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## US proposes online IDs for Americans

## Obama administration moves ahead with plans for adoption of internet IDs

By OUT-LAW.COM

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The US Government has published plans to create digital identities for Americans.

The US Government wants to create a voluntary system that will allow Americans to access financial services online using one account. It hopes the new system will help protect against fraud and identity theft and reduce the barriers to trade that multiple accounts brings to businesses and consumers, the strategy said.

Under the new plans, users will be able to register for access to a network of government and businesses providing data and ways to pay for things online. The government has called this the Identity Ecosystem, the National Strategy for Trusted Identities in Cyberspace (NSTIC) said.

Users could pay taxes and phone bills by entering only minimal information about themselves in the Ecosystem, such as purely their age, the NSTIC document said.

"The Identity Ecosystem will use privacy-enhancing technology and policies to inhibit the ability of service providers to link an individual's transactions, thus ensuring that no one service provider can gain a complete picture of an individual's life in cyberspace," the NSTIC document said.

The Ecosystem will improve privacy protection and efficiency, it said. "Trustmarks" will be used to help users identify organisations that have met security standards, NSTIC said.

The US Government said that it was up to the private sector to develop technologies that make online identities secure and easy to use, safeguard transactions, and protect anonymity, but said that there are incentives for the industry to produce such a system.

"The private sector will have lower barriers to customer enrollment, increased productivity and decreased costs. The consistency and accuracy of trusted digital identities will improve productivity by ... reducing paper-based processes and the help-desk costs associated with

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account management and password maintenance. Losses due to fraud and identity theft will also be reduced," the NSTIC strategy said.

The Ecosystem benefits will also extend to individuals, because the current process is "bureaucratic", the NSTIC strategy said.

"Individuals are asked to maintain dozens of different usernames and passwords, one for each website with which they interact. The complexity of this approach is a burden to individuals, and it encourages behaviour – like the re-use of passwords – that makes online fraud and identity theft easier," it said.

Although the system proposed is voluntary, there is concern that some Government departments will adopt it, effectively forcing Americans to create a profile.

"People will not participate in a government-corporate identity project that deviates from their demand for control of identity information, which is an essential part of privacy protection, autonomy, and liberty," Jim Harper, director of information studies at the Cato Institute told CNET news service [1].

The US government is planning to host workshops to discuss the proposals with industry and the public between June and September to try to finalise details for NSTIC.

See: The US government's National Strategy for Trusted Identities in Cyberspace document (52-page/2.39MB PDF [2])



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- 1. http://news.cnet.com/8301-31921 3-20054342-281.html?part=rss&subj=news&tag=2547-1 3-0-20
- 2. http://www.whitehouse.gov/sites/default/files/rss\_viewer/NSTICstrategy\_041511.pdf
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