The Actuary

The Newsletter of the Society of Actuaries

VOLUME 8, NO. 3 MARCH, 1974

ACTUARIAL MATHEMATICS COURSE AT THE CLAREMONT COLLEGES

by Murray Projector

The Claremont (Calif.) Colleges offer an actuarial mathematics course, which began its second year of operation in February. The course is provided by the mathematics department of Harvey Mudd College, but is available to all undergraduate students in the cluster of independent colleges comprising the Claremont Colleges.

The course, which draws students from Pomona College, Claremont Men's College, and Harvey Mudd College, is a two-semester sequence, spring and fall. During the summer vacation, students are given an opportunity for actuarial employment with Los Angeles companies.

Designed as a six-credit academic mathematics course for mathematics majors, as well as for those interested in actuarial careers, the course is based on Kellison's *Theory of Interest*, and Jordan's *Life Contingencies*.

A Society examination center has been established at Harvey Mudd College, which attracts not only students enrolled in the actuarial course but qualified outside students as well. Passing ratios for the examinations are high, because of the Colleges' high academic standards.

Career and placement guidance is also furnished not only for those students who are native to Southern California but for those from other parts of the country. More than half the members of the undergraduate student bodies at the Clarmeont Colleges are from out of state.

The course was first proposed by the Los Angeles Actuarial Club, and implemented by its members through financial support and other help. Arrangements were worked out with two members of the Harvey Mudd Mathematics faculty,

(Continued on page 4)

"WHAT'S IN A NAME?"

by Ralph E. Edward

Mr. Gerald Hutchinson of the Social Security Administration talked to the Baltimore Actuaries Club recently on the subject of surnames. For their records a surname has six or fewer letters, so Smith is separate, but others like Martin, Martinez and Martinson are deemed identical. It follows that their count understates the number of different surnames.

By frequency, Smith (2,383,000) is most frequent, grading down through, in order, Johnso, Willia, Brown, Jones, Miller, Davis, Martin, and Anders to Wilson (788,000). The list has 3200 names before the count is under 10,000, 468,700 before the count is under 10 and 839,600 before the count is less than two, leaving 447,000 where the surname is unique, for a total of 1,286,600 different surnames. These correspond to the total number of names (239,928,000) from 1936 to June 1972, living and deceased. This exceeds the number of different social security numbers (207,027,-000) because of name changes, such as at marriage.

The frequency of initial letters (by number of records) goes from S (10.1%) to M B H C W R G P D L K F T A J E N O V Y Z I U Q to X (less than .05%). The frequency of initial letters (by number of different surnames) goes from S (9.8%) to B M K D P C G L A T H R F W N V O E Z J Y I U Q to X (.1%).

The surname Hutchi appears 105,943 times and it ranks 232nd in frequency of appearance. (Edward ranks 50th with 317,197 appearances).

Surnames range from Aa to Zyzys. Q is the only letter of the alphabet not a surname by itself, while Fifteen is the

(Continued on page 4)

ENVIRONMENT, CHEMICALS, CANCER

National Association of Swedish Insurance Companies, *Evaluation of Genetic Risks of Environmental Chemicals*, Royal Swedish Academy of Sciences, Ambio Special Report No. 3, pp. 27, 1973.

by Arthur Pedoe

This is a report of a symposium held in Sweden in March 1972, which was initiated and sponsored by the Swedish insurance companies. Thirty-four specialists participated included five from the U.S.A. and four from Great Britain. They were drawn from departments of medical genetics, environmental hygiene and biochemistry from various universities, hospitals and research institutes. The subject is of major interest to actuaries; no actuaries participated, because the views of these other specialists was evidently the purpose of the symposium. We should thank the Swedish insurance companies; it might lead to similar action on this side of the Atlantic.

The reports on the various matters discussed are quite brief and addressed to fellow specialists with references to 86 technical books and papers on the subjects under review.

The opening paragraph states: "Side effects of the development of modern chemical industry are pollution problems of entirely new dimensions. Living organisms, including human beings, are constantly exposed to a variety of chemicals released in the environment. It is almost a truism to state that the biological consequences of the pollution are largely unknown." It is stated that in the U.S.A. the production of synthetic organic chemicals approaches 10,000 million kilograms a year including pesticides, food dyes and many additives to plastics, rubber, paper and detergents.

