

## U.S. NEARING DEAL ON WAY TO TRACK FOREIGN VISITORS

### 'VIRTUAL BORDER' PLANNED

#### Huge Contract for System Built on Databases — Privacy Issue Rises

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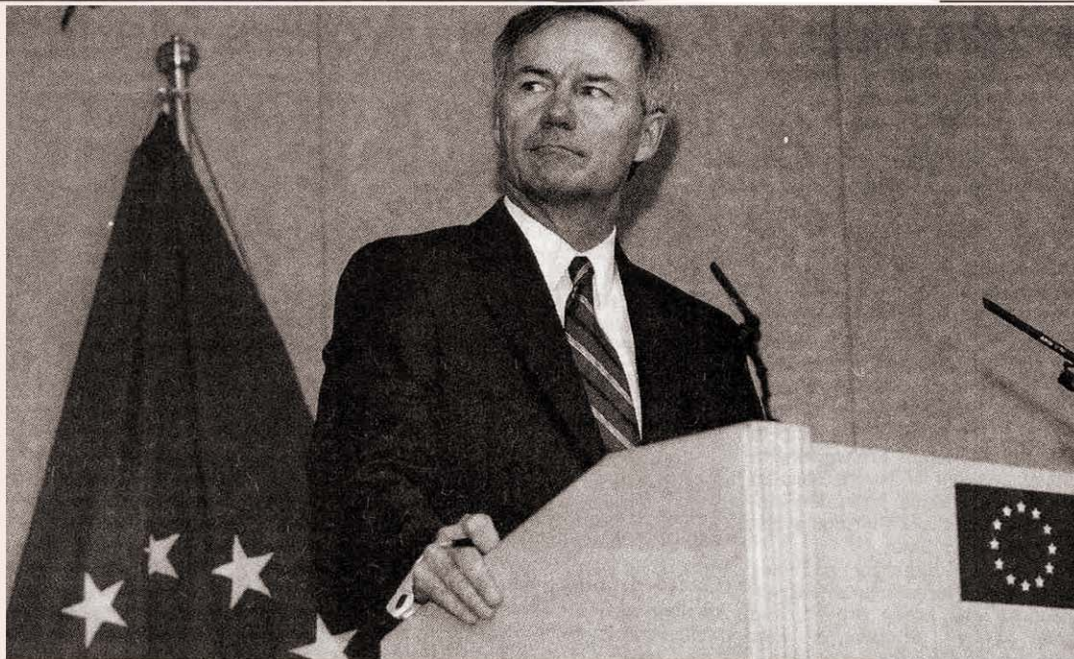
WASHINGTON, May 22 — The Department of Homeland Security is on the verge of awarding the biggest contract in its young history for a far-reaching system that could cost as much as \$15 billion and would employ a network of computer databases to track visitors to the United States long before they set foot here.

The contract, which will probably be awarded in coming days to one of three final bidders, is already generating considerable interest as federal officials try to improve significantly their ability to monitor those who enter at more than 300 border-crossing checkpoints by land, sea and air, where they are going and whether they pose a terrorist threat.

But with that interest have come questions — both logistical and philosophical — from Congressional investigators and outside experts. Will a company based outside the United States, in Bermuda, get the mega-contract? How much will it end up costing? What about the privacy concerns of foreign visitors? And most critical, for all the high-end concepts and higher expectations, can the system really work?

Interviews with government officials, experts and the three companies vying for the contract — Accenture, the Computer Sciences and Lockheed Martin — reveal new details and potential complications about a project that all agree is daunting in its complexity, cost and national security importance.

The program, known as US-Visit and rooted partly in a Pentagon concept developed after the terrorist attacks of 2001, seeks to supplant the nation's physical borders with what officials call virtual borders. Such



Photographs by Associated Press

Asa Hutchinson, under secretary for border security, says a new data system is vital to prevent terrorism.

### IN THE RUNNING

## Seeking a Contract for 'Virtual Borders'

Three companies are the final bidders for a multibillion contract with the Department of Homeland Security for a border-screening system.

	 Accenture	 Computer Sciences Corp.	 Lockheed Martin
Head-quarters	Hamilton, Bermuda	El Segundo, Calif.	Bethesda, Md.
Employees	83,000	90,000	130,000
Sales*	\$11.8 billion	\$14.8 billion	\$31.8 billion
How company executives described their bids in interviews	"It's a virtual border concept, pushing as many decisions away from the physical border as possible, so the guy standing at the border becomes the last line of defense rather than the first line of defense."  —Eric Stange, managing partner for defense and homeland security	"It's a vision of the future in 10 years and what needs to be done. How do we help the Department of Homeland Security secure our nation's borders?"  —Paul Cofoni, president, federal sector	"The essence of this is to be able to determine that the person crossing the border is who they say they are and this is someone we are welcoming into this country."  —Jack Clemons, senior vice president for transportation and security solutions
*Most recent fiscal year.			
Sources:	Hoover's Online; the companies		

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borders employ networks of databases and biometric sensors for identification at sites abroad where people seek visas to the United States.

