since it helps the EAP administrator to evaluate various treatment programs. Chapter 10, on standards, offers a model EAP program. The section on drug testing presents very important data on false positives, which naturally increase with the number of people tested and the number of drugs tested for.

The book has some drawbacks. The most important are operative assumptions that may be true for most people, but are not true for all. Examples: "Alcoholism and drug abuse, if left untreated, will inevitably result in illness and injury" (p. 25); "no work organization would tolerate drug use on the worksite" (p. 29); "one of the first signs of chemical dependency is a pattern of deteriorating job performance" (p. 47); "all personal problems adversely affect job performance" (p. 76). From the reviewer's experience, all of these are overstatements.

Another drawback is simple English errors. Insurance people will be annoyed by the use of "insure" to mean "ensure" on pages 34, 122, 132 (and perhaps more) when "ensure" is used appropriately in many cases. The reviewer found many examples of poor editing: pages xiii, 7, 20, 23, 34, 37, 48, 61, 65, 78, 88, 122, 136, 153, 175, and 177 contain errors of punctuation, spelling, case agreement, grammar and others.

The overall evaluation, however, remains very positive. *Alcoholism and Drug Abuse in the Workplace* is well-written, compassionate, and realistic—a very useful tool for managers or practitioners interested in setting up or strengthening an employee assistance program.

The Impact of Consumer Activism on the Insurance Industry, Warren G. Brockmeier, Ed. (The Society of CPCU, 1991).

Reviewer: Kenneth J. Crepas, Ph.D., Professor of Finance and Insurance, Illinois State University.

This book is a collection of articles by different authors concerning the impact of consumer activities on the insurance industry. The publisher is the Society of Chartered Property and Casualty Underwriters, and the book does not take a position on matters of public controversy. As a result, there is no endorsement for a position stated by any author in this book of readings. However, the balanced collection of articles on different sides of issues should be of assistance to both the insurance industry and consumers desiring to keep informed on the consumer movement and its impact on the insurance industry.

The lead article reviews the history of consumer activism as it impacts the insurance industry. This article notes that the same problems of availability and affordability were prominent issues to commercial clients for a long period of time. Problems faced by affluent factory owners in the 19th century and for farmers in the 1920s are reviewed. A second facet of this article examines the historical development of state regulation of insurance, including an analysis of the level of competition in the insurance industry and whether restraint of trade exists.

The next group of articles examines both the role of consumer activists in the insurance industry and the insurer view of consumer advocacy. The industry now recognizes that the passage of Proposition 103 in California marked a critical turning point in insurer versus consumer relationships. Until Proposition 103, many insurers did not believe that consumer advocates actually represented their clients' views. The author of this article notes the necessity for building sound relationships with consumer organizations. It is evident that the insurance industry must better anticipate change and more effectively manage its problems.

Examples of issues addressed in this book are: the case for state regulation of insurance versus federal regulation of the industry; the status of price competition and barriers to competition; an analysis of the main weaknesses of state regulation, which include wide variation in laws and regulations, poor coordination, and frequent refusal to recognize and give credit to the laws and regulatory acts of fellow states. The impetus from consumer activism in the passage of the Unfair Claims Settlement Practices Act is discussed. New York was the first to pass this statute in 1970; 27 states have passed this act as of 1990.

Two of the more informative articles in this book traced the evolution of rating organizations and the problems associated with containing auto insurance costs. The article tracing the development of rating organizations would be particularly useful in reviewing the historical development of rates within the insurance industry. This author traces the formation in 1971 of Insurance Services Offices (ISO) to ISO's dramatic 1989 decision to replace advisory rates with prospective loss costs for all lines of insurance in all states where allowed by law. The transition began in the three lines consumers are most sensitive to—personal auto, commercial auto, and general liability. As the authors of the article on auto insurance cost containment note, automobile insurance is mandated by statute in 43 states; therefore it is increasingly vital to focus on the affordability of auto insurance coverage. The authors suggest that rising automobile insurance premiums are caused by a multitude of reasons and contributory factors. Affordability factors for auto insurance coverage would include at least the following areas: insurance coverage and state auto insurance laws; medical costs; auto design and repair; highway safety; theft and fraud; the impact of alcohol and drug usage; tort reform; and impact of population density in urban areas.

The last series of articles discuss the origin of insurance reform in the 1980s and its relationship to the passage of Proposition 103 through voter approval in 1988. The articles provide both a consumer's viewpoint of Proposition 103 and an alternative industry stance concerning the supply side of the insurance business given the potential limitations of rate rollbacks. These articles provide readers with a very good overview of regulatory changes in the California Insurance Code treating permissible factors that can be used for determining automobile rates and secondarily, reasons available to insurers to cancel or non-renew an automobile insurance policy. Although Proposition 103 repealed the sections of insurance codes in California that prohibited rebating of agents' or brokers' commissions with unlicensed persons, this action has not led to marketing innovations, and it remains to be seen whether there will be any consumer movement leading to the elimination of anti-rebating statutes in other states.

This book is well worth reading by all serious students in insurance. It contains much information and discussion not covered in the insurance industry. The Society of CPCU provided a valuable contribution by serving as the catalyst to the development of this book of readings.

Introduction to Estate Planning, by Chris J. Prestopino (Kendall/Hunt Publishing Company, 1992).

Reviewer: Carol A. B. Jordan, Ph.D., Assistant Professor of Insurance, Eastern Kentucky University.

The author has written a well-organized textbook that is almost everything the college professor teaching financial planning, estate management, or estate planning is looking for. The physical construction of the book makes it comfortable for use as a manual. The print type is large and the book is soft-backed.

The book is logically organized into three sections that build on each other. The first section, "Overview and Conceptual Background," describes estate planning, demonstrates the need for the process and how to get started, and explains the layout of the rest of the book. The second chapter of the section introduces about 100 terms used in estate planning, defines them, and uses excellent examples to clarify what may be difficult to understand.

The second section, "Constraints in Planning," leads the student first through the qualitative area of property transfers, introducing documents and distinguishing the process in Uniform Probate Code states from that in non-Uniform Probate Code states. The focus in the remainder of the section is quantitative in nature, addressing taxation: estate, gift, income, and unified wealth. To expand the usefulness of this section, the author has included appendices with sample tax return forms, Tax and Valuation tables, and selected edited sections of the IRS code.

The last section, "The Techniques of Planning," makes up more than half of the book and covers a wide range of topics. Beginning with establishing the goals for the estate plan, the section moves through the probate decision and other critical planning issues such as liquidity planning and planning for closely held businesses. Each chapter is enhanced by excellent tables, examples, sources for recommended reading and questions for review.