

**ORIGINAL**

**#19**

## **Transcript of Proceedings**

### **DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE**

#### **SECRETARY'S ADVISORY COMMITTEE**

**ON**

#### **AUTOMATED PERSONAL DATA SYSTEMS**

**HEW -- PRIVILEGED**

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**Bethesda, Maryland**

**Thursday, 17 August 1972**

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DEPARTMENT OF HEALTH, EDUCATION, AND WELFARE

SECRETARY'S ADVISORY COMMITTEE

on

AUTOMATED PERSONAL DATA SYSTEMS

Fogarty International Center  
Building 16  
NIH  
Bethesda, Maryland

Thursday, August 17, 1972

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through

1 MS. GROMMERS: I think probably the other members  
2 that are not here yet are either tied up on the freeway in  
3 the accident. I think I will stand up over this black eye  
4 that is looking at me here.

5 I have a very few points of reminder. In your  
6 folder, the first thing is, you've got the agenda and you  
7 also have a calendar. I think if you would fill in the  
8 calendar sheets, then we can figure out a-l the rest of the  
9 meeting dates.

10 By the end of this meeting, we will have for you  
11 a list of the dates of all the other meetings. If you could,  
12 fill that out and hand that in to Carol today, or to Ron Lett  
13 today at noon.

14 The second thing is that in your folders, I have  
15 written a sheet for you which is essentially on planning.  
16 But if you would, write on there any other presentations that  
17 you would like to see made that you know of. You don't have  
18 to fill this in if you don't have any. But this will be  
19 probably your last opportunity to influence what is actually  
20 presented at the meetings because we are also going to try  
21 to schedule all the rest of the other meetings shortly.

22 Tomorrow, as you know, all of our meetings are  
23 open to the press. And, tomorrow, I have been told that we  
24 will be live, or taped and then live, on a public service  
25 radio program. I presume that is because the FBI program is

1 going to be presented by -- I don't really know yet.

2 But, however, you are aware that the press may be  
3 here at any time and you can take that into consideration.  
4 We have checked with legal counsel and there is no way that  
5 we can distinguish between various members of the press and,  
6 therefore, someone may want to come in and televise us. We  
7 will, equally, have no basis for telling them they couldn't.

8 MR. WARE: Can we at least know when they are  
9 around?

10 MS. GROMMERS: I think you have to presume that  
11 they are all around. As far as I know, they are not here  
12 now.

13 We do have -- where is Mr. Bride? Mr. Bride is  
14 a staff writer for the Computer World, so that he is here and  
15 he is therefor a reporter. But all of our meetings at all  
16 national advisory counsel meetings are entirely open to the  
17 public and it can be presumed that the press will be here or  
18 that any of the transcripts may be later put into press.

19 In addition to Mr. Bride, we have the following  
20 visitors here with us. We have Mr. Frank -- is that a V? --  
21 Seubold.

22 MR. SEUBOLD: Seubold.

23 MS. GROMMERS: Mr. Frank V. Seubold from the HMO  
24 Service Department of HEW, the director of the planning  
25 division. We have Bonnie Wan, an attorney with the division

1 of Consumer Credit of the Federal Trade Commission. We have  
2 Stephen La Boueff --

3 MR. LA BOUEFF: La Boueff.

4 MS. GROMMERS: -- Stephen La Boueff, the executive  
5 assistant director for program formulation of the Indian  
6 Health Service --

7 MR. LA BOUEFF: Indian Health Service.

8 MS. GROMMERS: -- representing the Office of Indian  
9 Affairs; and Faith Schwartz of the Institute on Law/Urban --

10 MS. SCHWARTZ: Studies.

11 MS. GROMMERS: -- Studies. Mrs. Schwartz, as you  
12 know, has been coming to our meetings.

13 The next meeting has been scheduled for the 14th  
14 and 15th of September.

15 I want to call your attention to a report which  
16 you have a draft of in your folders, and it is one that looks  
17 like this with "draft" up in the corner and this is a report  
18 which is due in to the Secretary's office on August 1 on  
19 Saturday. When we bring up committee meetings, we will be  
20 ratifying this report.

21 So if you have any additions, if you will, pencil  
22 them in and then we will present them at that time and add  
23 them. There are three omissions which we have already noted  
24 on the report and, on Saturday, when I present the report to  
25 you, I will fill them in. They were the presentations by

1 Senor Anglero and Professor Weizenbaum and --

2 MR. MARTIN: Bob Nizely.

3 MS. GROMMERS: -- Bob Nizely. Saturday morning,  
4 we were told that Sheila Smodd will indeed be with us and we  
5 will have on our way the presentation on the identifier, and  
6 Mr. Taylor who is going to speak to us today on that one  
7 topic will also be able to be back with us on Saturday.

8 At that time, we are going to divide up into two  
9 working groups so that you can decide which one you want to  
10 be on, if you have any preference, in order to get some  
11 business really accomplished.

12 Some of you people worked with Mr. Taylor and he  
13 will be there as necessary to try to present additional  
14 information you need to know in order to be able to present  
15 in the report our position on the social security number and  
16 the NC standard and the problem of the universal identifier.

17 Others of you may wish to help work on organization  
18 of the regional hearings that we are going to be in on.

19 Mrs. Silver has asked me if she might present a  
20 couple of things in the way of a proposal.

21 Before she speaks, I would like to say that my  
22 eyes are struck by the beautiful tie that one of our members  
23 is wearing today.

24 Mrs. Silver.

25 MS. SILVER: Thank you. There are just a couple of

1 things I would like to read and make a proposal.

2 This is from the Newsletter from Action on Smoking  
3 and Health:

4 "Acting in response to demands made by Action on  
5 Smoking and Health on behalf of aggrieved employees, the  
6 Department of Health, Education, and Welfare announced in  
7 mid-February new regulations designed to curtail smoking in  
8 HEW occupied buildings.

9 "Secretary Elliot L. Richardson, who promised last  
10 October to take such steps, reported in a letter to ASH  
11 Executive Director John F. Banzhaf III that a new department-  
12 wide directive includes these specifics:

13 "No smoking shall be permitted in conference  
14 rooms and auditoriums. Prompt action shall be taken to post  
15 appropriate 'no smoking' signs in these areas.

16 "No smoking areas are to be established in  
17 cafeterias.....based on an estimate of smoking and non-  
18 smoking patrons served. Careful evaluations should be made  
19 after designating separate areas and further adjustments as  
20 to size made, based on experience.....".

21 "Supervisors should plan work space in such a way  
22 that preference of employees who request a no smoking area  
23 can be accommodated.

24 "Banzhaf commented that the rules mean that HEW  
25 employees no longer will be assaulted by unhealthy tobacco



1 fumes against their will.

2 "Secretary Richardson's decision represents the  
3 first breakthrough in our campaign to convince the federal  
4 government that it should be a pacesetter in recognizing the  
5 rights of nonsmokers.

6 "He added, 'In view of the January acknowledgement  
7 by Mr. Richardson's subordinate, the Surgeon General, that  
8 ambient smoke can be physically harmful to nonsmokers, it is  
9 only proper that HEW take the lead in enacting these regula-  
10 tions.

11 "'Secretary Richardson's belated but welcome  
12 initiative sets an example for all of government. While the  
13 HEW bureaucracy moved painfully slow in enacting these rules,  
14 I nevertheless commend the secretary for making good on his  
15 October promise to improve working conditions for his  
16 employees. ASH will move promptly to have the HEW regulations  
17 adopted government wide, and to monitor their effectiveness  
18 at HEW so that full enforcement will result.'

19 "Further, the serious danger that cigarettes pose  
20 to nonsmokers as well as to smokers was officially acknowledged  
21 for the first time, albeit belatedly -- by the U. S. Government  
22 in mid-January when it issued the annual update of the 1964  
23 Surgeon General's report on the health consequences of  
24 smoking.

25 "One-fourth of the 226-page study was devoted to

1 the harmful effects of smoke in the air. It noted that carbon  
2 monoxide, the deadly killer released by auto exhausts, is  
3 an important component of tobacco smoke, and when combined with  
4 oxygen-carrying elements of the blood, can be seriously  
5 harmful.

6 "The level of carbon monoxide attained in experi-  
7 ments using rooms filled with tobacco smoke has been shown  
8 to equal, and at times to exceed, the legal limits for maximum  
9 air pollution permitted for ambient air quality in several  
10 localities, the report points out. An average cigarette pours  
11 into the air about 23 milligrams of carbon monoxide, it says,  
12 adding that in smoke-filled rooms, harmful consequences may  
13 result which 'would be particularly significant for people who  
14 are already suffering from chronic broncopulmonary disease  
15 and coronary heart disease.'

16 "Surgeon General Jesse Steinfeld said, 'I have a  
17 very strong feeling that we have too long neglected the right  
18 of the nonsmoker. We have exposed him to annoyance and in  
19 some cases hazard by subjecting him to other people's smoke  
20 where he works, where he dines and where he travels.'

21 "Steinfeld also commented on the 'ample proof that  
22 those who complain of discomfort in smoke-filled rooms are  
23 not disagreeable malcontents but can have a legitimate cause  
24 for their complaint.'

25 "The new report also notes that pipe and cigar" --

1 MS. GROMMERS: Mrs. Silver --

2 MS. SILVER: I have one small further point here.

3 " -- that pipe and cigar smokers, who seldom  
4 inhale, produce even more air pollutants than cigarette  
5 smokers. It cites an experiment in which a smoke from one  
6 cigar neutralized the effect of an electrostatic home air  
7 filtration device for a full hour."

8 I would like to move that smoking be banned from  
9 this or any other conference room for the remainder of this  
10 Committee, not only during the sessions but also during the  
11 breaks so that when the meetings resume after breaks, we don't  
12 have to return to a smoke-filled room, to stale smoke air.

13 MS. GROMMERS: Thank you very much. I have two  
14 other small announcements. The Bill which you have on your  
15 desk here, the HR 1 5613 is the Koch Bill.

16 MR. MARTIN: Koch.

17 MS. GROMMERS: Koch Bill, is that how you pronounce  
18 it? This Bill provides that persons be made known of their  
19 rights, and some of the Committee members asked for it at  
20 the meeting, and I think they also asked for the Bayh Bill.

21 We couldn't get enough copies of the Bayh Bill  
22 and I think one is in the House; right, the Bayh Bill, at  
23 least a comparable Bill.

24 Can we get it?

25 MR. MARTIN: Yes.

1 MS. GROMMERS: We will try to get it to you as soon  
2 as we can, a copy of the Bayh Bill.

3 My last announcement, before we go to Mr. Taylor,  
4 is that Mr. Impara is very shortly to be Doctor Impara. When  
5 is that going to be?

6 MR. IMPARA: Well, the degree will be in December.  
7 My dissertation was August 2nd and --

8 MS. GROMMERS: August 2nd, and when will you be  
9 receiving your degree?

10 MR. IMPARA: In December.

11 MS. GROMMERS: In December.

12 MR. MUCHMORE: Madam Chairman, Mrs. Silver did make  
13 a motion.

14 MS. GROMMERS: Well, she proposed it. Would you  
15 like to second it?

16 MR. MUCHMORE: She made the motion and I'll second  
17 it.

18 MS. GROMMERS: It has been moved and seconded,  
19 and would you repeat your motion, Mrs. Silver.

20 MS. SILVER: I would like to move that smoking be  
21 banned from this or any other conference room for the  
22 remainder of this Committee, not only during the sessions but  
23 also during the breaks so that when the meetings resume after  
24 breaks, we don't have to return to a smoke-filled room.

25 MS. GROMMERS: Is there any discussion?

1 MS. GAYNOR: I disagree with the motion. I think  
2 I have a right to smoke as well as anyone who is a nonsmoker.

3 MS. LANPHERE: What about smokers' rights? Do  
4 we have any?

5 MS. GROMMERS: I think it's a very good question  
6 to be raised. There are ashtrays provided and this is not  
7 really a conference room or an auditorium.

8 We could perhaps do what the airlines do, have a  
9 smoking section and a nonsmoking section.

10 MS. CROSS: I wonder if that wouldn't be a reasonable  
11 compromise. As an ex-smoker, I think both sides have a point,  
12 and it seems to me it might be taken care of through seating  
13 arrangements. As close as we are seated, I agree it is a  
14 little bit annoying to have smoke blowing in your face.

15 MR. MUCHMORE: Since Trans World Airlines is  
16 coming in on the Airline Reservation System presentation,  
17 maybe they can give us some advice on this.

18 MR. WARE: They answer though is they don't know  
19 how to do it either.

20 MS. GROMMERS: Is there any further discussion?  
21 Would someone like to entertain an amendment for a nonsmoking  
22 section and a smoking section? Or if there's no motion for  
23 that, no amendment for that, we could vote on the motion.

24 MS. CROSS: I will move to amend, but I think we  
25 have to vote on the amendment first. I will move to amend so

1 that will try to arrange it so that there was a smoking and  
2 a nonsmoking arrangement here.

3 MR. DE WEESE: I'll second it.

4 MS. GROMMERS: It has been moved and seconded that  
5 the motion of Mrs. Silver be amended to arrange for a smoking  
6 and a nonsmoking section in the conference room and, also,  
7 presumably, during the breaks and at lunch.

8 MR. DE WEESE: Just in here though?

9 MS. CROSS: Yes, just in here.

10 MR. DE WEESE: You didn't mean outside the confines.

11 MS. SILVER: I didn't mean that much. I felt since  
12 we have to sit here and concentrate, that --

13 MS. GROMMERS: Just in this room then. Is there  
14 any discussion on this amendment?

15 MR. ANGLERO: Let's say instead of having one  
16 section, let's have one smoking place, that's all. Not no  
17 smoking. A place for a smoking place.

18 MS. GROMMERS: Not a nonsmoking place, but a  
19 smoking place, that small amendment. Let's put the nonsmokers  
20 at a place so we know how we can organize that, if that is  
21 your wish. We can organize that in such a way that we will  
22 not be giving prejudice or placement to other smokers, or the  
23 organized members could rotate if this is what you wish.

24 Is there any discussion further on the amendment?

25 All those in favor, "aye."

1 (Chorus of ayes.)

2 All opposed?

3 (Chorus of nays.)

4 MR. WEIZENBAUM: If Mrs. Silver will accept it as  
5 a placement amendment, we won't have to vote on the amendment.

6 MS. GROMMERS: Would you like to accept it? You  
7 don't need to.

8 MS. SILVER: Well, if that's the wish of the  
9 Committee, I'll accept it. But if you can somehow manage to  
10 keep the smoking section smoke from drifting around.

11 MR. DE WEESE: How about if the nonsmokers go  
12 to Puerto Rico.

13 (Laughter.)

14 MS. GROMMERS: Would you like to vote on the  
15 amendment? Nonsmokers or smokers, I'm not sure who would  
16 like to go.

17 MS. GAYNOR: Well, eliminate the members of the  
18 Committee who smoke and maybe we'll solve the problem that  
19 way.

20 MS. GROMMERS: Pardon me?

21 MS. GAYNOR: Eliminate the members of the Committee  
22 who smoke, maybe we'll solve the problem that way.

23 MS. GROMMERS: All those in favor of the amendment  
24 to the motion, please say aye.

25 (Chorus of ayes.)

1           Opposed, like sign.

2           MS. GAYNOR: I am opposed to the motion and the  
3 amendment.

4           MS. GROMMERS: Now, we will vote on the amended  
5 motion. The amendment is carried. We will vote on the  
6 motion as amended, that smoking therefor would be limited to  
7 the smoking area of this conference room.

8           All those in favor, raise your right hand. One,  
9 two, three, four, five, six, seven.

10          All opposed, raise your right hand. Twelve.

11          The motion is carried.

12          I will try to organizt that. Now, let me ask you,  
13 who all are smokers? One, two, three --

14          MR. DE WEESE: I think two weeks of preventative  
15 detention would --

16          (Laughter.)

17          MR. MUCHMORE: Well, it wouldn't take more than  
18 a few months to build a little room out there.

19          (Laughter.)

20          MS. LANPHERE: You want us to pick up now and  
21 leave?

22          MS. GROMMERS: That's what I'm wondering.

23          (Laughter.)

24          MS. GAYNOR: I think this is an invasion of my  
25 constitutional rights.



1 MS. GROMMERS: I think you might be correct.

2 MS. GAYNOR: I really mean that. I am most upset  
3 and, by the same token, if they are measuring the quantity  
4 of carbon monoxide, maybe I ought to take all the automobiles  
5 off the road, too.

6 MR. MUCHMORE: We can't very well do that.

7 MS. GAYNOR: Why not?

8 MS. GROMMERS: I'll tell you what. May I have a  
9 few minutes to think about this and I will talk to Florence  
10 about it and see what we can come up with.

11 I doubt that it is unconstitutional because they  
12 can do it in airplanes and let me get counsel to look into  
13 this situation, and why don't we do that at the coffee break.

14 MR. MUCHMORE: Maybe we can take care of the cars,  
15 too, at coffee break.

16 MS. GAYNOR: I have always smoked and this is a  
17 principle; that's why I say it. This is terrible, taking  
18 away everything I have. My God.

19 MS. GROMMERS: In any event, I think we shall go  
20 on with our business. I would like to present to you  
21 Mr. Alan Taylor who is the president of The Society of  
22 Certified Data Processors of Framingham, Massachusetts, who  
23 will be speaking to you this morning; really, speaking to  
24 the problem that we have had in our presentations or in our  
25 discussions of the presentation, we have come to the understanding

1 or the feeling that there is some kind of computer related  
2 dimension to the automated personal data systems problem which  
3 is really quite different than is the case if there was no  
4 computer.

5 Mr. Taylor's presentation I think will enable us  
6 to pinpoint very, very specifically just exactly how that can  
7 come about and what is really different about computer  
8 processing.

9 Mr. Taylor.

10 MR. TAYLOR: Thank you, Madam Chairman, members,  
11 thank you very much for your invitation to appear here this  
12 morning.

13 The problems of data bases and data records which  
14 are connected through the data bases are particularly  
15 important in computers because they are involved with the  
16 connection of records created for one purpose and then trying  
17 to be interpreted for other purposes that were not anticipated  
18 at the time the records were created.

19 Myself, I'm trying to keep as many of my records  
20 of computers as I can. But I can't manage it all together.  
21 My wife and myself have abandoned credit cards, charge accounts,  
22 book clubs and a number of other items for reasons which we  
23 feel to be sufficient. We have minimized the activity as  
24 much as possible.

25 Even so, we are on a number of computer records,

1 and I'd like to share a few of them with you.

2 (Slides.)

3 For instance, one came in last week. It came in  
4 in very careful form. It is this top one here.

5 Can you drop it down at all, do you think? (To  
6 projector operator.)

7 I hope you could manage to see it. Now, unlike  
8 most computer records, this is a very carefully prepared one  
9 and even legislatively approved. It is approved by the  
10 Commissioner of Corporations and Taxations of the Commonwealth  
11 of Massachusetts. It is a very adequate form for its purpose,  
12 which is to take taxes from me, and they want \$1300.

13 But even so, although it is adequate, it is  
14 inaccurate. The form bears the date June 1st, 1972. It was  
15 not prepared on January 1st, 1972. It was prepared approxi-  
16 mately on August the 10th.

17 The form says that the taxes are due and payable  
18 on July the 1st, which means that I am now a tax delinquent  
19 and have been for some weeks, some seven or eight weeks.

20 More to the point, I don't even have the money  
21 because I have already paid it over to the mortgage company.  
22 It is in escrow but they are not going to pay it until the  
23 end of October because as long as it is paid before November  
24 the 1st, there is no interest payable.

25 The form says it is addressed to Allen B. Taylor,  
head of M; well, there's a head of M maybe but there's no

1 Allen B. Taylor. And yet, the form is quite adequate.

2 The bill was sent out on the 17th, not on that  
3 date. The addressee is wrong and the tax isn't delinquent.  
4 It is therefore a perfectly adequate bill for its purpose,  
5 but it has many inaccuracies in areas I am not going to  
6 bother about. I am not going to go to Mr. Cole, who takes  
7 these taxes and tell him to get my name right. I am not  
8 going to create havoc over it. I am not going to bother about  
9 these dates.

10 So they will remain inaccurate and, yet, if this  
11 were in the data bank and someone looked it up, they will  
12 find that I am tax delinquent. If this were in a data bank,  
13 seriously tax delinquent and I have claimed to own that house,  
14 they would say, "Official records say it's not owned by you."

15 So there is a possibility of computer records which,  
16 in their own, are functionally adequate but are quite inaccurate  
17 and containing a lot of inaccurate statements. That is an  
18 interesting point.

19 It brings up the immediate question: Do we have  
20 the opposite possibility of computer records that are accurate  
21 but are inadequate?

22 Well, it so happens that I have something here for  
23 myself. You can get this a little bit higher so they can see  
24 this. This is an interesting one, Master Charge.

25 I wonder how many of you will pay this particular

1 bill. The previous balance was \$8.78. The new charges were  
2 \$61.40. The finance charge was \$.13. So they would now like  
3 me to pay \$719.20.

4 This is a perfectly genuine bill. I have to  
5 explain a little bit because it does cause a bit of confusion  
6 here.

7 You see the statement date was on the 7th of  
8 December, 1970, and they would like me to pay it by the 1st  
9 of January, only eleven months early, before the statement.

10 Now, on the whole, that wasn't actually -- if we  
11 took 18 months to find out what was really behind this cause,  
12 they have really no good way of getting the data back and it  
13 wasn't all that far wrong, but another credit card has been  
14 closed down and the balance has been transferred some nine  
15 months earlier and had gotten lost and, all of a sudden, it  
16 appears this way. The form just didn't have the capability  
17 of doing things like this. But it was very aggravating, I  
18 thought.

19 It was inadequate for its purpose, if its purpose  
20 was to get me to pay \$719.20. It was sufficiently wrong. I'm  
21 glad I didn't. It was wrong on that side (indicating). And  
22 the forms that came off of this were even "wronger" for months  
23 and months. But this was the key one. But it was adequate  
24 or nearly adequate with a few minor inaccuracies with the state-  
25 ment of tax and things like that.

1           So we have another class of computer records and,  
2 of course, these are computer records that can be accurate  
3 but inadequate.

4           Now, consider what happens when this goes through.  
5 Well, what did happen? I didn't want to pay them. They said  
6 we didn't have to pay it until they explained it. But in the  
7 meantime, I couldn't rent a car even with the fact that I had  
8 hundreds of dollars on me, or the fact that the National Shore-  
9 man Bank had my accounts -- two of my savings accounts and  
10 checking accounts; a personal and a business one -- didn't  
11 prevent them, Avis, from checking this. Therefore, you can't  
12 rent a car no matter what evidence you offer.

13           So I was quite seriously hurt during the period,  
14 needing the car, and now think it was very awkward to do -- now  
15 that I am trying to do without it. So there's this second  
16 pattern. The pattern of computer records that can be -- I am  
17 only one person -- that can be accurate but inadequate. So  
18 adequate is the answer. It was simply unpayable.

19           Now, looking at these two patterns, and this one  
20 illustrates both -- you see that one, that's a typical sort  
21 of thing. Someone just didn't think to change year dates.  
22 No one is going to bother about that.

23           Look at these two patterns. We can see that within  
24 the data record on the one hand, there's going to be a prime  
25 area -- the amount that you have to pay or the amount that I

1 have to pay there -- \$719.20, and the other there, the amount  
2 people will have to pay, that people will care about. But  
3 there is also going to be a whole series of areas, I swear,  
4 which they don't care about.

5 I haven't got it here, but for instance -- and which  
6 that record will continue -- for instance, the same bank quite  
7 recently proceeded to lose the tapes. They start running  
8 through the deposits. So they lost one of my deposits. They  
9 promptly decided I was in the red and not merely that, they  
10 decided to correct it, you see. But, unfortunately, they  
11 duplicated the error. So I was really in the red.

12 And when they eventually got it right, the  
13 accountants, all they had done was they had corrected the  
14 balance. But the number of times that they have served me  
15 is calculated by the number of entries they have. It doesn't  
16 bother them whether or not it is an entry they have created  
17 or I have created. So they charged me for the service charges  
18 because the other techniques in many computer systems are  
19 simply inadequate.

20 They are reversing one part of it; the balance and  
21 not bothering about the incidental factors. So we have this  
22 fact that you will have this in this area; the prime area, you  
23 will have the case of inadequacy although it may be accurate.  
24 And in the rest of the thing, you will have inaccuracies  
25 which people will not bother about which, therefore, will

1 continue as a pattern of systems.

2 Number three, please.

3 (Slide.)

4 Now, another one that came in last week -- no,  
5 about a month ago, this one, it belongs to the book club. It's  
6 not really a book club. It is the very top one, if we can get  
7 that down a little more.

8 Encyclopaedias, which we get year books from, and  
9 we get the year book this year and with it came an invoice.  
10 It came from Funk and Wagnalls, and on it, I find a mailing  
11 charge of 42 cents.

12 I have a reason to look for this because I am a  
13 bit of a computer man and the printing here looks very funny.  
14 Some of the numbers, the center part is only half there, and  
15 this number here can be quickly read as an eight, a six or a  
16 two. It's a type of printing style. The thing is dropping  
17 dots in and out. If you tried to do a microfilm of that,  
18 goodness knows that we're going to get when we take that out,  
19 as to what that was, and you will also find you have punched  
20 holes that go over numbers which causes confusion. So I  
21 wasn't pleased with these people with this as a quality output,  
22 and I noticed the mailing cost was 42 cents.

23 Well, mailing, to me, means postage, but the mailing  
24 on the package was 21 cents, only half the amount. I got very  
25 suspicious when I see halves and doubles, and so I thought of



1 looking for my records and then I realized that I haven't  
2 got a record. You see, this is a punched card and they ask  
3 you to return it. So you are left without a record. So I  
4 wasn't able to see whether they said package and cost and  
5 just made a minor mistake of mailing and packaging.

6 But then I noticed up here -- 1, 2, 3, 4, -- an  
7 eight-nine thing, very fine print saying, with a checkmark,  
8 pay, with checkmark. The printing is for that. You can't be  
9 able to read it but down at this point here, there's an order  
10 for 22 volumes at \$3.98 each per volume, plus 22 cents  
11 mailing.

12 I don't see why mine was that much more, and you  
13 can cancel it if you return it fast. But to do that, to order  
14 them, you must give them back the only copy of the contract --  
15 That is \$88 worth of equipment -- because there's no other  
16 copy on any of the other brochures that mention anything more  
17 than the first two volumes of \$1 each.

18 So here we have a different type of thing. This  
19 is a standard thing in computer line. We call it "turn-around  
20 document" -- they produce punched cards, send it to you, you  
21 send it back to us.

22 Now, this is a different type of problem. It is  
23 an aggravation problem. It means that I am left rather  
24 aggravated because I don't know what I say and I can't  
25 remember. You've got it. I don't have it.

1           So here we have a type of problem that is caused  
2 by the media used; this type of system that we use, a turn-  
3 around document causes aggravation. That's another problem.  
4 By aggravation, this is one of the points that you have in  
5 your charter to consider, the problems of the public reaction  
6 to things like the use of the SS and case worker. It happens  
7 quite a bit.

8           Here's another pair of documents. These were a  
9 bit earlier. Can we move it so we can see the other one?

10           This is about March and April that these came to  
11 me. They come from the Blue Cross, Blue Shield about a claim  
12 that is apparently my claim. But I have never made it. And  
13 when I asked Blue Cross, Blue Shield for it, they said I  
14 couldn't have it. So I guess it is not my claim. It is  
15 Claim 817164. So is this one. 0811764. This is the same  
16 date on the 11th of February -- or, April of this year, the  
17 11th of April. This one says that the claim cannot be approved.  
18 This one says, "Your Blue Shield claim has been approved."

19           Well, you know, it is very frustrating to try to  
20 understand this type of work and find out what it is, and  
21 there you start looking at it and you wonder what claim it  
22 is and you see the reporting doctor is Primo. Never heard of  
23 a doctor called Doctor Primo. I'm sure he's not a medical  
24 practitioner. I'm sure he's not a doctor at all but we call  
25 him so here. It is a name of a partnership. This is what

1 happens when you truncate in this. You lose the meaning,  
2 which I have never heard of, and which hasn't got the name  
3 of it all but happens to be the name that they use for a  
4 claim.

5           Of course, over here, I've got a bit of an idea  
6 it is Thurman who is the doctor; but again, it is an  
7 inadequacy but a different kind of inadequacy. You see, we  
8 are very short when we use our letters. We don't have films  
9 out on it. Where's the decent language that has "hes and  
10 shes" and this and that and all the others? We don't have  
11 any decent turnouts. We get fed up when we have to send it.  
12 We have to think it. This is the type of shorthand that  
13 doesn't really mean "Doctor." We mean something else.

14           We mean the person that made the claim. And you  
15 know when you do that, you often get wrong statements. When  
16 I first came over from England, I was driving along and I  
17 met a sign and I mashed on my brakes although there was  
18 nothing in sight. I didn't understand it, but a very definite  
19 order: Do not pass. So I stopped.

20           I'm afraid I'm little minded about it, but that's  
21 what it says. I mean, this is the sort of problem. We run  
22 into ambiguity, particularly on things like this. That really  
23 is all. Okay. Let's put the lights on now.

24           These areas, inadequacy and inaccuracy, also  
25 particularly on the interpretation -- and interpretation, of

1 course, is the key element -- are important. When an item  
2 is created for one purpose and is put into a data base and  
3 used for another purpose, we have no knowledge of it at the  
4 time of its creation.

5 Mailing is a typical problem. That word "mailing  
6 cost", what did they mean? Now, it's obvious what mailing  
7 is as opposed to the cost of the books. But when you get  
8 down to look at it in fine print, whether it means packaging  
9 and when we are so careless with our words, as to use "doctor"  
10 when we mean "claimant", it leads to people looking up a  
11 dictionary of words and finding the other people are using a  
12 different thing which is a very aggravating operation.

13 So we do get, as patterns in single computer  
14 applications that create records, records which may later be  
15 placed into a data base. We get ambiguity.

16 What, for instance, is the color of a white wine?  
17 The record will say it is white. But I'm sure that the  
18 painter won't. It is a label. The painter will say it is  
19 yellow.

20 But we will have it down in the record as being  
21 white.

22 So we have aggravation. We have inadequacy,  
23 inaccuracy, and a lot of A's and they all add up to one final  
24 A, from the point of the user or the usee. Here it's called  
25 the usee. "Computer victim" just doesn't sound nice. It seems

1 to be arrogant.

2 He sees something that he cannot cope with that  
3 has always got excuses. There are very good reasons for that,  
4 because computers always do have excuses. In other words,  
5 this is not one that involves myself, personally.

6 A couple of months ago, where the key punch girl  
7 made a mistake and put the letter C in a punch card where  
8 they expected a number, when it got into the computer, which  
9 it did, the mathematical genius of the computer turned into  
10 a mathematical mora because the computer thinks you can add  
11 C's to numbers and it just does. It doesn't bother to tell  
12 anyone that it is doing things like that.

13 (Laughter.)

14 The computer is literally a mathematical mora.  
15 The programmers promptly blamed the key punch girl although  
16 they could have just as easily checked this. After all, they  
17 were using basically defective machinery, something that could  
18 add things that were inadequate. They were using defective  
19 machinery because they were expecting to have a very fine  
20 card, but, unfortunately, our card readers don't read the  
21 verification mark and can't discriminate. We have inadequate  
22 input.

23 But before anything really dangerous happens,  
24 there is almost always a coincidence of some human error and  
25 some computer error, and so we can always pick it up and say,

1 "Ah, made a mistake."

2 So we have a very easy excuse. It is weird,  
3 though, that we can ask humans to be 100 percent perfect,  
4 and we who have the capability of programming them to be  
5 100 percent perfect do not get the professional responsibility  
6 to do so. These then are the patterns of accuracy, inaccuracy,  
7 adequacy and inadequacy that ought to be found within the  
8 records that are kept by data applications for their own  
9 purpose.

10 Consider them the problem when they are taken  
11 into a data base for some reason that they may not know,  
12 and the question is raised, "Are they accurate? Accurate  
13 for what?" We cannot tell.

14 Accurate for checking as to whether or not someone  
15 is suitable to be nominated as a vice president of the United  
16 States? I sincerely hope not.

17 That would have said he was tax delinquent and  
18 then proved it. (indicating slide)

19 Protect it. How? We do not, for instance, store  
20 records and, yet, we cannot expect people to understand this  
21 outside the profession. Your very charter, the first  
22 sentence there assumes or uses the word that we store records.  
23 Well, you know, you can store a record. It has been done  
24 throughout the ages. We have a copy of the Magna Charta  
25 stored and we have the Declaration of Independence stored,

1 but data processing doesn't work that way. We take a copy  
2 of it and then we throw away the original and then we get a  
3 copy of the copy, and we take a copy of the copy of the  
4 copy of the copy of the copy. But we have thrown away the  
5 other ones. They are not records, and our accuracies may  
6 not be perfect.

7 For instance, we may check for something which  
8 we call parity, which is merely that the numbers are to be  
9 read, which is not a very good check. But supposing we find  
10 a parity error. Perhaps we decide now not to check, just in  
11 checking, about parity. As a matter of fact, we do that  
12 sometimes and you cannot tell me that you would never find  
13 out what really happened on March the 14th, 1970, but unless  
14 you have that order trained, you cannot genuinely say it is a  
15 record.

16 Now, this is the type of protection that cannot be  
17 asked from the user because we simulate stories very well,  
18 simulate it, but then they do not do it. So therefore, the  
19 question comes up, if we have files which are open to  
20 cumulative lead poisonings -- I mean, cumulative data on  
21 poisoning which we do, how do we know that anything is  
22 accurate? Surely it depends upon the importance of the use  
23 to which it is being put, the data application that the data  
24 base is being used for.

25 But in that case, our control points to establish

1 whether or not a thing is adequate and must be placed  
2 not before the data is sent in to the data bank, but --  
3 we may have some control points, I sincerely hope we do,  
4 not in the setting up of the data bank, but literally, then  
5 only can they be effectively put after the application that  
6 the particular data is being put to is known for us to be  
7 able to define whether or not the accuracy that the situation  
8 requires, the protection that it requires or it is supposed  
9 to have, is being provided.

10 This brings me to one final point before a  
11 recommendation. These items that I have shown are all my  
12 personal ones in the last couple of months, a few months,  
13 except for one, which was a credit card which is over a year.  
14 There are many other people who have stories somewhat like  
15 these, and I fully understand that the time of the  
16 committee is valuable, but I do feel that in more direct  
17 recognition of some of these stories and the understanding  
18 as to what has happened, these kinds of incidents of errors  
19 have happened behind the scenes, and it may help you design  
20 and evaluate the control systems that are suggested to you.

21 If the control systems are inadequate to prevent  
22 the type of stories that have already occurred in the single  
23 application where we literally design the data application  
24 to be adequate for this particular purpose, where the auditors,  
25 if they look at it, know what the purpose is and, therefore,



1 can set reasonable standards of accuracy, how much less  
2 are they going to be able to be adequate for placing into a  
3 data base with inadequate controls?

4 In a data base, we are placing records in for  
5 items that we do not know what they are going to be used  
6 for. Data bases are going to occur, in my opinion.

7 The values that are there are erroneous. The  
8 need is enormous. They are, I imagine, going to be a  
9 problem. But to be safe then, we are going to need the  
10 controls.

11 I would like to make a suggestion, therefore,  
12 that this committee recommend that the Social Security  
13 number be legislated as being an acceptable method of  
14 handling data. If, and only if, appropriate controls as  
15 determined to be necessary are included in the data base  
16 systems, it is my belief that one part of the budget of any  
17 data base system should be for quality control at some  
18 percentage, varying from 2 percent to 5 percent, depending  
19 upon the importance of the system and the danger of its  
20 contents being abused.

21 I would suggest that there is a continuing  
22 work for Health, Education, and Welfare to provide for  
23 proper definitions of controls, proper inspection of them,  
24 and reporting to the public of their success or failure.

25 We cannot afford to pass up the opportunity  
of data bases, but equally, we cannot afford to have them

1 abused, any more than we can afford to have fewer  
2 quality drugs on the market.

3 Thank you for your attention. If there's any-  
4 thing the society can do, we will only be too delighted to  
5 do so. If there are any questions that you would like to  
6 ask, I will be glad to -- we have, by the way, copies  
7 here. We have some draft standards dealing with the use  
8 of data going into the bases being stored, classification  
9 data items being stored in data bases. Here is, too, the  
10 data processing activities, based upon data items used.

11 I am afraid the printers knew that we would  
12 get together for this meeting because they were not due out  
13 for another five or six weeks, but they may give you some  
14 idea of some of the problems and some of the descriptions  
15 of the data we will need to have before we can know whether  
16 or not the use that the item is being put to is adequate,  
17 is adequately protected. So there are copies of these  
18 behind you-all.

19 Thank you very much.

20 MS. GROMMERS: Thank you very much, Mr. Taylor.  
21 If we could just have someone move this black eye out of  
22 the center, then we can get on to some questions.

23 I would like to start the questioning with  
24 Professor Weizenbaum, and we will proceed around the table.

25 MR. WEIZENBAUM: I have quite a bit of questions,

1 but I will end with one question. I made a few notes here  
2 while Mr. Taylor was talking.

3 I think in the first place, an observation is  
4 that life is a whisk, and there can be no absolute safety,  
5 and I think the real question is who has the right to impose  
6 what whisk on whom, and for what allegedly overriding purpose?

7 Secondly, I do not believe that in a computer  
8 system or any other system, for that matter, that every error  
9 that occurs has to come to be understood absolutely in order  
10 for the system to be corrected. I think that kind of remedy  
11 that requires an absolute diagnosis of exactly what happens  
12 down to the very last audit trail and all that sort of thing  
13 is not always necessarily, certainly that sort of thing is  
14 not used in real life whereby real life -- I mean, the life  
15 using information systems, they are not computerized.

