

DOT -COM InterAction Series

Cyber Security Issues: Business & Economic Considerations

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"E-commerce is one of the most visible examples of the way in which ICTs can contribute to economic growth. It helps countries improve trade efficiency and facilitates the integration of developing countries into the global economy. It allows businesses and entrepreneurs to become more competitive. And it provides jobs, thereby creating wealth."

Kofi Annan, UNCTAD *E-Commerce & Development Report 2002*

Outsourcing: Unstoppable

- o Globalization of IT production boosted US economy by \$230 billion in past 7 years; globalization of IT services should do same (C. Mann)
- o Volume of offshore outsourcing will increase 30-40 % per year for next 5 years. (McKinsey)
- o 3.3m white-collar jobs & \$136B in wages to developing countries from U.S. by 2015 (Forrester Research)
- o 1 in 10 U.S. IT jobs offshore by 2004 (Gartner)
- o 15% of Financial Service industry's cost base expected to move offshore within 5 years. (Deloitte)

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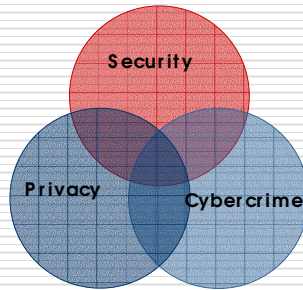
The Race is On...

- o Complex interdependencies
- o Countries competing for FDI, jobs
- o Limited fiscal resources
- o Need to match capabilities with opportunities
- o Need to have privacy, security, cybercrime

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Nexus Between Cyber Security, Privacy, & Cybercrime

Major Component of Cyber Security is Ability to Protect Against Unauthorized Access & Disclosure; Enterprise Approach Needed; Must be Able to Deter, Detect, Obtain Evidence



Privacy & Security Breaches Are Cybercrimes; Laws Deter, Enable Prosecution

Privacy Dependent upon Security; Driven by Laws, Culture

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Helps Match Opportunities With Capabilities & Eliminate Problems to Boost Global Competitiveness

Opportunities

- Service & call centers
- Legal research
- Equity research, financial analysis
- Accounting fund management
- Chip design, computer modeling
- Architectural design, tech drawing
- Computer animation
- Film support, special effects
- Map & satellite imagery analysis
- Remote system administration
- Data bank development, storage
- Software development
- Hardware assembly

Risks

- Weak/no privacy, security, cybercrime laws
- No/low trained law enforcement
- Inadequate procedures for s/s
- Cybercrime not a priority
- Jurisdictional issues
- Lack of international cooperation
- Extradition problems
- Hotbed for crime, corruption
- Political instability
- Inadequate skills in workforce
- Public relations risks
- Overloaded/corrupt judiciary

ABA Books: Free to Developing Countries

International Guide to Combating Cybercrime

International Guide to Cyber Security

International Guide to Privacy

Roadmap to an Enterprise Security Program

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THANK YOU!

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