Two of the authors contributing papers to *Competition in the Health Care Sector: Ten Years Later* place strong emphasis on the argument that the increase in new technology, not lack of competition, is the main force contributing to rising health care costs. The contention is that new technology is very costly and examples of cost ranges for various types of transplants are cited as examples. There is a lack of supporting data to substantiate the claim that new and expensive technology has been the primary factor in escalating health care costs since these costs are not analyzed relative to total health care costs. The issues of prolonged intensive care for patients with no hope of recovery is yet to be resolved. As a society, we are reluctant to examine the extent to which health care should be measured on a cost-benefit basis.

Competition in the Health Care Sector: Ten Years Later is a provocative and timely collection of papers that should be of current interest to readers of the journal. This book of readings would be invaluable to students pursuing a major in the field of insurance and would be especially appropriate reading for a seminar course. At this point a unified theory concerning competition in health care services is yet to be developed. Similarly, no guidelines or restrictions are being advanced on the introduction and application of technology. The question of whether a person has the right to die is yet to be resolved.

Essentials of Health Care Finance, by William O. Cleverly, Second Edition, (Aspen Publishers, 1986).

Reviewer: Steven M. Cassidy, Assistant Professor of Insurance and Finance, Howard University.

In the preface of *Essentials of Health Care Finance* the author states that the book's objective is to improve the understanding and use of financial information by decision makers in the health care industry and that this book is an expansion of his earlier, easy-to-understand elementary text on hospital finance. While the goal may have been to write a book on health care finance, the current text appears to be an elementary finance text that uses only health care examples.

With a title such as *Essentials of Health Care Finance*, I envisioned a text that was geared to the application of finance principles in health care. After finishing the book I was somewhat disappointed. The book could be used in a finance principles course as it spends at least nine of fourteen chapters covering the basics of financial statements, ratio analysis, the time value of money, uses of accounting information, and analyzing capital projects. While this was clearly the intention of the author, there cannot be a large university market for such a text. Existing health care finance courses are usually upper level finance courses with principles of finance as a prerequisite. There may be a market for such a text in practitioner oriented classes but not at the collegiate level.

In addition to the weaknesses already listed, several others stick out. There is no direct mention of for-profit hospitals in the text, even though these are increasingly important. Along with this omission naturally comes the lack of a discussion of the concept of shareholder wealth maximization. In fact, there is no concrete discussion of firm objectives for not-for-profit institutions.

The layout of the book is poor. Clear delineation between the text and the examples is not provided. They appear to flow together in many instances making it hard to concentrate on the real problem. Also, in several instances, tables that are referred to in the text are found three pages later. Again, this poor layout reduces the readability of the book.

Finally, the book was published in 1986. Much has happened in the areas of health care, taxation, and finance in the last five years. An update to account for changes is needed.

There are some areas of the book that communicate certain ideas very well. The book does a good job explaining diagnostic related groups (DRGs), hospital accounting systems, and adapting some of the basic ratios to health care situations. Additionally, while health care examples are used to explain concepts, many of the examples seem to be reworked straight from finance examples. More care to use "real world" examples would have helped greatly.

In conclusion, in a limited area *Essentials of Health Care Finance* does a good job. However, the book does not appear to have a well defined market, at least at the collegiate level. Those interested in teaching a course in this area would do better to look for a book that assumes a basic level of finance knowledge and goes from there to explore the specific application of that knowledge to the nuances of the health care industry—both the for-profit and not-for-profit sectors.

Trends in Pensions, by John A. Turner and Daniel J. Beller, Editors. (U.S. Department of Labor, Pension and Welfare Benefits Administration, 1989).

Reviewer: Dr. Milton Nektarios, Managing Director, ELAN S.A. (Business and Investment Consultants), Athens, Greece.

The book follows its predecessor, *Handbook of Pension Statistics, 1985.* Subsequent volumes will contain updated and revised tables in the same format as the current appendix tables. These statistics are derived from more than forty federal publications as well as previously unpublished material. The volume contains more than 200 tables with 18,000 entries. There is a very useful "Guide to the Tables". Data are derived mainly from the following sources: PBGC data, the Employment Benefit Survey, Flow of Funds data, IRS tax data, the Current Population Survey, the Employment Cost Index, and Form 5500 data. *Trends in Pensions* provides the most authoritative and comprehensive current source of federal government statistics on private pension plans.

The overview chapter summarizes the book, and the second chapter (which should be read along with chapter thirteen) involves a comparative analysis of pension statistics in the United States and in eight other industrial countries. Chapter 3 reviews the institutional and regulatory environment in which private pension plans operate. Although the strong point of this book is the wealth of authoritative information on pension statistics, it also contains a set of chapters describing different topics in private pensions. The basic purpose

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