and operation costs) might be used in lieu of individual component services as the unit of service that is judged communications or data processing. Regulatory limitations on the rate of return and regulatory policies on depreciation allowances can restrict technological change as well as limit the rate of introduction of new equipment by carriers, he added.

According to the Stanford University professor, the earlier "Computer Inquiry" rule requiring data processing services to be provided by carriers through a separate affiliate may limit the growth of carriers. But, he added, the rule does not limit the growth of the data processing industry since unregulated suppliers can respond to this market. He also noted that the resale and sharing decision, imposing regulation on resale carriers, would not necessarily inhibit the growth of the industry "since separate data processing affiliates will not be required of resale carriers that do not provide monopoly services."

Dunn stated that the resale and sharing decision removed some of the most serious limits to the growth of this industry by opening the market for network services to essentially any firm willing to operate as a resale carrier.

"Pressures are likely to develop soon to regulate providers of information service packages that may offer computer message services to users that obtain network service from resale carriers. Such regulation would inhibit the growth of the industry, and is not needed to protect the interests of users," he observed.

There is no natural boundary between communications and computing. "We cannot offer a solution to the definition of a boundary between communications and computing—in fact, technical considerations convince us that there is no natural boundary," said Venton G. Cerf and Alex Curran, speaking on "The Future of Computer Communications."

Cerf and Curran urged the FCC to support the development of "competitive services"; ensure that a sufficient set of standards is created to facilitate interconnection of prime services; create a climate in which both computing and carrier interests profit from the installation of reliable facilities; and broaden the base for the acquisition of capital so as to eliminate a possible constraint on growth.

Conference presentations will become part of formal record of "Computer Inquiry." The conference, open to the public, was attended by over 200, including those who watched the proceedings via closed-circuit television in an adjoining room. As previously announced, the presentations will become part of the formal record in the FCC's "Computer Inquiry."

A proceedings containing all the papers is available at $10 per set from the IEEE Computer Society Publications Office (see the Bookshelf p. 100).

AFIPS panel members comment on use of Social Security Number at the request of Privacy Commission

Members of the AFIPS panel on private sector usage of the Social Security Number, organized at the request of the Privacy Protection Study Commission (Washington Report, 3/76), last October responded individually to a staff memo concerning the use of the SSN, submitted to them by Privacy Commission Executive Director Carole W. Parsons.

Daniel D. McCracken, independent consultant, said he favors legislation "to prohibit unauthorized matching of records" through use of the SSN as a universal identifier. In the absence of such legislation, wrote McCracken in a letter to Parsons, "I would argue for restrictions on the use of the SSN as a partial substitute, and as a way to keep the more basic issue alive and visible." McCracken, who is ACM vice-president, is responsible for passage of an ACM resolution opposing the use of the SSN as a universal identifier.

Herbert S. Bright, president of Computation Planning Inc., who also filed a response to the memo, said use of the SSN in licensing drivers opens SSN files to insurance companies as well as list compilers and other vendors. Bright added, "Continuing progress in cross-linking practice between insurance companies is increasing the justification for vigorous efforts by the commission to examine such attacks on privacy and to place the facts before the public and the Congress." Bright is also a member of ACM.

Willard E. Hick, an auditor with Massachusetts Mutual Life Insurance Co. of Springfield, Massachusettss, responded to the memo, saying that the commission's statement supporting continued use of the personal identifier "should emphasize need and not concentrate on counteracting suggestions that have been made." Hick questioned why the commission does not "address in more detail the reason . . . universal identifiers are necessary on a positive rather than negative note." He told AFIPS Washington Report that, to the best of his knowledge, there is no "cross-linking" between insurance companies. Hick is a member of the Institute of Internal Auditors.

News Briefs

The FCC at press time last month reversed the chief of the Common Carrier Bureau's rejection of AT&T's Dataspeed 40/4 Filings (see Washington Report, 5/76); the commission concluded that the 40/4 service is not inconsistent with its existing computer rules.

FCC Chairman Richard E. Wiley early last month said the FCC is considering whether it has authority to ask the courts to modify the 1956 AT&T antitrust consent decree; the Justice Department has held that the consent decree bars AT&T from interstate marketing of the telephone company's Dataspeed 40/4 as "incidental" to regulated communications.

The General Services Administration last month amended its Privacy Guidelines adding privacy and security considerations for use in ADP or telecommunications systems solicitations and contracts; the amendments also require that agencies provide an inspection program in system specifications and contracts that will ensure continuous, efficacious, and efficient safeguards, and provide for the discovery and the countering of any new threats or hazards."

Update Section continued on p. 92

Correction to November issue

The spatial warp techniques illustrated in color photographs b-c-d-f on p. 63 of the November 1976 issue of Computer were incorrectly credited.

The photographs are generated by an image processing procedure called interactive spatial warp. The Aerospace Corporation, which developed the software and interactive capability for the image processing operations shown, should be credited for the work illustrated by the photographs.

We regret the error.