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 Although Proposition 103 repealed the sections of insurance codes in California that prohibited rebating of agents' or brokers' commissions with unlicensed persons, this action has not led to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.

I could identify just two weaknesses in this book. First, the book treats the topic of life insurance rather abruptly with a short chapter in the third section called liquidity planning. Perhaps the author assumes that a life insurance textbook will be used in combination with his book. Also, I would have liked to see the topics of obligations or responsibilities of the estate planner, both legal and presumed, addressed. It seems to me that individuals considering a career in estate planning should understand the ramifications of errors, omissions, or ethical breaches in this line of work. Perhaps a "risk management for estate planners" chapter could be included. All in all, this is an excellent textbook that I am happy to have on my bookshelf.

Deregulation and Competition in the Insurance Industry, by Banks McDowell (Quorum Books, NY, 1989).

Reviewer: William P. Jennings, Professor of Finance, California State University, Northridge.

In the introduction to *Deregulation and Competition in the Insurance Industry*, the author, a law professor at Washburn University, describes the book as an inquiry into the arguments favoring deregulation and those favoring retention of the present regulatory format. These arguments are examined from a combination of legal, philosophic, and economic perspectives with the objective of developing a framework for analyzing proposed regulatory changes. Unfortunately, the book falls short of accomplishing these worthy objectives.

The best portions of the book are those in which legal and philosophical issues are discussed. Chapter five, for example, contains a fine legal discussion of how the increasing ownership of liability insurance during the past century gradually led to judicial rejection of common law tort defenses and expansion of tort liability. Knowledge that most tort liability awards are paid by insurance companies, rather than individuals, facilitates judicial adoption of more expansive standards of liability without requiring careful consideration of policy issues, such as who should be liable and the limits of liability.

Similarly, when philosophically discussing the issues of fairness, availability, and nondiscrimination, the analysis and writing are clear and insightful. I think more books on business and economics would benefit from the philosophical perspectives of Rawls, Posner, and other scholars whom this book brings to the topic of deregulation.

The major weakness occurs when the discussion moves to economics and the economics of deregulation. All too often, distinctions are blurred or considerations of the relevant alternatives are missing. As a minor example of blurring, consider the discussion of risk aversion raised in chapter five, "The Nature of Insurance in Contemporary Society," and chapter eight, "Price Competition." In these chapters, the author questions whether people are risk-averse or risk-preferring (page 55), lists government regulators as