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Book Review

An actuarial Ulysses

by Ernest J. Moorhead

Within the System: My Half Century in Social Security. Robert J. Myers with Richard L. Vernaci. Introduction by Senator Daniel Patrick Moynihan. Published by Actex Publications, Winsted, Connecticut, 1992, x + 263 pp., \$19.50.

This splendid book by our illustrious Past President tells of his remarkable career in public service and appraises the influence of many American politicians whose names are familiar to us. Its nine chapters may be considered in six segments.

1912-1949

Chapters 3, 4, and the poorly titled Chapter 5 ("An Epidemic Erased") cover Bob Myers' years from birth to 1945. He brings us through his ancestry and his childhood, his Lehigh years during which he went to Philadelphia to discover what an actuary is, and his time at the University of Iowa taking the eminent Prof. Rietz's actuarial course. He tells of his double good fortune: first, to meet Rudy McCoy, now his wife of 54 years; and second, to fail to find employment in a large life insurance company, thus unwittingly keeping himself available for a temporary post in 1934 with the actuarial consultants to the Committee on Economic Security in Washington. These people had been just appointed to study how best to create the nation's Social Security system. Myers' work with them, though brief, led to his lifetime career in that venue.

1950-1970

Chapter 6 covers the events of the 1950s and 1960s. In those years, Myers steadily established his reputation as knowledgeable, honest, and helpful in his dealings with Capitol Hill. He gives Congress credit for having recognized that Social Security must always be kept financially solid "despite wide differences of opinion over what that system should be, how much it ought to cost, to what extent it should protect our citizens, and to

what extent they must take the responsibility for protecting themselves."

The period up to 1972 was marked by the congressional practice of increasing benefits by arbitrary percentages that usually bore some relation, says the author, to changes in the Consumer Price Index and to the money available. (He seems to take for granted that a percentage change arrangement is appropriate for recognizing increases in the cost of living, a debatable proposition in this reviewer's mind.)

1970-1980

Chapter 7 outlines the circumstances that compelled the author to resign in 1970 from his post as chief actuary of the Social Security Administration on, as the chapter title puts it, "A Matter of Principle." This was a protest move against those who were pressing for expanding benefits beyond what had been traditional, which Myers considered adequate. The author's description of the episode at the time was printed in *TSA XXII*, p. D313.

Myers thus became free to serve as the world's premier social security consultant while keeping in close touch with unfolding Washington events. His services soon were urgently needed: first, because of difficulties with an automatic formula for benefit increases adopted by Congress in 1972 (see "The Unresolved OASDI Decoupling Issue," *TSA XXIX*, p. 429), then by a crisis in the early 1980s to which Myers devotes his first two chapters.

1980s

Chapters 1 and 2 tell of the events of the stormy 1980s, beginning with the threatened slashing of benefit payments if the right remedial steps were not taken quickly. A National Commission on Social Security Reform was put to work to avert that disaster. Myers' determination to be at the scene of action caused him to resign his post as deputy commissioner of Social Security in December 1981. The need for his expertise brought him where he wished to be, i.e., as

executive director heading a small staff to advise the commission chaired by Alan Greenspan. The commission's task was completed in January 1983, "at the last possible minute," as the author succinctly puts it.

World tours

Chapter 8 sets forth the impressive list of countries around the world whose officials turned to Myers for advice on establishing and maintaining their own social security systems. This chapter is partly why this review bears the title, "An actuarial Ulysses." Tennyson put words on Ulysses' lips that surely apply to this author:

Much have I seen and known:
cities of men,
And manners, climates, councils,
governments,
Myself not least, but honored of
them all. . . .

The future

Chapter 9, "It Will Outlive Us All," eloquently expresses the author's conviction about the system's future.

Although this book has been written primarily for general readership, actuaries will be well served by perusing it, provided it is not the only one of this author's many works (including *Social Security*, now in its fourth edition, and a multitude of papers in *The Transactions*) that they study.

This reader would have preferred that *Within the System* had been written by Myers alone rather than "with" anybody else. It is difficult to decide who wrote some of the remarks in it, particularly the opening sentence of Chapter 1: "I had a dirty little secret, and I was praying that no one was going to ask about it." Although put there for an admirable purpose, it strikes a jarring note. But let us not cavil further. Senator Moynihan rightly describes Bob Myers as a national treasure. We would be the losers if he had failed to bestow upon us this account of his life's work.

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