16 Finally, I think consistent with that is one has  
17 to get into this if we are not going to worship systems as  
18 essentially autonomous and separate from ourselves, and that  
19 is those who are affected by stored information must be part  
20 of a feedback group of the entire system.

21 Now, there would not have to be a feedback group  
22 if, in fact, the system were perfect. As an analogy, for  
23 example, people find it hard to understand sometimes how one  
24 can aim a rocket at a particular point, say, at the moon or  
25 to put it in orbit and calculate the advance, how carefully,

1 just exactly how much fuel has to be used, just exactly how  
2 long it has to be burned and so forth. The answer is, it  
3 cannot be done. It cannot be done.

4 What happens is the system is committed to make  
5 errors, but these errors are monitored and there is a feed-  
6 back system and, as the error occurs, the corrections are  
7 made. So that, ultimately, the result is what you want it to  
8 be.

9 The problem with real life, of course, involving  
10 people, is that there is no ultimate. It is just as a sense  
11 for some people to travel from one point to another, so to  
12 speak, that is, to endure the journey to wherever they are  
13 going. Then it may be to get there, and that is when the  
14 whisk end of the responsibility comes in. Those are my  
15 comments.

16 I have a question which I am not sure is relevant.  
17 I am not sure it is, but I think you started out by saying  
18 that you and your wife have abandoned all credit cards and  
19 so on and so forth, and I would like to know why. I would  
20 also like to know with what success.

21 The purpose behind my question is, I wonder how  
22 difficult it is for a person in a relatively privileged  
23 position as you are, compared to, say, the 10-year old son  
24 of a migrant worker, say, how easy or difficult it is for a  
25 person like that to just up and out of a part of a system and

1 still function?

2 MR. TAYLOR: Thank you, Professor. To answer  
3 your question, it is quite hard, particularly if I do quite  
4 a bit of traveling. I often have to ring up from the airport  
5 to the firm I am going to, and say, "Please tell these  
6 rental people that I do exist," or something like that. It  
7 is quite hard, for instance, when I go to the Benjamin  
8 Franklin Hotel in Philadelphia and one of our favorite  
9 hotels, I might say, but it is now owned by a banker's place.  
10 There, I am saying that I will pay cash, and it means that  
11 if I order anything in room service, half an hour later the  
12 manager will be on to me. "You have ordered so and so, and  
13 you are down here" -- I can't remember the phrasing. Anyway,  
14 it means not credit-worthy, and I am not allowed to sign for  
15 it.

16 It would be quite impossible if I had to keep up  
17 with the Joneses in many ways if I didn't have the privileges  
18 of being able to let my business colleagues know that I have  
19 done this type of thing.

20 MR. WEIZENBAUM: Well, why did you do this?

21 MR. TAYLOR: Oh, the aggravation, total aggrava-  
22 tion. It was causing trouble in the house. My wife was  
23 constantly unable to check the bills. She was constantly  
24 annoyed. She was writing letters and getting no response.  
25 When she did get responses, they were not adequate responses,

1 and being fairly bright, she could see they were not  
2 adequate. She rang up, telephoned, and she found that the  
3 people assumed that as she was just a woman, they could give  
4 her any old statement, like the computer did it, as though  
5 that was the reason and the responsibility.

6 So it was a matter of getting divorced or leaving  
7 the credit card business.

8 (Laughter.)

9 I would like to say that I do support your point.  
10 I do believe there is an absolute. I believe the type of  
11 control is little like we used to use in our missile work,  
12 homing missiles. Now, we have, today, the smart bombs, and  
13 I do remember one instance, the only time when -- particularly  
14 when I was working by simulation MIST, which was when the  
15 RAF ordered us to fly directly at the target. It never came  
16 out of the nose cone and we never found it until we had gone  
17 past it. We just didn't see the target as we were directly  
18 on course.

19 So I agree with you, and I feel that the control  
20 technique basically is one of knowing how far off and making  
21 certain we have already got the system together ourselves  
22 back on, that, to HEW is the function. It has the control  
23 technique.

24 MS. GROMMERS: Mrs. Silver.

25 MS. SILVER: I haven't any questions.

1 MS. GROMMERS: Mr. Muchmore.

2 MR. MUCHMORE: Pass.

3 MS. GROMMERS: Professor Miller.

4 MR. MILLER: Pass.

5 MS. GROMMERS: Mrs. Lanphere.

6 MS. LANPHERE: Well, you have already partially  
7 answered my question. I was going to ask you how difficult  
8 you found it to correct these errors, this one of 700 and some  
9 dollars and so forth. You already said you had much letter-  
10 writing done, and I ask this because this is an area of  
11 concern. When you do get wrong data, how do you get in there  
12 and correct it? Did you ever succeed there?

13 MR. TAYLOR: Not entirely. It was not the letter-  
14 writing that costs. It was the pure aggravation, the worry  
15 that made me sick that I apparently -- to continue my liveli-  
16 hood -- I had to accept it and if I hadn't been able to have  
17 luckily been working on a long-term contract, I do not think  
18 I would have done very well.

19 MS. GROMMERS: Mr. Gallati.

20 MR. GALLATI: I would just like to ask one question,  
21 if I may, and that is, if I understood you correctly, you  
22 recommended the use of the universal identifier number  
23 subject to controls of the data itself.

24 I was just wondering if that is correct, if you  
25 have also given some consideration to the problem of getting

1 the correct person involved. You usually identify them.  
2 That is the point, provided the person who is supposed to  
3 have that number always uses it properly and nobody else  
4 uses it, or it is not in any way interpolated in the process.

5 MR. TAYLOR: I personally didn't address this  
6 point. One of our committees is working on this point, and  
7 it will be available on Saturday morning to give some comments  
8 on that.

9 MR. GALLATI: Thank you.

10 MS. GROMMERS: Mrs. Gaynor.

11 MS. GAYNOR: I pass.

12 MS. GROMMERS: Miss Cross.

13 MS. CROSS: I guess the thing that surprises me  
14 is, given the forcefulness of your presentation, I am  
15 surprised by the mildness of your recommendation.

16 If I understood your recommendation, it was to  
17 allow a tolerance of 2 to 5 percent error, depending on the  
18 use to which the record would be put. And as I understand it,  
19 one of the major problems is, we cannot really tell to what  
20 use any given thing may be put. Now, am I misunderstanding  
21 your recommendation, or am I correct?

22 MR. TAYLOR: Yes, I am afraid you are. You are  
23 mistaken. My recommendation was that of the finances that  
24 were involved in running a data base or putting it up, if  
25 the data base costs 1 million a year, that 2 to 5 percent



1 of that amount was -- or some other appropriate amount --  
2 should be put over to the ombudsman to the control function,  
3 and which has a license for running a million a year data  
4 base system, then 20 to 50,000 dollars must go into the  
5 control function which does not directly report to them. It  
6 must go to the HEW or someone else. That is the cost of  
7 the license, not 2 to 5 percent. Boo.

8 MS. GROMMERS: There's another comment on that.  
9 I think that is what you call a sleeper, the "if," and only  
10 "if" clause in Mr. Taylor's presentation is a very -- it is  
11 the strongest logical distinction that can be made, and what  
12 he is really implying that if there is a question at all,  
13 that these controls can or cannot be accurately, adequately  
14 policed and made, and then it falls out. One must not use  
15 the Social Security numbers.

16 MS. CROSS: All right. I am glad I asked the  
17 question because I really misunderstood your recommendation.

18 MS. GROMMERS: Did I present that right?

19 MR. TAYLOR: Very accurately.

20 MS. GROMMERS: Mr. Davis.

21 MR. DAVIS: Pass.

22 MS. GROMMERS: We don't play bridge. Senor  
23 Anglero.

24 MR. ANGLERO: We met this morning. I didn't  
25 realize you were the speaker.

1 I have only one question. Why is it, given that  
2 all these are errors, the systems are subject to errors,  
3 us being human beings and subject to making errors in the  
4 samples that you have shown us, those that we have seen, and  
5 these are business people or enterprises, why is it --  
6 what happens that these enterprises, these firms do not, by  
7 themselves, study some kind of controls instead of leaving  
8 that to us as a recommendation to have somebody, some  
9 ombudsman, whoever it is, to find this control part of it?  
10 Is it that even they make these errors? Is it that always  
11 they have to or they work inclusive for profits, or is it  
12 that it happens that there is a deficit or a reducing progress,  
13 they would do something different?

14 MR. TAYLOR: Naturally, I cannot directly answer  
15 that, but I do have to say that one of the major reasons is  
16 that our profession, a dotted process thing as opposed to  
17 producing and selling data processing equipment, has only  
18 just begun to explain what the standards and the problems  
19 are. And the application is, therefore, proceeding and in  
20 protection of the problems. I think it is because we are  
21 young, rather than -- though, the other point you bring out,  
22 doubtlessly play their part. It is only as to -- let us,  
23 for instance, consider the network system, the retail credit  
24 system. If you set up a network or a master charge where  
25 you set up a network, you often have a result to the fact

1 that the network is under one responsibility and the people  
2 at the end, at the ends, and another are in a different type  
3 of skill. These are all in between.

4 Now, the network needs, in order to sell itself,  
5 the capability of taking data from position A to position --  
6 adapting it to B, C, D, E, F, and all the others. It is a  
7 swapping one, and that is the basis of its being. But it  
8 does not have the capability.

9 Mr. Dean Hock, who is the president of the  
10 National Bank of Americard, about three months ago was telling  
11 me that for political reasons, they do not have the  
12 responsibility or the capability of insisting that the work  
13 at the outside is done properly, even though they know how to  
14 do it.

15 Equally, in contract reporting, very often the  
16 contract calls for you to hand over all your records, but it  
17 does not need to be certified to be any particular quality  
18 because that would require an enormous job. That might delay  
19 things.

20 I do not think it is so much the little bit of  
21 profit, but whether or not the system works at all. The  
22 network system cannot work unless the network is there  
23 completely.

24 Does this answer your question? I'm sorry.

25 MR. ANGLERO: Well, I will say that I do not get

1 an adequate answer in terms of the reaction of management  
2 to their product of these missiles -- I forget the word of  
3 all these cards, what makes all these cards.

4 MR. TAYLOR: Okay. The reaction of the manage-  
5 ment, in my opinion, is that as long as the computer people  
6 take the responsibility of saying that the computer did it,  
7 or finding some other excuse, there is no need to take any  
8 action.

9 And if the computer people take the responsibility  
10 of saying that they cannot do anything about it, then  
11 management is quite happy to accept this point and just  
12 carry on.

13 MR. ANGLERO: I have seen that, but my question  
14 is, why? I have seen that. I have gone through that.

15 MR. TAYLOR: I cannot answer that one. I suggest  
16 you address it to someone else.

17 MR. MARTIN: Do you want to follow up on that,  
18 Mr. Davey?

19 MR. DAVEY: Yes, I would like to respond to that  
20 a little bit. I think that is a broad statement and I know  
21 a number of management companies whose managements do feel  
22 to have a keen control of excellence where it is not up  
23 to the management of data processing people, and I think  
24 that is just too broad a statement to let go past.

25 MR. TAYLOR: Okay. I was basing it on a

1 statement -- there are certainly exceptions, but equally,  
2 there are not many.

3 MR. DAVEY: You can argue either way, but I do  
4 not think it is all one way as you say.

5 MR. TAYLOR: Oh, no, I didn't mean to imply it was  
6 all one way. I was taking it in the cases where these occurred.

7 MR. DAVEY: Okay. In the cases where these were  
8 occurring --

9 MR. TAYLOR: No.

10 MR. DAVEY: -- sometimes?

11 MR. TAYLOR: Yes.

12 MR. DAVEY: Well, it cannot be your particular  
13 case. There are other companies that may be doing a great  
14 deal of effort towards correcting things and doing whatever  
15 is required.

16 MR. TAYLOR: Anyway, we can help them, give more  
17 strength to them. Let's give them credit. Find them and  
18 give them credit.

19 MR. MARTIN: Mr. Impara.

20 MR. IMPARA: Yes, sir. To follow up Senor  
21 Anglero's point of view for just a moment, are you suggesting  
22 perhaps that in a network type of system, instead of a single  
23 company -- and I think Mastercharge or Bankamericard is a  
24 good example -- a central location and all, but the bank  
25 that is making entries or handling the transaction, those

1 transactions, share only to a limited extent -- that is,  
2 to the Bankamericard profit -- share a limited extent because  
3 that is handled in some center some place else, as I under-  
4 stand the way the corporation is established.

5 So Mr. Anglero's suggestion was that if the  
6 progress were reduced substantially enough over a period of  
7 time, that if they wanted to continue in business, ~~that~~ they  
8 would have to make it work.

9 MR. ANGLERO: Sure.

10 MR. DAVEY: But the profits are so distributed.  
11 Is this what you are suggesting, that the profits are so  
12 distributed, that one or two errors even on -- persistently  
13 on a single account wouldn't have a significant enough effect  
14 on any of the points along the network to affect profits  
15 that much?

16 MR. TAYLOR: No. That wasn't the point I was  
17 addressing myself to. I was addressing a particular  
18 technical point which rather worries me, that the Bank-  
19 americard Corporation, or whatever it is called -- I am not  
20 certain of its proper name -- and the people who you are  
21 dealing with are two separate entities.

22 I think you are dealing with a general entity,  
23 but factually you are dealing with one of many ones, all of  
24 which have different controls, different profit pictures,  
25 different items, and the network does not have the power,

1 so I am told, I believe, to be able to insist on these  
2 keeping up to any standards, though they have the legal  
3 power.

4 MR. DAVEY: Thank you. Now, that leads me to my  
5 second question which, given this kind of networking situa-  
6 tion with the technical problems or corporate problems  
7 involved therein, I think Mr. Anglero's point was, let us  
8 let businesses regulate themselves. It is through their  
9 own catalytic motives rather than have government enforce-  
10 ment. How would things, given the problems you suggested,  
11 how would it be enforced? Are you suggesting a way of  
12 enforcement?

13 MR. TAYLOR: I also suggest HEW will be involved  
14 in providing it. I certainly think that an ombudsman  
15 approach with the complaint coming in and an evaluation and  
16 then as Professor Weizenbaum says, a request to them to  
17 improve their ways, once shown an enforceable request,  
18 and if they fail to do so and just constantly go on that  
19 way, I do not think it is the making of a state by itself --  
20 you could say autonomous -- I know how impossible it is to  
21 run programs without funds, but once it is brought to their  
22 notice, once it has gone through an ombudsman's evaluation  
23 and found to be valid, then I think someone can say it can  
24 be built in and then it should be. Find the error and react  
25 to it. That is the approach.

1 MR. IMPARA: Thank you.

2 MR. MARTIN: Mr. DeWeese.

3 MR. DE WEESE: Yes. I don't have a question,  
4 but just a brief comment on Mr. Taylor's suggestion. I think  
5 it is a very strong suggestion and I believe that I never  
6 had too much doubt that the committee would come up with  
7 sound recommendations to control these data systems. But I  
8 have had some concern about how we can put those into  
9 practical operation, particularly with the very many systems  
10 that function outside of the federal government at the state  
11 level and in the private businesses, and we have heard over  
12 and over again how many people outside the federal govern-  
13 ment, outside of HEW, have come to rely on the Social  
14 Security number as a universal number, to coordinate their  
15 various files and records and so forth.

16 Therefore, I think that we should give very strong  
17 consideration to a suggestion that we condition the use of  
18 the Social Security number on these various data systems  
19 that we are adopting, the kinds of controls which then it  
20 would become our responsibility to recommend.

21 In that sense, I think that is a powerful way,  
22 from a practical standpoint, to see that whatever recommenda-  
23 tions we have are actually put into operation.

24 I think that is a powerful lever that we should  
25 use, and I just wanted to add my support to that kind of



1 suggestion as Mr. Taylor outlined it today.

2 MR. MARTIN: Mr. Ware, welcome.

3 MR. WARE: Thank you, David. I don't wish to  
4 treat you unkindly, Mr. Taylor, but I must say your  
5 presentation troubled me. I don't know whether the examples  
6 that you picked and which you write about every month in  
7 Computer World represent 1 percent of your total inter-  
8 faces with the computer system, or a half percent, but they  
9 certainly do not represent a hundred percent.

10 I think it is appropriate to observe that some  
11 of the semantic looseness that you criticized designers of  
12 forms for is present in your own presentation.

13 For example, you were willing to indict the  
14 computer system or the keypunch operator as a source of the  
15 error or the programmer when, in fact, the problem may very  
16 well lie with the budget that was available to design the  
17 system or the calendar time in which the system was designed  
18 or the management that happened to order the system or any  
19 other number of places.

20 I would think as a computer person, you would be  
21 a little more reluctant to use the computer as the scapegoat  
22 for so much trouble which frequently lies elsewhere.

23 Now, you did make an interesting point that I  
24 think is worthy stating more succinctly; namely, that data  
25 which is sufficiently accurate in one system may be

1 unsatisfactorily accurate for another one. So there is a  
2 system interface problem that needs to be thought about  
3 in that context.

4 Now, as it relates to your proposal, aren't you  
5 talking to the wrong end of the animal? If one tries to  
6 legislate controls around something, one finds himself in a  
7 cat-and-mouse game. You say do it this way, and profit-  
8 oriented industry will find 19 ways to circumvent what you  
9 have told them to do.

10 The way you deal with the problem is to make it  
11 financially unattractive to misbehave rather than legislate  
12 specific "thou shalts".

13 So I would argue that you have got the horse and  
14 the cart reversed. The way that you get at these systems  
15 is to make it risky for them to misbehave, and the way you  
16 make it risky for them to misbehave is to make it a legal  
17 hassle for the damaged individual or the offended individual  
18 to get to them, legally, and for damages. And industry will  
19 understand that message and will respond.

20 MR. TAYLOR: I am not quite certain I heard you  
21 correctly, sir. On this point of the keypunch girl, did  
22 you think that I was blaming the keypunch girl and not the  
23 computer, or the management and the budget and not the  
24 computer?

25 MR. WARE: Well, your words were to the effect

1 that the keypunch girl made an error and therefore the  
2 programmers were unwise in how they implemented it because  
3 they failed to put error checks on the keypunch process.

4 MR. TAYLOR: I must have misput myself badly.'  
5 I was trying to say that far from the keypunch girl being  
6 the scapegoat for the computer, that in fact it is the basic  
7 lack of quality within the computer and within our  
8 programmers -- by the way, it only takes two instructions  
9 to do this particular check -- to have included this, and what  
10 we were doing was making the keypunch girl a scapegoat; I  
11 feel I meant to say that we should have taken more  
12 responsibility. I really should have quoted a Miss Jane Jones  
13 who pointed this out in one of the letters to the editor. I  
14 did not mean to make the keypunch girl the scapegoat.

15 MR. WARE: I think you missed the point. If you  
16 tell a programmer to go design the whing-ding, then you get  
17 a whing-ding. If you give a programmer a precise set of  
18 coding specs which include appropriate error checks, you  
19 will get them. You cannot tie the cam on his tail.

20 MR. TAYLOR: So if I ask a professional doctor  
21 to give me clean skin, am I asked to also tell him that I  
22 should not have poisoned that?

23 MR. WARE: If you ask an automobile designer to  
24 give you a safe vehicle, do you get it?

25 MR. TAYLOR: I would prefer not to answer that

1 particular statement, sir.

2  
3 With regard to your precise point as to the  
4 technique of control, we were not recommending against that.  
5 We were certainly not recommending against it.

6 The recommendation was not to be read as avoiding  
7 damages, as avoiding discovery or any of these things. It  
8 was simply that resources should be available for control  
9 and that the control should be able to be effective; damages,  
10 et cetera, and certainly no --

11 MR. WARE: I understand that point very well, and  
12 I am telling you you are trying to achieve that in the wrong  
13 way. You cannot legislate it into existence.

14 MR. TAYLOR: Well, we will willingly abide to  
15 the opinion of the committee.

16 MR. WARE: And, moreover, you get to it at the  
17 design stage.

18 MR. TAYLOR: Which design stage, sir?

19 MR. WARE: The system design stage, the informa-  
20 tion system design stage. That is the point in which one  
21 worries about systematic linkages and controls and error  
22 checks and what-have-you.

23 MR. TAYLOR: But as in the data banks, by  
24 definition, it is when it gathers records that it can be  
25 created by system designs for one function and it applies  
them.

1 MR. WARE: I admit that point. I will restate  
2 it.

3 MR. TAYLOR: Oh.

4 MR. WARE: That there is a system interface  
5 problem that relates to accuracy good enough in one place,  
6 but not necessarily in another.

7 MR. TAYLOR: It is for this reason that we do not  
8 see how the systems design of the original or even of the  
9 setting up of the data bank -- it is the system design of  
10 the setting up of the application, and that is why in these  
11 standards we are recommending what we just said wholeheartedly  
12 so that system designers at the application level will be  
13 able to access the information they need to be able to  
14 provide proper data.

15 I agree with you on system design factors.

16 MR. MARTIN: Mr. Dobbs.

17 MR. DOBBS: A couple of comments and then to the  
18 question relating to the credit card issue, I think you and  
19 Jim were concerned about, how industry views these things  
20 certainly in terms of management and motivation.

21 There was at least one national credit card  
22 supplier who, in terms of his own business objective, is  
23 perfectly prepared to accept the 7 percent per year loss  
24 rate in clientele due to this kind of problem; that is to  
25 say, given his current growth rate and his rate of return

1 on his investment. He is perfectly prepared to lose 7 percent  
2 of his clients due to errors, what-have-you, of the kind  
3 that Mr. Taylor described.

4 And from his point of view, in business practice,  
5 that is a legitimate objective and a legitimate operation  
6 as long as his stockholders are happy.

7 So that is at least one kind of motivation.

8 I think another thing which is of interest in  
9 pointing this out is that in that particular area since we  
10 brought it up, it is the fact that in those systems, there  
11 does not appear to be a requirement for the use of a Social  
12 Security number as an identifier, and they seem to behave  
13 reasonably well for the purpose they were designed. So  
14 much for the credit card.

15 The question that I wanted to ask really relates  
16 a little bit -- well, relates a lot, I think, to what Willis  
17 was driving at, and it related to the problem that you both  
18 have reiterated, that is, of the adequacy/accuracy of the  
19 data which has been corrected for one purpose and is used  
20 in a different context. I heard Willis sort of trying to  
21 spread the responsibility, if you will, for failure to  
22 consider adequately, be it in the system design phase or in  
23 the system use, the implications of this phenomenon and, I  
24 guess the question I have for you in your role of head of  
25 the Certified Data Processors is, to what degree do you

1 believe that the professional, whatever that may mean,  
2 data processors ought to have the same kind of ethical base?  
3 -- Number one -- in the classic tradition that we demand,  
4 say, in medicine and in law.

5 Secondly, to what extent do you think you ought  
6 to have legal responsibility which might derive from his  
7 inappropriate use?

8 I see Willis shaking his head, but you will get  
9 your chance, Willis.

10 MR. WARE: I was just thinking about the Bureau  
11 of Labor rules. They are not for the professionals.

12 MR. DOBBS: It is a different sort, but that is  
13 the question.

14 MR. TAYLOR: May I answer them separately?

15 MR. DOBBS: Yes.

16 MR. TAYLOR: The first one I can answer from the  
17 point of view of society and the parent community because we  
18 have done surveys on this matter.

19 The opinion of the data processing practitioner  
20 and members of our society is that he should have full --  
21 and has full ethical responsibilities, period.

22 With regard to the legal factor, this is only  
23 just beginning to be discussed with us. There is a major  
24 problem in that almost all of us, unlike the other professionals,  
25 authorities are implied, and it is a matter that under our

1 code of ethics of some of our professional societies, they  
2 talk greatly about the responsibility to the employer. This  
3 is in contrast with the legal, accounting, engineering,  
4 professions where the statement has been that the  
5 responsibility is to the client or to -- the profession  
6 seems to be moving into more professional operations.

#3 7 One of our past presidents was talking to Senator  
8 Muskie on this matter last week and was advised that we were  
9 going into this process and before we can do this, we must  
10 first create the standards and then ask for these to be  
11 approved, and then ask for the professionals to accept legal  
12 responsibility for maintaining the standards, and we are moving  
13 in this direction.

14 They said come back in five years' time, we may  
15 be able to give you an answer.

16 On the other hand, and by contrast, in the same  
17 way that the accountants become a profession, when society  
18 turned around and said, "We require that you be prepared  
19 to do this," the moment we get the request to do this and  
20 then this committee, as well as anyone, could give us the  
21 request, we could do it.

22 Perhaps the thing that is holding us back from  
23 doing it is the fact that we have not yet been asked.

24 MR. WARE: Who is that "we"?

25 MR. TAYLOR: Practicing data processors.



1 MS. GROMMERS: Senator Aronoff.

2 MR. ARONOFF: I pass.

3 MS. GROMMERS: Miss Noreen.

4 MS. NOREEN: I pass also.

5 MS. GROMMERS: Now, we are ready for other questions.

6 MR. WARE: Could we come back again to this  
7 certification question?

8 MS. GROMMERS: Certainly.

9 MR. WARE: Excuse me, Joe.

10 MR. WEIZENBAUM: I would like to come back to it  
11 just to follow up what Mr. Dobbs said. This business of  
12 professionalization and so on.

13 I think in the recognized professions that have  
14 publicly recognized standards or at least publicly recognized  
15 to have standards, whether the standards are recognized is  
16 another question, one chief criterion seems to be that  
17 the professional has a right to say, indeed a duty to say,  
18 "No."

19 To take a certified public accountant, his client  
20 asks him to do something, and he says, "No, I cannot do  
21 this. I will not do it." So will be the position of a lawyer.

22 Perhaps that isn't practiced often enough, but  
23 in any case, that is his duty.

24 In your society, is this part of the professionaliza-  
25 tion that you now have, or that you seek?

1 Can you comment on that?

2 MR. TAYLOR: Yes, sir. It is part of the  
3 professionalization that we seek when we know, but the idea  
4 is to find the steps first.

5 MR. WEIZENBAUM: You haven't found them, I take  
6 it, from what you said.

7 MR. TAYLOR: The first ones are behind us, but  
8 we have not defined it down to that level yet.

9 MR. WEIZENBAUM: Well, the ones you have talked  
10 about are, in effect, directions to us, to the outside world;  
11 not to yourselves? You say you could do this. You could ask  
12 us to do that and so on. I'm talking about your own people,  
13 the internalization of your own standards as you feel them  
14 to be.

15 Will your society, for example, support a  
16 certified data processor who gets in trouble with his  
17 employer because he asserts that his professional standards  
18 would be violated if he were to do such and such for his  
19 employer? Would your society then support it?

20 MR. TAYLOR: Yes, sir.

21 MR. WEIZENBAUM: Has this ever happened?

22 MR. TAYLOR: No, it has not yet happened. We  
23 have gone along and found unprofessional practices where  
24 people were unprofessional practitioners, and we have now  
25 adopted that there are certain practices which we believe

1 to be unprofessional.

2 So far, no one has reported to us that they have  
3 refused to do so and they have been disciplined accordingly.  
4 Should they so report, we would certainly support them.

5 MS. GROMMERS: Could you give us an example of  
6 your professional --

7 MR. TAYLOR: Certainly. Providing a bill where  
8 arithmetically a publicly available document which does not  
9 arithmetically add out as a result of a standard piece of  
10 program, as we believe to be unprofessional. Providing a --  
11 this is something that is unprofessional, really.

12 MR. WARE: Like a wrong middle initial?

13 MR. TAYLOR: No. That is not it. Part of it.

14 MR. WEIZENBAUM: That is not what I had in mind,  
15 certainly. What I had in mind is just as simple as if I,  
16 as a systems programmer, said, "I am hired by some firm to  
17 set up some automatic data processing system that is going  
18 to have some impact on the public that deals with that firm,"  
19 and I am given a set of specifications, I am given a budget,  
20 not only a money budget, but a time budget, and I, as a  
21 professional, conclude that under those circumstances, the  
22 system that I will want to design will have certain  
23 difficulties which I believe ought not to be imposed on the  
24 public and may have adequate or accurate or error checks,  
25 perhaps, or whatever -- well, whatever -- okay? I as a

1 professional go to my employer who may have given me a  
2 contract, for all I know, and say I cannot do this. Okay.

3 This will be a system that ought not to be  
4 imposed on the public. It is unprofessional and, furthermore,  
5 if you -- and then I then refuse to do it, the employer may  
6 then fire me and hire someone else to do it. I might even  
7 then say that, "Well, I will blow the whistle. I will tell  
8 the society for Certified Data Processors what you are about  
9 here, what you are doing. This ought not to be done."

10 Just as, for example, I assume a certified public  
11 accountant who knows that another certified public accountant  
12 is being hired to do a job that ought not to be done, he  
13 might inform his professional society in order to initiate  
14 some sort of remedial action.

15 MR. TAYLOR: The way we are trying to approach  
16 this is, for instance, another unprofessional act is to  
17 provide, annually, data to an activity in which in any way  
18 it breaches the law. If there was something that was  
19 adequate enough to be able to blow the whistle on, I believe  
20 it would have already fallen into our current unprofessional  
21 practices.

22 If it was not, we would go to our own grass roots,  
23 to our membership, describe the problem and request them to  
24 determine whether or not after discussion it was an un-  
25 professional practice. If he could convince us that it

1 wasn't, we would support him.

2 MR. WEIZENBAUM: Well, one should not have to  
3 look that far. I certainly agree that many, many systems  
4 today that are of the highest professional standards, that  
5 do have the highest professional standards, they have them  
6 monitored and corrected and so on.

7 Nevertheless, certainly, there are many, many  
8 systems that fall so far below that special profession,  
9 and that it must be sold, that the people who design them  
10 and maintain them and so on, simply do not deserve to be  
11 called professionals.

12 MR. TAYLOR: We were trying to deal with this in  
13 an opposite direction. When we receive complaints, we are  
14 coming in with statements that such and such a system appears  
15 to be unprofessional. The lawyers have written, today, a  
16 careful letter to us and we are then proceeding to draw  
17 attention this way.

18 We have a case at the moment in Washington. Also,  
19 we are then presenting it to the NC for approval as a standard  
20 for certification under the NC programs. But the current  
21 voting of the professionals is that we will protest but not  
22 resign. I regret to have to say so.

23 On the other hand, I do have to note that the  
24 problem of getting continued employment in the profession  
25 is very serious. If you want a few points, there are

1 letters to employees of large companies, and I would also  
2 ask the customers of large companies or the people who rely  
3 on the employees of large companies -- there's one of our  
4 members who has not authorized me to give his name, but has  
5 done this directly -- he informs me that the lack of  
6 information which one large company was prepared to give  
7 was sufficient to blacklist him from employment in a very  
8 large city. He had a bit of initiative and he proceeded  
9 to start a company, and he is now doing just over a million.

10 But because of when asked, the representative  
11 said, "We prefer not to comment on this," we had the power  
12 of negative information, and this is an area that you do have  
13 to consider, the power of the refusal of the confirmation.

14 But the fact is that you may be right. We are  
15 not professionals until we are prepared to resign.

16 MS. GROMMERS: Mr. Ware.

17 MR. WARE: Joe, I think, essentially surrounded  
18 the problem and points thereto I wanted to raise.

19 This business of certifying programmers or data  
20 processors or what-have-you has been long discussed in many  
21 of the professional society circles and they have been talking  
22 about it. It has never gotten off the ground. It isn't  
23 clear in a lot of people's minds. Well, it wouldn't do any  
24 harm, but it isn't clear. It won't do any good, either.

25 On the other hand, I am not saying you should

1 quit trying, but I think I would like to make the following  
2 observation. In the other professions, excluding medicine  
3 and law, which have some degree of professionalization  
4 and legislation to control them, such as engineering, one  
5 unfortunately has good theoretical background on which he  
6 can act, and the laws of physics will tell you how to design  
7 bridges and what-have-you. So it never gets down very  
8 seriously to a question of subjective judgment about whether  
9 someone did something wrong or not.

10 In the information-handling process business,  
11 there is no theoretical base. It is always subjective  
12 judgments and that is part of why I think many people feel  
13 that the professionalization and the certification business,  
14 either, it is a very long uphill fight, or it is a hopeless  
15 fight. It is a controversial question.

16 MR. MUCHMORE: Willis, the question I raised  
17 about under the subject of data certification of people,  
18 primarily in most states, it is a state function rather  
19 than it is a profession, and I am wondering why the  
20 profession hasn't gone to the states and asked them to  
21 set up systems.

22 For instance, in California, there will be 20  
23 legislators that carry the bill and I am certain it is  
24 passed the first time around. I am certain the cost may go  
25 through if that went through. Now that the question has been

1 raised, I think it may go through.

2 MR. WARE: Part of the problem, Don, is that when  
3 you are talking about the project design, it is clear the  
4 public is at risk in this case. It is not clear that safety  
5 means --

6 MR. MUCHMORE: The certification I'm talking  
7 about is the individual having not adequate training and  
8 having certain standards which he is examined on, taking  
9 courses, et cetera, in a particular field.

10 MR. WARE: Data processing is not a profession  
11 as --

12 MR. MUCHMORE: No. There are thickets (?) around  
13 them now.

14 MR. ARONOFF: I am sorry, Madam Chairman, but I  
15 can think of a heck of a lot of areas that are far less  
16 sophisticated than data processing that have licensing  
17 requirements. In Ohio, I think there are something like  
18 240 various kinds of professions, quote, unquote, that  
19 constantly come forward for licensing, such as garbage  
20 collectors, auctioneers, bartenders -- you name it.

21 MR. WARE: Hold it. There's a difference between  
22 licensing and certifying.

23 MR. ARONOFF: That's true, but --

24 MR. WARE: Does the garbage collector take a  
25 can and show that it is done properly, certifying?



1 MR. ARONOFF: Well, exactly. It may be a  
2 miserable example, a way-out example. But the answer is,  
3 yes, and then he becomes a certified garbage collector.

4 (Laughter.)

5 Following up on what was said about these things  
6 happening in legislature only because the group in question  
7 has agreed upon a general procedure and the legislature  
8 says if you want to upgrade yourself, quote, unquote, why  
9 should we try to stop you? And I think the question that  
10 was raised here was, why doesn't a sophisticated group such  
11 as data processors that have such a massive control of  
12 these meetings, that is in reference to these meetings,  
13 why haven't they come forward and asked for their own  
14 certification procedures since they themselves would, in  
15 effect, be writing it for the legislatures?

16 MR. WARE: That's a good question. DP&A would  
17 put on a major effort to get it certified and they do it  
18 themselves. They conduct exams, pass out certificates.

19 MR. TAYLOR: The question, I think, was, why  
20 didn't it go to the legislature? We, ourselves, are the  
21 products, as you know, of the DPA exams.

22 The point, I think, is that the professional  
23 societies have so far elected to pay -- are nonprofit and,  
24 as such, are, therefore, I believe, exclusively scientific,  
25 et cetera, and therefore are not in a position, I believe, to

1 request legislation. Our society, by contrast, is very  
2 seriously considering doing so, just as soon as we can find  
3 we feel we are qualified. We are not doing so until we have  
4 qualified.

5 MR. MILLER: Without trying to practice law, I  
6 would guess that that notion that you are not qualified to  
7 seek licensing from state legislatures is erroneous. I  
8 think what Stan and Don are talking about is a very valuable  
9 and important halfway house for an organization such as  
10 yours to pursue, because you are probably on the borderland  
11 between and among unionization, licensing, certification,  
12 and professionalization. God knows what you are and what  
13 you will end up being.

14 But at least if you seek a licensing regulation  
15 which Stan generously characterizes as a method of up-  
16 grading, but quote frequently is a method of excluding  
17 people from a profession or a business, we pass that -- but  
18 they pass that, and if you seek licensing from a state  
19 legislature, at least you are starting the interaction  
20 between the legal system and your own activities, and it  
21 provides a sort of a forum for them seeking a higher  
22 standard of conduct being insisted upon by a law-giving  
23 organization which will, in turn, give you a lever to use  
24 against employers.

25 And by the way, I find the alleged disparity

1 which is very often trotted out at the ACM type meetings  
2 between the lawyer and his client, and the data processor  
3 and his employer to be totally unconvincing. I don't think  
4 there is that great a discrepancy.

5 Indeed, just as an aside, most lawyers are  
6 employed. They are not independent contractors with clients.  
7 They work for companies and they have to maintain, in theory,  
8 the same professional standards as does the lawyer with his  
9 client. There is a lot that could be done, and I think I  
10 agree with Willis in a sense. It is not clear where you  
11 are going, but keep on the old treadmill.

12 MR. TAYLOR: Well, may I assure you that these  
13 points will go straight to our executive council and we will  
14 very seriously take them into consideration. If anyone  
15 knows the names of those 20 or so legislators who will be  
16 interested in carrying the bill to California or any others,  
17 I would be just too pleased to have them.

18 MR. WARE: Ask Bill Bagley.

19 MR. MUCHMORE: Bill will be carrying them.

20 MS. GROMMERS: Thank you very much. A most  
21 interesting presentation.

22 We will now pause for a coffee break, and I  
23 have been asked to ask the gentlemen to keep their coats  
24 on during the formal parts of our meetings.

25 Mr. Ware would like the floor.

1 MR. WARE: I am very conscious of that  
2 shutterbug back there. Now, I understand that this is a  
3 public meeting and I would argue that none of us are public  
4 figures, however. I am just curious as to what the role  
5 of photographers in these so-called public meetings are.  
6 What is the relevant role? Are they privileged to take  
7 pictures and publish them as they see fit?

8 MR. MUCHMORE: You missed the last meeting. The  
9 answer was made clear.

10 MS. GROMMERS: I think the answer is, yes, you  
11 will be on the front page of Computer World by executive  
12 order.

