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Editor's Corner Especially the Future

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Long-term care professionals, and actuaries in particular, spend a lot of time thinking about the future. We make predictions about policyholders, potential customers, interest rates, political elections, and sometimes when we're taking a break from our professional lives, about "America's Next Top Model," or about baseball. All of this predicting reminded me of some of my favorite predictions which (sometimes favorably) didn't emerge:

- **Hoverboards.** Contrary to Robert Zemeckis' 1989 vision of the year 2015, we don't really have hoverboards. I am sure I will get a few emails pointing me to the salient YouTube clips of actual functioning hoverboards, but the vision—the prediction—was a world of ubiquitous, swiftly moving teens hovering through crowds, over water, past Wrigley field home games of the world-series winning Cubs, etc. Alas this vision hasn't yet been realized.
- **Malthusian catastrophes.** Thomas Malthus argued in 1798 that living standards would have to decline, since population growth seemed to occur geometrically, while he imagined food production could only increase arithmetically. *whew*
- **Ehrlich, The Population Bomb, and a bet.** In 1968 Paul Ehrlich and his wife Anne Ehrlich wrote *The Population Bomb*, forecasting mass starvation by the 1980s due to overpopulation. A few years later Paul Ehrlich famously made and lost a public, 10-year bet with Julian Simon over the price of a basket of natural resources. Ehrlich was betting on the belief that these resources must cost more in the future.

- **The 2012 Apocalypse.** The world didn't end on December 21, 2012, contrary to some interpretations of Mayan lore. Another close miss.
- **The 15-hour work week.** In his 1930 essay "Economic Possibilities For Our Grandchildren," John Maynard Keynes estimated that when his grandchildren grew up we would only need to work for 15 hours a week! Thanks to unforeseen economic prosperity, Keynes ventured, man will be more concerned with "how to occupy the leisure, which science and compound interest will have won for him."

Phillip Tetlock, in his work on *Superforecasting: The Art and Science of Prediction*, found that those people who view the world with nuance, are self-reflective, and are willing to learn from their own mistakes, make better forecasters than those who don't. Actuaries have been trained to view the world through an actuarial control cycle, where we do learn from our mistakes and reflect on our techniques. I'm optimistic that this portends well for us as a group of forecasters. Certainly LTC insurance has left no shortage of learning opportunities.

This edition has two reflective articles—a recap of the 2016 ILTCI conference and a review of the Boston College survey of LTC lapsers—and three articles which look to the future: a dialogue about policy, a discussion of estimating mortality, and a view into the latest innovation in the LTC field.

Niels Bohr, summoning some earlier Danish wit and sounding a bit like Yogi Berra, said that "it is difficult to predict—especially the future." While we know all of our predictions are certain to be wrong, let's hope that our inquiries and reflections shine some light on the future of our industry. ■



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