

If we default on exercising this opportunity and ignore the existence of such potential problems, the word "people" could become less a description of individual human beings living in an open society and more a mere collective noun.

It may seem a paradox, but an open society dictates a right to privacy among its members. Being aware of the potential problems is the first step in preserving this right. I sincerely thank the subcommittee for its efforts in this direction.

Mr. GALLAGHER. Thank you very much, Mr. Baran, for a very profound analysis of the problem as well as something that leaves us sitting here with our mouths open, as we consider in the light of the new technology we possess that "Big Brother" seems to be an infant in the year 1966 rather than 1984 if the technology we now possess were used for that purpose.

Mr. Baran, would you care to comment—I think you were here yesterday for part of the testimony of some of the proponents of the statistical data bank—would you care to comment on the feasibility of a system that could be designed for statistical data collection *vis-à-vis* an intelligence gathering system? Are they inseparable?

Mr. BARAN. The line dividing the two is an extremely fuzzy one. I think if one wanted to extract intelligence information from a statistical system he could. I could think of one example where a computer society conducted a survey—it has done this a few times—among its members, asking for information about salary, location, fringe benefits, length of service, and number of people employed. This information was sent to a very respectable accounting firm, magnetic tapes were prepared, and we were able to call up information of any type, saying on the average how much does a person make if he has been employed x years, with the following degrees? It soon became clear that we had to be very careful in protecting this tape because we could phrase our questions so that we could pick out people, even though there were no people's names on the tape. Yet the system described yesterday would have people's names and would have social security tags on them. This is a difficult problem.

On the other hand, the protection mechanism suggested yesterday that if the output of the inquiry covers such a small sample, that information is discernible as to precisely who is being examined, then the output is stopped, was also mentioned. This is the sort of safeguard I think one will have to see as a minimum. In other words, I believe the people yesterday were aware of some of the problems. It is unfortunate, I think, that they came in with a preliminary study and had not done all their homework on the safety part of the question. In specific answer to your question, you can extract intelligence information from a statistical system and get statistics from an intelligence system. It is just a little bit easier to use the machine for one purpose than the other.

Mr. HORTON. With regard to this so-called intelligence and statistical system difference, is it possible technically to design a system so that only statistical information could be utilized or be furnished and thus protect the so-called individual information?

Mr. BARAN. If you say I know all the questions I want to ask in the future, perhaps. But if you don't, that means you have to keep the information in raw form. This is the most efficient way of keeping it.