

Mr. STEPHAN. Yes, sir; I think this is a very wise approach. It is wise in industrial development and it is wise in government.

Chairman TALMADGE. You don't think we ought to have a Fourth Commission study on the project, do you?

Mr. STEPHAN. I don't recommend that we postpone action, but I recommend that our actions start on what is a practical, realistic basis of action and proceed as we learn more about what can be done, what it costs, about what the needs of the users are, and then proceed to add to it.

I would like to make a great plea for the users who are only potential users now—who are not using statistical data but could if they were made available to them in a more easily obtainable form. I would include among them the mayors of our major cities, councilmen, major heads of departments, planning and zoning agencies, similar departments of State government, Governors, legislators, and many private individuals and business executives and their staffs who are not now taking advantage of what could benefit them a great deal, and thereby benefit the whole Nation by improving the soundness of our economy.

I am impressed by the need for forecasting but there are also needs for planning and for allocating and for measuring the efficiency of one's operations against a suitable standard provided by other members of the same industry, many other uses that can be improved to the benefit of everyone concerned.

Chairman TALMADGE. Do you think that a national data center would constitute a threat to privacy to the people of this country?

Mr. STEPHEN. On this point I think it could be a threat or it could actually operate to increase the protection of privacy of individuals, depending on how it was set up and operated.

Chairman TALMADGE. Are there adequate safeguards now?

Mr. STEPHEN. I think the safeguards we have now are very substantial. We have on the statute books laws that provide penalties for Government employees who disclose private information about private individuals and firms, as well as laws concerning conspiracy and fraud and other activities on the part of persons who may not be governmental employees.

Possibly, with the change in price levels, some of the limits placed on the fines might be elevated and that a stronger statement to the public is very much needed, pointing out the nature of these safeguards and reporting the experience of the Government with respect to them. I have not seen any summary that tells us how frequently these laws have been violated. It would be informative to the man on the street if he knew the extent to which these laws are effective in preventing the type of disclosure and invasion of privacy that has been a source of anxiety to him.

Chairman TALMADGE. Do you think a national data center would impair the cooperation of the respondents?

Mr. STEPHEN. It all depends on how it is set up and operated. You could have a wave of distrust of Government—perhaps exaggerated in a spectacular way by some author of a book or some newspaper columnist or somebody else who points out the possibilities one can imagine of the misuse of centralized data.

Historically the most notorious example is the use by the Nazi of recorded data for the persecution and extermination of Jews in Ger-