13 MR. WEIZENBAUM: I think you are a public figure.  
14 I don't think there is any question of that, being a member  
15 of this committee.

16 MR. ARONOFF: And I just read about you.

17 MR. MUCHMORE: I did, too, in the budget report.

18 (Laughter.)

19 MR. GALLATI: Why? Have you worn that tie before  
20 and you don't want them to see it in the picture again?

21 (Laughter.)

22 MS. GROMMERS: We can have coffee now and return  
23 at 11:15.

24 (Coffee break.)

25 MS. GROMMERS: The presentation that we are going

1 to have now, really, I thought you would like to know, is  
2 the question of the Secretary.

3 This presentation was made at a recent staff  
4 meeting, and he thought it was so interesting that he asked  
5 for suggestions or said would we not like to have it? And,  
6 of course, we were very delighted that Mr. Chadwick and Mr.  
7 Garratt and Mr. Leach were able to come and join us. Those  
8 of you who saw the meeting would instantly recognize the  
9 film star in the back and the other gentlemen who are here.

10 Mr. Chadwick, may I ask you to introduce --  
11 where is Mr. Chadwick?

12 MR. CHADWICK: Here I am.

13 MS. GROMMERS: I'm afraid I can't read the signs,  
14 the nameplates there. The light is shining on them.

15 MR. CHADWICK: I am H. V. Chadwick, the deputy  
16 director of Indian Health Service, also filling in for  
17 Dr. Johnson for the moment, who had a bit of a vacation, or  
18 thought he did, and became a patient instead, and he hasn't  
19 quite gotten back to work yet.

20 With me is Dr. Garratt -- obviously located in  
21 the Washington area. Dr. Garratt is head of our chief,  
22 Office of Management Information Systems, Health Program  
23 Systems Center, on my left, and from our Tucson Area  
24 Development Center, Dr. Rice Leach, on my right, director,  
25 Indian Health Service Unit on the Papago Reservation, Sells,

1 Arizona, and we have Mr. William B. Mason in the back who  
2 is from our headquarters system and is working on our data  
3 here.

4 To give you a brief description of what we are,  
5 first, that is, the Indian Health program, the health program  
6 of the Indians' program was transferred from the Department  
7 of the Interior to the Department of HEW in 1955.

8 It is within Public Health Service.

#4 9 Specifically, it is one of the programs under  
10 the health services of Mental Administration under Dr.  
11 Wilson. We conduct our program which is made up of some  
12 51 hospitals, 76 health centers, and several hundred health  
13 stations through the mechanism of 10 area offices and some  
14 84 service units.

15 Indian Health Service obviously is a totality of  
16 the program, and area is a smaller piece of the geography  
17 of the total program, and the service unit is that Indian  
18 community, still pieces of geography. Contained in these  
19 geographies, of course, is our medical facilities.

20 The health program for the Indian people is a  
21 total health program. It is not one of delivering the  
22 service just from a medical facility. Rather, it is  
23 inclusive of sanitation facilities in their homes and the  
24 environment and the totality of health.

25 When we were seeking health information of our

1 Indian people to work with that would be meaningful,  
2 obviously we needed something broader than that data  
3 contained within the brick and mortar structure of a medical  
4 facility. We are also being mindful of the migratory  
5 nature of the Indian people, some of which have as many as  
6 six or more Social Security numbers because it is easier to  
7 get a new number than it is to carry the old one with them.  
8 And for convenience they do it the quickest way.

9 Therefore, they will visit not a facility, but  
10 facilities across the geography we serve.

11 We were looking for a way to package that total  
12 information about that person in a common data base that we  
13 would have something meaningful to work with. As we do  
14 business in Indian health service, called managing the  
15 program, our program is managed in concert with the Indian  
16 people and their involvement in the program and the  
17 President's Program of Self-Determination of Indian People.

18 Therefore, the system we have and the film that  
19 some of you saw was co-sponsored by the Indian people and  
20 the Indian Health Service. The system that we have was co-  
21 sponsored by sitting down with the Indian people, identifying  
22 that which we had in mind, that which would be made available  
23 and the ability to maintain the confidentiality in all parts  
24 of it.

25 We don't move in this program in any way without

1 moving with the Indian people and in concert with their  
2 wishes.

3 Now, this gives you a frame. We are a program  
4 under the Health Service Administration of the Department  
5 of HEW which, prior to 1955, was under the Department of the  
6 Interior of the Bureau of Indian Affairs.

7 In respect to your time and the specific information  
8 that you would want on this system, I will now let Dr.  
9 Garratt take over from here.

10 DR. GARRATT: Thank you. I am going to be speaking  
11 from the front of the room, and I apologize for those that  
12 will need to move because I would like to be up here next to  
13 this. We are going to be using slides. I have a lot of  
14 items I am going to cover in a reasonably short period of  
15 time, covering the system.

16 (Slides.)

17 I recognize some of you have seen the film and  
18 have seen the material written. There is, in addition to  
19 what you have seen, a great deal in red, and I will attempt  
20 to cover those points with a minimum amount of overlapping.

21 We are talking about the health information  
22 system that is operational out of the Sells Service Unit  
23 out in southern Arizona. It has been operational for three  
24 years at the present time.

25 Before telling you about some of the characteristics



1 of the system, I want to take a moment or two to try to  
2 set the background and explain to you why the Indian  
3 Health Service got involved in development. I think this is  
4 very critical to understanding the system.

5 As Mr. Chadwick mentioned, the Indian Health  
6 Service is composed of about 84 distinct service units,  
7 the service units being the lowest administrative, down to  
8 each echelon which has total responsibility for the population  
9 group here.

10 The typical service unit has a number of  
11 characteristics that make it very difficult at the service  
12 unit level to deliver effective health care, and one of the  
13 problems that is typical of the service unit is that there is  
14 a very complex health team, multiple facilities on the same  
15 reservation, multiple health patient clinics, hospitals,  
16 referral facilities, contract health care, both inpatient  
17 and outpatient outside the reservation.

18 On the reservation, there are physicians, nurses,  
19 social workers, sanitarians, and mental health workers,  
20 alcohol workers, 15 or 20 different disciplinary groups  
21 all providing health care to the same population group, and  
22 typically, not talking to one another. There is very little  
23 communication and exchange of information between disciplines,  
24 typically, in providing health care. Each of them is busy  
25 on his own program, giving efforts and energies in the best

1 way they can, in an independent and uncoordinated manner.

2           There is a lack of information even between out-  
3 patient facilities on the same reservation in the same  
4 service unit. Typically, every provider of health care who  
5 provides health care to the patient provides that care in  
6 terms of the parity that he has collected previously when  
7 he had encountered it with that patient.

8           Across the totality of the health system, a  
9 tremendous amount of work is developed and generally it is  
10 not viable to anyone because it is fragmented. It is  
11 distributed among data bases that are facility-oriented and  
12 very difficult with this kind of information system to  
13 provide comprehensive health care.

14           Other problems that are typical of the communica-  
15 tions service with our own unit are that approximately 65  
16 percent of the Papagos speak no English. We've got a  
17 communication problem there, not only because of the language  
18 differences, but the fact that many concepts were not  
19 translated to Papago. There simply are no terms, no Papagos  
20 to express their health concepts that we can state  
21 explicitly in English.

22           There is a problem that the Papagos in their  
23 context very much differ in view than we do. The Papagos  
24 are very reluctant to discuss it and it is very difficult  
25 to elicit information from them. It is almost impossible

1 to elicit meaningful data because of language differences,  
2 cultural differences, and the normal reticence of the type  
3 we are talking about.

4 So we entirely are dependent on the data. There  
5 is a mobility on the reservation, largely on the reserva-  
6 tion, but some off the reservation, inresponse to  
7 seasonal agriculture, of the types of mining, one thing  
8 and another, and the mobility tends to fragment the record  
9 of any individual more closely for mortalities and morbidities  
10 in the disciplines of the health service.

11 Of course, the health problems are greater for  
12 the Indians of the United States population, as a whole.  
13 Some of these difficulties lead to fairly difficult problems  
14 and, again, they are very typical of the average service  
15 units.

16 The outpatient care is chiefly care-oriented.  
17 What I mean by this is that a patient arrives at the clinic  
18 and presents himself with a laceration on his wrist.

19 The typical physician will say, "How did you get  
20 it?"

21 "I cut it on a nail."

22 The physician will then give him a tetanus shot,  
23 and bandage it and tell him to come back. The physician  
24 may not be aware that this patient happens to be a diabetic  
25 and has not got a file for him as a diabetic. This patient

1 may have a chronic heart condition, or this patient may  
2 have had a previous history of suicide and this type of  
3 information, all of these things that may be done for the  
4 patient that may influence the chief care that is to be done  
5 is a problem. Wrist lacerations, suicide attempts, you  
6 want to look a little more carefully than at face value  
7 than, "I scratched it on a nail." He may have an emotional  
8 problem.

9 Many things can be done for the patient on the  
10 first encounter to make the information available, to make  
11 it possible to get this done. But the resources that are  
12 available do not make that possible. We want to break it  
13 out and move into a mode of comprehensive health care.

14 All of our physicians are two-year men. We get  
15 them through the courtesy of the draft law. If the draft law  
16 expires, we have got another very serious problem to face.  
17 At the present time, even with the draft law, our physicians  
18 are all two-year men. We lose half of our staff each year.  
19 We get new, young men coming in with new thoughts of new  
20 ways of delivering health care. The training, knee-deep,  
21 is obvious.

22 In general, Indian health care standards are not  
23 designed. There is no rule to say if a patient presents  
24 himself that he has got these kinds of conditions or  
25 definable conditions. Then you must provide these kinds of

1 health care either on an individual or team basis.

2 Typically, everyone that provides training has  
3 to go on background no matter how tired he is, no matter how  
4 many patients are waiting. Who knows how many other factors  
5 are concerned in a very personalized health care.

6 In general, because there is no communication  
7 among disciplines, not enough communication, because the  
8 care is not comprehensive, there is generally not good  
9 follow-up on patients. I can quote you chapter and verse  
10 of persons with serious problems that have been seen and  
11 left the outpatient clinic and the follow-up was not adequate  
12 because there was not the interdisciplinary communication to  
13 make follow-up possible.

14 The field personnel to go out in the field are  
15 another problem. Most disciplinaries I talked to, that is,  
16 the social workers, the sanitarians, the physicians, health  
17 workers, all these people that go out to the field to  
18 deliver health care to the homes, they are faced with the  
19 lack of communication, the lack of standards. But most  
20 importantly, they are saddled with the problem that they  
21 don't have enough information on where the problems are in  
22 the population group. You have got to know who is there,  
23 what the requirements are, if you are going to extend a  
24 limited field of resource in a typical way. Typically, that  
25 kind of information to provide that kind of support is not

1 available.

2 Management has the same kind of problems.

3 Obviously, if you are talking about mounting health problems  
4 within a service unit, you have got to know what the  
5 problems are, how severe they are, what the distributions  
6 are, what the changes are, all kinds of things to give you  
7 the basis of deciding what kind of health programs to mount  
8 and how you are going to allocate your limiting resources  
9 to priority health programs. All of these problems have at  
10 least one thing in common, and obviously all are related  
11 problems.

12 All of these problems can at least be eased if  
13 we can provide the right kind of information to the right  
14 people at the right point and time.

15 I am not saying that we can solve all of them,  
16 but we can solve some. We can respond to this set of needs  
17 which are not typical to Indian health at all. They are  
18 very generic health care for any population group.

19 It is in response to this kind of set of problems  
20 in relation to the health system that we have developed an  
21 approach. The approach, obviously, is a computerized system.  
22 First, in the sense that all information, all contacts  
23 from any given patient across the facility and the disciplines  
24 of health of every team is all integrated in that one single  
25 structured record which is maintained by the computer record.

1 It is a patient system, also, and it is important that the  
2 primary objective of this system is to improve the quality  
3 of the health care delivered to the individual patient.

4 These are functions of planning research, but  
5 these are not the basic objectives. The objectives are  
6 how can we make use of information and information technology  
7 to provide better health care to the individual patient  
8 in the system?

9 The system accepts the fact that the health care  
10 in the Indian Health Service is crisis-oriented, episodic  
11 chief complaint care, and the system provides the information  
12 that you build onto this system to evolve the system that is  
13 more towards comprehensive health care in scope and has more  
14 primary orientation towards prevention of disease, early  
15 detection and early treatment of disease when the impact is  
16 both minimal on the patient and on the service system.

17 The system development began in July of 1968.  
18 By July of 1969, the initial basic system had been designed,  
19 hardware installed, the communication system improved, and  
20 the system became operational in the field in July of 1969.  
21 It has been operating therefore for a little better than  
22 three years. It has evolved tremendously during these three  
23 years, improved tremendously. It is operating in southern  
24 areas on the Sells' Unit which includes the Papago and San  
25 Xavier Reservations. The main reservation, the Papago

1 Reservation, is as large as the state of Connecticut with  
2 6000 people living on it and 50 small scattered villages  
3 all over, with not very many roads, telephones. There  
4 are major areas without electricity, without running water.  
5 Employment levels and educational levels are low and,  
6 in general, it is a disadvantaged population group by any  
7 standard. Something like 65 percent of the housings are  
8 substandard on the reservation at the present time.

9 The health delivery system for this reservation  
10 consists of a 50-bed hospital located at Sells. There are  
11 also outpatient clinics there. There is an outpatient clinic  
12 located at Santa Rosa and an outpatient clinic located  
13 at San Xavier. These are three fixed facilities.

14 There are intermittent field clinics held in  
15 many of the communities or church buildings, one or two  
16 half days a week.

17 The health information system, what we are  
18 talking about here, makes use of a computer facility  
19 located in Tucson, Arizona. There are leased lines into  
20 each of the three fixed facilities here. There's a 30  
21 character second -- per second character at the end of the  
22 record response or one or two seconds to provide information  
23 at these points, to the point of the computer, at the point  
24 of the computer to the patient care.

25 In addition, a great number of portable computers



1 can be carried in any part of the reservation, a power  
2 outlet can tie into the computer hand telephone. We have  
3 one of those now where Bill Mason is sitting. We've got  
4 it tied in with the computer in Arizona.

5 At the end of this presentation, if there are  
6 quick questions, we can show you how the system works. It  
7 is a reading that we will be retrieving from the system in  
8 Tucson.

9 On this film, this service we are operating is  
10 on the population group and basically the outlying hardware  
11 system. The system is a multi-facility, multi-disciplinary  
12 system. Every point of contact between the patient and  
13 the health system generates data collection and goes into  
14 the system. We make use of it.

15 Since we cannot have existing forms of Indian  
16 Health Service, we have some forms we have developed. It is  
17 our outpatient form. This form, in one version or another, --  
18 and there's 869 or something like that -- this form has been  
19 in use in one version or another a little better than three  
20 years now. It is a three-part form on pressure-sensitive  
21 paper. When it is completed, it then gets signed by the  
22 physician, and the record becomes a permanent record.  
23 The first copy comes into us for coding and data extraction  
24 for entry into the system. The second copy or the third  
25 page, if you will, can be used as a referral form for

1 Public Health or the bottom torn off and used as an appoint-  
2 ment slip for the patient.

3 The patient that enters the outpatient clinic,  
4 there is a plastic tape that identifies the patient. The  
5 information is entered by clerical people. The physician  
6 enters data, such as chief complaints and findings here.  
7 Lab tests, information entered by the nurses and diagnosis  
8 and problems are here. I will come back to it later. But on  
9 this part of the form, they completely manipulate the  
10 problems in a sense where they can change the status where  
11 other problems come into the picture, venereal problems and  
12 so forth, where this can be effectively computerized.  
13 That problem can be done by the computer. That is,  
14 immunization treatments, a referral field whereby they can  
15 make other disciplines' linkage of the problem and then we  
16 pick it up and turn it into the scheduled system which is a  
17 part of the total system, a revisit area data, all this  
18 other data, and it also goes in that system. It is a complete  
19 set of data collected at the outpatient.

20 We've got 130,000 at the system now. A large  
21 number of them are on the data base at the present time, but  
22 I have copies of this form I would like to make available.  
23 I believe this is also printed in their brochure that you  
24 have.

25 As I mentioned before, earlier, there is a single

1 integrated record maintained for each patient. This record  
2 is structured basically in this way. A lot of identifica-  
3 tion, demographic data in the first part of the record  
4 statistically encountered are medical profiles, et cetera.  
5 The data is stored. All diagnoses for this patient is  
6 stored in this part of the record. The most recent one  
7 first, and all injuries as an outpatient, and then contract  
8 health care referral hospitals elsewhere.

9 The same thing is done with medications; immuniza-  
10 tions, skin tests, all this information is stored. The data  
11 base at the present time contains records for about 14,000  
12 people. We have an active service population of about 10,000.  
13 We have about 50 million characters of data at the present  
14 time. Almost all of the data is coded. It is coded to make  
15 it possible so that we can respond to users to such questions  
16 as, "How many cases of these seven diseases have we had  
17 in these nine communities between May and April of last year  
18 and in those females between the ages of 5 and 7?"

19 We can respond to a batch data program in all  
20 cases that satisfy these types of conditional constraints.

21 It is the coding system that does this. Now, it  
22 also suppresses them, but minimally.

23 We mentioned before the basic objective of this  
24 system is patient care. All diagnoses are carried in  
25 physician entry inputs, however he states that narrative

1 diagnosis, it goes into the system, is coded, of course.  
2 The narrative to all outputs to the physician is that  
3 narrative. Any Indian having a problem, their narrative  
4 is preserved and goes on the list. It is not standardized.  
5 It is coded, of course.

6 All purposes for referrals are carried, and all  
7 revisits are carried because we feel the specificity is  
8 inherent in the way the problem is stated, et cetera, or  
9 purpose of visit is made which is important to the health of  
10 the patient, that is really the prime business we are in.

11 I mentioned before the retrieval system. We have  
12 terminal devices at each of the systems and we have about  
13 40 different types of retrievals that are possible. It is  
14 called a medical summary. It is a frequently used retrieval.  
15 It is a standard mandatory retrieval, and what the medical  
16 summary gives you is a block of identification data, a set  
17 of measurement data, a measurement taken of the five months'  
18 recent data of this encounter, the patient's active and in-  
19 active problem list; date of entry, the code of the original  
20 problem, entering that problem and the narrative of the  
21 problem as entered by the health team member, the active  
22 and inactive, the patient's medication, all medications  
23 given the patient since we have been on the system.

24 Here we display on it the active, but our ground  
25 meals, medications, that is active for two months or twice

1 the rate of prescriptions, whichever is greater. These are  
2 the ones we displayed here with this big German name, and  
3 the amount actually given the patient.

4 In addition, we show the five months' recent  
5 patient encounters, the dates, the facilities where it took  
6 place, the diagnosis. The three months' recent hospitalizations  
7 with administration discharge, the date, facilities, and  
8 date the three months' recent field encounters, the differences,  
9 the purpose of the visit, the existence of these conditions,  
10 skin tests, that status, including results for appropriate  
11 series numbers and the usual.

12 Finally, the surveillance system. The surveillance  
13 system is a set of about 40 procedures including immuniza-  
14 tions, laboratory tests, Pap smears, EKGs, and a series of  
15 special exams which are scheduled for all member groups  
16 grade to grade. We will synchronize a measure for all  
17 populations, and there are three things: To assure that  
18 minimum levels of preventive health care are provided all  
19 groups. Secondly, to permit us to routinely collect that  
20 information which is necessarily to detect at an early stage  
21 those types of diseases which are existing, the major health  
22 problems, and the kind of health problems that will respond  
23 to early treatment. Finally, the third objective of this  
24 system is to provide data that will feed into a high risk  
25 program which I will get into as quickly as I can later.

1           What we print out is each printout for all of  
2 those procedures, all of the totality which are your past  
3 records for this patient indicated by the asterisk and  
4 which will become due next year as a collective list.  
5 This is the information to help this patient, on a long-  
6 term basis, and we need to collect the information. The  
7 patient may be here for a scratch on the wrist, but this is  
8 one of the other things that needs to be done for that  
9 patient.

10           We get this in terms of health care, all this  
11 information. We keep the files locked. I'll just take a  
12 moment on this and we will talk to you about this in a  
13 moment.

14           There is a perfectly legitimate request for  
15 summary information. If you come to a terminal, all you  
16 will get is that, because the files are locked and it gives  
17 you a lock number. It is a random number, say, 734, and  
18 there is a key to that that you must do along with a  
19 mental arithmetical method. It may be twice the second  
20 number, a three, a buzz, and then the three again, or  
21 some of these are fairly arithmetical algebraics that can  
22 be followed.

23           You unlock the files. When you are through,  
24 you lock the files again. Various other things will  
25 automatically lock the files. But in general, the portable

1 type devices can be left in your base control. If you  
2 tap into something, you may think, "Gee. I wonder if  
3 Cousin Charlie has got his problems listed," and the privacy  
4 against this type of access does remain. We will talk more  
5 about that later.

6 In addition to the real time capabilities of  
7 the system, we have got a wide range of reports that are  
8 generated, weekly reports to all members of the health care  
9 system, scheduled encountered, referrals, revisits. We've  
10 got a total of 200 programs that operate against this data  
11 base in various ways to provide information relative to the  
12 patient, relative to management service units as to planning,  
13 to research, various ways that we can control some of our  
14 reports which are generated with patient identification --  
15 the majority of patients without patient identification.

16 We have ways of identifying patients with pseudo-  
17 identification so you can research for information against  
18 multiple patients without linkage to any individual patient.

19 Very quickly, because I want to leave some time  
20 for Dr. Leach, let me just say a couple of words on this  
21 one. Comprehensive health care. Our main key to providing  
22 health care, the most indication of comprehensive health  
23 care is the problem on the example of the medical summary I  
24 showed you. It is a multi-facility, multi-disciplinary  
25 problem, and all members of the health team are encouraged

1 to enter any problem on this problem list that they feel  
2 can be added to any health team and patient. They are  
3 entering it in their own narrative. They manipulate the  
4 problems, add linkage, change status -- in all, to do most  
5 of the things with the status.

6 The purpose of the summary is that we want every-  
7 one who sees the patient to be faced with the fact that this  
8 is the problem the patient has.

9 He may come in with a scratch on his wrist and  
10 he's got maybe suicide attempts previously, has a chronic  
11 disease, whatever it is, and in response to the health care  
12 needs of the individual, these are the problems.

13 I mentioned the health surveillance system. It  
14 won't take you too much time to show you some slides.

15 Continuity of care obviously is fostered by the  
16 ability to change, make interdisciplinary information,  
17 let each member of all the members of the team know what  
18 each are working on.

19 I will use probably only two minutes on this.  
20 There are a series of programs and one is development. In  
21 the developmental area, we get into the higher program,  
22 higher risk program identified by a series of advisory  
23 committees working with us now. We identify people,  
24 population, subsets of the greater risks, follow disease  
25 problems so we can focus and see the higher risk categories.



ar60

1 For the people in the higher risk category and the  
2 categories themselves, we are staging this in terms of  
3 objectivity, stages for severity of the diseases, and  
4 following in the higher risk category, and for each of  
5 these stages, we are finding a management care on an  
6 interdisciplinary team basis. They must be related to all  
7 people that fall into each of these disease categories.  
8 I think it is a tremendous approach for us to be talking  
9 about some minimum standardized care across the population  
10 and to use all members of the unit, the health unit, in  
11 operating in a most effective way as a team to provide  
12 health care to individual health patients. I think it has  
13 never been done before, and I think it should be done.

14 Our main thrust of this is through the higher  
15 risk programs.

16 I am going to stop there and leave some time  
17 for Rice and I will await and we can discuss more during  
18 the questioning. If you would like.

19 May I introduce again, Dr. Rice Leach.

20 MS. GROMMERS: Could one of you gentlemen  
21 address just very briefly a few words that really explains  
22 this? I think I am a physician, but some of the members  
23 may not be aware of, really, the severity and the type of  
24 health problems that the Indians face, and I think that would  
25 set the context for what your work is accomplishing.

DR. LEACH: I would like to stand up, if I

1 might. If I sound a little sleepy, my wife was running  
2 on mountain standard time, and I got up at 4:00 o'clock.

3 I am Dr. Rice Leach. I am the director of the  
4 Sells Service Unit. I am part of the Indian Health Service  
5 organization.

6 I have line authority over budget of about  
7 a million dollars to take care of a state the area of  
8 the size of Connecticut with 6000 people that Dr. Garratt  
9 described.

10 My function is to sift between many, many systems  
11 and about 10,000 patients. He has described one system.  
12 HEW is another system. The state of Arizona is another  
13 system.

14 The Papago people have within their own group  
15 several systems, all of which want something and need some-  
16 thing from the Public Health Service and from our service  
17 unit.

18 My duties are to administer that budget as the  
19 people see fit, as HEW sees fit, as I as a physician see  
20 fit, and we do not always see fit the same way.

21 Geographically we are located between Tucson  
22 and Yuma. On the east, we have the high Chaparral territory,  
23 and on the west, we have the bombing range.

24 The diseases we deal with are those of people  
25 without a whole lot of resources in terms of economic and

1 physical resources. They have tremendous human  
2 resources in that if you can imagine any of us trying to  
3 live in the 120° heat with no water and no roads and no  
4 phones and no money, and sometimes keep a family alive,  
5 keep a population growing, and produce leaders, that's the  
6 kind of people we have.

7           The diseases we have are the same kinds of  
8 diseases that the United States had when our grandmothers  
9 were little. You still catch your death of pneumonia out  
10 there. You still can get lockjaw, but not very often.  
11 There's still a lot of TB. People still spend a lot of time  
12 in the hospitals without TB. A lot of babies die because  
13 of diarrhea.

14           I remember when I was little, my mother used to  
15 worry about diarrhea. So that is not that far back.

16           Recently, we had a traumatic sad experience.  
17 This week, one of the young men in the Papago tribe who  
18 was going to be a leader, ran out into the road and got  
19 killed. He was not drinking. Neither was the other guy,  
20 but we have had a lot of deaths, a lot of injuries,  
21 rehabilitation from alcoholism, drunken driving which, in  
22 my opinion, it is not a fact -- it is my opinion -- it is  
23 secondary to why try to find something different. There  
24 are certain limitations that, no matter how hard you try,  
25 you don't get anywhere. Those are the problems.

1 Infectious, communicable diseases, trauma,  
2 and some of the emotional problems of a group of people who,  
3 for at least 300 years, have been getting -- again, in my  
4 opinion -- somewhat the short end of the stick.

5 Dr. Garratt has described very well a beautiful  
6 system that can do something about all this. My problem  
7 is, am I, as a doctor, going to do anything about it?  
8 Because he lays in front of me, every time I see a patient,  
9 that yellow thing in the last four or five slides with lots  
10 of information. But somebody has got to do something with a  
11 lot of all that information.

12 I have to, as a doctor, and the nurses have to,  
13 as public health nurses, the mental health service has to --  
14 we have to do something about it. This is where the issue  
15 is, and this system has got to work if any good can come out  
16 of it.

17 The potential value of it, I think, is fantastic.  
18 What we have done with it, actually, is what I will try to  
19 describe.

20 We doctors are said to be the worst airplane  
21 pilots and some of the worst investment people in the world  
22 because we know how to do everything better than anyone  
23 else. That's what some people will say. I have the job  
24 of directing, orienting a lot of young physicians, of  
25 which I am still one, to use a systematic approach rather

1 than an extremely individual approach to the patient.

2 In other words, use that information.

3 If somebody needs certain preventive functions  
4 done, get used to doing them. Get used to telling the  
5 computer that you did them, and then you get into the  
6 personal hang-up. We have some things that are recommended  
7 to be done that grandmothers and grandfathers out on the  
8 reservation just don't want done, and Rice Leach just doesn't  
9 do them if they just don't want them done.

10 If the computer tells me that an 85 year old  
11 lady needs a very personal examination, and she doesn't  
12 want it, she doesn't get it unless it is a life-threatening  
13 or urgent situation. We don't treat the computer, as Dr.  
14 Garratt said. We treat the patient.

15 The encounter form provides a terrific reminder  
16 to doctors to write down what they have been taught to  
17 write down since the day of medical school. Dr. Grommers  
18 will back me up. We know a lot of things we are supposed  
19 to write down, but if the reminder is not there in front of  
20 you, it slips your mind.

21 We have documentary evidence we are entering  
22 as a lot of pertinent information on patients in the  
23 hospital. What gets done on it depends on doctors who are  
24 used to working this way that use that information,  
25 provide updating, more surveillance.

1                   Surveillance is a word I use not like the FBI  
2                   uses it, but it is the same thing, in a way. It is  
3                   paying attention to the medical needs in future probabilities  
4                   of the patient.

5                   In the outpatient department, the thing is  
6                   extremely useful.

7                   As Dr. Garratt mentioned, we have patients coming  
8                   from several different locations, and sometimes they come  
9                   in the emergency room at night, sometimes in the day time.

10                  Five days ago we can have information in the  
11                  computer, and five days ago, they were seen for a chief  
12                  complaint at one of the field stations and, now, they come  
13                  into a full blown thing, let's say it is weakness in the  
14                  left arm, and if they come in with a pain in the neck, that  
15                  tells me one thing about the weakness in the arm. Otherwise,  
16                  I will have to start over. You can go to the wrist doctor,  
17                  the hip doctor, and then it turns out it is the heel doctor  
18                  you should have seen in the first place.

19                  This field has the potential, some; but by no  
20                  means all cases, given us the time line of how these things  
21                  develop. Those are the ones that progress into a more  
22                  serious illness.

23                  Many of your patients have complaints that never  
24                  progressed to a serious illness, but they get medicines  
25                  for whatever they came in for, and I don't want to give

1 somebody who is on a drug that will make their blood not  
2 clot as fast, something that may aggravate that. I don't  
3 want to give somebody who I know from someone in the field  
4 states has got a drug problem, and that is going to calm  
5 them down. I don't want to give them one to calm them down  
6 further, not knowing about it.

7           The physical distance for traveling and carrying  
8 information back and forth are pretty severe. If any of  
9 you happened to see the television show "High Chaparral"  
10 that is where we are. Old Tucson studio is just 20 miles  
11 from the reservation. We are out there with the cactus  
12 and rattlesnakes and the gila monsters and a lot of good  
13 other people.

14           The other thing I was told to address myself to  
15 is what about the confidentiality. We have got 150,000 ---  
16 did you say -- encounters on people? That is a lot of  
17 information. The access to the machine Dr. Garratt has  
18 described, I will try to describe the access that the  
19 pieces of paper the machine gives back to us. We have  
20 some problems that we are working on.

21           This thing started three years ago with not  
22 very many printouts, not very many piles of information,  
23 and it wasn't a problem because it could fit in the  
24 record. But computers can grind out an awful lot of paper  
25 in an awfully short period of time, and as one of my

1 teachers said, Joan Myan, in the United States,  
2 instead of saying e pluribus unum, we need more data,  
3 and the doctors are the same way. We have gotten literally  
4 cartons of data and we have just arranged for another room  
5 to lock them in. We have arranged for Dr. Garratt to stop  
6 putting names and addresses on those printouts that don't  
7 matter.

8           Why not have the name and address? We start to  
9 think, why have the name and address? It doesn't matter.

10           If I want to know how many cases of TB are down  
11 in the southwestern corner of that map, I don't want to know  
12 who they are for the screening and program. I need to know  
13 who they are for the treatment. We are going in that  
14 direction, getting the addresses involved, locking the  
15 stuff up.

16           We have instituted, as of two months ago, that  
17 anybody that wants data has got to send it through me, so  
18 that I know at least what is coming back so I can ask the  
19 medical record librarian not "are we keeping the record  
20 secure," but "where did you put that huge package so and  
21 so wanted for such and such a program?" We are taking  
22 those steps. I would not be telling you the absolute truth  
23 that there is no way that the data can get out of your  
24 ability -- out of our record room into another section of  
25 the hospital, and if it is another section of the hospital,



1 it is not under that 24 hour a day personal surveillance,  
2 or lock and key surveillance. But we are pulling them back  
3 in. Those are the things I think I would say to you.

4 Oh, one third point.

5 I am a manager now. I just got through with a  
6 degree in administration and I see one thing that hasn't  
7 been mentioned in the presentation, and that is as a person  
8 in charge of 115 or so employees on a relatively large  
9 budget, we have the problem of what to do to get the most  
10 out of the most money for the most people at the level  
11 everybody thinks it will do good, the most good.

12 Dr. Garratt has a very well defined one that  
13 may involve this. He may have to break this down or what-  
14 ever. Whatever we can get is whatever the resources or  
15 whatever you put the problems to, and resources for, what-  
16 ever together where I think you can come up with more  
17 rational decisions to allocate resources. Of course, these  
18 rational decisions will depend on what the tribe wants,  
19 what the current thinking of the people in the United  
20 States is on what health is, water purification, and if  
21 the emphasis is on mental health, I will come up with  
22 mentally pure water.

23 (Laughter.)

24 That is what my job is. Did I describe, Dr.  
25 Grommers, what we are up against? We are up against the

1 diseases of poverty.

2 MS. GROMMERS: Have you got any rates in the  
3 far west?

4 DR. LEACH: Yes, somewhere.

5 MS. GROMMERS: We know they have an extremely  
6 high rate.

7 DR. LEACH: I can tell you the diseases that are  
8 higher. I don't know whether they would fall third or fifth  
9 in line. They would have a lot of lymphatic leukemia,  
10 arthritis, 50 percent of the adult population is diabetic.  
11 But they are not diabetic like here, for some reason, the  
12 diabetic way of life. We rarely see people in coma, even  
13 though we don't have as many people on medication as you  
14 would on a well-defined population, as people out here.  
15 I don't know if we have more alcoholism as the rest of the  
16 country, because alcohol is up there in car wrecks, running  
17 around town, getting caught drunk. We don't have too many  
18 people getting Old Forester down here. If they have to get  
19 it, they have to go 60 miles to buy it. Certainly they  
20 have well paid bootleggers. I don't know whether they have  
21 got more of it or not. It is certainly more obvious.

22 MR. CHADWICK: I will certainly give you an  
23 interesting figure. National mortality is significant.

24 When we first brought this program to the  
25 Bureau of Indian Affairs in 1955, the index for infant

1 mortality was 62.5. We reached a point where we thought  
2 we had really accomplished a great deal when we cut that in  
3 half to something less than 32.

4 Our tentative figure at this point that we have  
5 for the current period indicates that it is around 24.

6 Tuberculosis had the highest index level of any  
7 place known to man, I guess, in Alaska at that time. I  
8 believe that one out of 30 had some evidence of TB.

9 We had a recent, most recent year where we didn't  
10 have one death in Alaska for a year. Currently, at several  
11 times, we are just about 20 years behind the population as a  
12 whole. Just about anything you mention in a sense, one  
13 generation at a time.

14 A greater number of infants are born in hospitals  
15 of the Indian people now than in non-Indian. We have gone  
16 that far.

17 The infant mortality of the Indian baby for the  
18 first month of life is considerably less than a non-Indian,  
19 and then next, eleven months, three to four times greater.  
20 Environment, environment, environment.

21 The infant mortality has improved that much, I  
22 told you. We are reaching a point in the health field  
23 across the board, infant mortality being in the field, so  
24 how far can you carry health above the environment?

25 We have sanitation, sewage and water facilities

1 now and about 50 percent of our work is done in that field.  
2 The other half is yet to come, and I told you earlier we are  
3 conducting this program with and through Indian people.

4 We are now contracting more than \$10 million  
5 of health services from the Indian people themselves, the  
6 community health representative. You will hear mention that  
7 is a health professional, trained, Indian people, not  
8 federal employees, by contracting these services.

9 This not only has a great effect on the health  
10 itself, but it has an economic impact, health in every  
11 direction.

12 DR. LEACH: I just noticed two things I wanted  
13 to say that I left out.

14 One of the strong things I see on this computer  
15 business that also has not been mentioned is that given  
16 the situation we have as a health organization and given  
17 the situation that the Papago people live in, the chances  
18 for extremely rapid change in either of those, including  
19 massive resources coming tomorrow, are fairly remote. So  
20 what can we do to get more health out? You can get more  
21 land, labor material. We keep increasing that. But if we  
22 can increase technology and start making 1970 model machines  
23 as opposed to 1910 machines, start using 1970 type of  
24 approach systems to allocating resources, to using manpower,  
25 to the maximum extent possible, instead of going along

1 on a one-to-one basis, this is my idea, this is your base.

2 Then we can speed up this process, and I think  
3 again, from my point of view, as the manager of this place  
4 of the service unit that really appeals to me -- and I don't  
5 say we are going to use people as a machine. I was going  
6 to compare a model A to a current Ford, but there are  
7 people that would rather have the Model A. That is what I  
8 was -- an assembly line, rapid to the point delivery health  
9 service is just sort of rolling along in any direction  
10 without being able to assess what you want, and knowing  
11 for sure where you want to go, and without the ability to  
12 simulate and analyze data in a hurry on a lot of people, we  
13 cannot do it.

14 If we do have the ability to assess and simulate  
15 a lot of data on a lot of people in a hurry, then we can  
16 approach statistical, quality approach as in any production  
17 that is trained, like, say, the physicists, where they  
18 have an example of being trained, and you can tell where  
19 they are doing better than they were on a relatively prior  
20 example. We can know what we were doing with health, what  
21 is going on better or worse.

22 We have an indicator, what made it get better.  
23 On the other hand, if things get worse, we have an indicator  
24 to look at and maybe see what made them worse. We can  
25 try and eliminate that happening again.

1 MS. GROMMERS: Gentlemen, thank you very much.  
2 I think we will ask you some questions. I will start with  
3 Senor Anglero.

4 MR. ANGLERO: I will say the system you have,  
5 you have a lot of approaches. I will help the rest of  
6 the group address ourselves to other parts of it.