The release of known toxic metals into the water and air has reached enormous magnitudes. The danger of lead

(Continued on page 3)

The Actuary

Editor . . . . . . ANDREW C. WEBSTER
Associate Editors . . KENNETH T. CLARK
PETER L. HUTCHINGS
FREDERIC SELTZER

Correspondence should be addressed:
The Actuary
Mail Drop 13-2, 1740 Broadway
New York, N. Y. 10019

Published monthly (except July and August) by the SOCIETY OF ACTUARIES, 208 S. LaSalle St., Chicago, Illinois, 60604, E. A. Lew, President, William A. Spare, Secretary, and John T. Birkenshaw, Treasurer.

EDITORIAL

THE Program Committee continues to experiment with one-topic Regional Meetings. The consensus of the members is that these specialized meetings have been worth while. The latest meeting is that held in Boston and the topic Health Care and Health Insurance. Following the pattern adopted after the Philadelphia meeting on Marketing, the report of the discussions at Boston will be published as soon as the typescript is available. The matters discussed are of immediate importance and a winnowing process, however desirable, might well delay publication until the importance had dwindled to little or nothing.

Perhaps it was a matter of mere chance that the Boston meeting took place practically simultaneously with the announcement of two programs for National Health Insurance, reliably reported to be little different one from another although one program was sponsored by the Administration and the other by Senator Edward Kennedy and Representative Wilbur Mills. These plans, had they been available, would surely have provoked an interesting discussion in Boston and would have emphasized the fact that any Health Insurance Plan is of importance to all actuaries irrespective of their business affiliations. The plan is a matter for actuaries as citizens as well as actuaries.

The Program at Boston while properly covering many of the practical problems arising in current health insurance practice did not ignore the broader philosophical approach to Health Care as is evidenced by the opening panel topic "Which Health Care System(s) for the U.S.?" and the subsequent Concurrent Session on "Mortality and Morbidity Statistics —Availability, Usage, and Dependability." The two topics are closely related. Nearly all the Health Insurance proposals follow the regular insurance pattern and relate cash premiums to cash benefits irrespective of what these benefits might turn out to be. At the opening panel the participants made a plea for actuarial help to measure the value of, among other items, highly specialized and highly expensive treatments. Such measurements could be of great help in starting and maintaining a workable Health Insurance Program.

Surely this appeal for help will not fall upon deaf ears. We seem certain to be involved in a National Health Insurance Plan whether we like it or not—let us decide to contribute of our skills to making the program work effectively and efficiently.

A.C.W.

Actuarial Meetings

Please Note: Secretaries are reminded that notices of Actuarial Meetings should be in the hands of the Editor at least two months prior to the date of the meeting.

April 11, Baltimore Actuaries Club
April 15, Chicago Actuarial Club
April 16, Pittsburgh Actuarial Club
April 17, Actuaries' Club of Des Moines
April 17, Portland Actuarial Club
April 17, Seattle Actuarial Club
May 9, Baltimore Actuaries Club
May 15, Seattle Actuarial Club
May 20, Chicago Actuarial Club
May 21, Pittsburgh Actuarial Club

Social Security Notes

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 20 pages, January 1974.

Mr. Myers has updated the Social Security Summary which was reviewed in *The Actuary* in September, 1973. The new note includes a summary of the changes made in the amendments of July 1 and October 30, 1972 and July 9 and December 31, 1973, and also tabular histories of past tax rates and Medicare cost-sharing and premium rates.

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

* * * *

Veterans' Pension Increased, Note No. 2—1974, Office of Research and Statistics, Jan. 29, 1974, Social Security Administration, Washington, D.C.

This note is a summary of the recent veterans' pension legislation enacted on Dec. 6, 1973, Public Law 93-177. This legislation provides for a 10% cost-of-living benefit increase to veterans, their dependents and survivors. The new law restores most of the reduction in veterans pensions which resulted from the 20% Social Security benefit increase in 1972.

Free copies of this publication "R&S Note No. 2 — 1974" *may be obtain from Office of Research & Statistics, Room* 1120, *Universal North Building,* 1875 *Connecticut Avenue, N.W., Washington, D. C.* 20009. □

Environment

(Continued from page 1)

poisoning is well known, but others representing real or potential hazards include nickel, cadmium, beryllium and mercury. It is stated that in North America since 1923 the automobile has added about 5,000 million kilograms of lead to the atmosphere from which it eventually reaches man. Some of the metals are released as or are eventually converted to volatile, organic forms and hence more active in the biological and genetic sense.

