



SOCIETY OF ACTUARIES

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# The Actuary

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## FEGLI

(Continued from page 4)

The following Table shows specimen mortality rates used in the valuation.

**Regular Program Ultimate Mortality Rates  
Per Thousand**

Age	Employee Male	Employee Female	Age Retired Male	Age Retired Female	Disability Retired Male	Disability Retired Female
40	1.8	1.2	3.0	2.1	16.0	10.0
50	4.5	2.3	6.8	4.3	23.2	11.7
60	9.8	4.0	15.7	7.8	34.8	19.0
70	21.5	8.1	37.0	17.3	60.0	31.6
80	51.0	25.9	88.0	55.0	116.4	67.5

Details are given in the 1977 FEGLI valuation report a copy of which may be obtained by writing:

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## Socrates and Plato

(Continued from page 1)

- Jack.* How do you see that women get a fair shake?  
*Andy.* I take them riding in my 1937 Maxwell.  
*Jack.* Do we have to print any more about Manhart?  
*Andy.* Oh, have a heart, man.  
*Jack.* Where do you get your better material?  
*Andy.* I'm flattered that you ask. My wife buys the tweeds directly from MacGregor's-in-the-Highlands.  
*Jack.* How do you decide what goes on the front page of *The Actuary*?  
*Andy.* I don't. I plan pages 2 through 8, and see what's left over.  
*Jack.* How do you fill up space?  
*Andy.* There is no space—there are only quasars and black holes.  
*Jack.* How do you decide whether a manuscript is libelous?  
*Andy.* I publish it and wait for the phone to ring.  
*Jack.* And how do you check for factual accuracy?  
*Andy.* It's called *The Actuary*, not *The Factuary*.  
*Jack.* Has anything happened recently that I should know about?  
*Andy.* Two letters of complaint just arrived.  
*Jack.* What does that mean?  
*Andy.* That our readership has doubled.  
*Jack.* And what about hate mail?  
*Andy.* I haven't written any in over a year now.  
*Jack.* Where do you think ERISA is headed?  
*Andy.* She's trying to catch up with STOCHASTA.  
*Jack.* How do you deal with the highly mathematical articles that new Fellows submit?  
*Andy.* My practice is always to substitute Lidstone's Theorem. No reader has yet noticed.  
*Jack.* Why are you giving me such funny answers?

*Andy.* Aren't you the casting director for "Comedians Unlimited"?

*Jack.* No, I'm the new editor of *The Actuary*.

*Andy.* What's the difference?

*Jack.* Andy, do you mean you're stepping down as editor to start being a comedian?

*Andy.* There are some who'd say I never was anything else.

*Jack.* Oh, go on, Andy, you're a top-notch actuary, a fine Society past-President, and a great, great editor!

*Andy.* My compliments to you also, Jack. I wish you all success as successor!

*Jack.* Thank you indeed!

(Here 18 minutes of the tape are lost)

(Again they shake hands. Once more a sense of serene Socratic accomplishment enlightens *The Actuary's* humble abode).

## CURTAIN

## WHAT IT'S LIKE TO RUN FOR CONGRESS

*Ed. note:* To have one of our members run for the U.S. Congress is possibly unique in the history of the Society of Actuaries and its predecessor organizations. Thomas P. Bowles, Jr. did this last fall. What follows is an interview of Mr. Bowles by a member of the editorial board of *The Actuary*.

- Q. Tom, did you run for experience, for fun or in the belief that victory was possible?
- A. I must have run for experience, because I got plenty of it. But it was an experience that taught me much and that I wouldn't have wanted to miss. Some of my actuarial peers suggested that I had more guts than brains to get involved in the political arena. From time to time, however, one is persuaded to take a stand. In his book, "A Time for Truth," William E. Simon reminds us that in the golden age of Pericles, the youth of Athens recognized public service as the noblest of the professions. Not so today, for either youth or elderly, but a duty nevertheless.
- There were many difficulties. We could not afford television. We could not afford a full time campaign manager. I began as an unknown; after the primary, my opponent, the incumbent, had an identity quotient of about 98%, mine then being 3%.
- But the result was not entirely disappointing to the party regulars in view of lack of funds and lack of identity, no full-time manager, and limited time for campaigning. Victory on a first attempt was outside the bounds of possibility, yet a first attempt is a necessary prelude to victory.
- Q. Which, among your opponent's characteristics, gave him the largest advantage?
- A. Far and away, it was the fact of being the incumbent. The odds, measured in economic terms, against the challenger are formidable. It is said that an incumbent has an initial economic advantage equivalent to about \$500,000.
- Q. How important, relatively, did you find (1) money, (2) hard work, (3) the popularity of your stands on particular issues?