7 I gather from your presentation that this is a  
8 federal grant program. That is clear. I will ask how much  
9 money is put into this service.

10 MR. CHADWICK: Our current experience is that --  
11 let me back up just a moment. We have this operation  
12 under one service unit. We hope to expand it and expect to  
13 expand it into two others. This year, our current costs  
14 for the system is \$10 per capita.

15 MR. ANGLERO: Is this system, as such, on the  
16 disk cost, on the way the approach of being federally  
17 administered, is it transferred out to any other community?  
18 It is just for Indian reservations?

19 DR. GARRATT: No. Part of the development is in  
20 the public domain. Anyone that wants to use it, there is  
21 nothing proprietary in any point of the system. There are  
22 other areas concerned. HMO is looking and evaluating  
23 the potential of this system in their environments. So  
24 in this point of view, there's nothing that would inhibit  
25 the movement out.

1 MR. ANGLERO: But it will be, really, one  
2 acceptable by other committees in this approach?

3 DR. GARRATT: I think obviously, when you get  
4 outside the Indian Health Service, you must recognize that  
5 the implementation at Sells Service Unit was done on the  
6 basis of agreement between the Office of Research and  
7 Development, and the Papago tribal council. It was set up,  
8 agreed upon, and they understood after sufficient explaining  
9 what this development program was. They agreed. They wanted  
10 to participate. We never have gone to the level of getting  
11 individual consensus of the patients. We are operating on  
12 the consent of the tribal government, tribal council for  
13 the use of this. You could not do this on the outside.

14 You are talking about extending to where we are  
15 to go to a different type of social environment. I think  
16 the problems become more considerably severe than they are  
17 now. It is, one, because we have less problems in this  
18 area that we can do this type of development, that we can  
19 get this type of impact on the system of this health care.

20 MR. CHADWICK: A better way to answer you, also,  
21 may be as I indicated earlier. We have the totality of  
22 the health of the Indian people that we work with. We have  
23 a system that certainly lends itself to further development.  
24 It is one in which you almost run daily to stand still,  
25 but nonetheless, as it is responsive to the total health

1 of Indian people to a body of a people, we believe it  
2 would therefore be representative of other community needs  
3 as they would choose to use it.

4 So what we are saying is that we believe it  
5 will be a usable tool, otherwise, as they choose to use it.

6 MR. ANGLERO: Just a comment. This has not  
7 a lot to do with the system. Just to make a remark here,  
8 I tried once to come to some places in the States to find  
9 out how they try to make decisions in terms of problems  
10 and couldn't find a good decision-making process established  
11 as we would like, and I am talking about we, as Puerto  
12 Ricans, living in Puerto Rico.

13 Well, the people where I went, they advised me  
14 to try to get some counseling or some advice from the  
15 Indian counselors, the Indian councils, and I figured out  
16 they didn't know what they were talking about. Puerto  
17 Rico. Just a remark.

18 MS. GROMMERS: You may perhaps have some other  
19 questions. I think you have more.

20 MR. ANGLERO: Yes, I have more, but I think  
21 they might have one.

22 MR. IMPARA: I have one small question of Mr.  
23 Chadwick. All of you mentioned that probably the mobility  
24 of the Indians moving around quite a bit, as a result of  
25 their moving from place to place, they often pick up new



1 Social Security numbers instead of remembering the old ones.  
2 How do you identify -- how do you persist in identifying  
3 the same individual from time to time as he changes Social  
4 Security numbers? I noted that that was one of the points  
5 on the printout, at least, for the Social Security number.

6 MR. CHADWICK: We are working on a unique number-  
7 ing system. We hope it will be a more common denominator  
8 than a Social Security number. We have been able to get  
9 Social Security numbers from infants on through to the total  
10 population, which was the best identification number we had  
11 at the time.

12 The unique numbering system is what we are  
13 striving to --

14 DR. GARRATT: The system now operates on a multi-  
15 plicity of identifiers, in terms of health records, any of  
16 the multiple records, in terms of Social Security number, or  
17 internally, identification number that we have assigned.

18 At the present time, I think 15 or 20 percent of  
19 the Papagos have Social Security numbers and all may be  
20 multiples.

21 MR. CHADWICK: We have a unique numbering system  
22 for the Indian, not just the Papago, for that one common  
23 identification.

24 MR. IMPARA: How would this number be assigned?

25 DR. GARRATT: The number would be assigned by

1 the computer, the unique internal identifier.

2 MR. ANGLERO: That number is given to the Indian?

3 DR. GARRATT: No. We call it a data base  
4 register, and this is a computer printed book that comes out  
5 every month or so to determine how many transactions we had  
6 in change of identification, such as if it is all people in  
7 the data base with aliases -- the Papagos have their  
8 Papago names and they have one or more English or Spanish  
9 type names with the Health Service. Their cultural context  
10 is different than ours. Their names are not important to  
11 them as it is to us. So all names, aliases, are sorted out  
12 alphabetically and each identifier -- all aliases, names  
13 of parents, health records, birth, et cetera, this is the  
14 basic identification mechanism we plan, and as time goes  
15 on, to implement automated data system, to automate it into  
16 the system instead of thumbing through a book. You can do  
17 it through the internal device, but this is one of the  
18 things --

19 MS. GROMMERS: Mr. Garratt, why do you use the  
20 word "aliases" to refer to this process?

21 DR. GARRATT: I don't really know. I didn't  
22 make up the name. It is a name that's been used. I can't  
23 tell you what the origin of the term is. I guess there is a  
24 bad connotation to it, but that connotation doesn't exist  
25 to it. It is just an alternate name.

1 MR. IMPARA: This book is, in essence, published  
2 and distributed to all members of the Indian Health Service?

3 DR. GARRATT: Right. All members.

4 MR. IMPARA: Where do they store the book when  
5 it is not in use in interaction? Do they lock it up in the  
6 file?

7 DR. LEACH: No, sir.

8 MR. IMPARA: Thank you.

9 DR. LEACH: But we are going to. Well, that is  
10 one of the things I identified. There are, what, 30 copies  
11 of that book? At least in my domain, it is coming under  
12 lock and key.

13 MS. GROMMERS: Mr. Bagley.

14 MR. BAGLEY: Not a word. Good morning.

15 MS. GROMMERS: Mr. DeWeese.

16 MR. DE WEESE: I have a couple of questions. I  
17 am not exactly sure how to phrase them.

18 For example, it is also very difficult, besides  
19 having health problems, it is also hard for Indians to find  
20 jobs in the common market of American life, and I was  
21 wondering if a prospective employer came to you or to one  
22 of your doctors and said that he wanted to hire a number  
23 of Indians to do a certain job, that he was interested in  
24 their medical background because, naturally, he had  
25 certain requirements, physical requirements, and, also, he

1 didn't want people with a background of alcoholism and  
2 so forth, what is your official policy on disseminating  
3 this kind of information?

4 DR. LEACH: I can tell you what is done in the  
5 hospital. He gets told, if he wants that sort of informa-  
6 tion, to give the patient an examination and history form,  
7 and if the patient comes in and says, "I want this done so  
8 I can get a job," then I assume I have the patient's  
9 permission to do a report on his past medical history.

10 If the man comes to our records, for our records,  
11 the record comes to me and I send him back home.

12 MR. DE WEESE: And the second question I have is,  
13 are these types of procedures outlined anywhere so that all  
14 physicians, regardless of their personal feelings about  
15 privacy, are aware of them, or is this just sort of an  
16 individual ad hoc decision which represents your common  
17 sense and not --

18 DR. LEACH: Common practice.

19 MR. DE WEESE: It is a common form?

20 DR. LEACH: Indian Health policy.

21 MR. CHADWICK: Indian Health policy. We have a  
22 manual on this.

23 DR. LEACH: Whether you have it or not, we don't  
24 know whether we have it on individual people. You know,  
25 you are supposed to go 60 miles an hour, and I can't keep

1 tabs on every doctor, employee, but in general, that is  
2 the written policy.

3 MR. DE WEESE: Given the fact that we all recognize  
4 that there are security and privacy problems in any system  
5 that has sensitive data in it, and you cannot, as one  
6 individual, supervise all this data, do you think that for a  
7 certain part of your budget, to set aside or hire an  
8 individual or form a committee, some type of mechanism where  
9 their sole function was just to consider the problems of  
10 the security and privacy in your data system, would you think  
11 that would be an unwise distribution of resources, given  
12 the health --

13 MR. CHADWICK: We have found that that would not  
14 be an effective tool; the reason being the multiplicity of  
15 people working with the health records never lends itself  
16 to one person's ability to control or manage. What we are  
17 doing is teaching each and every person the significance  
18 and the need and the way of life in doing this. It is  
19 broader than we had managed with a single person, if you  
20 chose to do it.

21 MR. DE WEESE: I meant a single person with a  
22 supporting staff whose sole function was to --

23 DR. LEACH: To consider or to monitor?

24 MR. DE WEESE: Both.

25 DR. LEACH: I think the consideration part,

1 we are allocating part of our resources, to wit, the  
2 fact that four of us are here discussing this matter.  
3 Now, whether we have a specific confidentiality committee,  
4 I think that is appropriately part of the medical records  
5 center.

6 I think a part does need to be devoted to whether  
7 we set up a special staff or not. I will put myself in the  
8 role of a patient when we have one or two or three doctors  
9 keeping the door closed when I have a cold. I think it is  
10 extreme. I think the effort is to be extended on what form  
11 it takes, or how we do it depends on some of the constraints  
12 under which we do it.

13 MS. GROMMERS: In your subsequent answering, if  
14 it is applicable, you might point out how these facts are  
15 computerized in your answer to these questions. Obviously,  
16 a hospital situation has exactly the same kind of privacy  
17 problems that have been mentioned.

18 The computer, so far, would not make a difference  
19 here, so far as I can see, unless you know of some other  
20 ways that --

21 DR. LEACH: One of the problems that I have to  
22 work on is that we are unique. There are just not that  
23 many people interested in research and finding out about  
24 all this population where they move around, off, and then  
25 back, but given the rest of the United States, that is a

1 fairly common thing.

2 So a lot of people want to do studies, studies  
3 have to be approved by the tribal executive health staff,  
4 but when they have the people, have approval for access to  
5 data, and there is a problem there unique to computers  
6 in which you can have put up on the machine a list of  
7 every baby who had such and such a treatment, or anybody of  
8 any category you want in a nice little pile of paper that  
9 big, you might be walking around as far as the patient might  
10 be concerned with that many unauthorized bits of released  
11 clinical information.

12 That is why I say we have to lock these print-  
13 outs under my control, delegated to the record group. We  
14 are stopping this kind of thing. We are taking the  
15 identifying information off wherever possible, where it is  
16 not to anybody's benefit to know what name and what address.  
17 We are locking these things in the record work room.

18 We had to shuffle a lot of people in the hospital  
19 to make the one room large enough to accommodate each  
20 discipline's stack of computer generated data.

21 MR. DE WEESE: Could I ask one more question?  
22 For example, you said that if a prospective worker was  
23 given a health form and he brought it to one of your doctors  
24 to have it filled out and, of course, he would rely on the  
25 computer data, now I could imagine, let's say, the system

1 operates for 20 or 30 years, I can imagine that that data  
2 would go back for 30 years.

3 For example, if it said suicidal tendencies 20  
4 or 30 years, that would be part of your data if it is  
5 working efficiently.

6 But on the other hand, if I go to a new doctor,  
7 my doctor changes, I have a certain medical history that  
8 goes up to 12 or 13, and those files become sort of  
9 inefficient, they are sort of lost, really. Whether that is  
10 good or bad -- I mean, as a physician would feel, would you  
11 feel that you have to give all the data that is in the  
12 computer, or would you make some decision about how far  
13 back the data would be pertinent to an employer, or is there  
14 some expungement mechanism in the computer?

15 DR. LEACH: What I do when a patient asks for  
16 the form, if it doesn't ask on the form, I don't give an  
17 answer.

18 MR. DE WEESE: Let us say that the question is  
19 as to this person, "Have you ever been treated for a  
20 narcotics addition?" And this is 20 or 30 years hence from  
21 now.

22 DR. LEACH: If somebody brings me a form and  
23 wants to know were you ever a narcotics addict, suicide,  
24 were you ever --

25 MR. DE WEESE: Or, have you been treated for



1 that?

2 DR. LEACH: -- or have you been treated for that,  
3 I ask him, and if he says no, and I have information that  
4 says he says yes, I usually ask the guy. I'm a little  
5 different. I am a five-year cancer survivor, as a doctor,  
6 and I feel different about patients. Some people might  
7 ask were you ever a narcotics addict in 1926 for three weeks  
8 after an operation, and some people would write "yes"  
9 without explaining.

10 MR. DE WEESE: You say, these are the kinds of  
11 official policies that should be written out that you can  
12 have controls for.

13 MR. WARE: That's a professional system. That's  
14 not a computer system matter.

15 MR. DE WEESE: Yes, it is a computer system.  
16 I tried to point out my files are different from this guy's  
17 files --

18 MR. WARE: That is incidental.

19 MR. DE WEESE: I don't think it is incidental.

20 MR. DOBBS: It is incidental, but real.

21 MR. DE WEESE: I am saying we have to build  
22 expungement mechanisms into it.

23 MS. GROMMERS: We can come back to you, Mr.  
24 Ware. It is your turn.

25 MR. WARE: Dr. Leach, Dr. Garratt, I am truthfully

1 impressed with what you have done. It has a certain  
2 sense of achievement and sense of elegance. I would vote  
3 you some kind of appropriate Oscar. But I would like to  
4 quiz you a little bit on the safeguards that you have built  
5 into the system.

6 Obviously, when you designed it, you had at least  
7 an implicit image of what you thought the system was. At  
8 least you did conscientiously put in a certain amount of  
9 safeguard. You have also said you are continuing to modify  
10 them.

11 What I am serious about is what your three-year  
12 operational history has been. Do you have instances of  
13 where your data got where it shouldn't have been, to the  
14 detriment of the patient? Do you have any instances of  
15 delivered -- malicious attempts to get data that shouldn't  
16 have gotten out?

17 I assume the Tucson machine is shared with  
18 somebody else. Do you have instances where it leaks your  
19 data to an unauthorized system?

20 DR. GARRATT: Specifically to answer all those  
21 questions, the answer is no. No instance where information  
22 has gotten out in any form, or has been detrimental. I  
23 will give you a slight different answer. I am talking  
24 about a Papago health care, and every year and a half,  
25 Papagos from all over the reservation convene and meet and

1 discuss in Papago, discuss their health problems, the  
2 reactions to health of every system and document all of  
3 this in their own terms, trying to define their reactions to  
4 the Indian Health Service and Indian health care as well as  
5 other agencies involved.

6 At the last Papago health care, we demonstrated  
7 the system. We put the terminals out there and we  
8 ran them, and the thing very often happens, a Papago will  
9 come up and say, "Will you pull my record for me?" And our  
10 answer is, "No."

11 Under this particular circumstance, it is not that  
12 we don't take the position that Papagos do not have the  
13 right to see their own information, but we do not believe  
14 the right to pull it out in public.

15 Now, he has access to his information. His  
16 information isn't going to impact on his own health care  
17 program.

18 Anyway, to get back to the point I was trying  
19 to make out of this fair, there was a tremendous long list  
20 of problems and complaints from the Papagos as you might  
21 well know, and most of them have to do with the way health  
22 care is delivered, the waiting time which is too long, the  
23 transportation system, which isn't good enough. The  
24 Papago nurses won't speak English to us, and these kind  
25 of down to earth, nitty-gritty problems. I have a list of

1 some 20 specifics of these problems.

2 One, out of all those problems, the complaint  
3 was that information could be kept secret. I don't know  
4 what generated this. Maybe a nurse down the hall may have  
5 had nothing to do with the system, but the point I make is  
6 that out of all the complaints, only one of all of them had  
7 anything to do with privacy and confidentiality at all.

8 I am trying to say this does not seem to be in  
9 our population group a major motivating concern.

10 MR. WARE: I am curious about another aspect.

11 DR. LEACH: I just want to say there is a  
12 potential identifier in research, that people have data  
13 for research, and I want us to get names and addresses off  
14 of it. I think it is meaningful to know the disease pattern  
15 and distribution, but not who has got it, and nobody has  
16 been injured, nobody has been hurt by it. But there has  
17 been at least one situation where, at a university meeting,  
18 a member of the team had a stack of our data in his brief  
19 case with names and addresses on it. I took it back because  
20 I do not think that is appropriate. But no one has been  
21 injured by it.

22 MR. WARE: You had a sense of user acceptance  
23 problem that you dealt with by getting the approbation of  
24 the tribal council. You sold them.

25 But even the tribal council, I would suppose,

1 is culturally simple and technology naive, compared to  
2 what you find in Westport, Connecticut. How do you swing  
3 that one? I am sure you didn't do a snow job on them.

4 DR. GARRATT: That was before my time. But I  
5 will tell you something about the tribal council.

6 It is a very unique group. The tribal council  
7 consists of two representatives from each of the 10 districts  
8 of the reservation. Each of the districts has its own  
9 council.

10 A proposition is put before the central tribal  
11 council. It must be unanimously approved before it passes  
12 the council. There is no majority vote, no democracy. A  
13 vote. This is a vote of unanimity.

14 They will vote after the district votes, and  
15 the district will vote only after the village votes yes.  
16 You require virtual unanimity for anything to get through  
17 the council.

18 MR. WARE: How were they even able to appreciate  
19 the issues at stake? Did they retain some consultants?

20 MR. CHADWICK: Mr. Thompson goes to the tribal  
21 council head, who is one of the top college men in the  
22 country. These are well top-notched educated people you  
23 are talking about in large measure.

24 In most measure, they are better educated than  
25 the people working with them. So they don't have the

1 problem understanding. Granted that, when you speak  
2 of that so-called problem, there is a name of our head  
3 of the Cherokee who is W. W. Keeler, who is one of them.  
4 He is one of the people.

5 MR. WARE: Then I didn't have the right percep-  
6 tion.

7 MS. GROMMERS: I think we had better go around  
8 the table so that each person has a chance to ask a ques-  
9 tion. The rest of you ask just one question and I will  
10 give you a double chance this afternoon.

11 Mr. Dobbs.

12 MR. DOBBS: No, I have got to go down the list.

13 MR. ARONOFF: You only have six pages.

14 MR. DOBBS: One comment to reiterate Willis'  
15 comment. You gentlemen need to be commended for the  
16 sensitivity towards the problems you have expressed here.  
17 You said that the primary objective of the system was to  
18 improve the quality of health care.

19 When you set out, did you establish some measure  
20 of effectiveness that you wanted to be able to use as a  
21 measure for in fact showing how this has helped improved  
22 health care of the Indians?

23 DR. GARRATT: I would like to say yes, but I  
24 can't. When this thing started and grew and evolved, and  
25 the problem came up, and we started developing it and it

1 has been constantly been changing from month to month and  
2 week to week in terms of the content and the way it operates,  
3 continually adding new things, completely in an evolutionary  
4 system. Other systems are going on at the same time, and  
5 we can now talk about what the status of the population is  
6 now.

7 But I had not gotten the data before the system  
8 started. So we never can do a before and after analysis.  
9 I would be dubious to do it because of changes maybe in  
10 total natural or national disease and so on.

11 One of the Sacaton services immediately north  
12 of the Sells Service Unit is doing a very thorough before  
13 evaluation of health status, and an after, they look at  
14 the kind of impact this system has, and I must make the  
15 point that this system, it isn't the system that has the  
16 impact. It is of the system that these changes induce  
17 into the system.

18 The new kinds of things of this system obviously  
19 do not do anything except to make it possible for people  
20 providing health care to add more. There are the kinds of  
21 things you can look at, you know, like how much have you  
22 increased the immunization level of preschool children.

23 Now, given that you want this to impact on health,  
24 I am not prepared to say this. I am willing to assume they  
25 do impact, but take Sacaton, assume now that preschool

1 children immunizations were 40 percent, and after a year  
2 with the surveillance system, we can increase this to 90  
3 percent. We can infer a benefit here, but I am not sure  
4 that we can measure it. I am not sure we can define this  
5 increased immunization and say it does affect health status.  
6 These are those type of things.

7           There is also a step of how we can measure. How  
8 you measure health status, per se, God help me, I don't know.  
9 I don't know anyone that knows. I don't have any people  
10 coming to me saying how can you measure health status, et  
11 cetera. I say, friends, join the club. I don't know,  
12 either.

13           MR. CHADWICK: One other thing we are finding  
14 out, for example, is that scheduling our public health  
15 nurse visits and so on, et cetera, we found, for example,  
16 that the public health nurse was visiting all the mothers,  
17 homemakers. That was the record.

18           In examination, we found out, though, that the  
19 order of visits was the high risk last. They take the  
20 easy ones first. The mothers had two or three children and  
21 they had the poor one. We had these types of things that  
22 were not scheduled first.

23           But to answer your question directly, it was  
24 based on the assumption that better data would produce  
25 better results, and then we have been measuring that as



1 best we can with what has occurred.

2 MS. GROMMERS: Senor Anglero.

3 MR. ANGLERO: I have sort of a two-part question.  
4 Have any of your records ever been subject to subpoena by  
5 anyone?

6 DR. LEACH: Yes.

7 MR. ANGLERO: And if so, what was your reaction  
8 to the subpoena?

9 DR. LEACH: Well, I am a doctor and you know how  
10 I react to a subpoena. How we reacted as an organization  
11 is we gave them the records. It didn't have to do with a  
12 malpractice suit. It had to do with a physical injury, a  
13 tort, I guess it was. The records were submitted. The  
14 records librarian, the physician who asked the patient  
15 went to court and testified about what happened.

16 MR. CHADWICK: Maybe I can clarify this a little  
17 better in this sense. It takes that, which you mentioned,  
18 a subpoena, to get a record. As we have a court subpoena,  
19 we hand it to the general counsel's office here, individually,  
20 and advise in each case to handle it. In no case does  
21 such an action occur without our general counsel from  
22 Washington itself within the HEW General Health Office.

23 MR. ANGLERO: May I ask one clarification of  
24 one question also?

25 On employment application, if a complete

1 medical record is requested by the employer, you then get  
2 the complete medical record as you know it?

3 DR. LEACH: I can only mention, sir, by what I  
4 have done in the past. And in the first place, they usually  
5 don't ask for a complete medical record. They usually ask  
6 for certain questions.

7 Heavy duty industries want the information;  
8 skilled labor wants something else.

9 If I get a request for a complete physical, I  
10 suppose I would send them the printout and tell the patient  
11 that this is what I was sending.

12 MR. CHADWICK: But it is asked from the employer  
13 through the patient to us. We do not take directly from  
14 the employer.

15 DR. LEACH: I gather by inference that you would  
16 suggest that we write back to the employer and say, "Please  
17 be more specific," and I think it is a very good idea.

18 DR. GARRATT: A quick point is worth making. The  
19 computerized record has not replaced our hard copy records.  
20 We still maintain those. It is feasible to talk in terms  
21 of automating the record. Before you do that, you want to  
22 sit down and look at the record. There is probably 80  
23 percent in an inch and a half thick that isn't worth a darn  
24 in the care of the patient at all.

25 But our objective was not to replace. Our

1 objective was to integrate significant pieces of health  
2 records across disciplines, across the facilities, and to  
3 make it available to individuals of health care to help  
4 provide more comprehensive health care.

5 So the hard copy still exists.

6 In general, we are talking about subpoenas. We  
7 are talking about subpoenas against the hard copy record.  
8 We are not talking about the only record being in existence  
9 being automated.

10 MS. GROMMERS: The other system is the health  
11 systems management record. Mr. Davey.

12 MR. DAVEY: Could you comment about this automated --  
13 could you comment on the size of the program, if one were  
14 to say multiply that by a factor of 10 or 100, do you see  
15 any problems in the system's standpoint? What would be your  
16 cost implication in this respect?

17 DR. GARRATT: At this time, our estimates in  
18 term of cost -- not talking about development cost --  
19 talking about operating cost of this system, we can move  
20 it to Phoenix and service units probably are going to run  
21 about \$10 per patient per year.

22 Of course, to get a full range of computer  
23 support, you will have additional purchases onto processing  
24 forms and so on. It may well be that this is -- my guess  
25 is that it would be -- there's going to be more, at this

1 time, as we get larger and larger, we will utilize larger  
2 and larger computerized systems. This may go up to \$50  
3 a month. We don't really know. We don't have hard data  
4 to operate on. There is nothing about the size and number  
5 of patients that is going to impact the state of the art,  
6 as far as being able to support --

7 MR. DAVEY: One supporting question I would  
8 like to ask, and you had a comment.

9 DR. LEACH: In our servicing unit, I am in charge  
10 of nursing, pharmacy, physical therapy for the patients  
11 with amputations. Mr. Chadwick is in charge of me. In  
12 the outside world, the pharmacist is his own operator. They  
13 are all their own operators. That is where the difference  
14 would be, not what about data once it comes in, not growing  
15 from 10,000 to 500,000.

16 MR. DAVEY: I understand. I am interested from  
17 the data point of view.

18 Another question, are there any provisions of  
19 summarizing the data or deleting the data after a certain  
20 time, or do you envision these records will be continually  
21 added to?

22 You have got a three-year period now which there  
23 isn't any problem. But 10 years from now --

24 DR. GARRATT: We are approaching it now. We  
25 are at a point prior to six months of discussing various

1 alternate ways to reduce the size of the data, and we  
2 are not going to punch anything out of the files. We have  
3 got it on disk files. That's great.

4 As the records keep growing daily, we are talking  
5 about two service units, 30,000 people in the system.  
6 Obviously we have to start making decisions. We haven't  
7 really satisfied ourselves on what the better route is to  
8 go.

9 We could say that anyone who hasn't had any  
10 contact with the health system for the past three years  
11 goes off on the archive file. Take certain categories of  
12 all people and put them on an archive file.

13 We have got to do this activity without cutting  
14 the total base. To be honest, we haven't gotten an answer  
15 that is satisfactory to us. We will come up with something.  
16 We will reduce the size of the active file.

17 MS. GROMMERS: Of course, the hospital system  
18 that had the same kind of data, they will keep that data.  
19 A private physician may not, but the hospital certainly does.

20 MS. CROSS: I was going to ask this question  
21 about deletion, deleting anything, and I think you have  
22 answered that.

23 DR. GARRATT: What criteria you want to use,  
24 you have to define. But you have to got to come up with  
25 something that is going to produce a minimal impact across

1       that people want to use the system.

2               MS. GAYNOR: I was really interested in something.  
3 I think someone posed the question, and I suppose you  
4 answered it, about the Indian council. What kind of  
5 involvement were the Indians themselves involved in, really,  
6 with their health care, and also along with this, you told  
7 me over 65 percent of them speak no English. So I don't  
8 understand this. You keep repeating you have been involved  
9 with the Indians in setting up this kind of system, and I  
10 just didn't get this kind of understanding.

11              MR. CHADWICK: Our communication with the Indian  
12 people who do not speak English is through interpreters.  
13 The interpreter is one of the biggest elements of our  
14 program in communication.

15              DR. LEACH: Could I comment? Of the three of us,  
16 I am the one who does it.

17              Monday night or Tuesday night, I spent four  
18 hours at a place called Santa Rosa, well, asking the people  
19 what they thought. It is the same old game. I have got  
20 the resources and the authority, and they have got the  
21 problems, and we try to maximize and get along. But we  
22 don't always agree on everything, as I pointed out.

23              I do go out to one of these district councils  
24 that Mr. Chadwick referred to.

25              When I worked with the Navajo, everybody came;

1 mothers, the whole group was there, the little kids. Perhaps  
2 it is a little different, and it looks to me like it is a  
3 smaller group here with the Papago. It is more like the  
4 elected types of people there.

5 But the whole meeting was in Papago, and the  
6 longer it went, the louder it got. Finally they told me  
7 they wanted a doctor up there and soon. Soon.

8 I have to decide whether we can get one up there,  
9 but that type of activity does go on. I would hope every-  
10 where it goes on, but the more it goes on, at least we  
11 understand the position and the less heated the debates get.

12 MS. GAYNOR: I think the system is beautiful, by  
13 the way, and you would know this information without the  
14 system, right?

15 DR. LEACH: I would know that people wanted  
16 doctors. I think maybe we are talking as a group of very  
17 sophisticated people, and you can have the boss out there  
18 saying that you can lay it on him, and that helps now and  
19 then, if I do something about some of these things they want.  
20 That helps.

21 MS. GAYNOR: I understand that. I was just  
22 posing a question. You, probably being the person you  
23 are, would have gone anyhow. You mentioned before that you  
24 were the manager, in a sense, and I want to know, do you  
25 really feel you are getting too much information out of the

1 system? Because I know managers today in many instances  
2 are with the use of programs and everything, you know, they  
3 are trying to tell you you need all of this information,  
4 and you really don't need it all to manage it as frequently  
5 as many times as they want to give it to you. I just want  
6 to ask you how do you feel about this type of problem with  
7 too much information which you really can't utilize?

8 DR. LEACH: I think it exists. I don't think  
9 there is any question about that. I have a very specific  
10 problem that we are working on, and that is there are a  
11 certain group of people on my staff who want to keep both  
12 systems going.

13 Xerox is doing pretty good by us, copying the  
14 manual system where the automatic ought to be doing it  
15 for them. I have got to resolve it, either go with the  
16 automatic or the surveillance, or everybody gets a copy  
17 of the manual. It is not an unsurmountable problem.

18 The only thing I don't like as a manager is,  
19 he can tell me everything I am doing wrong, but haven't  
20 seen him tell me what I am doing right.

21 MS. GAYNOR: That's another story. I will talk  
22 to you about that afterwards.

23 The other thing, too, in your information system  
24 where you have the responsibility of your human resources  
25 in relationship to medical personnel and retraining and  
things like that, they come to you in a sense already



1 molded with their whole concepts of episodic care and  
2 treating each little area or parts of the system.

3 How long does it take you to really retrain  
4 them to think in relationship to comprehensive health  
5 care, and by the end of that, I guess they are gone?

6 So it is a constant kind of thing with you, is it  
7 not?

8 DR. LEACH: If I understand what you are saying,  
9 how long will it take people -- how long will it take for  
10 them to accept you? It takes a long, long, long time, in  
11 all honesty. How long did it take the American people to  
12 quit smoking? It takes a long, long, time.

13 MS. GAYNOR: I haven't quit yet.

14 DR. LEACH: No. It is the same premise. It is  
15 changing behaviors and it is taking a long time.

16 DR. GARRATT: I think this whole change is  
17 reflected in medical schools, probably in large part to  
18 Larry Weed, and we are beginning to focus and continental  
19 health care is being taught in more and more medical schools,  
20 and I think more and more young people are coming out like  
21 Rice. They are not coming out as the specialist who wants  
22 the office on the 27th floor in the big building in  
23 Chicago. But they are concerned about the community and  
24 family health, and this kind of thing. I think there is a  
25 move afoot in the entire medical profession to exhibit

1 more and more interest in these areas. I am personally  
2 very enthused about this.

3 MS. GROMMERS: Miss Noreen.

4 MS. NOREEN: Yes. I have just one question. In  
5 the book you gave us about the health information system, it  
6 listed or reflected information about educational-vocational  
7 aspects of the person's staff.

8 DR. GARRATT: When we first built the data base,  
9 we did something that I had to do over -- great hindsight.

10 We started out and used a census that had been  
11 conducted by the Indian Health Service of all the off-and-on  
12 reservation Papagos. Since part of this, we have collected  
13 educational, economic, various categories of social data  
14 as part of this. It was available. It got loaded into  
15 the data banks. It is still there, this big amount of  
16 information.

17 I have been, for many years, telling the system  
18 that we have got this set of data. It is getting outdated  
19 right now. It is not much use any more, but if you can come  
20 up with a rational subset of this that is really useful to  
21 you in the delivery of health care, in the monitoring and  
22 planning of health care, we will develop the mechanism to  
23 collect and store and update this type of data. We haven't  
24 gotten to that point yet.

25 Part of this is coming up in the high risk

1 program. We are talking about these kinds of facts  
2 involved in environment, socio-economic things. That may  
3 well be indicators in saying this segment of the population  
4 is a high risk. The guy living in the house without running  
5 water, six of them sleeping in the same bedroom, is the  
6 greater risk of esoteric disease.

7 MS. GROMMERS: At the moment, you are not  
8 collecting it?

9 DR. GARRATT: At the moment, no.

10 MS. GROMMERS: Miss Noreen, do you want to follow  
11 up on your question there?

12 MS. NOREEN: Well, I was curious as to how that  
13 type of data would help with health care.

14 MS. GROMMERS: I would like to have a moment  
15 to talk about a high risk program. Let me come back to that.

16 MR. WEIZENBAUM: Could I make a 10-second  
17 comment on that?

18 Here, a system person knows that there was no  
19 use for this information. It is supposed to store it and  
20 still can't get it.

21 MS. GROMMERS: As I understand, it was collected  
22 at one point.

23 MR. WEIZENBAUM: I understand it has no function  
24 in this --

25 MS. GROMMERS: That's not quite clear.

1 MR. WEIZENBAUM: It has no function because it  
2 happened to be out of form.

3 MS. GROMMERS: No. They had a discussion on  
4 what that form is, and I would like for them to present  
5 that at the high risk portion.

6 MR. WEIZENBAUM: I understand this, but this is  
7 after the fact and, in effect, accidentally. He wouldn't  
8 have collected it if it hadn't been on the census form.

9 MS. GROMMERS: Let me go to Mr. Gallati.

10 MR. WEIZENBAUM: Talking about the irreversibility  
11 of large systems of this kind, even when they recognize it  
12 and --

13 MR. GALLATI: I would like to pick up on a point  
14 that Mr. Impara was beginning to probe. It is my understand-  
15 ing that you have a real problem of identifying individuals  
16 that need a lot of data to identify them, and you are thinking  
17 now of going to some kind of a numerical identifier that  
18 would be unique.

19 I am very much concerned, number one, with this  
20 problem. First of all, how do you anticipate that it will  
21 be any better than the Social Security number?

22 Number two. Have you ever given any thought of  
23 thumbprinting or uniquely identifying something a person  
24 can carry with him without any burden to himself? For  
25 example, his thumbprint.

1 DR. GARRATT: Yes. We have thought about this,  
2 and there have been thoughts of using like disks with the  
3 Navajos, like the Navajos, where you can get the better  
4 service. You can get better service. It turned out to be a  
5 necklace and charm. He didn't have one and he said I'd  
6 better have one of these.

7 MS. GROMMERS: I wonder how the Social Security  
8 works in San Carlos.

9 DR. GARRATT: At the present time, we've got  
10 15 to 30 percent of the Social Security numbers. We cannot  
11 assign them and identify --

12 MS. GROMMERS: I mean, if I tried mydisk with  
13 the census number in Monte Carlo, I wonder if I'd be  
14 gambling.

15 MS. LANPHERE: Well, my question has to do with  
16 the high risk program and the thought of team approach that  
17 you have. You do mention social workers, so my answer  
18 would probably come out there.

19 MS. GROMMERS: Why don't you ask your question  
20 and then get the answer?

21 MS. LANPHERE: Okay. During your presentation,  
22 you mentioned that you do have medical social workers,  
23 mental and health workers and all these disciplines that  
24 are active and they have their -- each has their own system  
25 and does their own little thing. I was wondering if this

1 really breaks down into two points. What is their  
2 input? Obviously not into the computer system since it is  
3 the health management and it is not social facts at this  
4 time, since the beginning. I understand it hasn't been kept  
5 up to date.

6 DR. GARRATT: Not quite true.

7 MS. LANPHERE: I was going to say this must be  
8 in your card folder narrative back-up.

9 DR. GARRATT: There are critical data in all  
10 these areas. The problem lies in access, manipulating  
11 the problem. The one access is all members of the team have  
12 access including statistical reporting, public health  
13 nurses. We are working on complete reporting systems for  
14 other disciplines, but all systems at the present time have  
15 the ability to put input into the health care record.

16 The problem is they are not only medical. They  
17 are social, economic, environmental, any problems that you  
18 feel are relative to the health care of the patient. We  
19 encourage everyone at their level. It is the vehicle of  
20 communication, communicating to the health care to other  
21 members in the health care field. There is no limit. We  
22 do not modify. They have got the ability and they enter  
23 these, and if there's environmental problems and they feel  
24 that this is the problem, it is nonstructured.

25 MS. GROMMERS: Let me say here that we have a

1 terrible schedule this afternoon because we have a visitor  
2 who is leaving on a plane, and we have to finish lunch, and  
3 I want to get a few more questions to you, so I would like  
4 to ask if you would give us a quick answer.

5 Professor Miller.

6 MR. MILLER: I had a question about 45 minutes  
7 ago, but Pat was giving me another question, so I might as  
8 well use that.

9 What you have just said indicates that there is  
10 a spectrum of people who had input and output capability  
11 on this system that goes far beyond the doctor.

12 DR. GARRATT: Yes.

13 MR. MILLER: There is much broader access to the  
14 system, as I originally thought, as I heard this system  
15 described.

16 Now, let me just make a comment, not a question,  
17 because I don't think any of you gentlemen are in a position  
18 to answer the question that underlies the comment. But I  
19 think it is worth your possibly thinking about it on the  
20 plane back to Rocky Mountain time.

21 You people are in a curious position. You are  
22 taking federal money to produce a health delivery system  
23 on an Indian reservation which is federal land, which is  
24 located within a state.

25 Legally, to pick up a point made by Stan, legally

1 there are all sorts of organizations that could present you  
2 with a subpoena for one purpose or another to get at some  
3 of that data. It doesn't have to be a court. It could  
4 be an investigative agency either in a law enforcement  
5 field, or more probably in the administration welfare field,  
6 given the context in which you people work.