The problems are the long term effects as hereditary changes, cancer induction and degenerative cellular effects leading to poor health and the production of abnormalities. The ability of certain chemicals to alter hereditary material has been known for three decades, but even geneticists were reluctant to appreciate the consequences. Only in recent years has general recognition been given to the danger. In the U.S.A. the *Environmental Mutagen Society* was founded. The dissemination of relevant knowledge should be beneficial.

Mankind has always been exposed to toxic agents naturally present in the environment, including foods. However, advances in science and technology have led to their extraordinary growth. Further, unlike earlier eras, the fraction of the total population being exposed has approached 100% because of easier communications.

One of the sections of the report is headed, "The Relation of Cancer Induction and Genetic Damage." The following quotations are from this section. (1) "It seems likely that exposure to environmental chemicals is the determining factor in the causation of many types of human cancer." (2) "... chemicals which modify genetic material may cause a variety of diseases of unknown etiology, such as chronic degenerative diseases and congenital abnormalities."

The difficulties of research in this area is illustrated by the following quotation: "... it is difficult to predict with confidence the genetic effects of chemical exposure by man. Some uncertainty will always remain unless observations are made on man himself. Human metabolism is different in many details from metabolism of other mammals ..."

This report is in the Society library. Copies can be obtained from Svenska Försäkringsbolags Riksförbund, Att.: Olle Grönstedt, Strandvägen 5 B, S-114 51 Stockholm, Sweden. □

TO BE CONTINUED

Editor's Note: This is another in the series of articles from the Committee on Continuing Education and Research. Comments will be welcomed by the Committee and the Editor.

Social Security Approval Rates

by Richard C. Murphy

In the development of a group long term disability (LTD) premium scale it is necessary to consider the level of credit that should be given for offset of Social Security benefits. The amount of the Social Security award and the proportion of LTD payments that will be made while the individual is receiving that award should be considered. In this article I will describe how a study of Aetna Life experience was made to determine the percentage of LTD payments made during the time of Social Security receipt and will present some of the results of that study.

The study analyzed 8,000 claims incurred under contracts that reserve the right to offset the amount of the Social Security benefit being received. The Social Security benefit that is considered is usually both the disability benefit (primary and family) and the early retirement benefit (primary and family). While the right of early retirement offset is used infrequently, it appears that there may be a considerable number of individuals first disabled between ages 60 and 64 who are applying for this early retirement benefit after their disability application has been denied by Social Security. In some cases there is a financial incentive for the individual to apply for this benefit since some LTD contracts may not offset the Social Security benefit until the sum of the LTD and Social Security benefit exceeds a high percentage of salary.

The available claim records did not include the Social Security effective date and so it was not possible to directly determine the approval rates. Analysis of individual claim records showed that in better than 95% of the cases examined the Social Security award amount reflected retroactive payment to the 6th month of disability regardless of the point in time at which the award was actually made. Each claim was examined as of a particular point in time on a retrospective basis so as to reflect the frequency and importance of the retroactive Social Security award. The procedure used examined claims as of the duration attained in December of year $Y-1$ by capturing the Social Security approval status from the claim records available in March of year $Y+1$. Claims terminated before March of year $Y+1$ received the Social Security status effective at the time of claim termination.

Claims were grouped in intervals according to their attained duration as of December 31, $Y-1$. The duration intervals are 6-9 months, 9-12 months, and so on to 48 months and over. For each of these duration intervals the ratio of approved claims to total claims was calculated for age at disability brackets—less than 40 years, 40-44 and quinquennially to 60-64. Finally, financially effective approval rates used for the Social Security offset credits were developed from the formula:

$$ {}_{6\text{-}9}k_x \, \frac{N_{x+6\,\text{mos.}} - N_{x+9\,\text{mos.}}}{N_{x+6\,\text{mos.}} - N_{\text{to}\,65}} + \cdots $$

$$ \cdots + {}_{\substack{30\,\text{mos.} \\ \&\,\text{over}}}k_x \, \frac{N_{x+30\,\text{mos.}} - N_{\text{to}\,65}}{N_{x+6\,\text{mos.}} - N_{\text{to}\,65}} $$

In this formula ${}_yk_x$ represents the proportion of approved claims for duration interval y and age group x. The Nx functions were taken from the Aetna LTD reserve basis. They can be closely approximated by a reserve basis developed from the intercompany LTD experience presented in the 1972 Reports.

Table I shows the December, 1971 approval proportions for duration 12-14 months and 24-29 months as well as the financially effective approval rates developed from all the claim intervals.

