

# Leadership Letter

## Tired of Reading the Tax Code? Try These Three Books.

Each one has a unique application to employee benefits.

By Jack Towarnicky

**T**hree recommended books. Being a benefits weenie, I spent all my time reading the code, regulations, and benefits-related articles. That didn't change after joining PSCA. So, I expect to finish these books later in October when the Cleveland Indians win the World Series. Notice that I didn't say October 2017 — either in terms of reading the books or the tribe winning the World Series.

### The Price of Everything

Three months ago, I started reading: "The Price of Everything: A Parable of Possibility and Prosperity," by Russell Roberts. Mr. Roberts is a professor of economics at George Mason University, a Distinguished Scholar at George Mason's Mercatus Center, and a Hoover Institution fellow. I am almost finished with this small book. You could probably read it in a few hours in one sitting. The book and its title paraphrase an Oscar Wilde quote: "An economist is someone who knows the price of everything and the value of nothing."

This easy to read book is actually a work of fiction ... the how and why of price changes — and how they enable prosperity and economic growth. I bought the book months ago after reading a book review in the Wall Street Journal to read about "price gouging" — such as charging \$35 for a case of 12 bottles of water in Houston the day after Harvey left town. This author confirms the wondrous role that prices

play in our everyday lives. It confirms the virtues of economic freedom. To me, this book is as enlightening as Milton Friedman's commentary on "[I, a Pencil](#)", viewable on youtube. Or, if you prefer, read Leonard Read's original essay at <http://www.econlib.org/library/Essays/rdPnc1.html>.

### From Cradle to Retirement — The Child IRA:

More than a year ago, I caught up with Chris Carosa, the author of the book "From Cradle to Retirement — The Child IRA — How to start a newborn on the road to a comfortable retirement while still in a cozy cradle." I had shared with him our Founding Father Ben Franklin's long term investing legacy and how my friend Ben taught me a lesson that affected my life and that of my two children. My [interview](#) is available at <http://fiduciarynews.com>.

Chris surprised me a couple of months ago — he had written a book and asked me to write the Forward. Here is an excerpt:

... In this "read all about it" book, complete with suggestions and case studies, Chris Carosa shouts the opportunity available to all Americans that they can leave a rich legacy for their children and grandchildren.

Chris and I certainly share admiration for founding father Ben Franklin. In "From Cradle to Retirement", Chris shares the entertaining story of Ben Franklin's

long term (200 year) investment decision. Through his actions, Franklin's vision of American's future challenges us.

### From Here to Security:

Just this week, I was given a copy of "From Here to Security: How Workplace Savings Can Keep America's Promise", by Robert L. Reynolds. Mr. Reynolds is President and CEO, Great-West Financial and Putnam Investments.

His prescription: "Make Social Security solvent, extend workplace savings options to all working Americans at their jobs, make all workplace savings plans "automatic," and lift savings rates to 10 percent or more." I agree with those goals, but, I haven't yet gotten to the "how" chapters — how we can achieve those outcomes. Will he trot out all the same social security and retirement plan "reforms" offered in 1998 (Clinton Administration), 2005 (Bush II Administration) and 2010 (Obama Administration)? Can we wait until the Social Security and Medicare Part A trust funds run out of money before we take action?

I'll complete my reading of this book. If you have read this book, I would love to hear your thoughts — send them to me at [jack.towarnicky@psca.org](mailto:jack.towarnicky@psca.org).

---

Jack Towarnicky is PSCA's Executive Director