7 If there is an area of the law that is hopelessly  
8 confused, it is the area of an administrative subpoena, and  
9 I really wonder whether the general counsel's office in the  
10 Bureau of Indian Affairs has thought through all of the  
11 potential legal clashes that could occur by developing a  
12 federally sponsored information system generating new and  
13 more detailed data about Indians, without also putting on  
14 rules regarding the confidentiality of those federally  
15 created records to protect them against potential official  
16 misuse of the subpoena power, either at the federal, state  
17 or local level, period.

18 MS. GROMMERS: Mr. Muchmore, do you --

19 MR. MUCHMORE: The first thing I would like to do  
20 is what he did on the other side of the table, and I admire  
21 your dedication and system. I admire most of all the fact  
22 that you are not well aware, not because you were born in  
23 advance --

24 (Laughter.)

25 -- but it appears from the very beginning evident



1 in your nature that confidentiality of the records is an  
2 important factor as far as your work is concerned.

3 I was curious when someone said access to the  
4 computer, and someone said you only have one computer, one  
5 concern using the computer. What computer do you use, and  
6 who has access to it if it is not you?

7 DR. GARRATT: The computer is provided to us  
8 under contract with Dull Airspace in Tucson, Arizona. It  
9 is a CDC 31 computer 81K4 -- communications regalia and all  
10 that.

11 MR. MUCHMORE: You have exclusive use?

12 DR. GARRETT: Yes, but not necessarily for a long  
13 time. We shared it with other time code modes and communica-  
14 tion electronics area frequencies, war game, and all this.  
15 The real problem came in reverse order. Everything they  
16 did was classified, secret, top secret, and they had a real  
17 time with the sequence system. They had it classified.  
18 You can't have any computer device in classified data.  
19 We now have a 13 hour, seven day a week service. We have  
20 those people that can use in parallel to other people with  
21 our operations. They do it effectively now and we are the  
22 sole users of the system.

23 MS. GROMMERS: Mrs. Silver.

24 MS. SILVER: I would like to ask Dr. Leach, when  
25 you mentioned that kind of is on your own, I gathered that

1 it is your own idea to delete names and addresses from a  
2 lot of records which can be used for statistical data or  
3 what-not where needed. Is this now sort of assured? They  
4 mentioned that people in this program are like there for  
5 two years, and I don't know how long they have been there  
6 or how long they will be there. But is there any assurance  
7 that the successor will function in the same function you  
8 are, or is it in the rules, or is it --

9 DR. LEACH: Yes, it will be.

10 MR. CHADWICK: They are in the role, but this is  
11 the way you provide it --

12 MR. MARTIN: I think the question was addressed  
13 to Dr. Leach.

14 DR. LEACH: Two comments. I am not the only one  
15 who thought about leaving names off. People thought about it  
16 for a long time. I think I was the first to write to Dr.  
17 Garratt saying let's slow it down, using it as a service.

18 One would like to think all doctors are sensitive.  
19 I am sensitive because I have a serious medical record, and  
20 I do not feel the world has any business of knowing about it  
21 if I don't want it to know about it. I also write  
22 prescriptions of sleeping pills for people who can't go to  
23 sleep because I had an experience with a patient where --  
24 I am in one way unique. I am a doctor and I am a survivor.  
25 I am a patient. I am a career doctor with the Public Health

1 Service. I am not a two-year guy.

2 One would like to think all doctors would be  
3 sensitive to these things. I am sure most doctors would  
4 like to be sensitive to these most of the time. But, most  
5 of us are not sensitive most of the time, but we try to be.  
6 I think our doctors are tuned to the fact that this is  
7 private information. That's the way I feel.

8 MS. GROMMERS: Mr. Chadwick, did you want to  
9 comment?

10 MR. CHADWICK: My comment was going to be that  
11 we are instituting this in the system, that this provision  
12 will be made, yes.

13 MS. GROMMERS: Professor Weizenbaum.

14 MR. WEIZENBAUM: I have so many questions and  
15 comments. I'm sorry I can only ask one.

16 I will ask an extremely short one. I will just  
17 ask your guess. You probably don't know. I will ask you a  
18 guess as to how many girls were born in the Sells outpatient  
19 area in December 1st, 1969, of the Papago Indians.

20 DR. LEACH: We have about 150 babies born that  
21 year, and one in four chances is that a girl was born that  
22 date.

23 MR. WEIZENBAUM: There was one?

24 DR. LEACH: All right. Let me go back. There  
25 was one. There might be 10. But the odds are there was one

1 in four born during that date. I think if you want to know,  
2 you can find out who it was from what is published there  
3 (indicating document).

4 MR. WEIZENBAUM: I think this is unique, after  
5 giving the birth and sex and all in the small population,  
6 you have the question of statistical confidentiality which  
7 becomes enormously important, and I cannot imagine that you  
8 can possibly maintain, if you give this much information,  
9 or even a quarter of this much information, that you can  
10 maintain -- I am sure you can identify this individual  
11 uniquely on this piece of paper.

12 MS. GROMMERS: Mrs. Hardaway, do you have a  
13 question?

14 MS. HARDAWAY: No.

15 DR. LEACH: Does it say she is Indian? I'm  
16 serious.

17 MR. WEIZENBAUM: One can infer that.

18 DR. LEACH: Because we get people that are non-  
19 Indians moving through.

20 MR. WEIZENBAUM: I'm sure under the probability  
21 that this individual is .95 --

22 DR. GARRATT: There was one change since we made  
23 this report, a particularly notarized printout which gives  
24 the month and date and year of the birth, so the only data  
25 is sex and year of birth.

1 MR. WEIZENBAUM: That is not the film you showed,  
2 though.

3 DR. GARRATT: No. You can see the device there  
4 (indicating computer in the rear).

5 MS. GROMMERS: I want to thank you very much.  
6 During lunch, you may share your comments concerning the  
7 computer because it is in the back of the room there, and  
8 Mr. Mason has got the computer attached to Tucson, and you  
9 can have the opportunity of seeing the computer in action  
10 as if it were in your private office, if you were a member  
11 of the health care team of Tucson, I presume. I do not want  
12 to speak for you, but I presume you are making this demonstra-  
13 tion available to us because of our interest in the subject,  
14 and that this would not be a demonstration available to  
15 anyone who wished to see it. Is that correct?

16 Can anyone see the computer printout, this data,  
17 or --

18 MR. CHADWICK: Yes.

19 MS. GROMMERS: Anyone can?

20 MR. CHADWICK: As it would be in our context, in  
21 our ability to perform the numbers and use of the data.

22 MS. GROMMERS: In other words, you can bring this  
23 into the office of GE, for example, and GE management? I  
24 am thinking of the confidentiality question of this.

25 DR. GARRATT: I mean, we wouldn't. We have our

1 own controls, but within government groups and concerned  
2 people, we know the involvement of concerned people and what  
3 we are doing is making it widely available as possible.  
4 We are not promoting the --

5 MR. WARE: Does the tribal council know about that  
6 little facet you have there?

7 DR. GARRATT: I don't really know.

8 MR. WARE: Well, seriously, it would seem to me  
9 that if you wanted to do that, you could have gotten a toy  
10 data and not a real one there.

11 DR. GARRATT: But if you are really talking about  
12 how the data system works, the first thing you can do is  
13 shoot down your dummy data.

14 MR. GALLATI: Not that way. You can't.

15 DR. GARRATT: Maybe I am unique in thinking a  
16 dummy data means not anything to run it. I can put all that  
17 stuff of terminals to run and this is a real time computer  
18 that --

19 MR. WARE: We didn't mean phony of the system.  
20 We mean a toy data basis.

21 MS. LANPHERE: A toy.

22 MR. WARE: This gives rise to a lawsuit, and you  
23 should have a certain amount of protection for yourself.

24 MS. GROMMERS: All right. This is a non-data  
25 base.

1                   Now, we must all be back here at 2:00 o'clock.  
2           Are you gentlemen joining us for lunch?  
3                   MR. CHADWICK: No. We have another session  
4           within half an hour or within the hour. I also want to  
5           express our appreciation for being here and tell you it is  
6           a pleasure for being with you.

7                   (Whereupon, at 1:15 p.m., the conference was  
8           recessed, to be reconvened at 2:00 p.m., this same date.)

9                                   \*   \*   \*

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## AFTERNOON SESSION

(2:00 p.m.)

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Tape 9

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1  
2  
3 MS. GROMMERS: May we have the meeting come to  
4 order. We are waiting for the distinguished Assemblyman  
5 from California.

6 MR. BAGLEY: Well, the reason I called this  
7 meeting together --

8 (Laughter.)

9 MS. GROMMERS: This afternoon, we are going to  
10 start with the presentation by Mr. Wilkerson, Vice President  
11 for Data Services, who is going to present to us the Airline  
12 Systems of Trans World Airlines, and I believe it is going  
13 to be the International --

14 MR. WILKERSON: It is the reservations for both  
15 domestic and international.

16 MS. GROMMERS: It has come to our attention,  
17 to the committee members, that there are data systems that  
18 are not stopping at national borders, which I think you  
19 have in your folders, the yellow Telecommunications  
20 booklet, which is a copy of the proceedings from the  
21 meeting in Canada at which Mr. Ware was present. I do  
22 not think any of you others were there. You will hear  
23 more about it in the second presentation this afternoon.

24 We thought we would give you the benefit of an  
25 insight as to what is going on in the worldwide automated



1 data systems. Therefore, we have asked Mr. Wilkerson to  
2 come.

3 MR. WILKERSON: Thank you. I will go through the  
4 small card of questions that was given to me about some of  
5 the particulars of my role and within Trans World Airlines.

6 I am F. M. Wilkerson, the Vice President for Data  
7 Services. Essentially, my organization is one which is  
8 responsible for all systems development, all operations in  
9 computer systems within Trans World Airlines, and to some  
10 extent in the area of manual world systems, data systems,  
11 although within TWA, we have a set which is responsible  
12 for industrial engineering. We have some fragmentation,  
13 small groups that are responsible for small systems within  
14 individual departments.

15 So there is some fragmentation, but essentially,  
16 we are highly organized in every department.

17 Our staff groups, marketing groups, corporate  
18 groups, industrial engineering and systems and central data  
19 groups are also highly centralized groups.

20 I report to Fred Meyer, senior vice president of  
21 finance, who, in turn, reports to Tillinghast, Chairman of  
22 the Board.

23 We have an absolutely different organizational  
24 structure in the airlines, and the president of the airlines  
25 is the chief operating officer, does not have reporting to

dor 3

1 him the financial group under Mr. Meyer.

2 MR. MEYER: Has three basic functions:

3 System Data Services, the Controller's Department,  
4 the Treasurer's Department.

5 I should have said four, and another group, which  
6 is germane to this group; that is, Audit Security, those  
7 people responsible for developing procedures within the  
8 airline and to be sure that those procedures are enforced  
9 in the overall airline security.

10 Specifically, they have been very busy in  
11 recent months. The entire problem of aircraft security,  
12 passenger security, hijackings, attempted hijackings, and  
13 threats of bombings.

14 So essentially, that gives you some idea of where  
15 I could end that structure. When asked to talk to you about  
16 airlines, this is our airline reservation system.

17 I will try to keep this fairly brief because I  
18 know the interest of the committee is in a specific area.

19 I thought it might be helpful to give you some  
20 background on airline reservations in general and systems  
21 used by TWA.

22 Airline systems are essentially a real time system.  
23 They evolve from military systems, but I think perhaps they  
24 are the first non-military major real time application being  
25 used in private industry.

1 Initially, SAGE was the beginning of the system  
2 that eventually evolved into SABRE, which was a system de-  
3 veloped by IBM Corporation, installed in American Airlines.  
4 That initial system, with a lot of improvements, of course,  
5 was running as American Airlines until just very recently.

6 They now have converted that reservation system  
7 to a newer reservation system, but there are still some of  
8 those systems in operation. American Airlines developed  
9 some systems called PANAMAC. The PANAMAC system is still  
10 running today, to my knowledge. There is no major effort  
11 to change that right now. It probably will be changed, but  
12 it is not planned to be changed within any particular date.

13 The SABRE system was started in the early 50's.  
14 It was actually put into operation in December of 1953.  
15 PANAMAC and DELTAMATIC were started in 1959.

16 DELTAMATIC is a system similar to PANAMAC for  
17 Delta Air Air Lines, and it came into operation around 1965.

18 At the same time, the IBM Corporation looked upon  
19 this with their marketing eyes and said there must be some  
20 area to expand this market. So they attempted to develop a  
21 common reservation system that they called Program Airlines  
22 Reservation System. The acronym, for data processing, is  
23 called PARS, p-a-r-s. PARS was developed. It was first  
24 installed in Continental Air Lines in May of 1968, and,  
25 essentially what happened was that all the air lines in the

1 IBM Corporation put together the collective knowledge and  
2 the experience they had gained through those earlier efforts  
3 into a system that could be economically justified in an  
4 air line to serve the basic function.

5 Most of the air line reservations systems in  
6 existence today are what we called PARS based systems. The  
7 reason I say PARS based is we often refer to the IBM system  
8 available as MALINABARS. There are a number of heavily  
9 modified versions of that, though, available.

10 Eastern Air Lines made some very major changes  
11 through that software package, and since then, have been  
12 trying to market it and have been very effective.

13 Trans World Airlines purchased Eastern's heavily  
14 modified PARS base system and they refer to it as System I.  
15 The same system was purchased by United Air Lines and has  
16 been installed there and is now operating.

17 The same system is being used at American Airlines  
18 basically, the package as modified by Eastern.

19 The PARS based system is used internationally by  
20 many of the foreign carriers and is generally used asystem,  
21 that is to say, there are not other reservations in existence.  
22 There are those developed by UNIVAC and other computer  
23 manufacturers, but the great majority of the systems are  
24 being used today as part of the base system. The system itself  
25 is a specialized tool, specialized in the sense that it serves

1 the industry. It is primarily a service oriented system and  
2 it is to help us in our daily operations in running an air  
3 line and serving the public, both domestically and  
4 internationally.

5 The system itself, there are a number of  
6 application packages, some 1200 programs, actually, in most  
7 PAR systems, and those many modules are put together in a  
8 time system, and it is put together in this time system, and  
9 I think the slides will give you an idea of what a reservation  
10 system is.

11 (Slide.)

12 Most of you have had some contact with it when  
13 you picked up the phone and called the airline, whether  
14 Eastern or TWA or whatever, so you have had some experience  
15 with them.

16 But to see the very basic functions they perform,  
17 one of which is industry controlling, seating inventory,  
18 -- now, the airlines have thousands of seats every day in  
19 planes that depart from one point every day and go to  
20 another, and those seats are a very perishable product.  
21 That is, the moment an airplane closes its doors and departs  
22 with those seats empty, if those seats are empty, that  
23 product is perishable, so to speak. It can never be  
24 recovered.

25 So industry control is a very important function

dor 7

1 of all airline reservations, to insure that those seats, if  
2 at all possible, are sold and filled with passengers.

3 So that is a basic business objective.

4 It is also to supply the need of passengers,  
5 particularly business traffic, who travel and want to be at  
6 a particular place at a particular time and feel they must  
7 have an airline who will commit a seat on a given time, so  
8 time gets into schedules -- which I won't address today, --  
9 but schedules are an important order for most passengers as  
10 to when they are going to leave and arrive.

11 In addition to the inventory control function,  
12 the other major function in all these systems is maintaining  
13 passenger name records. Essentially what I mean by that, is  
14 knowing the passenger, the flight that he wants to travel  
15 on, the time, any additional services he may have requested,  
16 such as hotel reservation, car reservation, any special  
17 service in the way of special meals, wheelchairs, stretchers,  
18 anything that the passenger needs that is unusual. It is  
19 a departure from the norm.

20 The system is capable of collecting that data,  
21 storing it and immediately making it available to people  
22 across our systems.

23 If I may, let me go through these slides and I  
24 will try to do this fairly quickly.

25 (Slide.)

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1           Some of this will be general knowledge and I will  
2 not dwell on it. If you have got some questions that you  
3 would like to ask, please raise them later. This is not  
4 intended to be a formal presentation as such, but I hope to  
5 attempt to convey to you the concept of the system.

6           As I said earlier, PARS means Program Airlines  
7 Reservation System. It is a type of reservation system.  
8 Many airlines have developed names such as APOLLO, Eastern Air  
9 Systems I. We just call ourselves TWA Reservation System.

10          The need for systems occurred because, in the  
11 airline industry, the growth of the passenger traffic has  
12 been most phenomenal over the years and is steadily increasing  
13 in number of passengers 10 to 15 percent. That means we have  
14 more people to handle, more people seeking seats on the  
15 airplanes, and we have a particular job in trying to utilize  
16 that resource to its ultimate to achieve a fair rate of  
17 profit on the investment that the stockholders have in  
18 Trans World Airlines, and --

19          MS. GROMMERS: Mr. Wilkerson, may I interject.  
20 We have to break at about 3:00. Basically what we would like  
21 to know is what is in your system, and then have a chance to  
22 ask you questions about it.

23          MR. WILKERSON: All right. Let me go on to a  
24 couple of these slides which will get specifically into  
25 that information. I will bypass others.

(Slide.)

These slides were intended just in passing to show the old manual system, if you recall, where the information that was required was written down actually on cards and the individual agents working on those cards would record the information as fast as they could to a back area where it was filed.

MR. BAGLEY: They look like happy people.

MR. WILKERSON: Not always happy people.

In the old system, changes were made, methods where you had to go into the back rooms, cancel one reservation and prepare another. The information recorded in those systems and the new systems are all very similar.

(Slide.)

One of those data elements was the passenger's name. Now, the old systems were a problem because there were misunderstandings, misspellings of what the customer's name was. We use teletype as forms of communication, passing that data from customers to our systems to TWA, eventually advising the passenger that it was confirmed.

With larger aircraft, more data, the problem became complex, and with that was the advent of large centralized computer systems with data banks storing all of the information relative to that passenger.

(Slide.)

The functions, as I mentioned, the primary



dor 10

1 functions were inventory and passenger name records, and  
2 with the system now, you see some of the data that is  
3 actually collected, such as the time the passenger called the  
4 office. We are able to do this within the system.

5 (Slide.)

6 The basic data are the flight schedules, and in  
7 this case, you see a CRT display, where a customer is  
8 expected to fly, and you have four best flights starting on  
9 the left, where you have your line numbers. The flight  
10 number here is, I believe, 249F3, and it says C-1 available.  
11 Then an itinerary of the time: Boston, Los Angeles, et  
12 cetera. Once the passenger indicates what flight he wants,  
13 that is the first indicated data, passenger data record,  
14 which is the flight itself.

15 (Slide.)

16 We ask our passengers a series of questions that  
17 are essentially recorded in his reservation, this is towards  
18 establishing contact with him in the event that we need to  
19 change that reservation or in the event he or she calls and  
20 wishes to make a change of some type or perhaps even cancel  
21 the flight.

22 The first one is the customer's name and,  
23 normally, the first initial.

24 The next thing we ask for, in addition to that,  
25 is a telephone number, which is the third item. It indicates

1 a local telephone number.

2 The H following the telephone number indicates it  
3 is home. If there were a B, it would indicate a business  
4 phone, or any other address he may give us, any other telephone  
5 number he might give you in the way of hotel, et cetera.

6 The next number is prefaced by an 8 on the left-  
7 hand side, and it is a function code. It refers to his  
8 ticketing arrangements, and in this case, it says "Bypass  
9 ticketing arrangements."

10 Normally, it would require that our reservation  
11 offices determine that the passenger has picked up his  
12 ticket. If not, when he will pick it up, if he would like the  
13 ticket to be mailed to him or perhaps pick it up at the travel  
14 office, whatever.

15 The last function you see indicates the source of  
16 the reservation. The passenger himself called and placed the  
17 reservation. We would also indicate if it was made by a  
18 travel agent, by his secretary, by a person in his business  
19 office or whatever the case may be.

20 Those are the five basic things we pick up on all  
21 reservations. The itinerary, the name, the phone number, the  
22 ticketing arrangements, and who placed the reservation.

23 (Slide.)

24 In addition to that, the reservation agent, identified  
25 by a unique code as to who made the reservation, is also recorded

and we can trace back the agent that initially placed that on a historical basis.

Now, the balance of these slides are that kind of information that is supplied. That same information goes in, not only to the central system, but they may go to other airlines. I will bypass these slides because, there again, they are intended to demonstrate some of the functional capabilities that might deal with some of the questions you have raised.

In this particular case, there are two telephone numbers. There are no limitations in the systems where telephones can be put in. In the case of extending itineraries to other airlines, we pass that same information on to other carriers. If that itinerary involves travel on another airline, we send a message to that other airline, confirming the space and also sending them a copy of the same information that we have in our system, which, essentially, means the name, telephone number, contact.

MS. GROMMERS: How do you send them that?

MR. WILKERSON: Today, all of the information is conveyed by teletype communications lines. It is an automatic message sent by the carrier who made the reservation. In most cases, it goes through a switching center that is owned by the airline industry, called Air, Inc. That switching computer transfers that data from TWA's system, for

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1 example, to United's system.

2 Normally, technically, it does go through  
3 technical swithing, through United, and from there into their  
4 reservation system. Some of the airlines are experimenting  
5 with what is called a medium speed link. There are no  
6 medium speed links between carriers. We are not able to  
7 justify that economically.

8 MS. GROMMERS: What is that? Medium speed link?

9 MR. WILKERSON: Medium speed link, contrasting  
10 that with a teletype, which is a faster data communications.

11 MS. GROMMERS: Is that a CRT or what?

12 MR. WILKERSON: No. It is just a line, a quality  
13 of line service offered by AT&T, for example, Western Union,  
14 and others over teletype services.

15 The primary difference is speed and cost and  
16 quality.

17 MS. GROMMERS: It is a different set of hardware?

18 MR. WILKERSON: No. It is a similar set of  
19 hardware in most cases, once you get into the telephone  
20 company's network. But in our system, if I want to go from  
21 the reservation system, which normally requires medium speed  
22 links, or you could call them high quality lines, into a  
23 teletype circuit, I have to go through -- and perhaps this is  
24 your question -- I have to go through another system, which  
25 interfaces that medium speed system with the low speed

1 teletype system.

2 So I would actually go through a message switching  
3 type computer.

4 TWA has their own message speed computer, which is  
5 a low computer, as against a large or medium speed system.

6 These are just more slides to demonstrate the  
7 confirmation between airlines.

8 (Slides.)

9 In terms of the system itself, obviously, our  
10 objective is, one, to supply service, and, secondly, to  
11 provide data cost that will prevent our cost escalating  
12 beyond the revenues received from the customers and to  
13 provide all airlines to make a profit themselves.

14 I won't go into all the other slides. Perhaps  
15 they demonstrate points you are not interested in.

16 Let me comment briefly on the other data that you  
17 might be interested in since that is the question you  
18 raised.

19 (Slide.)

20 In addition to the name, we normally will not  
21 have a passenger's address; if, however, the passenger asks  
22 us to mail a ticket to their business address or home, we  
23 will pick up the information you saw there, the passenger's  
24 address, et cetera.

25 That does not happen in a high percentage of

1 cases with the services provided.

2 So some of the records in the reservation system  
3 will also contain the passenger's address, generally speaking,  
4 aside from meal requests, special handling requests, such as  
5 wheelchairs. There is no highly sensitive data in passenger  
6 reservation systems that --

7 MR. WARE: Size of party?

8 MR. WILKERSON: Size of party? There may be  
9 multiple names which indicate the reservation was made under  
10 one name for a party of five and will indicate the names of  
11 the five.

12 MR. DE WEESE: Do you think that --

13 MS. GROMMERS: I would like the questioning to  
14 come to the chair. I would like to have him finish and then  
15 we will go around for questions.

16 MR. WILKERSON: All I was going to say is it depends  
17 on the point of view. Obviously, I would not want -- and we  
18 recognize as a company that people do not want their travel  
19 plans disclosed to someone who really has no business knowing  
20 that. We are sensitive to that. We have policies and  
21 procedures which prohibit our employees from giving reserva-  
22 tion information to someone other than the passenger or some-  
23 one he authorizes to give that information to.

24 If you were to call TWA and ask if a friend of  
25 yours was arriving on a flight into Washington, our

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1 reservation agents have been instructed to tell you they are  
2 sorry, they cannot give you that information. Well, if you  
3 give them the flight number, they will tell you the time of  
4 arrival. But they will not tell you if your friend or  
5 relative is on that flight.

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6 We apply that same policy to persons who inquire  
7 about planned trips. We do not give out that information  
8 to someone, provided that they would convince us that you  
9 were the passenger, in fact, and subject to fraud, subject  
10 to that as anyone else is.

11 MS. GROMMERS: Would you like to answer some  
12 questions?

13 MR. WILKERSON: Yes.

14 MS. GROMMERS: Mrs. Silver.

15 MS. SILVER: This may not be so, but I have heard  
16 that airlines may have or have kept complete travel pictures  
17 of people. For instance, like this committee, who does a lot  
18 of traveling, and is there somewhere a record being kept of  
19 what exactly area person's travel data, or what is kept or  
20 is it a possibility that --

21 MR. WILKERSON: In response to your question,  
22 first of all, when you have completed the last segment of  
23 travel on a booked reservation, the system automatically  
24 deletes that reservation system. We do not know whether you  
25 have traveled or not. The system does not verify, in fact,

1 that a person who made a reservation was on that flight.

2 But if you had made a reservation leaving on the  
3 17th of August and returning on the 31st, on the evening of  
4 the 31st, that record would automatically be punched from the  
5 system. That record goes into a history file which we put  
6 on microfilm and we retain that currently for one year.

7 Now, by law, and someone raised the question --  
8 am I right? -- as to law enforcement agencies requiring  
9 that, the answer is no. It is required of the Civil  
10 Aeronautics Board to keep those records for 60 days. We  
11 however keep them much longer than that primarily for  
12 insurance purposes, accident purposes, that type of thing.

13 Now, if we were contacted by a law enforcement  
14 agency or if the records were subpoenaed by them, obviously,  
15 we would give them those records. But if we were contacted  
16 by a law enforcement agency, we would just automatically not  
17 give them anything. In fact, we do not permit agencies to  
18 take information from our offices.

19 We would, if they were properly identified, say,  
20 a subpoena, and we knew that they were a representative of  
21 an authorized group, we would permit them to look at those  
22 records. We do not permit them to make copies or take  
23 records of those without a subpoena. That is one place where  
24 history is kept, but on an individual basis.

25 I think your question is, do we ever summarize



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1 that data and statistically try to determine if you are a  
2 frequent traveler? The answer is yes. The data on the  
3 reservation system is processed on a monthly basis, and  
4 based on the telephone numbers given, we attempt to identify  
5 frequent travelers. That identification is primarily for the  
6 purpose of identifying those persons who frequently use our  
7 airline and who would be interested in knowing the various  
8 services that we offer and we do send to them material  
9 regarding changes.

10 For example, frequent travelers often receive  
11 mailed directly to their home a current schedule timetable  
12 or might receive mailing regarding new service in cities  
13 where they normally travel. We look upon that as purely  
14 an extension of the services initially requested by the  
15 passenger to keep them advised of changes in schedules and  
16 services offered in that area.

17 MS. GROMMERS: I have to tell you all that we have  
18 to start the Canadian presentation at 3:00, which is 25  
19 minutes from now, so we are going to have to go through very  
20 quick questions and all quick answers.

21 MR. MUCHMORE: Instead of asking these various  
22 questions, we should ask questions related to the subject  
23 that is of interest to the committee assignment, which is  
24 directly related to the automated banks and the confidentiality  
25 thereof. I felt that in the past we had gotten off the

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1 subject.

2 I would like to ask the question on invasion of  
3 privacy. In the state college or university system in  
4 certain states, it says you must establish residency within  
5 a one-year period if you are going to qualify, and you qualify  
6 for one year, you establish that residency and you do not have  
7 to pay out of state tuition for one year. One of the things  
8 that they tell their people who they are attempting to  
9 qualify is that if they leave the state during the course of  
10 this year, you therefore break that establishment of  
11 residency, and one of the other things that they have on  
12 their form, which they use, is a statement to the effect  
13 that you cannot take airplane tickets because airplane  
14 information is available to us by checking your name against  
15 the airlines.

16 Now, is that a very valid statement? Can a  
17 university, state college system require that information  
18 from you?

19 MR. WILKERSON: No, not --

20 MR. MUCHMORE: There is no way possible for them  
21 to supply that information, for you to supply that information  
22 to them?

23 MR. WILKERSON: It is possible for you to, but --

24 MR. MUCHMORE: But you do not?

25 MR. WILKERSON: As a matter of policy, we do not.

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1 MR. MUCHMORE: Secondly, can you break your  
2 confidentiality by the use of another airline which taps into  
3 your computer?

4 MR. WILKERSON: No. Airline reservation systems  
5 are not interacting with other airline systems. The only  
6 thing that we can acquire from any system is, "Do I have  
7 space on a given flight?"

8 They do not go directly into access by passenger  
9 name records as such.

10 MR. MUCHMORE: Your name record is your own name  
11 record and is not supplied to another airline?

12 MR. WILKERSON: Yes.

13 MR. WARE: May I challenge that?

14 MR. WILKERSON: Let me be sure if I understand  
15 your question.

16 You are asking, can they come into my system? The  
17 answer is no.

18 Do I ever go to them? The answer is yes.

19 MR. WARE: The answer is yes.

20 MR. MUCHMORE: Because you have to, but my point  
21 is that they acquire, through another airline, the identity  
22 of a passenger on a flight, and you are saying "No," for  
23 that purpose. For the purpose of making a reservation, it  
24 is made available obviously and that would be with your  
25 consent or you would have to do it in --

21 1 MR. WILKERSON: I have to explain the other  
2 airlines and about this information.

3 MS. GROMMERS: Well, go on, Professor Miller.  
4 I am afraid we have time for one quick question.

5 MR. MILLER: There was a little ambiguity of what  
6 you said a couple minutes ago and what is in this letter  
7 from the transition of the passenger name record and on-line  
8 file recorded on microfilm for reference by law enforcement  
9 agencies. I gather from what you said a couple minutes  
10 ago that if a law enforcement agent comes into the system,  
11 physically, and says, "I would like to know Jones' travel  
12 plan for the last six months, I just want to look at it, I  
13 don't want to carry it away," you will let him look at it?

14 MR. WILKERSON: I can just answer that question  
15 by saying yes, once he has been properly identified.

16 MR. MILLER: But you do not require any form  
17 of a process from him?

18 MR. WILKERSON: No.

19 MR. MILLER: You don't require a subpoena, a  
20 summons, a court order, you just let him look at it?

21 MR. WILKERSON: That is right.

22 MR. MILLER: How do you define law enforcement  
23 agency?

24 MR. WILKERSON: FBI; local police enforcement  
25 agencies. Those are the ones that have ever contacted us

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1 about that type of information.

2 MR. MILLER: But you make no inquiry as to the  
3 nature of the investigation?

4 Because in picking up Don's question, it seems to  
5 me to be rather strange that the college can say they can  
6 do something when they can't. It may very well be checks  
7 are made on the residences through a law enforcement agency  
8 acting on behalf of the college.

9 MR. WILKERSON: It could be. Not to our knowledge,  
10 but it could be.

11 MR. DE WEESE: How about campus police?

12 MR. WILKERSON: I think in response to your  
13 question, campus police would never contact us.

14 MR. MILLER: The campus police has a connection  
15 to the state police, local police, and that is how undoubtedly  
16 it goes. But you only require a court order or subpoena  
17 or document carrying the weight of --

18 MR. WILKERSON: That's right.

19 MR. MILLER: -- a subpoena? An administrative  
20 subpoena doesn't necessarily have to be a court ordered  
21 subpoena.

22 MR. WILKERSON: I don't know. I am not a lawyer,  
23 so I really cannot answer your question.

24 MS. GROMMERS: Mrs. Lamphere.

25 MS. LAMPHERE: I pass.

1 MS. GROMMERS: Mr. Gallati.

2 MR. GALLATI: On the seating arrangements, on  
3 some planes, the stewardesses take your name and the  
4 location you are seated at. Do these filter into your  
5 computer?

6 MR. WILKERSON: They do not, yet. We have  
7 currently underway a designed effort for a so-called seat  
8 selection system, which would assign seats to individual  
9 passengers based on their request.

10 MR. GALLATI: So I might be sitting next to an  
11 organized crime figure sometime on a flight and a law  
12 enforcement agency might be looking into our flight and say  
13 that, as we were seated, Bob Gallati and Columbo were  
14 seated on the same plane.

15 MR. BAGLEY: I believe Columbo would be more  
16 concerned with you.

17 (Laughter.)

18 MR. MUCHMORE: With the current investigation  
19 in New Y ork, I think you should be concerned.

20 MR. WILKERSON: Let us say that is not a function  
21 that had been designed, as to what that information could be  
22 obtained for. As to the intent of the position, it is to  
23 take air tickets and take people to seats. There is no  
24 information to retain that data as of now.

25 MR. GALLATI: Right now, is it possible for one

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1 member of the agency to identify on files two people on the  
2 same plane?

3 MR. WILKERSON: Prior to the flight. Well, it  
4 really doesn't matter prior to or after. If the reservation  
5 was made --

6 MR. GALLATI: No. If you are getting reservations  
7 made in duplicate, but again, this Columbo-Gallati situation.

8 MR. WILKERSON: The list we give law enforcement  
9 agencies is that all we know is that two people by those names  
10 made those reservations. I cannot tell you that those two  
11 individuals were on that flight.

12 MR. GALLATI: But you can tell them that I pre-  
13 sumably was on that flight, too.

14 MR. WILKERSON: I could tell you you booked space  
15 on that flight.

16 MR. GALLATI: I am worried, really. A high police  
17 official in New York said someone was going through these files  
18 and saw that police commissioner Patrick Murphy was on the same  
19 flight, too, to Las Vegas, and then Jack Anderson would have  
20 this in his personnel file.

21 (Laughter.)

22 MS. GROMMERS: I have to go on, but you have  
23 certainly made a very good point.

24 Mrs. Gaynor.

25 MS. GAYNOR: Bob has taken my question, so I pass.

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1 MS. GROMMERS: Professor Weizenbaum.

2 MR. WEIZENBAUM: Thank you.

3 As you described your position within TWA, you are  
4 either on the second or third level of management, coming down  
5 from the top down.

6 MR. WILKERSON: Yes.

7 MR. WEIZENBAUM: So you are at very high management.

8 Speaking for that level of management, I will ask  
9 you to speak for that level of management and say, do you have  
10 any feelings about asking passengers, your customers, for  
11 information which they assume is given for one purpose; namely,  
12 to get from wherever they want to go, and without giving them  
13 any hint that this might be so, making that potentially --  
14 at least making that information available for a very, very  
15 different purpose as, for example, the police?

16 I would like to hear the management's attitude of  
17 that question.

18 MR. WILKERSON: Well, the management's attitude is  
19 the information the passenger gives us is because he wants  
20 service on an airline, and if he gives us that information  
21 many times and says he wants that service many times, we  
22 internally use that information only to provide service to  
23 that passenger based on his travel needs and our position  
24 policy is that all the information is used only for that  
25 purpose, to provide good service, and in keeping this passenger



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1 informed about flights he feels are good service.

2 As far as law enforcement agencies are concerned,

3 that is obviously not a part of our objective -- which is

4 passenger service. We do that in cooperation with law

5 enforcement agencies. However, we make it very clear that

6 that is not evidenced, that the passenger did in fact fly

7 on that plane.

8 MR. WEIZENBAUM: That was not my question. My

9 question is -- let me say something by way of background.

10 One of the things we are sort of converging on

11 after many, many meetings is that when people are asked for

12 information, they ought to be told to the extent possible

13 what that information would be used for and that after that

14 point, that information ought not to be used for anything

15 else without going back to the original informer.

16 Now, very nearly the highest level of management of

17 a big corporation, TWA, is violating that principle. You are

18 saying that you solicit information from the passenger for

19 good and sufficient reason; namely, to provide him with

20 service that he desires. But you allow yourself the option

21 to use that information without informing the passenger that

22 it may be used for purposes of which he has absolutely no

23 knowledge and which may be detrimental to his interest,

24 incidentally, and I would like to hear management's justifica-

25 tion.

1 MR. WILKERSON: Management's justification really  
2 is we believe, based on experience, when we have been  
3 contacted, we have two choices. We can cooperate with  
4 law enforcement agencies and assist them within the limits  
5 of the law, the existing law, or we can wait and ask them for  
6 a subpoena. In our experience, it has been that when we  
7 fail to provide that kind of information, a subpoena follows.

8 MS. GROMMERS: May I help out a minute here. You  
9 could also tell the passenger the other purpose for which his  
10 information might be used.

11 MR. WILKERSON: Yes. Would you suggest how we  
12 may convey that to him?

13 MR. GOLLATI: Yes. You can put ~~that~~ information  
14 on the ticket. You can put that information on your time-  
15 table, just as a warning for cigarettes, "Warning: Cigarette  
16 smoking may be hazardous to your health. "

17 MR. WILKERSON: As the laws are, it is known that  
18 anybody is subject to legal process and is subject --

19 MR. WEIZENBAUM: See what I mean?

20 MR. WILKERSON: Well, is that unknown to  
21 individuals?

22 MR. WEIZENBAUM: You say that your experience is  
23 that if you fail to cooperate with the law agencies, then the  
24 subpoena follows. That suggests that you have many times  
25 refused and each time a subpoena followed.

1 MR. WILKERSON: In years past, that is my  
2 understanding, correct. I cannot give you factual information  
3 about that, but that is my understanding.

4 MR. WEIZENBAUM: Thank you.

5 MR. WILKERSON: I am concerned, though. Are you  
6 saying that people who are not aware that that is a normal  
7 process of law should be additionally informed?

