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We're helping the hackers

By Joe Peters  |  January 31, 2007

AS CONSUMERS confront yet another theft of customer information, many are inclined to lay blame entirely on the doorstep of "hackers" -- 21st-century boogeymen whom few understand but many fear.

This notion works well for the organizations targeted in these incidents. The public perceives a hacker as some cyber Harry Potter, breaking databases at the cast of a wand. Who could blame a company for falling prey to such mysterious and omnipotent attackers?

The truth is the thieves behind these incidents aren't so much clever as they are persistent; you pull enough door handles, one of them is going to be unlocked. The question is not so much technology but responsibility. Institutions, consumers, and laws need to change or what is happening in regard to data theft and abuse will seem like misdemeanors compared with the chaos to come.

There is no doubt that the true victim in identity theft is the individual, who must bear the worry, cost, and aggravation of fixing personal data and finances. But in many cases, the legal victim is the institution that was attacked and robbed of their data. This fact only underscores that we do not own our personal data. The institutions with which we do business own our information and, in their practices of storing and sharing such data, expose millions to the consequences.

When does any customer knowingly agree to have his or her credit card information and data stored by a retailer, charity, or other institution? Perhaps such detail is buried in some multi-page privacy policy or service agreement, but the first time many discover that those with whom they do business do additional business with their personal information is when they are informed of a security breach. Thanks to states adopting disclosure laws (Massachusetts has yet to), at least consumers now are learning of such breaches -- whereas before they were largely unreported.

Welcome to the world of data mining and brokering. While list building has become big business in the United States, consumers have played a partner, albeit an exploited one.

People take to the streets to protest the Patriot Act or the search of phone records even though the payoff may be stopping a terrorist. But the same people freely give their phone number or address to a checkout clerk when the only payoff is an abundance of junk marketing.

In a similar vein, people, many of them teens, have flocked to social-networking sites like MySpace.com. Even the most trusting person probably would decline to tell a stranger where he or she goes to school or works. Yet many post this information, along with even more personal details.

The problem perhaps is best illustrated by the fact that pornography has more legal protection (copyright) than anyone's Social Security number. Too often the problem of identity theft is considered a failure of technology, but the true failure is that neither culture nor the law recognizes personal data should be owned and controlled by the individual. If you give a piece of paper with a secret to two people, there is a much better chance of it staying a secret if those two cannot share it with 100 others. The likelihood of it remaining private decreases if the two must dispose of that paper when it is no longer necessary to them.

Businesses also need to accept responsibility. They don't need to invest millions in information security. They just need to invest a little wisdom in their policies and practices. There are many ways of identifying and serving customers without storing their credit card or Social Security numbers. For those businesses that must use this information, they and the law must recognize that this information is not their asset, but a liability for which they are responsible.

Consumers, it is up to us. Think of the benefit of shopping your corner store where their database is maybe a paper notebook and their service is friendly and effective. Shred your credit cards; both your mailbox and bank account will
thank you. Get yourself and your kids off social-networking sites. Peer pressure was bad enough when it was the size of a classroom; don't make it the breadth of the Internet.

Finally, when the checkout clerk rudely mumbles "phone number?" say "Yours first."

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