(Continued on page 4)

TABLE I **Social Security Approval Proportions**

Age	*12-14 Mos. Duration*	*24-29 Mos. Duration*	*Financially Effective*
<40	52%	64%	73.0%
40-44	54%	70%	78.6%
45-49	68%	82%	83.7%
50-54	75%	82%	87.6%
55-59	80%	88%	89.2%
60-64	86%	95%	88.8%
Total	73% (802 claims)	84% (1260 claims)	

Although the number of female claims does not justify development of financially effective approval rates differentiating by sex, the approval proportions for females were separately calculated and are shown in Table II. Table II shows the relative approval proportions by industry, by case average monthly salary and by employee contribution status. With the exception of the sex approval proportions and the aggregate year end rates, which are taken from 1971 data, Table II presents a summary of claims catagorized as of the claim duration in December, 1970.

TAPLE II **Aggregate Approval Proportions**

	12-14 Mos. Duration	*24-29 Mos. Duration*
Sex		
Male	78% (573 claims)	86% (771 claims)
Female	57% (185 claims)	75% (271 claims)
Industry		
Manufacturing	70% (480)	86% (588)
Financial	66% (77)	77% (145)
Case Average Salary		
$700	68% (133)	68% (204)
$700-$1000	68% (82)	78% (83)
$1000	71% (51)	82% (66)
Employee Contributions		
Employee Pay All	71% (82)	72% (152)
Employee Pay All	71% (356)	86% (487)
Both Pay	68% (455)	79% (514)

The study examined the approved Social Security claims under these cases having the right to offset family, as well as primary benefits, to determine the frequency with which family awards vs. primary-only awards were made. Table III presents these results for male and female claimants. This table also shows the number of claims with family offsets. For females, this number is quite low and it is questionable whether any significance should be given to it. In any case, it should be remembered that many of these family offsets may revert to primary-only offsets as the children attain the limiting Social Security age, and this fact must be reflected in development of the family offset credit.

TABLE III **Proportion of Claimants With Social Security Benefits Receiving Family Benefits (6-41 Mon. Duration)**

Age	*Male*		*Female*	
40	66%	(with Family Benefits)	40%	(41 with Family Benefits)
40-44	55	(102)	30	(20)
45-49	42	(150)	14	(18)
50-54	30	(177)	10	(11)
55-59	15	(137)	5	(9)
60-64	13	(89)	—	(0)

□

"What's in a Name?"

(*Continued from page 1*)

only one of the first twenty numbers that is not a surname. There are 1,186 persons named Man but only 60 "Men" — some of them women; 1,065 persons are named Lady, including many men. Anything can turn up as a surname, including two named Anything and 181 named Thing. Others are named Other, Once, Only, Odear and Oboy, which may lead you to say Ostop or Ohno, both of which are surnames.

Pi and Mo are probably what is left of longer names. But what about Noodle, Charm, Smile or Liver. Some are burdened with names like Oaf, Cheap, John, Moron, Ape, Skunk, Ghoul, Frumpy, Ghost, Boob, Slob, Lout and Goon. You can say "We have more family names in this country than you can shake a stick at" and not have used a word that is not someone's surname.

Remembering that many surnames identify the occupation of the bearer, the reader can, from the offbeat names on the list, construct mythical firms with appropriate occupations. For example:

Double (2,472) & Trouble (582) — Income Tax Assistance

Hell (426) & Back (7,024) — Travel Agency

Head (28,615) & Tail (82) — Medical Clinic

Mr. Hutchi concluded with novelty full names including John 5/8 Smith, Queen Victoria, Merry Christmas and Earnest Truelove. And now you know, if you noticed, why the last letter is missing from your reporter's surname. □

Claremont

(*Continued from page 1*)

Professors Melvin Henriksen and John Greever, and two representatives of the Los Angeles Actuarial Club, John Tiller and Walter B. Lowrie. The many actuarial alumni in the Los Angeles area have been most gratified that their colleges have given this recognition to actuarial careers. They have shown their approval by actively supporting the program. □

LETTERS

Professional Conduct

Sir:

I read with interest your editorial in the January issue. While I do not necessarily agree with all of Mr. Bartlett's comments, I do find no conflict between his statement that an actuary of a life insurance company has the same general responsibility to the public as any other member of company management and your statement that most professions have a statement in their code of conduct that contains a reference to that profession's responsibilities to the public. In fact, I think any honest individual would find it unethical working for an employer engaged in an operation obviously designed to fleece the public.