8 MR. WEIZENBAUM: Indeed they should be, and I  
9 stress most energetically, yes.

10 MR. WILKERSON: I am curious of the committee's  
11 thinking. Do you see that as the law enforcement or  
12 government to educating them as to the laws of the land?  
13 The old axiom, "Ignorance of the law is no excuse," is that  
14 no longer?

15 MR. WEIZENBAUM: I think I could say why I believe  
16 we are converging as a committee. This is my personal  
17 perception. I have no authority to speak for the committee.

18 As I say, we appear to be converging to this  
19 commission, to the largest extent possible, that information  
20 solicited from an informant should not be used for any other  
21 purpose that the informant believed it should be used for --

22 MR. WILKERSON: I believe that.

23 MR. WEIZENBAUM: -- and without going back to the  
24 informant and asking that that information be used for that  
25 additional purpose. So there is an implied informed consent

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1 on the part of the informant.

2 Now, when it is in fact your policy, your explicit  
3 policy to potentially give information to someone about whom  
4 the informant has no idea whatever, namely, police agencies,  
5 say the FBI, that is your explicit policy then, it seems to  
6 me that you ought to inform your original informant, the  
7 passenger, as to what purpose that information may be used.

8 MR. WILKERSON: I don't intend to be argumentative  
9 at all.

10 MR. WEIZENBAUM: I don't, either.

11 MR. WILKERSON: I will respect that. If those  
12 records were subpoenaed, we would advise the individual.

13 MR. WEIZENBAUM: Now, that is different. That  
14 is not a question of your policy then. Of course, everyone  
15 knows that, most everyone knows that there are all sorts of  
16 subpoena powers in the world. But this is a very different  
17 situation when you make this information as a matter of  
18 policy available to anyone who identifies himself as a  
19 legitimate law enforcement officer.

20 Anyway, my question seems to be unclear to you.

21 MS. GROMMERS: We had better move on here.

22 What I would like to know is, you people keep  
23 your records?

24 MR. DE WEESE: People don't know how long you  
25 keep the records.

1 MS. CROSS: You don't have the policy or capacity  
2 of furnishing the policy for two years, but what happens  
3 after a year?

4 MR. WILKERSON: I didn't say we had the policy  
5 of furnishing after a year.

6 I said we keep the records.

7 MS. CROSS: Well, a law enforcement agent could  
8 get information up to a year. What about two years?

9 MR. WILKERSON: We have no plans of doing that.

10 MS. CROSS: Do you destroy the file after one  
11 year?

12 MR. WILKERSON: Yes.

13 MS. CROSS: So that even frequent travelers are  
14 not listed over a period of two years? Only one year?

15 MR. WILKERSON: Frequent travelers, that is really  
16 quite a different issue. We maintain information on frequent  
17 travelers, that is, updated constantly, and that is on an  
18 ongoing file. It is part of another system.

19 MS. CROSS: Could you furnish frequent travelers'  
20 itineraries for a period of two years?

21 MR. WILKERSON: No.

22 MS. CROSS: You are just labelling them as frequent  
23 travelers?

24 MR. WILKERSON: Right.

25 MS. GROMMERS: Mr. Davey.

1 MR. DAVEY: I would be interested in knowing your  
2 retrieval techniques for finding the individual who has  
3 traveled to any extent, any name. Would that be sufficient,  
4 or do you need my telephone number or just what?

5 Because in most systmes I know of, it goes out to  
6 smeplace else, some place, but the problem of getting that  
7 information is really more trouble than worth --

8 MR. WILKERSON: Are you asking that in the context  
9 of the questions that were just asked?

10 MR. DAVEY: Yes. I am asking that in the sense  
11 of the frequent traveler or someone coming, "I would like  
12 to know where Gerald Davey traveled during the last year."

13 MR. WILKERSON: No. Let me tell you that if you  
14 know the flight and the date and say on this flight and this  
15 date, he was a passenger, or someone who had reason to know  
16 that within our own company said, did a passenger fly on this  
17 day, my records are organized by day and flight. They are  
18 not organized by name.

19 MR. DAVEY: That is what I wanted to know.

20 MR. WILKERSON: I cannot develop for you information  
21 by name. In the frequent traveler files, which is another  
22 file, and you asked me about a given name, I can find that  
23 name and I can tell you that this is a frequent traveler. But  
24 I cannot do anything about that itinerary, the specific flight  
25 numbers.

1 MR. DAVEY: That answers my question.

2 MS. GROMMERS: Senor Anglero.

3 MR. ANGLERO: Did your stock go down four and a  
4 half points because you were asked to testify here today?

5 (Laughter.)

6 MR. ANGLERO: I pass.

7 MR. MUCHMORE: I think you should explain that  
8 in view of the Stae of Ohio.

9 (Laughter.)

10 MS. GROMMERS: Mr. Dobbs.

11 MR. DOBBS: I think there is one comment that I  
12 would like to make, which I think the committee should keep  
13 in mind in this discussion, and that is that this is an  
14 example of a kind of a system that we have not seen before  
15 in the sense that we have been talking about systems before  
16 with linkage between data bases with the implication of the  
17 processing of software in each of the different places, which  
18 was different.

19 This is the first case of linking data bases  
20 between different airlines which, in fact, the processing of  
21 software looks very similar from the design point of view and,  
22 therefore, facilitates the process. I think it is only to  
23 point out that distinction.

24 In terms of the kind of policies that you have at  
25 your company, in terms of disclosure and privacy and so forth,

1 and in view of the fact that information is in fact  
2 transmitted back and forth between airlines, is there an  
3 industry standard which governs disclosure, et cetera, in  
4 view of information that is equal to yours, better than yours,  
5 or worse than yours?

6 MR. WILKERSON: Not to my knowledge.

7 MR. DOBBS: There is none?

8 MR. WILKERSON: There are industry standards for  
9 message transmission, but --

10 MR. DOBBS: So that in fact information which may  
11 get into your system, which you may control to whatever level  
12 of your satisfaction, need only the requirement that it be  
13 a two-leg flight in terms of the named information, and it  
14 is in someone else's system who may not afford it the same  
15 degree of protection, is that a fair statement?

16 MR. WILKERSON: I think that is a fair statement.  
17 It could be one way. United Air Lines could make  
18 reservations for TWA and that is all. They would not maintain  
19 it in their system, however.

20 I would like to comment on the first point you  
21 made. I am concerned of what you are saying in that you say  
22 it would be easy for one airline system to go into another  
23 airline system and access the data files.

24 The answer is no, it is not all easy because  
25 airline systems are not time sharing, interacting systems.

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1 MR. DOBBS: No, that was not the point. The  
2 point is, the fact is that the implementation itself is so  
3 similar, facilitates the ability to expand and build a large  
4 set of linked data base systems. That fact, in itself --

5 MR. WILKERSON: Yes, it does, but the current  
6 heavy competitive situation between airlines will probably  
7 prohibit that.

8 A number of years ago, there was an attempt made  
9 to develop an industry based system called AJARS. It failed  
10 because the airlines would not agree to that base.

11 MS. GROMMERS: But you said they were linked.  
12 You said the systems were linked.

13 MR. WILKERSON: We passed one system to another.  
14 That does not mean the data systems are linked.

15 MS. GROMMERS: Well, would you explain?

16 MR. WILKERSON: One place, an airline conveys  
17 information to another via communication line. It is no  
18 different from you talking on the telephone and conveying  
19 information. That does not mean, however, that the other  
20 airline will come in and indiscriminately begin to draw data  
21 out of that system, no more than I can pick up the telephone  
22 and read your mind.

23 MS. GROMMERS: You can read only on the option of  
24 the linkage system.

25 MR. WILKERSON: Certainly.

1 MS. GROMMERS: Mr. Ware.

2 MR. WARE: I am kind of interested in the user  
3 access terminals. There has been occasion when I have  
4 wheedled information out of those fellows. Now, I wasn't  
5 being malicious. I was looking for somebody. And I found  
6 him.

7 (Laughter.)

8 I gather from the way your write-up was related,  
9 that the terminal was restricted to one agent, but that does  
10 not seem to jibe with my impression with what I am supposed  
11 to do. I am a little confused, so if you would clarify what  
12 the restrictions are, when they are locked, unlocked, how  
13 much confidence does the system really have, that the guy  
14 who did something was in fact who he said he was?

15 MR. WILKERSON: Well, in the write-up, we attempted  
16 to convey to you that every agent has a unique code assigned  
17 to him, and only if he signs in with that code, will we  
18 permit him access to the system. He can sit down to any  
19 device within a given area. Now, we also have restricted  
20 devices to certain offices or locations.

21 So the two functions must be true. One, he must  
22 have a valid code. Secondly, he must be on a valid terminal,  
23 for a group of agents are set on the systems and the systems  
24 will check to see if those are imposed, to see that --

25 MR. WARE: A group, for example, like Los Angeles

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1 terminal office?

2 MR. WILKERSON: Los Angeles reservation office.  
3 Not necessarily the Los Angeles airport ticket office or  
4 terminal.

5 MS. GROMMERS: Mr. DeWeese.

6 MR. DE WEESE: Yes.

7 When you find out who are the frequent travelers  
8 on your airline, you must have a program which scans the  
9 flights and the departures and the flight numbers to get the  
10 names drawn out from that file. How do you identify the  
11 people by an unnamed basis?

12 MR. WILKERSON: Frequent travelers are identified  
13 by telephone contact that you saw on the slides.

14 MR. DE WEESE: Well, then, you scan all the  
15 flights to pull out the telephone numbers? You have some  
16 device?

17 MR. WILKERSON: Yes, we have a telephone number in  
18 that case. There are other ways frequent travelers are  
19 identified.

20 MR. DE WEESE: If the FBI came to you and said,  
21 "We want a complete file on where a person phoned in the  
22 year," presumably you can pull out a -- let's say they had a  
23 common telephone number for an individual.

24 Well, you could do that, couldn't you, physically?

25 MR. WILKERSON: First of all, that data is used,

1 the phone number, one day before he travels.

2 MR. DE WEESE: How do you do it after he travels?

3 MR. WILKERSON: We take the magnetic tape off  
4 this system and process it, and those tapes are essentially  
5 destroyed and the itinerary is not kept. It is not retained.  
6 Only the fact that he was a frequent traveler. We do not  
7 keep the itineraries.

8 MR. DE WEESE: The other question I have is, to  
9 your frequent travelers, do you mail them out credit cards  
10 or applications or brochures or anything of that type?

11 MR. WILKERSON: I can't specifically answer that.  
12 Yes, we mail frequent travelers information about the airline,  
13 about the services the airline offers, and that is one of  
14 the services we offer.

15 MR. DE WEESE: Does this include credit cards?

16 MR. WILKERSON: Personal credit cards?

17 MR. DE WEESE: Yes.

18 MR. WILKERSON: I can specifically answer your  
19 question if you said what it was, I could --

20 MR. WEIZENBAUM: I am on your list.

21 Occasionally, you mail an application for a  
22 credit card and --

23 MR. WILKERSON: No, no, no. Not a credit card.  
24 We do not mail anyone a credit card unless they have  
25 specifically requested it and we have a signed application

1 in our file.

2 MS. GROMMERS: It is against the law now to do  
3 that.

4 MR. DE WEESE: It is against the law.

5 MR. IMPARA: I realize that TWA is not the same  
6 as Eastern and they just recently sent me a questionnaire  
7 regarding the services that I would like to have.

8 Would it be incorrect to presume that you do this  
9 same sort of thing?

10 MR. WILKERSON: That would not be incorrect. We  
11 would mail you from time to time surveys regarding services.

12 MR. IMPARA: And this would be on your file  
13 somewhere, and I notice all of the keypunched codes on  
14 Eastern's where they can just automatically punch in where  
15 I checked off.

16 MR. WILKERSON: No, we don't retain all that on  
17 the file. That is used statistically to analyze passengers'  
18 preferences. We do not use that to analyze the names.

19 MR. IMPARA: Thank you. I can't ask you the  
20 other question.

21 MS. HARDAWAY: If I owned an insurance company  
22 and came to your group and convinced you that I had a  
23 certain type of policy that would be of good service to your  
24 frequent travelers and I would like to acquaint them with  
25 this through your files, would you then give them my telephone

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1 number, or would you sell me a telephone number of a frequent  
2 traveler?

3 MR. WILKERSON: No, no, no.

4 MS. HARDAWAY: So that they can contact me?

5 Is that a matter of policy, or --

6 MR. WILKERSON: It is a matter of policy.

7 MR. BAGLEY: If the offer were enough, would you  
8 sell it? If I made you an offer that you can't refuse,  
9 would you?

10 MR. WILKERSON: We have a policy over the years,  
11 no, we do not do that. We hold that policy. We do not  
12 sell our mailing list to people. I see no reason to change  
13 that policy.

14 It depends on what you read in the paper  
15 tomorrow morning after this hearing.

16 (Laughter.)

17 No, I am being facetious. No, we do not, as a  
18 matter of policy. We don't intend to.

19 MR. ANGLERO: I believe that a ticket passenger is  
20 a real passenger.

21 MR. WILKERSON: Now, if your question is, do we,  
22 when you walk up with your ticket with your name on it, do  
23 we accept that ticket and give you access to the flight and  
24 do I know that it is you? Then I say, no, I don't. If one  
25 looked at the flight coupon, that is the coupon you punch in

1 when you get in and this is only to say -- this is to prove  
2 that Mrs. Brown is on this flight. We would have to say, no,  
3 that is not proof. We would not do that. There is no proof  
4 except only when two people walk up with tickets and said  
5 they were the Brown.

6 MS. NOREEN: Pass.

7 MR. WEIZENBAUM: You may have noticed that I left  
8 the room. In those few minutes, I called TWA and I asked a  
9 few questions trying to find out if Mr. Dobbs was flying back  
10 to Los Angeles on TWA, and if so, what his flight number was,  
11 and so on.

12 TWA kindly informed me with very considerable  
13 uncertainty that he was not on TWA. It is a little bit of  
14 investigation.

15 They looked at all the afternoon flights and  
16 checked his name. They suggested I might call United,  
17 which I did.

18 I discovered, and I asked Mr. Dobbs to verify this,  
19 I discovered that he is indeed scheduled on United 955,  
20 scheduled for 5:35, August 15, arriving in Los Angeles, I  
21 believe, at 5:30 p.m.

22 MR.DOBBS: I think that is correct. I am going  
23 to fool them, though.

24 MR. WILKERSON: Well, I am sure if you would do  
25 that a number of times, in a number of cities, you would

1 find that, generally speaking, our people would not give  
2 you that information.

3 MR. WEIZENBAUM: Well, there are two airlines  
4 cooperating with each other.

5 (Laughter.)

6 MR. WILKERSON: It is our policy not to give out  
7 that information. Our people have been instructed not to  
8 give out that information, and when we determine that they  
9 are, we will take out disciplinary action.

10 MR. WEIZENBAUM: But I won't give you the name of  
11 the gentleman.

12 MR. DOBBS: You might want to use it yourself.

13 MR. WILKERSON: Now, you are talking about human  
14 factors.

15 MR. WEIZENBAUM: But the point is this. Over the  
16 telephone, it is very difficult to make certain identification.

17 MR. WILKERSON: Well, did you represent yourself  
18 as this gentleman?

19 MR. WEIZENBAUM: Oh, yes.

20 MR. WILKERSON: Oh, I see.

21 MR. WEIZENBAUM: The story I told was that my  
22 secretary had the information. I didn't have the ticket to  
23 know, and it was urgent to know what flight I had.

24 MR. WILKERSON: This is an interesting one. We  
25 discussed it with my staff, obviously, before I came here. We



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1 came to the same conclusion that if I wanted to represent  
2 myself as someone else and I had reasonable information,  
3 about your date and time of departure, and where you were  
4 going, the chances are that agents, because they are  
5 oriented to be service oriented to serve a customer, they  
6 will do everything possible to serve you. In this case, he  
7 thought you were representing yourself.

8 MR. BAGLEY: The amazing thing is they thought you  
9 were Dobbs.

10 (Laughter.)

11 MR. WILKERSON: Madame Chairman, has the  
12 committee felt along these lines about security measures of  
13 this specific case, has it come out with control access  
14 service data in a system like this?

15 MS. GROMMERS: I think this is one of the major  
16 problems we are struggling with. We certainly understand  
17 the situation you represent and we would hope to make  
18 specific recommendations.

19 As far as you are concerned, if you have any  
20 suggestions as to how this might be accomplished in your  
21 system, we would be very pleased to have them.

22 MR. WILKERSON: Well, I can give you the benefit  
23 of our thinking.

24 Our thinking is that our primary objective is to  
25 serve customers. The system is there and for that reason

1 alone. Anything that severely limits the ability of that  
2 system to serve the traveling public diminishes its value to  
3 the airline and to the traveling public. Therefore, that  
4 will always be paramount in our considerations.

5 However, if we were to recommend something,  
6 we have considered that based on that information, if I had  
7 my agent ask you, for example, "Can you tell me where the  
8 reservation was made?"

9 And you would have said, "My secretary made it."

10 If the agent was properly instructed, and alert --  
11 who did make the reservation?

12 MR. DOBBS: My secretary.

13 MR. WILKERSON: Very, very fortunate. If the  
14 agent had asked you for the telephone contact, you may not  
15 have been able to get that. That is one element that we  
16 could provide.

17 Secondly, at the time that you made the reserva-  
18 tion, we could have said, "Would you like the information  
19 secured so that no one has access to it but yourself?"

20 MR. DOBBS: I like that.

21 MS. GROMMERS: I like that.

22 MR. WILKERSON: And I would say, "Please give me  
23 a security code."

24 MR. DOBBS: Some security code?

25 MR. WILKERSON: Whatever you choose. "You might

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1 choose to give me your social security number.

2 MR. DOBBS: You blew it.

3 (Laughter.)

4 MR. MUCHMORE: Note the way he put that. You

5 might.

6 MR. WILKERSON: But whatever code you devise,

7 our agents can mark that down in the various fields general

8 information code where we can record in the record the

9 security code.

10 MR. MILLER: But you would still give it to the

11 law enforcement agencies?

12 MR. WILKERSON: When called, we say this is a

13 security option in your record.

14 MR. WEIZENBAUM: You say you could do --

15 MR. WILKERSON: I think you could. Obviously,

16 this is a data system. When you ask to display the informa-

17 tion, you request the information, then you would give me the

18 security code, and she would give me the number of the

19 operation. There are dangers. One is cost. The main

20 danger is consideration of service. You may forget what you

21 do, your secretary, your travel agent, no one else can assist

22 you in changing your reservation. So you pose a serious

23 service limitation when you begin to do that, and it is

24 certainly a possibility and you can do that.

25 MR. WEIZENBAUM: I suggest if the agency had asked

1 me for my home telephone number, it is possible -- I don't  
2 have one -- it is possible I have forgotten, but it is  
3 certainly very unlikely with the population you deal with.

4 MR. WILKERSON: May I suggest if you are serious  
5 and wanted to know this information, you may call 555-1212  
6 and you find his telephone number, then you call back and  
7 get another agent and penetrate one aspect as you go on.

8 MR. WEIZENBAUM: Yes. There is no absolute  
9 security. It may be that the number was a toll in Los  
10 Angeles. I don't know whether --

11 MR. WILKERSON: The system has that capability.

12 MS. GROMMERS: The other thing you could do is  
13 let people know how long you keep your data, for what other  
14 purposes it is used.

15 MR. WILKERSON: Yes. I wonder how many of you  
16 filled out credit card applications. I read on there that  
17 it implies the data is used to provide you service, and we  
18 intend to provide continuing service to you. It is very  
19 ambiguous if it doesn't specifically indicate that, and we  
20 could put statements on that that say that. Obviously, it  
21 would be to our disadvantage if we didn't, and others did,  
22 and they say TWA apparently passes out information and doesn't  
23 print that statement.

24 MR. WARE: Legislation.

25 MR. BAGLEY: Maybe industry would do that.

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1           MR. MUCHMORE: I don't think legislation would do  
2 that. If the industry would care to make that valid, TWA  
3 could carry it to the industry for study.

4           MR. WILKERSON: We certainly would be interested  
5 to discuss that at our industry meetings. We meet twice a  
6 year. It would be an interesting approach.

7           MS. GROMMERS: We want to thank you very much  
8 for coming and talking with us today, and we hope you might  
9 stay for as much as the rest of the presentation as possible.

10          MR. WILKERSON: I would like that.

11          (Recess.)

12          MS. GROMMERS: It is my pleasure to introduce  
13 to you now Mr. Gwin, who is the Director General, Socio-  
14 Economic Planning, Department of Communications, Government  
15 of Canada, and the reason why we have asked the Canadian  
16 government to participate in our committee meetings is that  
17 they have made certain headway along the same kind of lines  
18 that we are trying to do, and as have a number of other  
19 countries, and Mr. Gwin will, therefore, we hope, be the  
20 first of a number of open windows into what else is going on  
21 in the world on the same problems which we are working with.

22          Mr. Gwin, would you introduce yourself, please.

23          MR. GWIN: Madame Chairman, my name is Richard Gwin.  
24 My title, which suffers from all the defects of being long-  
25 winded and incomprenehisible, is that of Director General

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1 of Socio-Economic Planning, trying to explain that particular  
2 unit in the organization, which is a part of that unit of the  
3 socio-economic unit. It is a planning socio-economic  
4 unit concerned basically with two activities: the impact  
5 of telecommunications and the impact upon the environment,  
6 social, culture, political, and environment.

7 Secondly, identification of desirable changes  
8 which could be made to communication systems, current or  
9 potential, that would respond to define user needs, user  
10 needs meaning those collective institutional individuals with  
11 a concentration upon or attention upon individuals and  
12 consumers and public needs.

13 The Department of the Consumer in the Canadian  
14 government doesn't match, in the equivalent, the organization  
15 in the United States.

16 It embodies some of the functions of the Federal  
17 Communications Commission and some of the functions of the  
18 Office of the Telecommunications Development. It is basically  
19 a planning department. It is not engaged in operating any  
20 ongoing systems, with exception of one, which is the governmen  
21 telecommunications agency, and it is a limited exception of  
22 the government, only internally, and administrative  
23 telecommunication needs.

24 I accepted the invitation to come here with a great  
25 deal of pleasure. It is most unusual, I think, rather

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1 fortunate for an official of one government to make the  
2 presentation, public presentation to a committee established  
3 by another government. The fact that this could happen far  
4 from any individual circumstances in terms of your committee,  
5 I think, reflects one significant dimension of this issue and  
6 that is to its national issue. I think it is international  
7 in two ways.

8 First, for practical purposes, every western  
9 country has a study of some nature into this problem. Japan  
10 is one of the few exceptions that I know of. The extent of  
11 the problem differs considerably from country to country,  
12 a function of ideology, the efficiency of information systems  
13 in those countries extending to the public and to those  
14 particular countries, a country which does or doesn't care  
15 about it and has socialized differences about it. Neverthe-  
16 less, the basic circumstances under which the problem arises  
17 is that institutions have large amounts of information about  
18 individuals and is common obviously to the western country.

19 Furthermore, where the problem is of an international  
20 one or the issue is an international one where you use a  
21 value judgment, that word is that data moves across boundaries,  
22 much of it by telephone lines or by the main lines and,  
23 therefore, invisible so that the physical location of a data  
24 bank is a problem that is much more acute in Europe, where you  
25 have short transmission lengths, which becomes less and less

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1 of relevance, and the feasible location of data banks is a  
2 question that concerns Canada. I will return to that.

3 One other point of explanation I should make  
4 before going into the more formal presentation is that my  
5 other title, the simple one, is Co-Director of the Government's  
6 Task Force on Government Privacy of Computers. That Task  
7 Force report is shortly to be presented to the Canadian  
8 Cabinet, and, therefore, I am restricted for a series of  
9 obvious reasons for which I will go into details.

10 I also have to apologize and do apologize for  
11 somewhat telescoping this afternoon session to this extent,  
12 because of the circumstances being that our report is due  
13 to be presented to the Cabinet. I have to return to Ottawa  
14 tonight and am flying out on Flight 359.

15 (Laughter.)

16 Obviously, in ever country, the experience with  
17 this issue or the way in which this issue is addressed -- and  
18 I might sketch in, it is not useful through some of the  
19 Canadian experiences -- we have, in contrast, in the United  
20 States, relatively public debate. We have had nothing  
21 equivalent to the Gallagher and Irwin Congressional  
22 hearings. There have been increasing numbers of press  
23 editorials and articles on the subject. The Canadian  
24 Institution of Consumer Affairs held its conference on it,  
25 a summer conference, last year, which was held on privacy.

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1                   There have been a number of debates in our  
2 legislature, both provincial and federal, as a consequence  
3 of introduction of private member's bills and these bills  
4 have little legislative importance because they are, for  
5 practical reasons, practical purposes, never introduced  
6 into law. But they are introduced by a member in order to  
7 air the subject.

8                   There has also been a noticeable rise in the  
9 degree of concern occasioned by the decennial census. The  
10 number of public complaints about census items is on the  
11 increase.

12                   In contrast, with the exception of basically your  
13 committee, the U.S. experience, where the ongoing and  
14 comprehensive study by the National Academy of Sciences,  
15 the National Science Foundation, are being executed outside  
16 the government, the initiative in Canada has come from  
17 within government, which I think, to some degree, represents  
18 a different governmental style in Canada, and also reflects  
19 the fact that, in Canada, our sub-government is under  
20 development by contrast to the United States.

21                   There is, however, a very marked increase in the  
22 amount of attention being given to the issue of privacy by  
23 governments. It is exemplified by wire tapping legislation  
24 that is now before the Canadian Parliament, by moves to remove  
25 credit bureaus that have taken on the profession in Quebec

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1 and Ontario, and for protection by private statutes that  
2 have been passed by western provincials such as British  
3 Columbia and Manitoba; that may lead to a breach of privacy  
4 and take on private action and tort.

5 On the issue of privacy in computers, the first  
6 initiative of any consequence other than occasional speeches  
7 by individual academicians, the first substantive step was  
8 a conference held at Kingston, Ontario, titled "Computers  
9 Privacy and Primate Information," the Kingston Conference on  
10 Computers, it was co-sponsored by the Federal Departments  
11 of Justice and Communications, and, also, by the Canadian  
12 Processing Society, which is our special processing  
13 society. It was held in 1970.

14 The report of the conference is to be published the  
15 following spring, as part of a series of studies into different  
16 aspects of telecommunications which is under the generic  
17 of telecommisison, and I believe that conference report is  
18 available to committee members.

19 The conference was attended by about 230 people  
20 from all relevant disciplines, science, law, business,  
21 government, education, and so on. This conference on  
22 computers represents, in Canada, a major step forward in the  
23 debate on privacy. It was the first time there was a sub-  
24 stantive discussion on privacy, and although inquiry has since  
25 gone into much greater depth and detail, some of the fundamental

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1 points that were raised during that Kingston conference  
2 remain as apt today as they were then.

3 One issue identified during that conference was  
4 the central responsibility of government, which is, by  
5 far, the largest operating data bank in Canada, and the  
6 principal cause of demand for personal information.

7 The Canadian Federal Government owns 20 percent  
8 of the computers by installed value.

9 It is the principal catalyst and financial  
10 support of social science and operates the national  
11 statistical agency, of course, the intelligence systems,  
12 and then the gamut of administration programs of the Federal  
13 government.

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1 It is interesting in this connection that the OECD  
2 in its study comments this way:

3 "It is governments that can do the most help,  
4 since governments are the most insidious collectors, evalua-  
5 tors, and transmitter of information and are thereby in the  
6 best position to enforce high standards and set good  
7 examples."

8 The second basic point that came out of the  
9 Kingston Conference was a recognition of the virtual  
10 impossibility of defining privacy.

11 This debate constantly comes up against other  
12 issues. Tell me what it is you want to protect and then I  
13 will tell you how to do it. And you cannot come up with a  
14 definition of privacy. At least it shouldn't be as bold  
15 as that. We should not come up with any definition of  
16 privacy that is any different of Warren and Brandeis of many  
17 years ago with the right of being left along. It is easy  
18 to define privacy in the negative sense. In its absence,  
19 it is very hard to define it. In a positive sense, it is  
20 very hard to define it as a primary value rather than the  
21 value that derives its importance from being a necessary  
22 precondition to the fulfillment of other values: human  
23 identity, personality, freedom of speech.

24 Where the definition appears to lie is in the  
25 question of control. The extent to which a person can

1 control those elements of his privacy that he feels he  
2 needs to control, and, of course, the information, it is  
3 a question of it being controlling as to his disposition  
4 of information about him.

5 Subsequent to the Kingston Conference, the two  
6 departments, the Department of Justice and Communications  
7 established in April, 1971, a task force on privacy in  
8 computers and this report is to be considered by the Cabinet.  
9 It will be available for publication this fall. It  
10 represents an extensive exercise in data gathering.

11 In analysis and, we hope, in the development of  
12 some original concepts and approaches to this question of  
13 privacy, I should explain the task force which is composed  
14 of an odd mixture of civil servants and outside consultants  
15 will not be recommending specific solutions. A report will  
16 represent the basic facts, an analysis on which government  
17 decisions can be made, and the report does identify those  
18 areas to which seem to be the most promising. But it is not  
19 making specific recommendations and cannot, because it is  
20 a task force of civil servants.

21 Some of the administrative operational character-  
22 istics of the task force may be of some interest to you.  
23 The first is this. It did not hold public hearings. It  
24 was not empowered to hold public hearings.

25 The second is the task force had no judicial or

1 quasi-judicial authority. What this meant in practical  
2 terms was that it was told about, read about or heard about  
3 claimed advances of invasions of privacy, but had no  
4 competence to examine them and to determine their validity,  
5 had no authority to adjudicate any claim on invasion of  
6 privacy.

7 Second, it did not accept indirectly, examine in  
8 what you might call a critical sense the nature of data  
9 collected. It did collect information for extensive  
10 information and the types of data collected were for different  
11 data banks, but it did not analyze its data to see  
12 whether or not its data was sufficient to make the judgment;  
13 as the judgment with an organization is justified in  
14 implementing a particular type of data, it is necessary to  
15 weigh and examine the objectives of the data bank and,  
16 therefore, the objectives of the organization involved.

17 We are challenging the right of the organization  
18 to exist, in effect. Again, a task force of this nature  
19 could not do this. But at the same time, there was a point  
20 in principle involved, which was that the inquiry could  
21 cross the line for being a study into privacy and how it  
22 can be protected into a study of information flows.

23 One of the basic principles of the task force was  
24 that any regulation respecting privacy must be separated  
25 strictly from regulation to information as an end to itself.

1 Otherwise, you have some kind of government censorship to  
2 use the extreme word of information as opposed to government  
3 regulation of an activity.

4 The operating methodology of the task force is  
5 as follows, and in putting together a scheme for collecting  
6 data, we held extensive discussions with Professor Weston  
7 of the National Academy of Sciences. We identified and  
8 executed ten major study areas.

9 The first was a conceptual examination of  
10 privacy, its nature, its privacy in all aspects; legal,  
11 social, logical, political.

12 The second was the series of empiric studies  
13 which were designed to collect data for whatever purposes.

14 The third was a study of statistical information.

15 The fourth was a study of techniques, problems  
16 and probabilities.

17 The fifth was a study of probable technological  
18 innovations to study what change this method might produce  
19 to the changes of handling the information, the activity of  
20 handling the information.

21 The sixth was a study of the law into process,  
22 the efficacy of a court towards recourse by use of private  
23 remedies, to secure redress for wrongs bordering on the  
24 lines of privacy.

25 Eighth and ninth, if I remember correctly my paper,

1 was a study of ultimate types of regulations in which the  
2 principal -- here, we are talking about the government imposed  
3 regulation which the principal appeared to be three: a  
4 regulatory or tribunal or a model which is being recommended  
5 by Sweden in its report just completed, some type of  
6 surveillance agencies which are remodeled by the Younger  
7 Committee in Britain and some type of humble form which  
8 has been adopted by the State of Hessen in Germany and some  
9 other state, one of them, and represents the only substantive  
10 government response, government legislative response to  
11 privacy in data banks that I am aware of at this time.

12 Ninth, the area of study was that of efficacy  
13 of SALT regulation by the industry.

14 Tenth, a study of the constitutional considera-  
15 tion. This is very important in Canada as a decentralized  
16 system of government.

17 And, eleventh means -- I miscalculated somewhat --  
18 a study of international consideration. This is the subject  
19 of great concern in Canada. Large amounts of data are  
20 stored in the United States and, therefore, not subject to  
21 the law. For example, there must be a number to be given  
22 to the Medical Information Bureau in Boston, Massachusetts,  
23 which contains medical data relating to the eligibility of  
24 insurance of Canadians. There was a reversal where there  
25 was one -- I was told, but I don't remember the institution



1 but that one American college has stored a tape containing  
2 data on the membership of students in all campus organiza-  
3 tions. So that these data, information would not be  
4 subpoenaed. This type information, of course, of members  
5 of various activities or organizations, we did at the start  
6 of our inquiry give a lot of thought to and we were trying  
7 to develop some sort of hierarchy range of sensitivity and  
8 we abandoned that simply as inoperable.

9 A group at Oslo University has tried to do this  
10 with the Department of Justice in Denmark and which attempt,  
11 in my judgment, was aborted. You cannot get any sensitivity  
12 scale of information and say this type of information is  
13 more sensitive than that type of information.

14 Information has value to a given individual  
15 in a particular context and it changes with the context  
16 and it changes with the literature and certain individuals  
17 regard their telephone numbers as highly private, obviously.  
18 Other individuals might be quite happy to know that they  
19 were particularly otherwise inclined. Both of these  
20 contradict the norms. It is impossible, an impossibility  
21 to get any objective information. At least this was our  
22 judgment.

23 In terms of organization, we gave our thoughts  
24 to the empiric study. We had studies done in the following  
25 basic manner. We had site interviews of two or three-man

1 teams, a minimum membership being one lawyer, one information  
2 scientist up to 42 operators of large systems of both public  
3 and private sectors across the country.

4 The subjects for these site interviews shows,  
5 largely on the basis of size, that they maintain large  
6 systems and, therefore, once that particular base was covered  
7 and the basis of scientists amongst the various types of  
8 data banks were covered, there was no indication drawn at  
9 the end of the study. Those particular studies were devised  
10 or indeed acknowledged than any others.

11 There was one more that was the computer data  
12 companies. We continued to discover that they were quite  
13 right to refuse site interviews. With hindsight, I think  
14 we got nearly as much as we did out of these site interviews,  
15 if I may say so. I was most impressed with listening to the  
16 questioning. I did not have the opportunity for reading  
17 the reports when they were compiled at the end and see  
18 precision of the questions because it is high, certainly from  
19 what I heard this afternoon.

20 The basic element of our data gathering was a  
21 questionnaire mailed to about 2,500 companies and  
22 institutions, public and private. We asked a total of 72  
23 separate questions. A number of them were patterned on the  
24 questionnaire used by the Academy of National Sciences.

25 We sent them out to every type of organization,

1 including small investigating agencies and one-man detective  
2 bureaus where the response was exceedingly low and it was  
3 a waste of our time.

4           Emphasis was given to companies using computers  
5 but the question in its design could be simply answered by  
6 someone who did or did not use computers. There was one  
7 set of questions. There were others but one set of questions  
8 we added to the original NAS inquiry proved to be highly  
9 useful and that was the series of attitudinal questions  
10 trying to find out what was the attitude of certain industries  
11 and population and the full gamut ranges from the mildest  
12 SALT regulation to very general government imposed rules  
13 irrespective of issues such as generalized right of amnesty,  
14 generalized right questions on issues. The answer was to  
15 reveal what unexpected responsiveness was by organizations  
16 to the concept of some kinds of guidelines or standards.

17           Now, how one interprets that degree of responsive-  
18 ness is subjective. It could be an awareness of social  
19 responsibilities and a recognition of the problems. Of  
20 course, it could be simply a pragmatic willingness to accept  
21 some kind of minimum rational safeguards as a need to defuse  
22 public concerns about these issues.

23           I might mention a couple of operational conclusions  
24 which we drew from our questionnaires. This was too large.  
25 We could have cut it down to 2,000 and could have gotten the

1 same number of responses. We did identify, as a consequence  
2 of our pretest, how important it was to leave the organiza-  
3 tion -- the responding organization with room to maneuver,  
4 with room to decide themselves how to answer certain  
5 questions.

6 We were after their largest files containing the  
7 most sensitive information and the frustrating part is that  
8 a number of organizations maintain a large number of files  
9 with highly sensitized information while other organizations  
10 maintain files that are totally insensitive in terms of the  
11 information content. Therefore, we sent two questionnaires  
12 to each company. But it is a lot for a company to go through  
13 an answer a 72-question form or questionnaire more than once.

14 So I think we lost some rather useful information  
15 in that way.

16 We have had and will continue to have in the  
17 publishing of the report difficulty on how to treat these  
18 aggravating replies. For statistical purposes, each response  
19 was treated as one unit. This meant one man in ours was  
20 treated the same as the Department of Welfare, et cetera.  
21 That is absurd. Not only are the units of equal size, but  
22 the nature of their supplies are totally different. It is  
23 quite evident that the practices and procedures of a particular  
24 reporting agency would be different than those of a particular  
25 bank.

1                   One thing that came through strongly when we  
2 started out is when using the word "data bank", we were  
3 talking about a homogenous class and the homogeneity arises  
4 from the technical or operating characteristics which are  
5 much, much less important in the specific content of the  
6 data bank and the objective is the organization.

7                   Now, because of the restraints upon me, I have  
8 to refrain from these specific conclusions that I can mention  
9 as a result of the questionnaire. But I can mention just  
10 some of them for you.

11                   Most organizations today in Canada maintain  
12 their most sensitive information, that is, subjective and  
13 descriptive information, in around normal systems. The balance  
14 is bound to be already shifting to organized systems but we  
15 find it unrealistic to be talking about computerized  
16 information systems.

