

United States call for more redistribution, more subsidies, and more government involvement than most of the European models he uses as supporting evidence for his U.S. proposals. The Swiss and German systems in particular, which he admires, bear little resemblance to his payroll-tax-based proposals for the United States. A reader might suspect that the European evidence was not central to his U.S. policy conclusions which were probably formed long ago. Using Glaser's descriptions of European health insurance practice, another reader could make policy conclusions diametrically opposed to Glaser's. The Swiss and German experience of individuals or families—not employers—purchasing actuarial-based policies might be argued to confirm the economist's point-of-view, not Glaser's.

Neoclassical economist Martin Feldstein favors restricting all—or mandatory—health insurance to catastrophic coverage. If insurance was catastrophic, everyone would have to self-insure themselves for small losses. With mandatory catastrophic insurance, consumers would be free to supplement the catastrophic coverage if they wish, contract with cost-conscious but choice-limiting health maintenance organizations (HMOs), or self-insure the remaining small losses. Governing health care costs by the same market pressures as other products in other industries, Feldstein hopes that such a proposal would provide incentives to contain costs. In contrast, Glaser proposes to contain health care costs through collective negotiations, rate regulation, and government oversight. Observing the high number of uninsured and the high health care costs in the United States, both Feldstein and Glaser agree that the current mosaic of health care financing arrangements in the United States have failed because of “government-failure” or “market-failure.”

Despite potential policy differences from economists, Glaser has produced an excellent, straightforward account of health insurance as it is now practiced in western Europe. The institutional research of this political scientist is valuable, and anyone—including economists—would be wise to augment their reading lists with a book like Glaser's to improve our usually inadequate knowledge of existing institutional arrangements. Second, he has ably presented his non-market-oriented viewpoint on how to solve the failure of the U.S. health financing system. If competition is good for health insurance, competition among ideas is also good for the critical and on-going public policy debate over health insurance. In this light, Glaser's non-market-oriented viewpoint is also welcomed to sharpen the proposals of his opponents or his like-thinking brethren.

EBRI Databook on Employee Benefits, by Joseph S. Piacentini and Timothy J. Cerino (Washington, D.C.: Employee Benefits Research Institute, 1990).

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The encyclopedic nature of the *EBRI Databook* represents both the exceptional strength and the limitation of its appeal as an everyday bookshelf

acquisition. *Databook* represents an essential addition to the book collection of any individual, office, or library requiring quick access to U.S. national (and some state) data on employment, retirement, health insurance, and benefits. It includes in a single, handy volume much of what many electronic, computerized, CD-ROM, and modem-based retrieval systems offer: varied and comprehensive statistical information. But if the need is for a text's discussion or detailed analysis of data and issues, *Databook* is not the answer. It would take a very advanced and specialized seminar, for example, to justify the assignment of *Databook* as a purchased text. On the other hand, we can envision a broad range of graduate courses in business, finance, gerontology, and the social sciences that could easily design a substantial part of the semester's curriculum around the materials that comprise *Databook*.

Databook is divided into four main sections. Section I presents an overview of the employee benefits system in the United States and includes a short introductory discussion of the nature and history of employee benefits programs. The longer data chapter of this section includes information on the aggregate billions of dollars that are spent on benefits. Of special value here are several heuristic flow charts that map how individual, employer, and government resources flow together to create the employee benefits system.

The remaining three main sections cover Retirement Benefits, Health Benefits, and Other Benefits (including life insurance, disability, child care, unemployment insurance, and public assistance programs). Despite the great volume and diversity of available data, each of these three sections is organized in the same way, with chapters on "Participants and Beneficiaries," "The Employer Role," and "The Government Role."

Searching for a precise piece of data is a time-consuming and frustrating task, a process that becomes even more complex when it involves searching, extracting, and even combining statistical data from many different government as well as private sources. *Databook* makes the task manageable (if not actually enjoyable) through its comprehensiveness and organizational agility.

There are several features, beyond comprehensiveness and organization, that make *Databook* an attractive resource. Primary among these is the fact that virtually every statistical table is preceded by a brief EBRI staff summary of the highlights or essence of the table to follow. With data described variously as persons, dollars, percentages, or ratios, even "clear" patterns and trends are often not all that clear at first reading. The EBRI verbal vignettes are especially welcome.

Beyond this, each description comes with a "headline" that further directs the reader to the main point of the table—a welcome relief from the usual academic and government approach to table titles. For example, where the Social Security Administration's title for *Databook* Table 5.10 intones, "Total SSI Payments and Average Monthly Benefits for the Aged, 1974-1988," EBRI's "headline" tells us that "total SSI payments for the aged have increased, but the number of aged beneficiaries has declined."

Additional valuable features of *Databook* are a general demographic and labor force statistical appendix, a glossary, and a listing of major U.S. government statistical agencies including addresses and telephone numbers.

The Foreword says that in an effort to keep us current, EBRI hopes to update *Databook* every 18 months. Since few major studies and government indicators change on such a rapid basis, we wonder if each new edition will be largely the same as the previous one, with just a few changes and updates—enough to justify a new acquisition. Instead, perhaps *every other* edition can focus on new or different kinds of data.

Apart from such revision schedule considerations, the one major improvement that future editions of *Databook* should consider is the inclusion of more individual-level, micro data. After all, the first of three-chapter organization for each of the main sections is titled "Participants and Beneficiaries," clearly an individual-level concern. With very few exceptions, all *Databook* tables are macro, societal-level in focus, leaving the individual-level questions unanswered. For example, while it's interesting to know how many billions of dollars are spent out-of-pocket on health care, it's also important to know about the distribution of individuals. Did 50 percent of all families pay nothing or pay a lot, or is it 80 percent? Are older people and families different from younger people or other groups?

There are a number of ongoing government studies and publication series aimed at the individual level (e.g., the Survey of Income and Program Participation, and the National Medical Expenditure Survey and its follow-ups). A few tables from such studies in the next *Databook* will make this valuable resource even more valuable for the analysts, researchers, faculty, and graduate students who seek information about past, current, and future patterns in employee benefits.

Bayesian Statistics in Actuarial Science with Emphasis on Credibility, by Stuart A. Klugman (Norwell, Mass.: Kluwer Academic Publishers, 1992).

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Stuart Klugman, the author of *Bayesian Statistics in Actuarial Science with Emphasis on Credibility*, wants to demonstrate the advantages of the Bayesian approach to actuarial problems. The advantages are that the Bayesian method is independent of the model for the data and that interval estimates are as easy to obtain as point estimates. These advantages allow the actuary to analyze more complex problems and to produce evidence concerning the quality of the estimates. Although actuaries have known that Bayesian analysis is appropriate for a number of problems in actuarial science, a lack of algorithms and computing power have prevented its application. This monograph spends a great deal of time on the computational issues of Bayesian analysis. Algorithms are presented in the text, computer programs (written in the Gauss programming language, similar to SAS Matrix language) for the algorithms are in the

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