I also feel that whether an actuary works for a stock life insurance company or a mutual life insurance company, he should not have to be the "company conscience." He is a member of company management and has the same responsibility for honest dealings with policyholders, the public, and/or stockholders as any other responsible member of company management.

Mr. Bartlett's mention of "company conscience" brings to mind a larger issue. I get the impression that some people seem to imply that the actuary, whether he be of a life insurance company or of a consulting firm, has somewhat more integrity and honesty than other non-actuarial members of a company or a consulting firm. I find this disturbing. Nowhere in the exam system or in any requirements outside of the exam system are there more checks and balances on the honesty of an individual going into actuarial work than there are in any other profession.

Lastly, I wonder if a symptom of this thought isn't in a question that was sent by Mr. Belth to the Society's Committte on Professional Conduct concerning what is the professional responsibility of the actuary in connection with deceptive sales practices. While I can sympathize with the problems of a committee discussing this question and the others Mr. Belth asked, I feel that they could have come to a conclusion concerning these questions; that is, there is nothing in the actuary's professional education that makes him any more capable of communicating with the public at large than any other member of company management.

When it comes to technical language and technical calculations which can be used to communicate with other actuaries, state insurance department personnel, or lawyers, an actuary is indeed well trained. However, when it comes to talking to a basically uninformed public, a very well intentioned and technical document made up by an actuary might tend to be more confusing to the public at large than that which was made up by an informed and honest member of the company's agency management.

Frederick A. Randall

* * * *

GAAP

Sir:

GAAP's will cost U.S. and Canadian life insurance business many additional tax dollars.

Item. GAAP's will show a larger earnings figure than now shown on the 1120L U.S. Federal Income Tax Return. I am told the U.S. Congress will wish to tax the larger of the two figures — so the extra GAAP income will mean extra taxes. (As for Canada, one guess what the Socialist NDP people will wish to do!)

Item. I understand that a Secretary of the U.S. Treasury has apparently said a continuing watch should be kept to see if the 1959 Code is producing enough tax revenue from life insurance business. GAAP's will be a definite enticement to change the 1959 Code. GAAP's will mean extra taxes.

Item. The Institute of Certified Public Accountants apparently pronounced several years ago that tax statements should conform more fully to GAAP's. For life insurance companies, GAAP's will mean extra taxes — lots of extra taxes.

Item. The drive to GAAP's for life insurance companies apparently began 5 or 6 years ago — not to better inform the public, but to make it easier for certain stock brokers to make larger commissions on larger volumes of life company common share sales at higher prices. GAAP for life companies should, however, be resisted. GAAP will reduce life company surpluses by triggering substantial additional costs — legal, accounting, actuarial, administrative — plus heavy extra taxes.

Item. It has been predicted that the adoption of GAAP will lead to U.S. mutual life insurance companies being hit by a set of class action lawsuits. The GAAP income and surplus figures will give powerful ammunition to those who wish to fire off the charge that dividend allocations up to now have not been strong enough and have been unfair. The prediction is that there will be "some serious litigation." All that — plus heavy extra taxes!

James L. Clare

* * * *

Sir:

The March-April 1974 issue of the Financial Analysts Journal contains an article entitled "SLIC-GAAP" by Abraham J. Briloff. This article is a critique of the new audit guide which defines GAAP for stock life insurance companies. One of Dr. Briloff's suggestions is that actuaries who are independent of both the life insurance company and of the certified public accounting firm be required and that a certificate from the independent actuaries be included in the filings with the SEC.

I feel that as a profession we have allowed a golden opportunity to pass. I fear that too many of us who are employed by life insurance companies have put our employer's interests above those of our profession in framing our response to the treatment of actuaries in the audit guide and in the drafts that preceded the final guide. If we are to establish the proper position for the actuary in our society, we must be willing to agree to the necessity for independence.

Dr. Briloff's suggestion on this point is good and would be immensely helpful to us as a profession even though it might be inconvenient to us individually as employees of life insurance companies. Perhaps it is not too late to salvage something for the actuarial profession in this area.

John R. McClelland

* * * *

Proposed Opinion A-5

Sir:

Mr. Cardinal's article in the January issue on the Academy's proposed Opinion A-5 prompted me to make some general rather than specific comments about

(Continued on page 6)

Letters

(*Continued from page* 5)

the situation in which we find ourselves.