17                   We have to talk about information systems or  
18 we are missing the problem. We could not deduce concrete  
19 evidence that computer systems had deduced greater amount  
20 of information collected, provided one has included social  
21 science research.

22                   So computers have materially lead to a greater  
23 amount of processing information than our own questionnaires,  
24 the amount of answers that we were able to develop and that  
25 is an obvious example.

1           We did identify evidence that computers have  
2       led to a centralization and, therefore, a decision making  
3       which is a point I would like to come back to in a moment.

4           Two aspects of computers, the specific computers  
5       in this work. First, computers make it possible to offer  
6       greater data amounts to be achieved easily, integrate separate  
7       files, to translate information more rapidly. But computers,  
8       and this is the point, can also benefit privacy. They're more  
9       amenable to security techniques. It is relatively easy to  
10      maintain an audit log of uses for the files.

11           While the computer makes a convenient and useful  
12      target for those who want methods to protect privacy,  
13      this is unfair to its operator but it is a political fact.  
14      Another view from our questionnaire is that very few data  
15      banks operate with more formal guidelines to determine what  
16      individuals or organizations, for instance, should have a  
17      right and access to the files, what specific types of data  
18      should be taken down for the objectives of the banks.

19           As a generalization, I should say it became clear  
20      to us that bureaucrats have a tendency to ask for all  
21      conceivable amounts of information. In the private sector,  
22      the considerations are proper due to a restrained data  
23      gathering. The lack of formal guidelines means that in a  
24      nutshell, subjects have no idea what are their rights or if  
25      any or what uses that data is going to be put to.

1 Accuracy and inaccuracy came through as a substan-  
2 tive problem, and, of course, through data exchanges,  
3 inaccuracy gets repeated in a number of individuals.

4 Accuracy clearly is a function in the evaluating  
5 of the data to those in relation to the cost, and accuracy  
6 should also be introduced when the file produces hearsay  
7 information that is clearly not labeled hearsay.

8 The third element of the empirical study of the  
9 task force was that of commissioning studies into two areas  
10 where it was thought the pervasive use of the computer will  
11 cause radical changes in the environment, cause changes of  
12 kind rather than degree, and these studies were in so-called  
13 electronic banking in the medical area. In Canada,  
14 electronic banking, as is colloquially known, is far advanced.

15 By 1975, we will have unlined terminals to its  
16 4,500 branches across the country. In Canada, we have a  
17 national banking system which is like Britain, which means  
18 they are less competitive, less innovative, but less likely  
19 to be bankrupt.

20 (Laughter.)

21 The kind of areas that we were interested in, in  
22 terms of electronic banking, for instance, were those of the  
23 possibility higher than that of a comprehensive financial  
24 statement that would put it in credit card department stores,  
25 et cetera.

1 In medicine, what seemed to us to be the  
2 critical case is the disappearance of the traditional binding  
3 in relation to its health team and information system approach.  
4 The doctors as much as patients lose control over information  
5 which can be accessed for a variety of administrative and  
6 research purposes.

7 Two dangers that seem to be seen were, one, that  
8 patients will give out less information if they are not  
9 certain how it will be used, and their doctors will become  
10 increasingly reluctant to put information into these informa-  
11 tion systems. A case very much in point is that of  
12 diagnostic statements which, of course, are probability  
13 statements, not statements of fact.

14 In one Province in Canada, the Motor Vehicle  
15 License Bureau requires doctors to report to them patients  
16 who suffer from disabilities that would disqualify them  
17 from holding a license, such as epilepsy.

18 Doctors, under these circumstances, are becoming  
19 very reluctant to make statements of this nature, so that  
20 the quality of medicine is reduced.

21 I might say that, again from hindsight, I wish  
22 we had devoted more attention to the medical field. We did  
23 ask for briefs. The response from medical institutions was  
24 rather low, about fifteen. But there was a good response  
25 from a medical field which had established a committee on



15( 1 privacy in 1941 before, submitted -- and Conseil d'Etat which  
2 submitted a quotation remark which we received. It was  
3 clear that a large number of problems in the medical field  
4 such as any notion of a generalized right of access will  
5 have to be modified in respect to records of those of  
6 psychiatric patients.

7 As I referred to earlier, the task force in its  
8 empirical studies did pay particular attention to Canadian  
9 banks located outside the country. As I am sure you know,  
10 in OECD, there has been some discussion of this issue. The  
11 delegates at the OECD Conference have raised another danger  
12 of data bank havens or data bank flags of convenience.

13 In Canada, for obvious reasons, it is a particular  
14 problem despite the nature of the problem. This is a  
15 hypothetical one rather than an actual one, where the retail  
16 agent of Atlanta which has its centralized credit records  
17 there, sends all of its offices throughout the United  
18 States only 40% of authorized credit bureaus to extend line  
19 credit across the board is trivial -- I'm not saying they  
20 will do this, but I am saying economics would dictate that  
21 it would be advantageous. What you have done to this point  
22 is try to present facts within the constraints imposed upon  
23 economy.

24 I would like to switch now and quite quickly  
25 touch on some speculative and quite definitely personal

and subjective views, which are the product of a fair amount of grapplings with some of the conundrums and contradictions in this whole issue of privacy.

The reason that the privacy issue exists, the most obvious reasons for it are those of ways in which simply more information is being collected by more people than ever before. I think the important thing to that is that this information is being used in increasingly important ways; ways about making decisions about people whether they should receive credit or whatever or whether the government should adopt this or that policy.

So what you have on the one hand is more information being collected and this other is this information is being collected and used in a way that could be impinged more and more substandardly upon the individual.

Now, against that backdrop of the potential problems, you could have the problem of more information collected than the probable. The fact is no serious studies have produced concrete evidence of widespread invasions of privacy. There are instances, specifically races, instances of privacy, and because invasions of privacy subsequently do not impact upon the individual which is hard hurt, financially embarrassed. Nevertheless, I have not seen anywhere evidence that he is generalized as the problem. There are large numbers of people being hurt about information

1 being misused.

2 Now, the potential problem clearly will expand  
3 given the information -- given the technological information,  
4 the handling and processes. But one returns to the conundrum  
5 that the extent of the problem in specific terms does not  
6 seem to justify the amount of terms in virtually every  
7 western country.

8 My own judgment is that one explanation of this  
9 contradiction is that when a number of people use the word  
10 "privacy" and raise complaints about invasions of privacy,  
11 they are not talking about privacy at all. They are talking  
12 about power.

13 In a purely legal sense, the phrase "invasion of  
14 privacy" or the phrase "computers in privacy" is often  
15 misused in this debate. A number of claims of harm get  
16 lumped under the generic word "privacy."

17 But the question of inaccurate information in  
18 fact does not involve invasion of privacy but it does  
19 cause harm clearly to individual rights. The question of  
20 defamation may be involved.

21 What I am addressing myself to here is privacy  
22 in a much broader context. As I said, it is used often as  
23 a synonym for "power" and what is stated in many debates is  
24 much more an argument over privacy and how it should be  
25 protected and, power, how it should or should not be  
dispersed.

1           The aphorisms of power are well known and the  
2 equal characteristics of data banks are provided by institu-  
3 tions which collect information about individuals, often  
4 without the knowledge of the individuals and use that  
5 information for purposes over which the individuals concerned  
6 may have neither knowledge nor control.

7           Clearly, the possession of all this information  
8 increases the power of administration and further increases  
9 their potential and capacity to control and manipulate, and  
10 this accretion of power to institutions caused by the  
11 accumulation of information has not been accompanied by any  
12 compensating accretion of power to individuals.

13           Information technology has been used almost  
14 exclusively to support the efficiency of institutions,  
15 large corporations or large government departments. There  
16 is no such thing as a public data bank in the literal  
17 sense of the word, in the sense that one could draw analogy  
18 from the public library.

19           So that on the one hand, computer technology  
20 substandardly has been used by institutions to increase  
21 institutions' knowledge about the individuals but it is not  
22 in compensation being used or developed in any ways that  
23 would enable individuals to acquire any more information  
24 about institutions that contain this information about them.

25           This imbalance of information access, I would

1 argue, becomes important in political terms when the question  
2 of trust is missing from the politicals and institutions.  
3 In the classic institutional-individual relationship, as  
4 say between the church and a member of the congregation,  
5 individual members of the congregation would have all kinds  
6 of private thoughts, individuals without concern about  
7 that trust being misused, as so often the classes of doctor-  
8 patient relationships.

9           The extent to which trust is absent in the  
10 individual relationships, of course, is a consequence of  
11 all forces and it varies from one country to another and  
12 affects different institutions at different times. But  
13 these differences, although clearly they are of enormous  
14 particular importance at the moment, I think are only  
15 variations upon the theme which is that the problem of  
16 privacy seems to be an academic issue, is posh to demisociety  
17 and is of the kind of democratic society that we have all  
18 become.

19           Then it is my explanation of why the privacy issue  
20 has developed as recently as it has, that is, post 1965 when  
21 the post industrial society began first to make it appear,  
22 and the striking difference is this: if one goes back to the  
23 agriculture society, it was within those villages, privacy  
24 in the sense that we could call those words nonexistent ,  
25 everybody knew everything about everybody. The fact, the

1 cognate fact of the role in village life and family life  
2 was that while everybody knew about the life of the drunkard  
3 and bankrupt, the bankrupt and drunkard knew about everybody  
4 else.

5 So there was a kind of balance, organic informa-  
6 tion balance. It is clear today that that organic information  
7 balance no longer exists.

8 As I said earlier, individual people know very  
9 little about institutions; they know that institutions know  
10 a great deal about them.

11 If my analysis or hypothesis is at all valid,  
12 I think it would go partly to explain the apparent contradic-  
13 tion of a great deal of attention and concern about the  
14 privacy issue in the absence of widespread invasions of  
15 privacy.

16 Now, having said that more than once, that there  
17 is an absence of concrete invasions of privacy, that does  
18 not mean of course that the individual instances of invasions  
19 of privacy cannot be very serious for the individuals  
20 concerned, and there are a variety of solutions that can be  
21 developed where we have security standard techniques,  
22 regulations in variety of forms, control over the dissemina-  
23 tion to third-parties and approval of subjects, checks for  
24 accuracy, provision for access and its national concomitant,  
25 notifying subjects of data held about them and the use to

1 which it is intended to be put.

2 But beyond those specific remedies which can  
3 be constructive, many of them to be constructive or the  
4 legal nature of many of them lie behind the problem which  
5 is political rather than legal and technical.

6 MS. GROMMERS: What we are going to do, Mr. Gwin,  
7 is break for coffee here and be back here as near 4:10 as  
8 we can because Mr. Gwin is going to have to leave at 5:00  
9 rather than 5:30, and then we will have our questioning  
10 after coffee.

11 (Recess.)

12 MS. GROMMERS: Now, I am going to start in the  
13 middle of the room and go from side to side, I guess this  
14 time, so we will have a little variety in the flow of the  
15 questioning.

16 Let's start with Mr. Gallati.

17 MR. GALLATI: Actually, I think I will pass this  
18 time to move things along.

19 MS. GROMMERS: Mrs. Lanphere.

20 MS. LANPHERE: Yes, I have one question. Do  
21 the Canadians have a unique identifying number?

22 MR. GWIN: No. We have a social insurance  
23 number which the acronym of course is SIN.

24 MS. LANPHERE: I'm sorry.

25 MR. WARE: SIN.

1 VOICE: Like sin now and pay later.

2 MS. LANPHERE: SIN. Oh. I'm sorry.

3 MR. GWIN: It is a nine-digit number. A number  
4 of Provinces have requested that, within that, particular  
5 preference be extended to all citizens for purposes of  
6 administration and Medicare programs so that it would seem  
7 quite possible within the near future it would include all  
8 Canadians.

9 But there have been no specific proposals at  
10 all to translate that social insurance number into a  
11 universal numbering system. However, the Canadian Standards  
12 Association, which is comparable to the National Standards  
13 Institute, has recently proposed that a universal number  
14 system be developed for the Canadians.

15 My understanding is that this is a product of  
16 the Committee of the National Standards Association in which  
17 the proposal was advanced by charters and credit bureaus.  
18 That is at this stage simply a proposal of the Canadian  
19 Standards Association and no consideration or action has  
20 been taken on it.

21 MS. GROMMERS: Mr. DeWeese.

22 MR. DE WEESE: Yes. I wanted to comment on what  
23 you had said about the difficulty of dividing different  
24 information into areas of sensitivity for controls. I was  
25 wondering if you meant that it was difficult -- I mean, for



1 example, it seems to me that if you concentrate on certain  
2 particular fields like, say, a criminal justice, for instance,  
3 you can easily distinguish between conviction and arrest  
4 records, for example, and have a different degree of  
5 privacy and so forth breached.

6 Now, is this the kind of problem which you  
7 found? Is this the kind of a solution that you felt was  
8 unworkable?

9 MR. GWIN: Well, you can do it for particular  
10 data banks in respect because that is where information is  
11 being used in a particular concept. You cannot say in that  
12 concept "this data is more acceptable than that" and have  
13 levels of judgment.

14 In our judgment, what we thought about doing and  
15 abandoned was developing some abstract scale or hierarchy  
16 value, information sensitivity, because we have quickly  
17 discovered that information which seems to be the least  
18 sensitive, such as the person's address, can be very sensitive  
19 to that person or individual, or at the other end of the  
20 extent, so that there is no abstract scale of information.

21 MR. DE WEESE: Right. But did you see about  
22 breaking it down into certain areas like criminal justice,  
23 for instance, or health and welfare and trying to arrive  
24 at a hierarchy that way?

25 MR. GWIN: Yes, you can. My understanding, and I

1 may be wrong in this, but there is a project search involving  
2 a police system, involving a number of the lenient states,  
3 and my understanding is it is a good example of what you can  
4 do. You can access criminal history records but not other  
5 information in that system.

6 So that it is clear that you can go to particular  
7 systems, develop levels of access sensitivity.

8 MS. GROMMERS: Mr. Miller, in case you are  
9 wondering what I'm doing, I'm getting questions from here  
10 to there and --

11 MR. MILLER: After you zigged, you zagged.

12 MS. GROMMERS: What do you call it when you ski?

13 MR. WEIZENBAUM: Slalom.

14 MR. MILLER: I wouldn't know about those outdoor  
15 sports. I really don't have a question, just an observation  
16 or two.

17 One of the problems you started with, Mr. Gwin,  
18 of the trans national characteristics of some systems and  
19 the whole problem of the information haven is a very serious  
20 one, and I am sure some people in the room will remember that  
21 at an earlier meeting, we talked about American Council on  
22 Education, putting its -- the keys to its doubling system  
23 into Canada, which I view as humorous. Well meaning, but  
24 somewhat misguided exercise, because that is not going to  
25 immunize it from subpoena. But I think this is becoming

1 sort of a dust-in-the-eyes type of procedural constraint  
2 on getting that data in one country by posting it in --  
3 simply put, it is just increasing the cost of getting out  
4 the data.

5 And, therefore, it does provide some measure  
6 of procedure, but it is going to be an increasing problem  
7 and I think in the nature of things, we are going to  
8 have trans national data systems which you won't be able  
9 to really say that the site of a particular file is in one  
10 country or another.

11 So I think that is something worth giving some  
12 thought to, as OECD, and you people obviously have.

13 Another observation I would just like to make  
14 is that I agree with virtually everything, probably everything  
15 you said. I found it to be an extremely well-organized and  
16 analytical presentation. Very realistic.

17 I would simply like to say that for the very  
18 same reasons that you could not define privacy, perhaps the  
19 contradiction that you explored isn't really a contradiction  
20 because if you cannot define privacy by definition, you  
21 cannot define whether there has been a widespread invasion  
22 of privacy.

23 In other words, you used the key, soft word  
24 of "widespread" privacy might have -- meaning. If that is  
25 the function of what you mean by invasion of privacy, what

1 you said, you could not define.

2 Secondly, you said there isn't evidence of  
3 widespread invasion of privacy causing harm to the individual.  
4 I would immediately call in play this socratic game, what do  
5 you mean by harm?

6 Then I would conclude that there is no contradic-  
7 tion between public attention to the privacy issue and the  
8 absence of evidence of widespread invasion of privacy  
9 causing harm to people.

10 In point of fact, under my definitions which may  
11 differ from yours, there is evidence of widespread invasions  
12 of privacy causing harm. The revelation that in analogy, the  
13 Federal Bureau of Investigation requires 25,000 credit  
14 bureau files without legal process. That is, to me, evidence  
15 of widespread invasion of privacy. Where is the harm?

16 I would argue that there is a harm caused by  
17 the alienation created by the fact of that practice. something  
18 you, yourself, hope to start and have beautifully, I thought,  
19 when you spoke of the institutional-individual imbalance  
20 and lack of trust. To me, the fact that there was military  
21 surveillance in this country in the late Sixties is evidence  
22 of widespread invasion of privacy causing harm in the famous  
23 chilling effect it might have to inhibiting people to engage  
24 in constitutionally protecting conduct.

25 So as a person who is writing on the subject

1 early, I guess this is part of self-defense for being a  
2 contributor to the widespread public debate on the issue  
3 because I think what many people are trying to do is to  
4 develop a prophylactic structure so that whatever there is  
5 today, it doesn't grow tomorrow.

6 So that we try and restore not necessarily  
7 equality in power between the individual and the institution  
8 with the data banks, but we create procedural, administrative,  
9 internalized or legal self-restraints on those with power  
10 so that the individual in a sense is more secure in the  
11 knowledge that even though that institution has that data  
12 bank with that file on him, there are constraints on the  
13 ways in which that institution can use the data bank to  
14 affect him.

15 I do not think there is a disagreement. I just  
16 wanted to explore that.

17 MR. GWIN: No, I can just -- I mean, I agree very  
18 much with what you said. It is interesting the way that this  
19 question of privacy, protection and power debate linked,  
20 because one of the most common proposals for protecting  
21 privacy is to grant, sometimes, the right to individuals  
22 with a right to verify; right of access of course gets them  
23 into the division of the process. They know what information  
24 is being held. They know to what use it is being put.

25 So that does give them an increase in power, at  
the same time providing them with a mechanism to protect

1 privacy so that at least, to myself and I am speaking here  
2 for myself, I am not talking about the ways of the directors  
3 of the task force, I think what we are talking about is the  
4 link between privacy and power and the link in the way  
5 the remedies apply to both areas.

6 MS. GROMMERS: Mr. Ware.

7 MR. WARE: Suppose you had been successful in  
8 creating a hierarchy of sensitivity for personal information,  
9 what would you have done with that line of argument? What  
10 would that have led you to do that you couldn't have? Why  
11 did you want to do that?

12 MR. GWIN: Because there are certain intellectual  
13 pleasures in that. The primatic reason was that if you --  
14 it relates to the difficulty of defining privacy.

15 In every bunch of bureaucrats, sometimes, as to  
16 regulatory privacy, you have not told them what privacy is.  
17 You have created a dangerous situation. If you could have  
18 gotten a hierarchy of information sensitivity, you could cut  
19 off and say, "This kind of information need not be worried  
20 about." In other words, that wasn't privacy intrusion, no  
21 matter how you used it.

22 "This kind of privacy is to be used, and therefore  
23 you must have the maximal regulation to that." We abandoned  
24 that. But it was of concern. It was spreading, making sure  
25 that any regulation of privacy does not aggrandize itself

1 to regulation, to try to minimize the opportunity for  
2 arbitrariness in any regulatory process.

3 MR. MUCHMORE: I think I will pass so I won't  
4 delay him from going back to his country where some of the  
5 people carry SIN cards.

6 MS. GROMMERS: Mr. Dobbs.

7 MR. DOBBS: I would like to elaborate a little  
8 bit on the line that Arthur started on and that is that  
9 you pointed out that we don't have -- you don't have concrete  
10 evidence that there is in fact widespread harm as we help  
11 the invasion of privacy at the individual level.

12 One of the things that you said in your introduc-  
13 tory comments which had to do with, I think you put it,  
14 socialization into indifference, and if I were to extrapolate  
15 that, I read that to mean things like socialization into  
16 apathy, into a sense of false security, and I would argue  
17 that the lack of evidence of harm may be a reflection of the  
18 fact that there has been a degree already of socialization  
19 into indifference in terms of the potential, you know, when  
20 we hear the kinds of statements that we hear about; the  
21 fact that the kind of information we collect is oriented  
22 to help make better management decisions. But in fact, it  
23 is not really necessary for the consumer to be informed  
24 about that, and when he then leaves that interchange feeling  
25 very comfortable about the fact that it is really not necessary

1 for him to know, that in itself is a way of sort of prohibiting  
2 the collection of evidence, if you will, of harm.

3 And I wonder whether this was really the point  
4 that you were driving at.

5 MR. GWIN: Yes. If I could make two responses  
6 to that, I think there is evidence that people have been  
7 conditioned into regarding privacy as of a less value,  
8 that either the phrase, "A man's home is his castle" is sort  
9 of a phrase out of a long distance nostalgic past. It is  
10 not his castle. It belongs to the bank, the insurance  
11 company, everybody except for the man who is in his own  
12 house.

13 Japan had no numbers on its houses until it  
14 discovered it had to run a postal service.

15 It is quite clear people are conditioned to  
16 answer posters, when they call on their door, et cetera. At  
17 the same time, there is evidence that they have been  
18 conditioned into regarding privacy of lesser value. Therefore,  
19 although they cannot educe concrete evidence of widespread  
20 invasion of privacy, they must exist because the other  
21 evidence which leans the other way is the absence of  
22 generalized complaints and there had been some polls taken  
23 on how people rate privacy.

24 I tend to suspect the products of these polls  
25 because I rather suspect that when people are asked, "Do you



1 regard invasion of privacy as a serious situation?", I would  
2 say "yes" because I feel they should say yes. There isn't  
3 evidence of widespread complaints.

4 MR. DOBBS: Is that because of lack of knowledge  
5 that, in fact, harmony may have occurred? That's what I'm  
6 trying to grope with.

7 If, in fact, the populace does not realize and  
8 does not understand that, in fact, there are large amounts  
9 of data collected, you know, if they literally do not  
10 understand that, then they have no basis, in fact, for  
11 arriving at a complaint.

12 MR. GWIN: Yes. Evidently, there is a link  
13 between conditioning, the lack of knowledge of the individuals  
14 about their rights. In fact, in most cases, they do not  
15 have any rights that have been admitted by the organization;  
16 the organization simply asks for information and the individual  
17 gives it out expecting some how that the organization has  
18 some God-given authority to ask for it.

19 There is an interesting example for digression,  
20 but it is interesting for the shift of the people being  
21 unconditioned. Really, a case quite recently where a mother,  
22 pregnant -- no mother with an illegitimate child -- applying  
23 for welfare in one Canadian city was asked for the name of  
24 the father of the child and she refused to give it and was  
25 refused welfare. She took the welfare agency to court and

1 won. That is clearly a shift in peoples' conditioning to  
2 accept that when information is asked for, you do not have  
3 to give it and people are ceasing to give more and more  
4 evidence; clearly with students in universities of demanding  
5 to know whether the organization has the right to ask for  
6 that information.

7 MS. GROMMERS: We have about 20 more minutes  
8 left so we will have to get you working again to brief  
9 questions and brief answers.

10 Mrs. Silver.

11 MS. SILVER: I have a brief question on the  
12 social insurance number. Do people use it for other injuries  
13 or is it used originally for which it was intended?

14 MR. GWIN: Almost exclusively -- I'm sorry, I  
15 can't remember. I do know of one other use, but it has not  
16 been used in a widespread fashion to this point.

17 I don't know why. I think it may be a technical  
18 limitation. There is no legal --

19 MS. SILVER: There is no real legal reason for  
20 it being restricted?

21 MR. GWIN: No. There are a couple of other  
22 institutions which do use it, and I should be able to  
23 remember but I can't, off the top of my head, remember it.  
24 But there are other institutions like the Motor Interior --  
25 Motor License Bureau which developed its own numbering system

3 1 and considers using that number but didn't, whatever technical  
2 reasons there were.

3 MS. SILVER: Was it used for things like driver's  
4 license or just like casual identification and that sort  
5 of thing?

6 MR. GWIN: I'm sorry.

7 MS. SILVER: In some places here, peoples'  
8 drivers licenses are now their social security numbers  
9 which makes it a pretty regular identifier, you know. Would  
10 that bother you, that sort of thing, to affect your number?

11 MR. GWIN: Here, our report does not address  
12 this question, the question of the pressures that have  
13 been created for some universal number system. It does  
14 comment on it. I will have to check on that myself but  
15 the broad generalization is the obvious one, that the  
16 pressures to create a universal numbering system are  
17 increasing.

18 The social insurance system in Canada would  
19 appear to be inadequate for that use.

20 MS. SILVER: Thank you.

21 MS. GROMMERS: Senor Anglero.

22 MR. ANGLERO: I pass.

23 MS. GROMMERS: I would like to ask one question  
24 here. Could you describe the Mantibo tort legislation?

25 MR. GWIN: It makes it a tort; in other words,

1 you can have larger suits for invasion of privacy, and you  
2 can lodge a suit. What it does not do is define privacy and  
3 I am now paraphrasing it in British Columbia for invasions  
4 of a reasonable standard of personal privacy.

5 In other words, a great deal of latitude is allowed  
6 to the judge. There have been in either British Columbia, two,  
7 or Manitoba, two -- in British Columbia, one case under the  
8 statute which was introduced, I think, in 1969 or 1967. They  
9 were quite recent, both of them.

10 MS. GROMMERS: Could we get the law? Could we  
11 get a couple of copies of some of the cases?

12 MR. GWIN: Oh, yes.

13 MS. GROMMERS: Mrs. Gaynor.

14 MS. GAYNOR: I pass.

15 MS. GROMMERS: Mr. Impara.

16 MR. IMPARA: I pass.

17 MS. GROMMERS: Professor Weizenbaum.

18 MR. WEIZENBAUM: I also want to latch on to what  
19 Professor Miller said. Might I suggest and state what my  
20 hypothesis would be. Could this experimenting, carried  
21 out, that we have in the United States -- a secrecy and  
22 banning act, which is a well-known terminology because it  
23 is just exactly the opposite -- that is, an opposite bank  
24 to everyone and to more people -- I think one of the  
25 provisions of it is that plans actions involving more than

5  
1 \$5,000, or more, ought to be recorded or transmitted to  
2 someone, reported in some sense, and I suggest that if the  
3 banks were to examine their tapes as to how much of these  
4 transactions there were before this act goes into effect  
5 and how many there will be after the act, it will show a  
6 statistically significant decline.

7 I would suggest that this would not be entirely  
8 or even largely because the people who are now withdrawing  
9 \$4,500, twice, instead of \$9,000 at once, that these people  
10 are, in fact, engaged in something illegal, or fear of  
11 prosecution, but I think it would have to do with something  
12 if this conjecture is right with the chilling effect that  
13 Arthur was talking about.

14 Now, if that conjecture were to prove true,  
15 then your observation, namely, that there is no evidence  
16 of widespread invasion of privacy would still be valid, you  
17 see.

18 Your observation that there is no invasion of  
19 privacy and no widely reported harm coming from widespread  
20 invasion; nevertheless, we would have evidence that in fact  
21 an enormous chill would have come over this particular  
22 transaction.

23 I would suggest further that the reluctance of  
24 an airline saying -- to inform its passengers -- that their  
25 names may be given to police agencies, for example, in the

1 absence of the whole industry informing all of their  
2 passengers, there is a similar sort of thing where they  
3 would fear, of course, that passengers would switch to  
4 another airline. Okay. Not because passengers necessarily  
5 are engaged in some criminal activities when they travel,  
6 from getting here to there, but it is just that they would  
7 react to what they would perceive perhaps even unconsciously  
8 it as an invasion of privacy and would try to remedy that  
9 somehow, and until of course they become immune to it,  
10 which is a depersonalization or alienation or whatever  
11 term it was that Mr. Dobbs was talking about.

12 MS. GROMMERS: We are going to have occasion to  
13 examine the Swedish system at a later point in time. As  
14 far as I understand, all records are public which would  
15 really be the alternative, extreme, from what you are  
16 talking about.

17 If you want to find out your neighbor's income  
18 tax reports, you can just go down to city hall and find out.

19 MR. WEIZENBAUM: If I may remark on that, there  
20 are of course subsections of our society where standard  
21 privacies -- which many of us would consider extremely  
22 private -- are different.

23 For example, in the military where people carry  
24 on their sleeves and by their colors, an indication of  
25 how much money they make, and these are considered symbols

7'  
1 of prestige. This is the military, not that it is an  
2 invasion of privacy at all.

3 So it is possible to change social standards  
4 and it may be that in the standards Don talks about, these  
5 standards are in fact very different from what they are in  
6 Ohio, for example.

7 (Laughter.)

8 MR. ARONOFF: For example, yes.

9 MS. GROMMERS: Mrs. Hardaway.

10 MR. WEIZENBAUM: Or Tennessee.

11 MS. HARDAWAY: Right. At what point in life do  
12 you issue your social insurance number? Do you apply for  
13 a service, or do you give them one when they go to work or  
14 when they are born or when?

15 MR. GWIN: I'm not certain of the circumstances  
16 of this. We did a study of this issue and my involvement  
17 in it was in a sense of translating some of that into the  
18 final report. I do not know the details behind it.

19 In other words, I don't know the answer to your  
20 question of who gets it and when and why we have a recent  
21 social security system and I don't know which issued it. I  
22 don't know who qualifies as to who were to receive the  
23 number.

24 MS. HARDAWAY: And -ou do not have one, yourself?

25 MR. GWIN: Oh, yes, I have one, and most Canadians

1 do. For instance, not all wives would have one.

2 In other words, nonworking wives would not have  
3 a social security number.

4 MS. HARDAWAY: Would I violate your privacy if  
5 I asked you how you got yours and for what reason, and what  
6 point in your life?

7 MR. GWIN: Didn't pay too much attention to it.  
8 It arrived in the mail one day.

9 (Laughter.)

10 MS. GROMMERS: Dr. Cross.

11 MS. CROSS: I pass.

12 MS. GROMMERS: Would you like to pursue that?

13 MS. HARDAWAY: No, no. No, I'm interested in  
14 why it really has no importance to you. Why do you have  
15 it if you don't know more about it?

16 MR. GWIN: I stick it on my income tax return;  
17 otherwise, it sort of sits in my wallet.

18 MR. MILLER: So it does have a use.

19 MS. HARDAWAY: It does have a definite purpose.

20 MR. GWIN: It is tied in to my income tax returns.  
21 Of course, some of them, these will be closely held  
22 confidential documents, although there have been a couple  
23 of cases where ,....

24 (Laughter.)

25 MS. HARDAWAY: You are never asked to use it on



any other type of form or whatever?

MR. GWIN: It is only embarrassing me because I am displaying the havocs of a slovenly knowledgeable citizen, but --

(Laughter.)

MR. GWIN: -- personal use, don't pay much attention to it.

MR. IMPARA: Do you put it on your employment application?

MR. DE WEESE: Don't lead the witness.

MR. IMPARA: I'm sorry. A lawyer.

MS. GROMMERS: Senor Anglero.

MR. ANGLERO: I should speak Spanish to you, but I can't. I will say something to you about this issue of having some kind of identification. Really, I have an identification that was not issued by the USA government. This was issued by the government of Guatemala and I know that they issue these identification numbers and cards. They call them cards, whatever they are, in some Latin American countries.

I know that in Argentina, they also do, and they have specific uses and they cannot go for voting if they do not have it. This is one of the proofs of being a citizen (indicating document),

MR. WARE: That's an international passport, isn't

1 it?

2 MR. ANGLERO: Yes. At any moment the police  
3 come and ask for this identification, if they don't have it,  
4 that would be a big problem.

5 MS. HARDAWAY: I am glad you came to us.

6 MR. ANGLERO: Yes. I still have it, though. I  
7 was of Guatemala and, at that time, they gave it to me and  
8 I still have it. That's enough for that.

9 I would like to know, Mr. Gwin, you mentioned  
10 something about the decision-making process in some way.  
11 My question would be small.

12 How is the decision-making process linked to the  
13 validity of information or the gathering and collation of  
14 information?

15 MR. GWIN: Well, I think in quite a considerable  
16 number of ways. The general pattern in government, it is  
17 increasing to use statistics, statistical information as  
18 an integrate -- integral component of decision-making and  
19 in analysis, planning analysis.

20 One characteristic, it seems to me, of the  
21 existence of highly efficient and extensive, comprehensive  
22 information systems, rather, is this: it reduces the  
23 contact between the decision-making organization and the  
24 individual.

25 Once the decision-making organization has acquired

1 the information about an individual, it no longer needs to  
2 make contact with him. It has a complete profile for  
3 purposes of analysis, decision-making or program management  
4 so that you can get, as a respected product, development of  
5 these extensive information systems, a reduction of contact  
6 between decision-making and individual with a clear potential  
7 increasing of alienation where the individual will feel  
8 less able to influence the decisions of that institution  
9 as they affect him.

10 MR. ANGLERO: Do you have any central planning  
11 commission, a board, and do you have any subsystems in the  
12 different states?

13 MR. GWIN: Well -- Oh, I see. There is no  
14 central organization in Canada. The Canadian Federal  
15 Government is responsible for the collection of information  
16 for policy purposes.

17 There is a central statistical agency which is  
18 concerned with the census and a variety of other statistical  
19 gathering exercises and, otherwise, individual departments  
20 collect data as it concerns their particular areas of  
21 responsibility, that is, to the lower orders of government.

22 There is not any single information gathering  
23 system which feeds into the Canadian government, though the  
24 principal one is the -- what is called Statistical Canada;  
25 that's our statistical agency.

2 ( 1 MR. ANGLERO: That, I gathered from the decision-  
2 making process. Do you have a central planning agency?

3 MR. GWIN: Well, we have a central agency in the  
4 sense that it is the Prime Minister's Office and a unit  
5 called the Privy Council, which is the closest thing to  
6 the kind of centralized system we have. But the Canadian  
7 system, government of power, is more dispersed. I'm not  
8 talking about the central or professional governments but  
9 within the federal government, it is more dispersed as  
10 with the case of the U. S. system. I think, entirely  
11 speaking, the Cabinet ministers may have more forms of --

12 MS. GROMMERS: Mr. Davey.

13 MR. DAVEY: Yes. I see the time is just about  
14 up. I find myself in agreement with things we talked  
15 about today. I would like to explore this idea you have a  
16 little bit more with respect to power and invasion of  
17 privacy. But perhaps we do not have enough time to get into  
18 that into any detail.

19 When will your report be out, and is there a  
20 possibility that we can get a copy of it?

21 MR. GWIN: The timing of the publication of the  
22 report is dependent upon the Cabinet which may not decide  
23 to publish it. It is a report of just their second. The  
24 fact is, I think we are having an election sometime very  
25 shortly. We're going to have it after yours -- with a

1 decent interval.

2 (Laughter.)

3 MR. MUCHMORE: Best way to get press coverage.

4 MR. GWIN: So these are the factors. But the  
5 probability is there. I cannot be precise. At least it  
6 would be in publication probably in December and would depend  
7 on the Cabinet, but it would depend upon the Cabinet's  
8 judgment.

9 MS. GROMMERS: Miss Noreen.

10 MS. NOREEN: I pass.

11 MS. GROMMERS: Would you want to at least expand  
12 a bit then about that question? We can give you eight more  
13 minutes before your limousine begins to leave.

14 MR. GWIN: What, sir, was the question?

15 MR. DAVY: Well, could you amplify a little bit  
16 on the nature of your comment that invasion of privacy and  
17 power were somewhat synonymous. It is an interesting  
18 concept and I would like to hear a little more of your  
19 argument, your reasons for making that statement.

20 MR. GWIN: The argument that I was advancing  
21 is that privacy in the context of the debate that we are  
22 concerned with is being used both in terms of privacy in  
23 the classic sense, and "I would like to be let along" --  
24 Brandeis and Warren -- and privacy linked to the political  
25 part through the connection of information and the relevance

1 of information to power, to the possession of power.

2 So that I was advancing the argument that some of those who  
3 are concerned about privacy, in fact, they are clearly  
4 concerned about the specific instances of invasions of  
5 privacy and I do not want to give an impression, which I may  
6 have done, that this is not important. This is very  
7 important to individuals. They can be very seriously harmed.

8 They are also concerned about the distribution  
9 of information and, therefore, fear that part of the distri-  
10 bution of power. And I was, in response to Professor Miller's  
11 statement, noting that this often proposed right of access  
12 does get into an individual decision-making process.

13 At the moment, most individuals and most systems  
14 often have no idea that the information exists, that the  
15 file on it exists. Often, they have no idea of what  
16 information is in that file or what use is it being put to  
17 or the reasons that the third-parties need to have that  
18 information.

19 Right of access gets them into what is a decision-  
20 making process or on the line. Therefore, potentially, it  
21 gives those people power vis-a-vis institutions. It would  
22 be a clear break from the present fact that the individual  
23 is, by and large, in the state of independence and, by and  
24 large, impinges upon the decisions which may be beneficent  
25 towards reasons for profit, et cetera, et cetera.

1 MS. GROMMERS: What is the Canadian government's  
2 institutions attitude toward the institution of what the power  
3 of people recently did?

4 MR. GWIN: Mr. Trudeau, recently elected, one of  
5 his main points when he made his journey during the campaign  
6 was the use of the word "democracy." Although it is some-  
7 thing easy to sketch out in broad lines and to actualize,  
8 nevertheless, it has the consistent theme of the government.

9 MS. GROMMERS: Would anyone like to ask one  
10 last question?

11 Thank you very much, Mr. Gwin. We are very  
12 appreciative that you could come down and be with us,  
13 and your limousine is waiting for you.

