

# DEPTS.



Commentary

## NEW PRIVACY THREATS Simson Garfinkel

As technology marches relentlessly forward, the right to individual privacy is often one of the first casualties: Automatic dialing machines call us at dinner, peddling partial ownership in time-shared condominiums, or some other gimmick. And "consumer reporting agencies" tabulate and sell all manner and detail about our personal lives.

A few months ago, the individuals struck back.

The most recent battle for privacy was fought—and won—in Cambridge, Mass., where the software giant Lotus Development Corporation had developed a revolutionary new computer program called *Marketplace Households*.

*Marketplace* was designed to make it easy for businesses to create their own customized mailing lists. *Marketplace* let a businessman type into the computer a consumer profile—geographical area, age, gender, household income, marital status, and so forth—and the computer would print out a list of names on mailing labels. Say you wanted all the single-parent families with young children within two miles of Main Street to advertise a new child-care service: No problem. *Marketplace* was to be the ultimate tool for creating junk-mail.

The privacy problem was a database that *Marketplace* used. In order for the computer to create those mailing lists, Lotus had planned to provide each of its customers with 11 compact disks con-

taining detailed personal information on more than 120 million U.S. consumers.

Realizing that its product had profound privacy implications, Lotus designed its system so that it would report only names and addresses. For example, Lotus claimed that it would be nearly impossible to type in somebody's name and find out their income. Lotus also offered to remove from the database people who didn't want their names included.

What happened next caught Lotus and its partner Equifax, which provided the data, completely by surprise: The more people found out about *Marketplace*, the more people wrote in asking that their names be removed. By January, the count was more than 30,000. Some customers threatened to stop buying 1-2-3, the company's flagship product.

Lotus was surprised because all of the information in the *Marketplace* database is already widely available to businesses. *Marketplace* would simply have made the databases easier, cheaper, and faster to access.

In fact, the only significant difference between *Marketplace* and other database services is that *Marketplace* was widely publicized at a time that the public is increasingly concerned about threats to individual privacy.

Most people aren't aware of how much personal information about themselves is for sale without their consent, and how detailed that information really is, says Marc Rotenberg, director of the Washington office of Computer Professionals for Social Responsibility, a political action group. "As people become increasingly aware of these practices, they object."

But the fact is that informa-

tion collected for one purpose is often used for other purposes, and there are precious few legal prohibitions to keep businesses from doing so.

"At NDL, we know millions and millions of people intimately. We know their preferences, their hobbies, their lifestyles, and the size of their wallet," reads the advertising material from *National Demographics and Lifestyles*.

From where does NDL get their information? From the consumers themselves: NDL tabulates those "product registration cards" that manufacturers include with every toaster oven and electric razor consumers buy. All of the information is tabulated in a large Denver computer and resold—largely without the public's knowledge.

Although the public was fortunate with *Lotus Marketplace*, fighting invasions of

privacy on a case-by-case is not a workable solution in the long run. For every product that receives media attention, dozens of databases don't.

What's needed, says Rotenberg and other privacy experts, is an independent Data Protection Board, established by Congress, charged with the mission of safeguarding individual privacy. Such a Board was originally proposed as part of the 1974 Privacy Act, but was removed because of strong opposition from the Ford White House.

As individuals continue to lose control over their personal information, the need for a federal watchdog on privacy rights becomes more pressing. □

*Simson L. Garfinkel writes about computers and consumer privacy. Copyright 1991 by Simson L. Garfinkel.*

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