First, we should not lose sight of what is happening. The accounting profession has successfully placed itself in a position to judge the quality of the actuary's work, and the actuarial profession is accepting the right of the accounting profession to exercise this judgment. It is true that the actuary can use his own assumptions if he disagrees with those the accountant is willing to certify, but he must then calculate his reserves both ways and record his own results in a separate "actuarial opinion," which will be seen by few and understood by almost no one. The stockholders, in particular, will see reserves which are based on assumptions the accountant will accept.

Second, the stage is being set for the stockholders of a life insurance company to have to finance two sets of actuaries, the in-house staff and the consulting staff which the accountant summons to look over the shoulder of the in-house actuaries. In the long run, stockholders will understand and resent this system of hiring two people to do one job; I believe the Academy should not design or encourage it.

This successful invasion of actuarial work by the accounting profession has occurred because the actuarial profession has stuck too long to overly conservative procedures. Admittedly it has been overly liberal in others, particularly in using aggregate rather than select mortality assumptions for reserve purposes. Nevertheless, the better solution at this time would be for the actuarial profession to correct its past failings in these regards and maintain its actuarial province, rather than abandon the field to the accounting profession and withdraw into the preparation of virtually useless "actuarial opinions."

In summary, I believe the Academy is turning over the authority for actuarial work to the accounting profession while asking company actuaries to keep the responsibility.

I realize my comments may seem overly critical, but I intend them as constructive.

George L. Hogeman

* * * *

Coming Events?

From ALIA Annual Meeting:

The key aspects in developing an equity investment program are attention to investment policy, portfolio management and security analysis, according to John L. Schroeder, President of E. W. Axe & Co.

Once the pros and cons of equity investment policy have been determined, Schroeder said, portfolio management provides for execution of the established investment policy and security analysis produces the information needed for specific investments.

Schroeder further broke down the major areas involved in portfolio management; stressed the need for an investor to detach himself emotionally from the process of stock selection *and instead adopt an objective, rational, almost actuarial approach with a long-range view* and stated that the three essential requirements in the research process included estimate of future growth, price judgment, and timing.

Sir:

While I do not shart Clayton A. Cardinal's strong negative views (as expressed in the January issue) about Opinion A-5, it does appear to me that the Opinion is deficient because it does not sufficiently distinguish between the concepts of an actuary "giving advice" and his "undertaking an assignment."

Consider the following illustration:

(1) Client A may ask an actuary for "advice" on a certain problem, and require the answer within a very short time period (e.g., a few days). The actuary may feel that he has insufficient background, and it would be unprofessional to give advice under the circumstances.

(2) Client B may ask the same actuary for "advice" on a very similar problem, but without similar time pressures. In this case the actuary may feel that he will be able to do sufficient research, and if necessary consult other actuaries (see the last paragraph of the Introduction of Opinion A-1), and therefore undertake the assignment. The actuary may subsequently decide that he cannot master the issue sufficiently to advise on it, and should so inform the client.

My point is that the standards set out in Opinion A-5 should be applicable (as stated in the title) to the question of "giving advice" (i.e., submitting conclusions, recommendations, etc.). Th should not be applicable to the question of "undertaking an assignment" (as referred to in the last sentence of the first paragraph, or in the final paragraph), since the latter may — with the client's knowledge — include the actuary's doing work needed to supplement his prior training and experience. This concept of undertaking an assignment would frequently apply where the employment or consulting relationship includes research into relatively new areas.

Thus I feel an actuary may undertake an assignment if he believes he will be sufficiently qualified to give advice when it is required, but should decline to give advice (either before or after undertaking an assignment) if he is not qualified to do so when it is required.

Also, note that the third paragraph of the Opinion is in terms of "fields" and "areas," while the remainder of the Opinion is in terms of specific problems. It seems to me the latter is more appropriate: an actuary may feel qualified (or unqualified) to deal with a specific problem whether or not he feels the sa way about the entire area or field involved.

Howard Young

* * * *

Hail Poesy!

Sir:

Actuaries are rarely mentioned in poetry, perhaps because the word "actuary" did not fit well into the old-fashioned kind of poetry which rhymed and scanned. The new kind of poetry can however accommodate us, witness the following quotation from Dream Song 219 by John Berryman:

He lifted up, among the actuaries,
a grandee crow. Ah ha & he
crowed good.
That funny money-man.
Mutter we all must as well as we can.
He mutter spiffy . . .

This is quoted in an essay by Peter Davison on the subject of Wallace Stevens (1879-1955), a poet who was also a lawyer with the Hartford Accident and Indemnity Company from 19[illegible] until his death.

I find the meaning obscure but perhaps no more so than poets would find the writings of actuaries.

Colin E. Jack