14 We will continue with our meeting, but we  
15 understand that you do have to catch a plane and we were  
16 very delighted to have you with us.

17 MR. MARTIN: May I, on behalf of the Department  
18 of Health, Education, and Welfare, express our gratitude  
19 to both Trans World Airlines and the Canadian government  
20 for both of you gentlemen coming. It is a generous and  
21 cooperative thing and we appreciate it.

22 MR. MUCHMORE: We appreciate that and we will  
23 write TWA and, in addition, we will give you a social  
24 security number to use.

25 MR. WILKERSON: Tell me what to do with it.

(Laughter.)

1 MR. MILLER: This close to election, you may not  
2 be too generous to TWA.

3 MR. MARTIN: I want to provide the Committee with  
4 a short oral briefing relative to the presentation which  
5 will be made tomorrow afternoon starting at 3:30.

6 You will have found in your folders a staff  
7 memorandum which attempts to provide a written briefing.  
8 Attached to it are two documents; one, the master plan of  
9 social security numeration activities, and the other, a  
10 program instruction of the rehabilitation service, each of  
11 which you would do well to look over with some care  
12 because the subject matter involved is fairly complicated.

13 I thought it might be helpful to provide sort  
14 of a brief oral overview of what the issues are. For many,  
15 many years, starting perhaps in the mid-Sixties, a process  
16 has been occurring within the social welfare and social  
17 services areas at the state and local government levels of  
18 including in the data base for programs administered by  
19 states and localities, in many instances, counties, the  
20 social security number of beneficiaries under those programs.

21 These programs have been and still are state  
22 programs. That is to say that the states design and launch  
23 the programs and provided they are eligible and the states  
24 obviously take care that they will be eligible to be  
25 assisted by the social rehabilitation service of HEW, HEW then



1 through the social and rehabilitation service contributes  
2 large sums of money to meet a portion of the cost of welfare  
3 and social services incurred by the states and localities.

4 With the advent of the proposal initiated by  
5 this administration for a nationalized welfare system,  
6 often referred to as HR 1 which has been passed by the House  
7 of Representatives and is still hung up in the Senate Finance  
8 Committee, the process of including a social security  
9 number in the data base for these state programs has  
10 accelerated and increased; in part, by action taken at the  
11 initiative of states and localities, and in part, because  
12 of some encouragement to do so is given by the social and  
13 rehabilitation service in cooperation with the Social  
14 Security Administration.

15 The materials that you have in writing discloses  
16 in some detail the most recent aspects of this development.  
17 There is pending in the social rehabilitation service a  
18 regulation in draft from which would mandate that the social  
19 security number be recorded in the data base on all social  
20 welfare, social service programs assisted by the social  
21 rehabilitation service.

22 That draft regulation has been pending for over  
23 a year and it was initiated in anticipation of the enactment  
24 of HR 1 and the need to have a uniform numbering system, as  
25 is expected by at least the House Committee, House Ways and

Means Committee, to administer at a national level the proposed health, welfare program. That legislation, as I say, has not been passed.

The number is being used at the state level to facilitate comparisons between records of what health and welfare programs and social services programs, beneficiaries and their relatives, produce in information with other records of the states or localities, to assure that only people who are eligible will be benefited under those programs and will receive benefits.

Problems are being encountered of a kind that are much more easy to understand in the wake of Mr. Taylor's presentation this morning in making those comparisons.

For example, in California where the Earnings Clearance System was recently upheld on a decision by a trial court throwing it out; the welfare agencies acting through the Department of Social Welfare of the state submits tapes of welfare beneficiaries with their social security numbers to another department of the state government of California which administers the unemployment compensation program, and in that program, employers report wages earned by people to unemployment compensation.

When the tape goes over there, there is added to the tape, the earnings reported by employers opposite the social security number for periods of time, sometime in the

49 1 past, since the data flows at the unemployment compensation  
2 program run slowly, and then the tapes are sent back to  
3 the Department of Social Welfare which, in turn, breaks them  
4 down by counties which is the practice of the administration  
5 of the welfare program in California, and wherever discrepan-  
6 cies are noted -- as when what the welfare beneficiary says  
7 he earned during a period of time and what his employer  
8 reported he earned in, hopefully, the same period of time, --  
9 it triggers a process of investigation or exploration to  
10 discover whether or not this discrepancy is fraudulent or  
11 should lead to a change in the benefit level of the  
12 welfare and or in a disqualification from beneficiary status  
13 of the welfare recipient.

14 I would suggest that your questioning of the  
15 social and rehabilitation service officials who will be  
16 here tomorrow, and social security administration officials  
17 who will be here tomorrow and two state welfare department  
18 officials -- one from Georgia and one from Florida -- and  
19 Pat Lanphere might help, too -- you might explore the extent  
20 to which their understanding of this comparison process is which  
21 the states are engaging in, using the social security number,  
22 or intending to use the social security number.

23 There is, on the basis of a lot of inquiry and  
24 discussion that I have had with a lot of people, grave --  
25 including people in the systems business that are trying to

1 make his system work -- grave concern about the efficacy  
2 about the kind of comparisons that are being engaged in  
3 and which was in the past engaged in and fostering upon  
4 pushing this into the use of this line --

5 MR. WARE: Well, would you clarify some comparison?  
6 You mean matching the two dates, it is to ensure that they  
7 are relevant to the same person? Is that what you mean  
8 by comparison?

9 MR. MARTIN: No. Comparing information about  
10 earnings obtained from a welfare applicant, let's say, with  
11 information about his income obtained from his employer.

12 MR. MUCHMORE: He states in here, in the applica-  
13 tion for welfare, that he receives so many dollars from the  
14 compensation --

15 MR. WARE: Then it is tracking the consistency  
16 of the data?

17 MR. MARTIN: Yes. It is to see what the welfare  
18 recipient says is accurate as determined by what another  
19 record of, supposedly, the same information shows. Yet, all  
20 the same problems Mr. Taylor was talking about this morning  
21 are the comparisons as comparisons.

22 Is the information reported to the unemployment  
23 compensation system, the kind of information that the welfare  
24 recipient is asked to understand you are asking him to give?  
25 In contract, for example, with the internal revenue system

1 situation where the taxpayer is asked at the end of the  
2 year to provide a record of what his wages and salaries were.  
3 The likelihood of his making a mistake in reporting that  
4 to the internal revenue system is minimized by the fact  
5 that his employer is required by the same organization, IRS,  
6 to report that information to IRS and send a copy to the  
7 taxpayer.

8 The taxpayer is therefor in a position to know  
9 what the data source is, against which a comparison may be  
10 made. He is given a copy of the same information. That is  
11 generally not true with respect to the data bases that are  
12 involved of these comparisons in this whole social welfare  
13 and social services field.

14 I think an exploration of this would be enormously  
15 helpful to the officials involved in view of the sophistica-  
16 tion and insights which this Committee clearly has.

17 The questioning process will help them to deal  
18 with what is a very difficult problem and I think, here,  
19 their responses will add to the Committee's ability to  
20 wrestle with this question of the social security number  
21 and the utility of its application in linking data bits.

22 MS. GROMMERS: Are you suggesting we ask them  
23 to expand on that process, to tell us whether they had  
24 problems in applying that process?

25 MR. MARTIN: There has been concern expressed in

52, 1 Florida, that is, about the prospect of having to use  
2 the social security number, because within the Department  
3 of Health and Rehabilitative Services in Florida, which is  
4 a rather large umbrella agency covering a very wide range  
5 of services, are included mental health services and I  
6 understand the people who administer mental health services  
7 are very concerned that if it becomes a federal requirement  
8 for state purposes in their programs to use the social  
9 security number, that the likelihood that information which  
10 is supposed to be carefully guarded in data bases of mental  
11 health service institutions is going to find its way out  
12 of those data bases and into other data bases and they are  
13 very concerned.

14 MR. WARE: That's a different issue.--

15 MR. WEIZENBAUM: No. No.

16 MR. WARE: -- than comparixon of the data  
17 consistency.

18 MR. WEIZENBAUM: It is one big --

19 MR. WARE: It's one big ball of wax but a couple  
20 of small balls on the side.

21 MR. MARTIN: What I say, to draw this out, is that  
22 the process by means of which HEW is -- I think this has to  
23 be said -- is encouraging the use and thinking, at least the  
24 social rehabilitation service is thinking, of further  
25 encouraging the use of the social security number. It is

1 that we are just throwing it out there without any sense  
2 of where, how it is going to impact.

3 We would understand clearly, I think when Mr.  
4 Boyd was here and explained very clearly, that with respect  
5 to the planning for a national welfare system, how the  
6 social security number would be used by the federal govern-  
7 ment for making comparisons of between data bases within the  
8 federal establishment. But what is being done now is to  
9 push it on to the states and say the states must use it,  
10 and I think that it is fair to say that the systems planners  
11 at the federal level who are doing this do not understand  
12 what the implications are for the states doing this.

13 Now, there are some states that have decided  
14 to do it in very discrete and limited areas where they have  
15 opted to do it and we are cooperating with them.

16 I think it is a very different thing for a state  
17 to say we have decided to do something and hopefully figure  
18 it out and come and say, "Will you help us HEW?" I think it  
19 is a tougher question. I haven't found any stronger advocate  
20 for this anywhere in the department. I think we have here  
21 a process that sort of emerged out of our bureaucracy in HEW  
22 out of necessity, in anticipating the need for HR 1 and  
23 wanting to get the enumeration side of it done as soon as  
24 possible so that when HR 1 comes along, we will be in a  
25 position to administer it more quickly.

1 It has all sorts of difficulty.

2 One of the things Mr. Taylor was saying is that  
3 the Social Security Administration, and I think they will  
4 bring this out tomorrow, has had to degrade the quality of  
5 the enumeration process in order to respond in some measure  
6 to all the states.

7 The Social Security Administration apparently  
8 does not feel it is in a position to say "no" to a state  
9 that comes along. "We have got this great idea that we are  
10 going to enumerate. Please help us."

11 The Social Security Administration feels obviously  
12 under political pressures to be responsive to that state.  
13 It does not have the manpower, resources on a given time  
14 scale or the ability really to respond to the state's request  
15 for assistance at the level of quality that the job requires.

16 So it is simply cutting out certain routines  
17 that it would otherwise do, such as verification, and the  
18 result is that the enumeration process which is being engaged  
19 in is going to be a degraded enumeration process in terms  
20 of quality control. And that, in turn, has implication for  
21 stated administration and, ultimately, for federal administra-  
22 tion assuming that the welfare reform program does go through  
23 and then we have to use the result of that enumeration process.  
24 And I think they are concerned about that.

25 It is not the sort of thing that they are very



55  
1 comfortable about, trying to service dandidly and openly  
2 within HEW on the record, because there is really no way  
3 that the system can respond to it.

4 I think it is something that this Committee  
5 could be enormously helpful about, especially if it is able,  
6 as I think it will be able, to get the witnesses to be  
7 candid and open.

8 I have suggested to them here is a forum in  
9 which they can really let their hair down, and I think with  
10 searching and careful questioning, that you can bring out of  
11 them information that will be ultimately very helpful to  
12 the Committee in its work and certainly to the department  
13 in its function.

14 MS. GROMMERS: Pat, did you have a question?

15 MS. CROSS: Well, it may not be answerable, but  
16 I am confused. When you say they are not concerned about  
17 the efficacy of it, I am not sure whether you use that word  
18 towards ethical consideration, practical consideration.  
19 That is, is it useful, or the technical consideration of it,  
20 is it possible? I am not sure of where you are trying to  
21 put the emphasis, if any place.

22 MR. MARTIN: In order to be able to put the  
23 emphasis there -- I don't know. I don't think anybody in  
24 HEW knows or has a very good sense, factually, of what the  
25 conditions are. I don't think we do.

1 We have anecdotal intelligence, or all I am  
2 saying is nobody is very comfortable with what's been done  
3 in ethical terms, in conceptual terms and there is mixed  
4 evidence of what the effects will be and I think people  
5 are kind of holding their breath and trying to forget the  
6 problem and pretend it doesn't exist and it doesn't in  
7 HEW because of an infection.

8 If it is an infection, it is going to be suffered  
9 by states and localities.

10 Now, HEW, in a way, will feel the effect of that  
11 over time because we financed so much of this and it is  
12 hard for the states to explain what they are doing or  
13 administer well or to account for what they are doing.

14 We are going to feel the effects of it in time  
15 but it is far enough down the road so it is not an overrun  
16 of influence on people making decisions today or tomorrow.

17 MS. GROMMERS: I was just asking David, he's got  
18 a ten-minute chalk talk on the interrelations of SRS and  
19 Social Security and HEW Administration which I think will  
20 take another ten minutes to do.

21 We understand the problem that will be the problems  
22 of tomorrow and -- would you be glad to do it another time?  
23 We'll be happy to have the board there. We have a social  
24 record --

25 MR. MARTIN: Do you want this on the record?

1 MS. GROMMERS: I don't care.

2 MR. MARTIN: It's up to you.

3 MS. GROMMERS: I think we need it.

4 MR. MARTIN: During the first several months  
5 that I came out to the department in 1970, I spent most of  
6 my time engaged, very luxuriously, in thinking and talking  
7 to people, and thinking in order to try and figure out  
8 what HEW was all about, what it had become since I left it  
9 ten or twelve years before, and out of that, I developed a  
10 way of thinking about the department which I tried out on  
11 the Secretary. And it turned out to be very congruent with  
12 his way of thinking about the department.

13 And we used the ideas on this in lots of ways:  
14 speeches and analytical work, and I am now -- sometimes  
15 when people come to you, you get an introduction to HEW.  
16 We don't have an orientation but introductions and the kind  
17 we have is helpful.

18 HEW is frequently described as a department of  
19 mission, of people serving people. That's a very erroneous  
20 view of what HEW is all about.

21 HEW is essentially an organization, an institution,  
22 a congeries of institutions serving other institutions,  
23 working with other institutions which, in turn, sometimes  
24 directly or sometimes through the intermediary of several  
25 more layers of organizations, finally gets around to serving  
people.

58/ 1 Let's think of HEW as a box with a rather thick  
2 management layer. (Drawing) It grew something tenfold in  
3 the ten years the Secretary left it in 1959 and came back  
4 in 1970 and it consists of a number of operating agencies,  
5 most of which you have now met: the Social Security  
6 Administration, the Social and Rehabilitation Service, the  
7 Health Services and Mental Health Administration, the National  
8 Institutes of Health, and the Food and Drug Administration --  
9 and, excuse me, how could I forget -- the Office of Education.

10 The Social Security Administration is the portion  
11 of HEW which has a direct individual clientele, however,  
12 if you think of drawing checks and putting them in the mail  
13 isn't rendering services to those people. It is making cash  
14 payments to them and we usually distinguish, analytically  
15 at least in HEW, the provision of services from the payment  
16 of cash and as a constant battle ranging in the Office  
17 of the Assistant Secretary of Planning and Evaluation as to  
18 whether we should have a cash or surveys strategy in fulfilling  
19 our objectives in Health, Education, and Welfare. Our  
20 services activity, direct services activities are very,  
21 very limited.

22 You heard about some of them this morning. The  
23 Indian Health Service is rendering through the work of  
24 federal employees in the Indian Health Service, services to  
25 Indians, to Alaskan natives in Alaska. The Public Health

1 Service still has in its hospitals a vestige of direct  
2 personal services, direct employees and federal health services  
3 serving patients in federal public health hospitals.

4 I think we still have a drug rehabilitation  
5 service in Lexington and we have a handful of other  
6 institutions within HEW in which HEW employees are rendering  
7 services to American citizens.

8 For the most part, however, what we do is to  
9 invest the capacity in the institutions of our society to  
10 delivery services. And we make those investments in a  
11 number of ways.

12 First, I might sketch out briefly what those  
13 other institutions are. First, we have a tier of 50 -- my  
14 last count -- states and I have never done homework in our  
15 relationships to territories and commonwealths -- Puerto Rico  
16 and so on -- I know there are relationships there. And  
17 essentially, let us say 50 states, and below the 50 states,  
18 there are -- count them -- 30,000 governments. 30,000  
19 governments. That's a lot of governments. Those, of course,  
20 are cities, towns, tristate authorities, school/sewer  
21 districts, et cetera. HEW doesn't deal with all 30,000  
22 of them. Some of those governments, some of the functions  
23 of those governments are outside of HEW authority.

24 After those 30,000 governments, there are just  
25 a legion -- I don't know if anybody counted them -- private

30 ( 1 sectors like private schools, hospitals, private rehabilita-  
2 tion homes, just on and on, and all the different kinds of  
3 institutions in the health and welfare areas.

4 Below that, I do like to think of it this way;  
5 the biggest layer of all the institutions, the most fundamental  
6 institutions in our society, the family. And then the  
7 family accounts for I don't know how much of the population  
8 in an institutional sense and then you finally get to  
9 individuals.

10 Well, I don't insist on thinking of the family  
11 as an institution for this purpose, although it is useful  
12 to keep reminding people in HEW of the family as an institu-  
13 tion as they start thinking about child development programs  
14 that are going to be organized entirely through bureaucratic  
15 offices that like to remember that the family is an important  
16 institution in talking about child development.

17 Now, HEW gets authority, money and oversight --  
18 sometimes spelled trouble or interference from the Congress  
19 of the United States -- and it takes that authority and  
20 money in anticipation of the oversight and uses that money  
21 on this network of institutions to try, through those  
22 institutions, to impact for good effect on the lives of  
23 people.

24 The investment which it makes in institutions  
25 takes a number of forms. One, it invests in their physical

1 plant capacity. Most services are rendered in buildings.  
2 So across a range of programs, HEW has authority to spend  
3 money, helping in the construction of a variety of kinds  
4 of physical environments in which -- or from which services  
5 will be given to people, hospitals, schools, colleges,  
6 universities, nursing homes and so on.

7           These environments, these physical environments  
8 are for the most part more or less specialized facilities  
9 and need to be equipped. So HEW has authority through most  
10 of these agencies to invest in the equipment of buildings.  
11 Most of these environments are staffed by people who work  
12 in them, give the services, and are persons who require  
13 special training. They are professionals of one sort or  
14 another.

15           So HEW has funds in which to invest in their  
16 training and to assist in their training and to assist the  
17 institutions that provide that training to be able to give  
18 that training. Training requires information or knowledge,  
19 a knowledge base, information to be used for training  
20 purposes and that brings us to HEW's very substantial  
21 investment in research which creates new knowledge and  
22 provides the bases for the education or training processes.

23           It also provides insights into what to do in  
24 those service rendering institutions.

25           Now, HEW's role in relation to this is not

1 neutral. It seeks always not to be neutral. It constantly  
2 has objectives in mind. It wishes to accomplish something  
3 in the life of the person down here who is receiving  
4 services as a result of that process that I have tried to  
5 describe.

6 So how can it seek to influence what happens down  
7 here with this person, not having any direct contact with  
8 the person, having only those indirect ways of affecting it?  
9 Investing in plant, in the equipment of the physical plant,  
10 in training people, in knowledge, and I should have  
11 added, we also have programs in which we can help to fund  
12 the operation of these institutions.

13 Well, the way we try to exercise that influence,  
14 crudely put, is by tying tags on the money that we spend,  
15 tags which have certain conditions on them to accept this  
16 money, to use this money. It must be used in such and such  
17 a way in such and such a population; only for blind people  
18 or only for older people or on terms as such, that there is  
19 no discrimination as between old people and young people or  
20 black people and white people and red people or it must be  
21 used to further this or that or another sort of treatment  
22 objective in health or whatever.

23 If we were the only ones involved in trying to  
24 influence the outcome for people of the availability of  
25 services to them and the receipt of services, HEW could be



1 a very powerful and effective institution. But, of course,  
2 we all know that isn't the case because this money flow that  
3 comes from the people gets appropriated by the Congress,  
4 gets pumped through the federal government, and out again.  
5 It is at every single point where any institution in the  
6 process has a chance to say anything about it. It is being  
7 tagged by somebody.

8 The Congress, of course, ties the first tag with  
9 authority and continues to tie tags of a different kind  
10 through the congressional oversight process...

11 HEW doesn't live, of course, as a nice, neat,  
12 little square in Washington, with its ten regional offices  
13 around the country and somewhat. It lives within a  
14 complicated environment with the interagency, with the Bureau  
15 of Budget, the President and other departments of the budget  
16 exact time price tyings, trimming off tyings that the  
17 government might want to tag on whatever HEW receives and  
18 money going out the door; all these other people have their  
19 notions as to what should happen and they tie tags on or  
20 counter influence or whatever may have happened along the  
21 way.

22 So we try in lots of ways. There is one other  
23 major dimension of HEW function that is perhaps worth  
24 mentioning. This cash flow practice is a very important  
25 aspect of our opportunity to tie tags and that is what we

1 will be concerned about tomorrow afternoon through the  
2 social rehabilitation and social security. We are spending  
3 billions of dollars a year reimbursing welfare cash payments,  
4 medical bills and -- paid through Medicaid and Medicare --  
5 social security, old age beneficiaries, medical assistance  
6 programs, and through financing -- well, you may have been  
7 reading the stories in the paper lately, and you must have  
8 read of the President's veto message of the HEW vetoes  
9 ceiling on the social services program that has just been  
10 discovered by the state running about \$4.8 billion a year  
11 from a few hundred thousand a year only a few years ago  
12 and opened reimbursement program administered by SRS which  
13 reimburses at the rate of seventy-five cents on the dollar  
14 all the expenses incurred by the state on anything that can  
15 be brought within the broad and loose definition of welfare  
16 rehabilitative services.

17 We try to tie tags on those cash flows that had  
18 been going to reimburse the medical expenses incurred, for  
19 example, under Medicaid and Medicare, and through this  
20 social services/welfare services flow, we tie tags on that  
21 to try to induce or shape or have an effect on the quality,  
22 the nature of the services which we are helping to pay for.

23 But as I say, so is everybody else and we are not  
24 very aware, I guess it is fair to say; we really don't know  
25 what the consequence is of the tags that we tie.

55, 1 Now, this, the process whereby funds flow  
2 through HEW, through this maze of governments and private  
3 organizations, is impossible to understand. Believe me.  
4 And anyone who says that he can see clearly what the conse-  
5 quence of some grant condition can be or contract condition  
6 or state plan condition, that those are the ways in which  
7 we tie the tag but the consequence of this is the individual  
8 down her, the individual receiving services, is just plain  
9 out of his tree.

10 People, however, in Washington, since they cannot  
11 deal with the citizens out here, are limited to what they  
12 can do and what we can do is advocate or set about changing  
13 procedures and that is one of the most endemic games of  
14 the government, is to change procedures; reorganizing and  
15 changing the process of our programs all the time  
16 because we can effect that, we can change our own structure,  
17 our own organization. We can change the tags we tie and we  
18 do that all the time, and it makes life -- to the extent that  
19 we are just dealing with our own world -- it is bad enough,  
20 but we can do that.

21 To the extent that we seek to do it and the states  
22 and the localities, the private institutions allow us to do  
23 it a lot, it makes their life very difficult. They are  
24 constantly having to adjust to current notions or these  
25 examples of whatever the current bureaucracy happens to be

1 in Washington, how the process should work.

2 MS. LANPHERE: Very true.

3 MR. MARTIN: And without wishing to seem  
4 disloyal in any way to this, or prior or any future, adminis-  
5 tration, but just trying to speak rather clinically, it is  
6 a kind of quasi-professional government buff. I think that  
7 insofar as changes in process, an organization depends  
8 crucially for their implementation on information systems,  
9 especially large-scaled complicated implementation systems  
10 of the sort that we have been considering and about which  
11 we will hear something later tomorrow afternoon, that the  
12 system just cannot withstand the kind of management that  
13 it is getting in this or any prior or any future administra-  
14 tion.

15 What is sad about our system is that this layer  
16 which really has more say than many others in the system about  
17 how HEW at least will behave, the civil service leadership,  
18 the agency has -- doesn't respond easily or quickly to  
19 what the management layer, the Secretary and his cadre of  
20 assistant Secretary and staffs try to accomplish within the  
21 department. Perhaps that is good for reasons I will  
22 explain.

23 Typically, this layer of government, the layer  
24 in which I am functioning is staffed by people who come in  
25 knowing very little about what their job is, knowing even

67  
1 less about what their organization is. Coming in for a short  
2 period of time, it is a political vulnerable stratagem in  
3 the functional limit, coming in with a general and enormous  
4 zeal and energy and, I think, dedication, dedication which  
5 is, I think, understandable and functional to a goal that  
6 may not be very useful to sound administration of our  
7 complicated governmental structure because the people who  
8 come into these layers do not come in for the most part  
9 thinking that this is a career or part of a career. It is  
10 a stop in a career.

11 From here, it may be back to business or then it  
12 may be back to the academy or it may be back on to something  
13 else and that's fine. That can produce a lot of good  
14 results. Fresh ideas and a lot of that. But the turnover  
15 is very quick in here, on the average of two years, and  
16 the learning process is slow. It is a complicated world and  
17 just about the time people get to know what it is all about  
18 and what they are trying to do and implement it, it is time  
19 to move on to the next grand adventure.

20 It is the population who are mostly concerned  
21 about take offs. There isn't time for the landing. You  
22 won't be there for the landing anyway, and you don't have  
23 to be concerned about whether your own course. The take off  
24 is the big thing, and take offs are measured mostly in  
25 newspaper headlines, so you have constant take offs and --

1 MS. HARDAWAY: I believe you are describing  
2 my situation perfectly.

3 MR. MARTIN: And the people who come next are  
4 not worried about keeping yesterday's general flight on  
5 course and to a safe landing. There's no glory in that.

6 The glory is to have a take off, and there's  
7 a tendency for the leadership in -- this is just HEW; I  
8 think it is true throughout the federal establishment -- there  
9 is a tendency to throw away yesterday's idea. It doesn't  
10 have to be a change in party; just a change in personnel.

11 This layer of HEW is actually here. It consists  
12 of nine people. They really are those nine separate  
13 associates, each in his little world, empire of his own, and  
14 all of which are supposed to be helping the Secretary who has  
15 a staff of maybe five or six or seven people directly,  
16 personal staff, to him to manage the department. But they  
17 are not really trying to help him manage the department.  
18 They are trying to assure that their view of how the  
19 department should be managed is that which prevails among  
20 the competition of their adversaries.

21 Instead of operating as a united team, sharing  
22 resources with the staff, they are bickering and fighting  
23 and jockeying for better positions, more places and more  
24 money to do their own thing and they are gradually going to  
25 be little relevant bureaucracies that help the government

69 1 manage, help the agencies management. So much.

2 They are going to be there three of four years  
3 and then go back to work on what they were doing before;  
4 teaching or courses in business.

5 Well, that is an effort to try to share with you  
6 what I think is the environment -- that's the larger environ-  
7 ment in which the issues, which this Committee is dealing  
8 with, lives.

9 If you subscribe to Richard Gwin's view -- not  
10 his view so much -- his analysis of the power equation and  
11 information as a means of institutional exercise of power,  
12 mucking around with information systems that are as easily  
13 set aright by the kinds of everyday events, that Joe  
14 Weizenbaum has been talking about meeting after meeting  
15 which Mr. Taylor spoke about this morning, it has, it seems  
16 to me, profoundly significant consequences for the society  
17 and I would hope that this Committee would help sound the  
18 clarion call for some kind of very serious minded  
19 attention to the management of information activities  
20 because they are crucial to the functioning of government  
21 and the functioning of government is enormously complicated  
22 by this structural conference, this human condition, and  
23 the fact that this structural condition is complicated by  
24 the fact that every layer of our government is concerned  
25 with just about everything.

1 I do not believe that city halls, county halls  
2 have gotten serious enough about defense policies, but we  
3 have states going for resolutions of getting out of Vietnam  
4 and I suppose it is not the standard of states to do that  
5 with defense policy, not to say Massachusetts shouldn't  
6 have done that. But we are reaching the point because of  
7 new technology which brings everything into our observation  
8 and understanding the impact on television, on campaigning  
9 for public office. You cannot afford, if you are active  
10 in government at any level, to be disciplined and focused and  
11 say, "This is my job and that's the other fellow's job."

12 Stan Aronoff cannot. If his constituents bring  
13 to him business, federal government business, he cannot say,  
14 "Shove it, Mac. I'm a state legislator," anymore than a  
15 senator can write to him, to Stan Aronoff. Everybody's doing  
16 everything and that makes -- and the information technology  
17 industry is -- in all this chaos, it has just a sitting duck  
18 customer.

19 If there is anything in this function that I would  
20 like to hear, it is a way to make it clearer, understand it  
21 better, make it work better and the promise and the appeal  
22 in information procedure and technology as a means of trying  
23 to do a better job, I think, is a hard one to resist.. And  
24 from my perspective of governments, all these governments,  
25 the United States has really very, very much overinvested in



71( 1 information technology and communications technology.

2 They have got much more than they are using  
3 effectively, much more than they know how to use, and  
4 I do not see much prospect of that for abating for a whole  
5 lot of reasons. And I don't know how one committee advising  
6 one Secretary, one secretary, one department of our govern-  
7 ment, can do. But I really think there is probably no  
8 task that any group of people trying to serve their  
9 country are tackling that is more important and potentially  
10 holds greater beneficial reward, opportunity for our  
11 country that what you are engaged in.

12 MS. GROMMERS: Thank you, David, very much.

13 MS. HARDAWAY: Very good.

14 (Applause.)

15 MR. ARONOFF: Does the Secretary, who administers  
16 this vast complex and understands from his political life,  
17 en masse, and his former work in HEW, the various take offs  
18 and further understands that this is an election year where  
19 all kinds of take offs are going on, really want at this  
20 stage the kind of potentially shattering report that could  
21 come out? If I may throw that question out to you who  
22 understand the politics of government.

23 MR. WEIZENBAUM: May I rephrase that question  
24 slightly?

25 MR. ARONOFF: You always do.

(Laughter.)

12  
1 MR. WEIZENBAUM: I think you will notice that at  
2 the last several meetings, I have been keyed on very tight  
3 to you.

4 MR. ARONOFF: I meant that lovingly.

5 (Laughter.)

6 MR. WEIZENBAUM: David, the take off analogy  
7 that you made reminds me of some ships in the Navy that  
8 have catapults that are capable of launching airplanes.  
9 They are not receiving the airplanes that they have to launch.

10 To rephrase that question, whether, for example,  
11 this Committee is such a launching operation, you know,  
12 a spectacular take off from a catapult mounted on a small  
13 ship, when, in fact, no one has really thought about the  
14 landing -- there may be a field landing scope.

15 MS. GROMMERS: We go from one version to the  
16 left-hand version, then to the right-hand version.

17 MR. MARTIN: We are working against an unconscionable  
18 short deadline. We are doing that with our eyes open.

19 The reason we did it was that we wanted a landing  
20 at least in a sense of a product in this administration.

21 When the idea of having a committee was conceived,  
22 there was no way of knowing that the future held and, presuma-  
23 bly, there still is no way of being sure what the future  
24 holds for the incumbent of HEW.

25 He considers the range of issues that the

3  
1 Committee is grappling with as very important and he wanted  
2 to make a contribution which he did not feel he could make,  
3 personally, to at least an understanding of these issues  
4 during his incumbency aspect.

5 I think he will feel that the take off will  
6 have resulted in a successful landing if this Committee can  
7 help, through its efforts and through him and through its  
8 report and whatever else it achieves, towards a greater  
9 public understanding of the issues.

10 If, by a landing, you mean the implementation  
11 of specific remedial action or reform steps, there is no  
12 way of knowing what the opportunity to implement those  
13 recommendations will be for this Secretary.

14 If the administration isn't returned to office or  
15 he continues to be Secretary, a fate of which I obviously  
16 do not hope for because I have great confidence in him and  
17 great respect for him and admire him greatly and would work  
18 hard, work a great deal in implementing his recommendations,  
19 but our prospects are, one, if he is no longer Secretary of  
20 HEW, the work of this Committee may in terms of tomorrow's  
21 leadership in HEW suffer the fate as being regarded as  
22 yesterday's take off and of no interest to a succeeding  
23 Secretary of HEW.

24 I would like to think that wouldn't happen  
25 because I think the issues here are not partisan issues. I

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1 think the Committee will have done its work that needs to  
2 be done and will be enormously valuable to anyone that  
3 cares to address the issues. That is about all I can say  
4 unless I am missing the point of your question.

5 MR. ARONOFF: No, you didn't, except if you take  
6 your analysis without predicting, assume for the moment,  
7 that the Secretary would remain in office for a period of  
8 time beyond January of 1973, it is nothing less than his  
9 prestige, if in fact he endorses even part of what this  
10 Committee could do, that could possibly have any impact on  
11 the power structures that you have so eloquently described.

12 MR. MARTIN: I would like to dissent from that  
13 view without disagreeing with what you said. I think that  
14 it is true that the Secretary's prestige can help  
15 accomplish whatever the Committee decides to recommend  
16 should be accomplished. And I think that can happen whether  
17 he continues to be Secretary or not.

18 He is not going to retire from public life to a  
19 farm in Vermont. What he will do, I don't know. But his  
20 record is one of continuing investment of time, in things he  
21 understands and cares about. And this Committee's report  
22 will surely enable him to better understand this issue and  
23 give him targets to try and continue to hit.

24 My statement takes the form of reminding you, as  
25 I have said before, that you already are having an effect.

75 1 We haven't interacting with hundreds and hundreds of people  
2 but we have interacting with many people and we have inter-  
3 acting with many people who are in very, very key positions  
4 and, absolutely uniformly, the feedback I get from the people  
5 who come here to present an interact with you ladies and  
6 gentlemen is a very positive, a very meaningful and a very  
7 useful impact, an impact which, if the Secretary continues  
8 to be Secretary, will prepare the ground, if you will, for  
9 the implementation of whatever recommendations the understand-  
10 ing of the needs for them or their significance of their  
11 meaning is heightened by the effect you are having on people  
12 in the interacting process and will make the carrying out  
13 the recommendations easier for him or any secretary that  
14 chooses to act on them. And even now, you are having an  
15 impact.

16           You heard the Indian Health presentation and  
17 someone congratulated the presenters as having been laudible  
18 because of their great concern with confidentiality and  
19 privacy without any warning. Well, they had a warning.  
20 The warning was the searching, questioning and briefing on  
21 what the Committee was interested in knowing about that  
22 they had with your staff in preparing them for coming here,  
23 for the fact of your existence and from whatever scouting,  
24 you can be darned sure they did plenty about it, as to what  
25 the Committee is all about. What they are interested in, you

1 are not being paged about it daily, you are not invisible  
2 about being known and the existence of the presentation you  
3 got is an expression of concern which I think is sincere  
4 about the issues you are raising, and that presentation is  
5 markedly different from the style and presentation that  
6 was made two weeks ago in the Office of the Secretary, in  
7 the Secretary's staff meeting.

8           So you are already having an impact, a very  
9 meaningful impact because you are interacting with people  
10 who are at various levels of behavior in this country of  
11 organizations, whose behavior is unmanageable in a real  
12 sense. The managers really defer and delegate entirely  
13 to people who build these systems. They don't understand  
14 what they are managing.

15           Elliot Richardson understands better than some,  
16 but Elliot Richardson may be the last one to say that he  
17 understood all the difficult issues or has clear answers  
18 or has a sense of what to do about them. And most managers  
19 aren't aware of the issues. They aren't aware of the  
20 problems. They just defer.

21           MS. GROOMERS: The other point I think is a very  
22 important one, equally, that David has just made, which is  
23 the impact on public knowledge will be effective regardless  
24 of who is the Secretary and will be feeling up the other  
25 side of that beanbag (?) we have been operating on what

77  
1 Jerry was talking about, improving the relationship of the  
2 individual vis-a-vis the institution, the power situation.  
3 I would like for us to give more attention, too, as we  
4 develop on to some of these ideas through the rest of the  
5 meeting.

6 MR. MARTIN: I hope that nothing I have said  
7 will be construed as my having a view of the world, that it  
8 is full of villains and bad gues. You know, I don't think  
9 there are any bad gues or villains in this -- it's just a  
10 terribly, terribly complicated, messy business which has  
11 come about in part -- which I say -- through communications  
12 and technology. As some notorious man said, the world is a  
13 global village where everybody cares and everybody wants  
14 to do something out of enormous innovation.

15 It may be that too many cooks spoil the outcome  
16 and we need more chefs and that the pastry man doesn't get  
17 involved, involving himself on how the fish is baked.

18 MR. WARE: What is --

19 MR. DAVEY: One question I have is, what is the  
20 Committee going to be in over the next two or three months?

21 MS. GROMMERS: We will be talking about that till  
22 Saturday.

23 MR. DAVEY: Do we have to wait till Saturday?

24 MR. WARE: No, we have to wait till Saturday.

25 MR. DAVEY: Because we discussed this a little

1 bit last time and if I can characterize my own personal  
2 feelings, I felt for the first couple of meetings we didn't  
3 know as a group where we are going. But I don't know where  
4 we are going.

5 MS. GROMMERS: Well, I think at the meetings, we  
6 have reached some definite guidelines of where we want to go.

7 MR. ANGLERO: I have tried in some way at many  
8 meetings to try to understand what the decision-making process  
9 in HEW has been. Now, I find we have to find another way  
10 of a decision-making process. What I think for us, if we  
11 want to make any contribution, we need to understand. It's  
12 not just to look at the mess, the way you put it, really.  
13 It is a mess. Probably we should spend some time on -- I  
14 don't know how to delineate it -- a list, the process for  
15 the information of decision-making, not to get the thing of  
16 the whole structure though.

17 MS. GROMMERS: You would like a network like this.  
18 Maybe we can find some way to get David to make up that  
19 project.

20 Shall we adjourn.

21 (Whereupon, at 6:10 p.m., conference was adjourned,  
22 to be reconvened at 9:00 a.m., August 18, 1972.)

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