



SOCIETY OF ACTUARIES

Article from:

# The Actuary

June 1981 – Volume 15, No. 6

## MIGHT WE USEFULLY ADVOCATE A U.S. GOVERNMENT ACTUARY POST?

This is an abstract of five welcome comments on the above question, raised and discussed in our March and May issues.

*Gordon C. Boronow:* We have an Attorney General for the lawyers, a Surgeon General for the doctors, . . . why not an Actuary General for us! The incumbent might require a message on every cancer policy, medicare supplement, whole life policy, or whatever type is out of favor: "Warning, this policy may be hazardous to your financial condition."

An Actuary General may serve a useful role, though, if limited to areas such as social insurance and public pensions. Let's not push for another government post merely for professional glorification.

*Shepherd M. Holcombe:* There are many actuarial and related government areas that need attention from an actuary with freedom to implement or influence changes. Examples are Universal Social Security and limits on cost-of-living increases in pensions and wage contracts. I favor a high-level actuary able to influence policy and legislation; it would help if the person also became involved in the programs of our actuarial bodies.

*Edwin C. Husted:* I oppose setting up a government actuary to approve and oversee actuarial reports of government agencies. Our Federal government undergoes periodic consolidations and dispersions. If all pension activities were put under one agency, someone a generation later would complain that each of the affected agencies functions poorly because part of their program is operated elsewhere. Actuarial decisions in an agency's operations are supportive and shouldn't be independent; if there's an irreconcilable difference between an actuary and his boss, the actuary should leave the agency.

My experience in the Office of Personnel Management was that conflicts between the actuary and agency head were few. The latter recognized that, as is true of accounting, legal and other professional work, actuarial work must be left to the professional; policy decisions, on the other hand, rest with the agency head. Just as there's no need for a super-authority to set assumptions for all insurance companies or all consulting

firms, there's none for a government actuary to oversee the work of the several government actuaries and to act as a buffer against an agency head.

*Frederick W. Kilbourne:* The time may indeed be ripe for establishing this position as part of the government's advisory apparatus. Politicians seem no longer able to attract votes by making benefit promises that disregard long-range costs. Yet our new Administration may find its support waning during an austere recovery unless authoritative voices convince the public that the results of some other remedy would have been far worse.

*Robert J. Myers:* The efforts in 1957 to centralize actuarial activities of the U.S. Government in an Office of the Government Actuary resulted from desire to improve actuarial services, not from any serious perceived shortcoming. But the idea was at odds with the then efforts to avoid proliferation of new agencies, and there was the problem of

where to locate it in view of our separation of powers between Executive and Legislative branches. And the agencies that already had actuaries on their staffs took the position that they needed these at their immediate beck and call.

I believe the concept to be highly desirable in theory but probably unachievable because its logic is unpersuasive to agencies that would have to relinquish their valuable human actuarial assets. The only hope I would see for success is to have an FSA or FCAS elected President of the United States!

### DO YOU HAVE COMPUTER EXPERIENCES TO NARRATE?

If so, you might present a paper at the Society's Winnipeg Conference, August 27-29. For details, ask Prof. H. J. Boom—address and phone number in Year Book.

## ACTUARIES: CLUSTERED AND SOLITARY

Courtesy of Linden N. Cole, we have from a recent seminar mailing a picture in numbers of where actuaries are on this continent. The areas shown are commuting areas, not state boundaries; Academy and Casualty Society members are in with us.

Boston (325), Rest of Mass. (125), Maine (46), Rhode Island (17)	513
Hartford (566), New Hampshire (27), Vermont (24), Rest of Conn. (43)	660
New York City & Newark (1,611), Rest of New York State (60)	1,671
Philadelphia (375), Rest of Pa. (63), Delaware (22)	460
District of Columbia (181), Baltimore (104), Rest of Va. (59), W. Va. (6)	350
North Carolina (95), South Carolina (19), Georgia (175)	289
Tennessee (100), Alabama (43), Florida (179)	322
Mississippi (19), Louisiana (34), Arkansas (19)	72
Kentucky (64), Ohio (239), Indiana (200), Chicago (612), Rest of Ill. (91)	1,206
Detroit-Ann Arbor (108), Rest of Michigan (24)	132
Wisconsin (198), Minnesota (207), Dakotas (17), Iowa (130)	552
Missouri (151), Kansas (40), Nebraska (104), Oklahoma (19)	314
Dallas-Fort Worth (195), Houston-Austin (144), Rest of Texas (2)	341
Colorado (68), Idaho (6), Utah (17), Montana (2)	93
Arizona (43), New Mexico (3), Nevada (5)	51
Southern California (394), Northern California (214)	608
Washington (109), Oregon (47), Hawaii (9)	165
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Total U.S.A.	7,799
Maritimes (23), Montreal (286), Quebec City (132)	441
Ottawa (52), Toronto (630), London-Waterloo (143)	825
Winnipeg (76), Saskatchewan (6), Alberta (29), British Columbia (53)	164
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Total Canada	1,430
Total, United States & Canada	<u>9,229</u>