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Summary:

1) The privacy community has intentionally exaggerated the threats to privacy to stop RFID rollout.
2) Much of what privacy advocates warn will happen is already standard practice in commerce with few or no privacy or consumer issues occurring.
3) Meeting the concerns of the privacy advocates is not costless.
4) Given that RFID is only in its initial stages, legislation and regulation is premature.

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Exaggerated Claims Made Against RFID

Given the potentially huge benefits to consumers from wide-scale deployment of RFID, including higher productivity and lower prices, the privacy community knows that the only way they can stop RFID at the consumer level is to make all sorts of outlandish claims about the Orwellian uses of RFID, which either can't happen or are so unlikely as to be a non-issue.

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Cedric Laurent, EPIC

"Chips integrated into commonplace products such as floor tiles, shelf paper, cabinets, appliance, exercise equipment, and grocery and packaged products would allow even our most intimate activities to be monitored."

(http://www.epic.org/privacy/rfid/)

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"Position Statement On Use of RFID On Consumer Products" CASPIAN

"When a consumer purchases a product with an EPC-compliant RFID tag, information about the consumer it could be added to the database automatically. Additional information could be logged in the file as the consumer goes about her business… 'Entered the Atlanta courthouse at 12:32.' 'At Mobil Gas Station at 2:14pm.'"

(http://www.privacyrights.org/ar/RFIDposition.htm)

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CASPIAN, Cont'd

The paper goes on to warn about all sorts of other dire results, even if measures, like kill tags, are implemented.

"Stores would only pretend to kill a tag, when in reality they would make it dormant and then later reactivate it" to track you."

"Government would prevent stores from killing them, thereby creating a "surveillance society."

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Barry Steinhardt, ACLU

"[imagine] strolling around the city one evening, you happen upon a sex shop and pause for a moment to snicker at the curious items in the store's window. Then you continue on your way. However, unbeknownst to you, the store's Customer Identification System has detected a radio identification signal emitted by a computer chip in one of your credit cards, and is recording your identity and the date and time of your brief stop. A few weeks later, your spouse is surprised to find in the mail a lurid solicitation from the store mentioning your visit. You've got some explaining to do."

CIO Magazine, Fall/Winter 2003

(http://www.cio.com/archive/092203/steinhardt.html)

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John Gilmore, Board Member, Electronic Freedom Foundation

"People with RFID chips in their clothing, books, bags, or bodies could be targeted by smart projectiles that will zero in on that particular Smart . . . Imagine being able to bury an explosive in a roadway -- that would only go off when a particular car drove over it. You could bury these bombs months in advance, in any or every major or minor roadway. You could change the targeting whenever you liked (e.g. via driving a radio-equipped car over it and transmitting new instructions to it). You could give it a whole list of cars that it would explode for, or a set of cars and dates."

(http://politechbot.com/pipermail/politech/2004-April/000652.html)

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What's Wrong With These Pictures?

A) Most are simply technically impossible;

B) Most are practically impossible. For example, corporate data base containing PII are not and will not be linked, and tags will have only a serial number on them not a name.

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Even if These Worst-Case Scenarios Were Feasible, Market Forces Make Them Exceedingly Unlikely to Occur

- The easiest way for a company to lose business is to publicize PII about their their customers or say they are killing tags only to reactive them.
- Egregious practices would be stopped once there is a hint of. Can you imagine the outcry if government outlawed “kill tags”?

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Not Much New Here

- Much of what privacy advocates complain vis-à-vis RFID about already exists with current business practices and technologies with minimal privacy concerns. For example, companies have had the ability to link PII to product purchases for over 30 years whenever a consumer uses a credit card or a loyalty card. Yet, the benefits vastly outweigh any costs.

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Privacy Is Not Free

- Privacy advocates want to impose their desired level of privacy on the majority of Americans.
- Banning, reducing the functionality or increasing the cost of consumer-level RFID, will raise costs and force consumers to pay higher prices and receive reduced convenience and services.
- Technological mandates on RFIDs, like encryption or more complicated kill devices, will raise the costs of chips and reduce their use.

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It's Too Early For Public Policy Action

- The U.S. is the worldwide leader in information technology in part because Americans have accepted the benefits of innovation without trying to control the risks ahead of time.
- RFID is no different. If it's like past roll-outs of IT, things will work out fine with little harm to privacy.
- Industry appears to be well on the way to addressing legitimate privacy issues through their efforts with EPCglobal and other venues.

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What Government Can Do

- Make sure that consumers understand the wide array of significant benefits this technology will bring.
- Work with and oversee industry efforts to ensure that they do implement the kinds of privacy practices envisioned by groups like EPCglobal.

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Conclusion

It’s simply far too early to determine how RFID will be rolled out and what the privacy and consumer protection issues, will be if any.

As a result, policy makers should respond to this new technology the way they have dealt with all new information technologies: if and when problems arise, address them at the time.

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