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The Great Communicator

LAST MONTH, RON GEBHARDTSBAUER, the Academy's senior pension fellow for the past 12 years, left the Academy to serve as senior benefits adviser to the Senate Committee on Finance.

While we all miss him here at the Academy, he couldn't have a picked a place more in need of his prodigious skills as an actuary, a policy analyst, and, most importantly, as an explainer.

Let me explain.

During my tenure as the editor of the Academy's newsletter, I spent a good deal of time observing Ron in action. I saw him testify before Congress, weather on-camera interviews, and speak at press conferences and Capitol Hill briefings. Ron knew the numbers. But more than just knowing the numbers, Ron knew how to communicate them (and their importance), losing neither patience nor good humor as he cut the mathematical thickets down to size for those whose instinctive reaction to charts, graphs, and long columns of figures is dismay or boredom.

Ron was a godsend for people who make their living using the other side of the brain. People like me. I have painful memories of high school math (being an English major, among its many other attractions, allowed me to effectively end my math education in high school), where I would listen (mostly) to the teacher's explanations, ponder (fitfully) problems being solved on the board, and (not surprisingly, really) be in deep, deep trouble when tests and exams rolled around. There was nothing more dispiriting than sitting in a stuffy classroom next to the math whiz who quickly finished the test in five minutes while I wandered in increasing despair through a wilderness of complicated formulas.

Although I thought that higher math and I had amicably parted company years ago, life can play some funny tricks on you. Who knew that I would one day work for the American Academy of Actuaries and have to make at least some sense of pension accounting? Fortunately for me, I could go to Ron with my questions. And he was patient, and kind, and most important of all, clear and comprehensible in his explanations.

Wouldn't it be nice, suggests Paul Richmond in his article on personal actuaries, if everyone had access to the skills and expertise that actuaries bring to the table? Right now, unless you work with actuaries (like me) or, perhaps, are married to one, it's difficult as an individual to take advantage of their proficiency in identifying and measuring risk. And that's a loss, particularly as more and more of us are expected to individually plan our retirement investments and manage our own health benefits.

As Richmond points out, the reasons that more actuaries aren't serving as personal financial advisers are complicated. The financial industry is heavily regulated, and investment adviser firms are chary of hiring actuaries whose work, by its very nature, is difficult to review or disclaim. However, Richmond argues, these firms and their customers are losing out on the unique problem-solving ability of professionals who can apply a broad-based knowledge of economic systems, using mathematical models and techniques, to identify, assess, and manage risk.

With Ron's hiring, I know that the Senate Finance Committee has gained a top-notch resource. And as much as I will miss relying on him as my personal actuary here at the Academy, I think there are a bunch of folks up on Capitol Hill who could really use his insight and will benefit from his fluent explanation of complex topics. The Academy's loss is the republic's gain.

Linda Mallon