Among the seven appendixes to this book, appendix 4 is especially noteworthy, since it presents a comprehensive survey of the international actuarial notation.

For actuaries and future actuaries, this lengthy textbook is a major revolution: it will have a deep impact on the education and the practice of actuarial science throughout the world, for several decades. For non-actuaries, the earlier chapters provide an excellent introduction to life insurance mathematics. The remainder of the textbook, admittedly not easy to read for non-mathematics, is a good presentation of the new trends and developments of actuarial science.

Risk and Insurance, by Mark R. Greene and James S. Trieschmann, Seventh Edition, (South-Western Publishing Company, 1988), 785 pages.

Reviewer: William A. Scroggins, Jr., Jacksonville State University

Twenty-seven years have elapsed since the first edition of *Risk and Insurance* was published. The seventh edition continues to offer a modern and comprehensive picture of the principles and practices of risk and insurance. The writing style has remained clear, concise, and eminently suitable for the sophisticated reader.

The authors have extensively revised and reorganized the seventh edition, enhancing flexibility for the classroom environment. The new edition is divided into eight major parts. The first three parts examine the nature of insurance and risk management, the insurance industry as an institution, and the legal environment of insurance.

Parts 4 and 5 have undergone extensive reorganization to provide a consumer orientation. Part 4 includes life and health insurance, retirement plans, estate planning, and buying life insurance. Part 5 is concerned with typical property coverages such as automobile, homeowners, and miscellaneous lines, as well as buying property insurance.

Statistical applications for risk management included in Part 1 in earlier editions now appears later in Part 6, which is concerned with business risk management. The coverages in Part 6 include property, liability, workers' compensation, and crime.

Government insurance programs are examined in Part 7, while Part 8 focuses on international insurance. The latter was omitted in the fifth and sixth editions but is now reintroduced to reflect the global business environment and to meet accreditation requirements of the American Assembly of Collegiate Schools of Business.

Risk and Insurance is one of the leading introductory insurance texts on the market. The seventh edition has been improved in a number of ways to help make it the state of the art as a teaching instrument. Each chapter now begins with a statement of new terms and learning objectives. Also, boxed reading materials from the current literature have been added to each chapter. These include current events, court cases, and case situations that illustrate the practical side of theoretical concepts. The number of end-of-chapter questions have been reduced and there is a separation of "questions for review" and "questions for discussion" at the end of each chapter. The "questions for discussion" should serve to stimulate thought about the problems of risk and insurance that often cannot be generated by short, factual statements taken directly from text material. Each chapter concludes with a concise summary of the key points of its contents.

The authors have expanded the glossary considerably, updated the bibliography, and revised the Best's analysis of insurance companies to reflect Best's new format for rating insurers. The appendix contains the most recent versions of specimen policies used in homeowners, automobile, and life insurance. A very detailed index enables the reader to easily locate topics of interest.

The revised study guide makes an excellent reading supplement in that it contains reprints of articles from professional insurance journals. This enables the student to gain insight into the application of basic principles and practices to everyday problems and situations. In addition to several short cases with suggested solutions, the instructors manual includes true-false and multiple choice test questions and supplementary questions not included in the text.

In summary, *Risk and Insurance* is a well written text providing a masterful contribution to insurance education. It would be a text appropriate for university level insurance courses as well as an excellent addition to one's personal reference library.

Permanent Disability Benefits in Workers Compensation by Monroe Berkowitz and John Burton, Jr. (W.E. UpJohn Institute, 1987), 459 pp.

Reviewer: Joe H. Murrey Jr., Professor of Insurance and Director of the Insurance Excellence Program, University of Mississippi.

Over two million members of the American work force suffer work-related injuries resulting in disabilities lasting over one day each year. At least 100,000 sustain some impairment of actual earnings or earnings capacity after maximum medical recovery (MMR) (i.e., the point at which medical treatment has done all that can be done). Permanent disability can be characterized as permanent/total or permanent/partial. Although the title of the book suggests that the authors are dealing with all types of disability, the emphasis is on permanent/partial disability since costs for the latter have been increasing rapidly. The basic concern of the book is the adequacy and equity of permanent/partial disability benefits and the efficiency of the procedures and standards used to provide benefits.

The first two chapters present a good conceptual framework of basic objectives and principles for workers' compensation insurance. Succeeding chapters examine data obtained from the National Council on Compensation Insurance (NCCI). The data sample consists of ten states and cover the years 1958, 1968, 1973, and 1982. Data from private insurers and competitive state funds are used. Data availability largely determined the sample.