information in their practices. The review material helps readers assess their understanding of the topics. The text meets the objectives of its authors and would make a valuable resource for the beginning as well as the experienced retirement planning professional.

e-Coverage Guide, Leo L. Clarke, Esq., and Martin C. Loesch, Esq., 2000, Cincinnati, Ohio: The National Underwriter Company

Reviewer: James F. Fryer, Ed.D., Assessment Systems, Inc., and former Executive Director of ARIA

e-Coverage Guide is an attempt to make sense of the rapidly changing world of technology and how the insurance industry can best serve it. The book is divided into four parts. Part one looks at the current condition of the marketplace and the insurance industry's innovations (and, the authors would argue, lethargy) with regard to e-risks. Part two looks at the risks and coverages that arise from liabilities to third parties. Part three shares a similar approach and looks at liabilities for first-party losses. Part four looks at e-coverage markets and shows the dilemma insurers have in underwriting e-risks.

Early in the text, the authors deal with the reluctance of insurers to move into this market. They attribute this to two major reasons. One is that insurers like to deal with the tangible. The data and information spinning around in cyberspace is not palatable to insurers because it is so intangible. The Internet makes it very easy to gather, store, and manipulate information. As more and more people become involved in the online economy, large amounts of very private data are being gathered and stored. The authors note that this creates huge privacy concerns as the data are not being stored in traditional locked bank vaults, but that they are available to many outside threats from hackers.

The other reason is that this market does not fit traditional models. Actuaries and underwriters have traditionally used tables and charts created from historical information to analyze and price risks (predicting future performance based on the past). This situation does not exist in the e-coverage arena because there is no past to analyze and the future is constantly changing as new technological advances are made.

Part two begins by looking at the liability risks of IT consultants and service providers. Chapter 4 examines the types of claims that have been brought so far against IT professionals. They range from claims brought because a system or program produced the wrong results to the selection of the wrong technology to conflict of interest and intentional acts. Chapter 5 deals with intellectual property infringement. The authors provide a good background looking at "official" definitions and examples of case law for patents, trademarks, and trade secret protection. They also offer an interesting note by looking at the CGL's coverage for personal and advertising injury. While the coverage language is straightforward, an exclusion exists for "an offense committed by an insured whose business is advertising, broadcasting, publishing, or telecasting." The interesting discussion centers on how this exclusion will affect an insured who is engaged in sales over the Web or who merely maintains an informational Web site—the argument being that any Web site is in essence an advertisement. The authors note that this will need to be played out in the courts.

Chapter 6 examines liability risks and offers a similar conundrum—that is, once a company produces a Web site, it is a publisher and faces the additional risks that publishers are subject to. Chapter 7 deals with e-commerce-specific liability risks. The authors discuss information and case law as they relate to e-commerce merchants on trademark disputes, advertising and consumer protection, fulfillment failures, privacy concerns, security issues, regulatory issues, interaction with other sites, sweepstakes, and loss of access. Throughout, they emphasize that this situation is unique in that an e-commerce business can be rolled out to all the states (or the world) with one keystroke, opening the merchant to a wide range (instantly) of state and local regulations.

Chapter 9 examines various Internet liabilities. It quickly examines traditional property programs and coverages and then moves into a detailed discussion of how a small number of insurers have developed coverage solutions for the new first-party exposures. The authors introduce the seven companies and their various policies and begin a point-by-point comparison of how each policy relates to a given area such as first-party triggers, contingent business income, and investigative expenses.

Part four of the text takes a look at dealing with e-coverages. Chapter 11 illustrates the role of the agent or broker in dealing with the unique aspects of e-coverages. Chapter 12 looks at the underwriting and application considerations of e-coverages, and Chapter 13 looks at the insurer's dilemma in deciding what to cover, how to price it, and how to develop strong client relations and a risk management package.

The authors sum nicely by saying that five years from now they envision that traditional insurers will continue to offer specialized policies for small players. They state that overall there will be a move to provide products that offer greater comprehensive coverage for intangible and e-commerce risks. They also say that a trend toward risk management products will bypass the insurance industry and deal directly with the capital markets.

The book concludes with three appendixes offering a look at the many companies that provide products that would appeal to the e-commerce market. This offers help to the reader who would like to pursue the topic at greater length.

Once Upon a Number, John Allen Paulos, 1998, New York: Basic Books

Reviewer: James Kallman, School of Risk Management, Insurance, and Actuarial Science, St. John's University

John Allen Paulos is a professor of mathematics who writes on mathematical logic, probability, and the philosophy of science. Fortunately for the reader, Paulos' style of writing creates a blend of entertainment with cold statistics. The reader learns how numbers and real life are juxtaposed; they interact in surprising and fascinating ways. The reader also learns how we force this interchange on situations to sometimes create erroneous conclusions and make defective policy.

Once Upon a Number is of interest to the professor and student of risk management because it reinforces the procedure of statistically analyzing life events (the author calls them "stories") and because it points out a serious flaw in our methodology (confusing correlation with causation). As scholars, we can define objective risk as the variation from the expected outcome over time. This definition implies an understanding of two statistical concepts: the mean value and the average deviation from