



SOCIETY OF ACTUARIES

Article from:

# The Actuary

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**UNDERWRITING UP-TO-DATE**

The following letter appeared in a recent issue of the *Journal of the American Medical Association* and we bring it to the attention of the E & E Committee to see whether they would like to further restructure the Fellowship examinations in Selection of Risks. Dr. Wilson cheerfully gave us permission to publish the letter and carefully explained that F.F.A. in his case did not denote an actuarial fellowship in a (*distinguished-Ed.*) actuarial body but a Fellowship in the Faculty of Anesthetists, Royal College of Surgeons. This Faculty has a great deal in common with actuaries. They both put people to sleep, but the actuaries do not need to use any anesthetics.

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*To the Editor:* Life assurance companies need a reliable yet simple way to estimate life expectancy. Many palmists believe that the length of the life line can be used to predict life expectancy.<sup>1</sup>

We tested this idea in 51 cadavers of known age at death, using a map measure to determine the length of the life line in each hand. The heelcrown length measurement enabled correction for differences in body size. Correlations between age and other variables (Table) were obtained through a matrix program (BMD 02D) using a CDC 6400 digital computer.

The critical value of correlation coefficient for significance ( $P = .05$ ) is .27 ( $N = 51$ ). Within the Table, no value exceeded the critical value, and therefore no correlation was significant.

The life line was interrupted in one hand in six subjects; in these, the total length of that line was used in the calculations. Fortunately, the level of significance of the correlations was so low that it would have made no difference whether the six broken lines were included or not. These subjects died at the ages of 19, 40, 50, 75 and 82 years. Thus, a broken life line is not related to age at death, and it is our personal expectation that it correlates with nothing whatsoever.

This study is of the greatest importance because it is one of the few instances in which soothsaying has been, in sooth, objectively tested. We happily conclude that palmistry may be used to predict life expectancy but, when it is so used, it is blessedly free of scientific worthiness or usefulness to life insurers.

M. E. Wilson, MB ChB, PhD FFA, RCS  
L. E. Mather, PhD

1. Jones FW: *The Principles of Anatomy as Seen in the Hand*, ed 2. Baltimore, Williams & Wilkins, Co. 1942.

Lack of Correlation Between Length of Life Line and Age at Death <sup>*</sup>							
	Age, yr	Length of Life Line, cm					Mean Height
		Left	Left Height	Right	Right Height	Right and Left	
Mean	65.2	9.2	0.056	9.4	0.058	9.3	0.057
SD	±16.7	±1.3	±0.004	±1.9	±0.012	±1.4	±0.009
Correlation coefficient with age	1.000	.056	.018	.021	.010	.040	.015

<sup>\*</sup>This Table can be safely ignored by palmists.

new company. So, the first "actuary" with a life insurance company started at the top. This seems appropriate enough in view of distinguished actuaries who have served as company presidents down through history. (Or, would this be better put "actuaries who have served as distinguished company presidents"?) At any rate, just to confuse the matter, none of the Equitable's first four actuaries (presidents) could do actuarial work; they hired outside mathematicians!

The development of actuarial science as we know it today is traced through brief descriptions of the pioneering contributions of strong and meaningful personalities of England, Canada, and the United States who placed the foundation stones of the profession. From Dodson, to Mores, to Price, to Morgan, to Shoemaker, to Baker, to Gill, to Fackler, to Homans, to Wright, tells the story of the first century.

The century that has followed is less the story of individuals and more that of men joining together in organizations to build their profession. The societies are established, the educational programs are set, the research work is begun, the literature is published, and the ethical standards are formed. Here is a clear case study of how a "profession" is built; not by self-serving declaration by men that they are "professionals" but by the slow and sometimes tortuous process of practitioners qualifying themselves to serve distinctive public needs.

Yes, the actuarial profession is coming of age. Public recognition grows. Government recognition is coming with a rush. An actuary is quoted as describing the U.S. 1974 pension reform legislation as "The Actuaries' Full Employment Act of 1974." This light-hearted humor, found often in Mitchell's short history, leads me to my only real concern about his book. He has not repeated a single "actuary joke" in the entire volume! Is it possible that this objective journalist accepted a commission with a clause that forbade him to repeat any of these hoary stories that are told to actuaries on themselves more than by others? I'll always wonder.

Dr. Gregg is President of the American College of Life Underwriters. □

**Actuarial Meetings**

- Jan. 9, Baltimore Actuaries Club
- Jan. 20, Chicago Actuarial Club
- Feb. 13, Baltimore Actuaries Club

PLEASE get the schedules for your 1975 meeting dates to us as soon as possible. We would appreciate having them at least 2 months prior to meeting dates. □

**Book-of-the-Month?**

(Continued from page 1)

an eccentric Latin scholar who was the principal promoter of the Equitable Life Assurance Society in England 200 years ago decided to use the Anglicized version of *Actuarius* as a distinctive title of the chief administrative officer of his