

SOCIETY OF ACTUARIES

Article From:

The Actuary

May 1983 – Volume No. 17, Issue No. 5



Publications. Non-member subscriptions: students, \$4.50; others, \$5.50.

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GUEST EDITORIAL

ACTUARIES IN THE COMMUNITY

by Wilfred A. Kraegel Past Chairman, Committee on Futurism

The actuary is a professional—of that we haven't the slightest doubt. But where does professionalism begin and end? Is it circumscribed by our office walls? Is it just the work for which we are paid directly? Or, does it include the reading we take home? The conferences we attend? Our continuing education and other growth experiences? Then, how about community service?

We needn't stretch the limits far to see how closely integrated and intertwined are the concepts of professionalism and community service. Let's see how these relate to each other.

- 1. The professional's aim is to render service to society which in its turn rewards that professional financially. The community provides many opportunities for useful service, though generally its rewards are more psychic than monetary.
- 2. The professional, through many years, develops skills, both direct and peripheral, that are of value in many dimensions of community life.
- 3. The accomplished professional is able to take the long view, hold the broad perspective. The well-being of the community is a vital part of that view and that perspective, for without it the professional's work lacks meaning and utility.

Demands on an actuary's time, though, are many. When it becomes difficult to juggle these satisfactorily, too often it's community service that suffers most.

To those willing to give time to community service, many excellent opportunities present themselves, such as:

- Reading about, and discussing, current and future-oriented issues, so one can become a better informed citizen and voter, in whatever capacity.
- Becoming involved in volunteer activities for which actuarial background is especially helpful, e.g., a board of pensions of a non-profit group, or a demographic projection for school planning.
- Offering service to non-profit organizations that require help with their management or systems.
- Running for elective office in school districts, municipalities, states, or even national posts.

Actuarial students will usually have found the examinations too time-consuming to permit even considering such professional or community service in major degree. But with Fellowship comes a new ordering of one's time. Especially then, but no matter when, it can be revealing and beneficial to take stock of how we parcel ourselves out to all those exciting facets of life.

Part of us belongs to the community. We need it and it needs us!

TEMPLE'S PART 1 MANUAL

A new Part 1 Manual, composed by its Actuarial Science people, may be bought by sending \$20. to Prof. W. G. Glendenning, Dept. of Insurance & Risk, Temple University, Philadelphia PA 19122.

Fertility Fade

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if a higher long-term deficit were aimed for would be a build-up of the trust funds.

Senator John Heinz (R.-Pa.) summed up the controversy and the sense of irritation at actuaries in general, when he said, "I hope the actuar (ies) . . . recognize that if they're going to change anything in the middle of things, particularly if they don't have a really good reason for doing it, they (will cause) confusion in the country at large".

Robert J. Myers voiced three reasons for doubting the necessity for re-setting the Commission's target:

- 1. Re-evaluating just one actuarial sumption isn't right; changes in oth. assumptions might take the deficit in either direction.
- 2. The actuaries in SSA were merely considering new fertility assumptions; to anticipate reversal of the trend that had been upward since 1977 would be somewhat speculative.
- 3. Changing actuarial cost estimates while the legislative process is in midstream creates difficulties and confusion. Over-reaction to the revised census assumption seems unwarranted.

Commission members added that socalled fail-safe and other stabilizing devices they were studying would help to take care of shortfalls.

Mr. Myers had considered it his duty to draw this matter to the members' attention so that they would have the opportunity to deal with it if they felt it necessary.

Epiloque

The Social Security actuaries did lower fertility assumption II-B to 2.0. This, along with changes in the unemployment assumption and provision for loss fi opting-out raised the long-term deficit forecast from 1.80% to 2.09% of covered payroll. The remedial legislation that resulted from the Commission's recommendations brought this down to less than .03%, a noteworthy accomplishment. \Box