial Notation

Sir:

In accordance with recent Government edicts eliminating distinctions between sexes, I have been advocating the use of the title "M_x" for both males and females, as a replacement for Mr., Ms., et al. When I suggested this to our colleague, Mx. Bartlett, she responded that while "M_x" might be proper for males, "M_{x-3}" would be more appropriate for females.

A delightful difference!

Howard H. Kayton

Mr. Boormeester please note. Ed.

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More Gloss for the Glossary

Sir:

Congratulations! The December issue of *The Actuary* was quite informative and most delightful.

I predict that you will receive a spate of addenda to the Glossary. Here are a few that have occurred to me (and I apologize for the indelicacy of the first).

Asset: Petite Derrière.

Integrity: Capacity to tell an untruth.

Reinstatement: Moving back to Texas.

Joseph W. Hahn

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"WE THE PEOPLE"

People of the United States in the 20th Century by Irene B. Taeuber and Conrad Taeuber. U.S. Department of Commerce, Bureau of the Census, Government Printing Office, Washington, D. C., 1971, pp. xxxvii + 1046, \$5.75.

by Robert J. Johansen

This book, prepared in cooperation with the Social Science Research Council, is the fifth and final report in the 1960 Census Monograph Series. With over a thousand pages, 336 tables and some 70-odd charts, it is a monumental compilation and analysis of population characteristics and trends.

The early chapters review the growth of the U.S. population, its spread westward and early tendencies toward increasing urbanization. The effects of immigrations and migrations during the nineteenth and twentieth centuries are traced and analyses are made of in-migrants, out-migrants and stable populations by region, state and subdivision. Extensive use is made of correlation coefficients throughout the book in order to show the relative importance of observable factors and to establish relationships. Wherever possible, explanations are suggested for the correlations observed.

A sizable portion of the book is devoted to a study of population characteristics, their effect on population growth and distribution and their usefulness in attempts to forecast future population trends. Changes in the economic status of the population are analyzed including changes in the distributions of the employed population by occupation and the changing levels of education and incomes by region, sex, color; and other characteristics of the population.

The authors trace the growth of metropolitan areas, analyzing their decade to decade characteristics and the growth of central cities and their surrounding areas in order to explain what has happened in the older SMSA's (Standard Metropolitan Statistical Areas) and to give some insight into the future of the newer SMSA's.

The book should be useful to anyone concerned with population analysis or trend prediction, or whose interests lie in marketing and market predictions. Its content and organization recommend its use as a handy reference. The authors have succeeded well in making the subject matter interesting and fascinating,

largely through the manner of presentation, and especially because of the analyses drawn. This is a book that one puts down with reluctance because the hour grows late.

Note: There is a typographical error on page 523, Table X-11, where the sub-column headings "SMR- 25 to 29 years" should read "SMR- 25 to 59 years." □

WHO PAYS?

John A. Brittain, *The Payroll Tax for Social Security*, pp. xiv + 285, The Brookings Institution, Washington, D. C., 1972, \$3.50.

by Francisco Bayo

This Study argues that, ideally, the payroll tax should be eliminated as a source of financing of Social Security on the grounds that it is regressive and is especially burdensome to the poor. In lieu, the financing would be accomplished by an increase in the personal income tax rates—averaging a mere 45 percent.

As a secondary point, the author asserts that the employer tax is really payable specifically, with complete allocation, by the employee from whose wages it was determined. And thus the regressive situation is twice as bad, the author believes.

An analysis of the relation between benefits and taxes is made. The conclusion is reached that the young worker gets a reasonably good buy from his taxes (including those of his employer), but that this is of little avail to the poor, who need their money now for current needs.

Note: A detailed review of this Study prepared by Robert J. Myers (who disputes several of the author's approaches and conclusions) will be published in the Transactions.

Social Security Notes

(Continued from page 1)

Charles L. Trowbridge, *Quantity-Price Relationships in Health Insurance*, Actuarial Note No. 79, November 1972, Social Security Administration, Washington, D. C.

This Note is an attempt to explore the relationships between quantities of health services performed under conditions of no insurance, full insurance, and varying degrees of coinsurance. A theoretical framework is attempted first, followed by a discussion of some of the possibilities for quantification.

Free copies available from Social Security Administration.