With a virtual border in place, the actual border guard will become the last point of defense, rather than the first, because each visitor will have already been screened by a global web of databases.

Visitors arriving at checkpoints, including those at the Mexican and Canadian borders, will face "real-time identification" — instantaneous authentication to confirm that they are who they say they are. American officials will, at least in theory, be able to track them inside the United States and determine if they leave the country on time.

Officials say they will be able, for instance, to determine whether a visitor who overstays a visa has come in contact with the police, but privacy advocates say they worry that the new system could give the federal government far broader power to monitor the whereabouts of visitors by tapping into credit card information or similar databases. The system would tie together about 20 federal databases with information on the more than 300 million foreign visitors each year.

The bidders agree that the Department of Homeland Security has given them unusually wide latitude in determining the best strategy for securing American borders without unduly encumbering tourism and commerce.

Whoever wins the contract will be asked to develop a standard for identifying visitors using a variety of possible tools — from photographs and fingerprints, already used at some airports on a limited basis since January, to techniques like iris scanning, facial recognition and radio-frequency chips for reading passports or identifying vehicles.

"Each of these technologies have strengths and weaknesses," Paul Cofoni, president of Computer Sciences' federal sector, said of the biometric alternatives. "I don't know that any one will be used exclusively."

Virtual borders is a high-concept plan, building on ideas that have been tried since the terrorist attacks of 2001.

But homeland security officials say making it work on a practical level is integral to protecting the United States from terrorist attacks in the decades to come. "This is hugely important for the security of our country and for the wise use of our limited resources," Asa Hutchinson, under secretary for border security, said in an interview. "We're talking here about a comprehensive approach to border security."

But the General Accounting Office, the investigative arm of Congress, concluded in a report in September that "the program is a very risky endeavor," given its enormous scope and complexity. "The missed entry of one person who poses a threat to the United States could have severe consequences," the report said.

An update issued by the accounting office earlier this month found that while homeland security officials had made some headway in meeting investigators' concerns about management and oversight problems, the progress "has been slow." The update said major questions remained about the project's cost and viability. "I don't think there's any less concern today," Randolph Hite, who wrote the reports, said in an interview.

"This program is going to get more and more complex as time goes on, and you can't count on human heroes bailing you out to ensure that the system works," Mr. Hite said. With the program to be phased in over a decade, he said, "the question you have to ask is: What value are we getting for these initial increments, and is it worth it?"

Indeed, the costs are enormous, and Congressional investigators said they did not believe officials had a clear handle on the financing. The bid request set a maximum of \$10 billion, but the accounting office found that some of the cost estimates were outdated and the final price tag — when financing from agencies like the State Department is considered — could reach \$15 billion by 2014.

The idea of a virtual border originated in 2002 with a group of researchers at the National Defense University's Center for Technology and National Security Policy. The group, led by Hans Binnendijk, the center's director, was trying to find new ways to secure the nation's shipping containers.

"We got interested in this soon after 9/11 as a fairly obvious problem," he said.

The group wrote an article discussing the need to inspect cargo long before it arrived in United States harbors. They then briefed a range of government agencies.

The virtual border is similar to the idea of an air traffic control center, officials note. In this case, the system would allow homeland security officials to monitor travel on a national level, shifting resources and responding as necessary.

The air traffic control analogy is significant in part because Computer Sciences and Lockheed Martin have traditionally been the nation's two largest contractors for the Federal Aviation Agency in the development and maintenance of the nation's air traffic control system.

The air traffic control parallel worries some executives. More than \$500 million and 15 years were squandered on the effort to modernize the nation's aging air traffic system beginning in the late 1980's and a prime contractor was I.B.M.'s Federal Systems Division, now part of Lockheed Martin.

Another problem the system faces is the potential inability to get access to all needed data from foreign countries and from the United States' own intelligence community. Experts agree that no matter how good the technology, the system will

rely on timely and accurate information about the histories and profiles of those entering the country to detect possible terrorists. It will have no direct impact on illegal immigrants.

The system will lead to a broad interconnection of federal databases, ranging from intelligence to law enforcement as well as routine commercial data.

Officials say they will work to ensure that the privacy of foreigners is protected and that the system will not be used to profile travelers, but civil libertarians say they are nonetheless alarmed that databases could be used to monitor both foreign visitors and American citizens, and they have already challenged it in court.

Yet another issue irking some lawmakers is the fact that Accenture is incorporated in Bermuda.

"I don't want to see the Department of Homeland Security outsourcing its business to a Bermudan company," said Representative Lloyd Doggett, a Texas Democrat who has pushed to close a loophole allowing foreign bidders on federal contracts.

Federal officials say they are satisfied that Accenture, which has about 25,000 employees in the United States and less than a dozen in Bermuda, meets the definition of a United States company and is eligible for the contract.

Accenture, for its part, sees the issue as irrelevant. Jim McAvoy, an Accenture spokesman, said, "The real question is: Should the federal government be forced to select an inferior bid because the bidder is incorporated in the U.S.?"



Experts say a new system might miss someone like Mohamed Atta, right, seen in Portland, Me., if he had no apparent link to terrorism.