(Continued on page 8)

## Running For Congress

(Continued from page 5)

- A. All three of these mean a great deal; I rank their importance in the same order as in your question. Money talks! Even though money can't buy what the public must seek: integrity, experience, intellectual capacity and commitment, it can buy the essentials for getting elected: name recognition (who one is), position (what one stands for), and organization. My experience with penury suggests the need for a look at the broad area of financing elections.
- Q. On what national issues did you decide to major during your campaign?
- A. The thrust of my message was that the Congress, not the President, is responsible for our economic troubles. This was one matter on which my opponent and I agreed.
- Q. In your speaking engagements, which issues did you find of interest to your listeners? What national issues turned out to be the most difficult to explain?
- A. The issues of greatest interest were inflation, taxes and big government, in that order. The public only vaguely relates excessive government spending and deficits to inflation. This was the most difficult issue to explain.
- Q. Coming back to money, how much did you have, and how did you budget your penury?
- A. Professionals say that to win a Congressional race in my District, the campaign fund needs to be at least \$200,000.

We spent about \$30,000, 15% of which came out of my own pocket. As contributions from actuaries and others came in, we increased the frequencies of our four 60-second radio commercial messages, all of which were confined to the 10 days prior to the election.

- Q. What next, Tom?
- A. Undaunted, we have committed to prepare for the 1980 Congressional race. A happy thought is that this gives us two years, not eight weeks. My big, immediate task is to build a high identity quotient, essential to having any chance of winning.
- Q. Was the fact that you are an actuary a plus or a minus with the electorate?
- A. In most cases I just created confusion by attempting to identify my profession. One newspaper article described me as "a compiler of insurance rates for a railroad"; a television interviewer told listeners that I am a "clerk in an insurance company."

Although it was clear as ever that few have any idea what an actuary is, my being an actuary was a plus with enough of the initiated to be pleasing. Several times I heard the welcome words, "We need an actuary in the Congress."

(Ed. note: Mr. Bowles offers a copy of his four radio scripts to any reader interested enough to get in touch with him at his address in the Society Year Book).

## SOCIETY OF ACTUARIES MINORITY SCHOLARSHIP PROGRAM

by Michael R. Winn

Two years ago the Society of Actuaries, in conjunction with the Casualty Actuarial Society, initiated the current Minority Scholarship Program. The purpose of this program, is to provide financial assistance, through scholarships, to individuals currently underrepresented in the actuarial profession. A committee composed of members of the Society of Actuaries and the Casualty Actuarial Society administers the solicitation of scholarship funds and the granting of awards.

Scholarships are granted at both the undergraduate and graduate level with the committee receiving a great deal of cooperation and support from colleges and universities throughout the United States. For the 1978-1979 academic year, seventeen scholarships to highly qualified students for amounts varying between \$250 and \$4,500 were granted, totaling \$22,000. All awards are reviewed annually with respect to renewability to determine financial need, academic, and actuarial examination progress.

A problem which faced this committee in the past was publicizing our program to a sufficiently large number of qualified minority students. We addressed this problem in 1978 by reaching an agreement with the American College Testing Program (ACT) whereby they agreed to mail the Society of Actuaries' booklet "So Your Good at Math" to minority students scoring well on the mathematics test administered by (ACT). Students expressing interest will be sent further information regarding the Scholarship program and the profession generally.

In addition to awards from the Society's general scholarship fund, the program offers scholarships from several separate funds established by individual companies. The purpose of allowing private organizations to establish separate funds is to grant large contributors the right to determine the eligibility requirements and general guidelines related to their individual recruiting objectives. Any organization wishing to establish a separate fund to be administered by the Society is encouraged to contact the Society's office. Scholarships granted from a separate fund will be identified with the particular organization establishing the fund.

## SOCIAL SECURITY

Kevin Wells, *Estimated Amount of Life Insurance in Force as Survivor Benefits under OASI, 1975-77*, Actuarial Study No. 79, Social Security Administration, Baltimore, Maryland, November 1978, pp. 17.

This Study presents estimates of survivor's benefit protection under Social Security by sex of insured worker and by type of benefit. The 1977 estimate is further distributed by age of insured worker. A rough estimate of the total amount for 1978 is presented. Tables also present estimated average amount and estimated average annual cost per insured person. Also presented is a comparison of life insurance protection under OASI, under other government programs, and under private insurance.

Copies of this Study may be obtained free of charge from the Office of the Actuary, Social Security Administration, Baltimore, Maryland, 21235.

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Employers of actuaries who desire a list of current scholarship participants as a source of potential employees are encouraged to contact the Society's office.