Day 13

Identity Theft
National Laws on International Websites
Silk Road

Libel
Perp Walks Legality
Tesla
Identity Theft

– various crimes in which criminals use the identity of an unknowing, innocent person

▪ Use credit/debit card numbers, personal information, and social security numbers
▪ 18-29 year-olds are the most common victims (because they use the Web most and are unaware of risks)
▪ Credit card companies and other businesses bear the direct cost of most credit card fraud, but the losses lead to higher charges to consumers
As Online Data Theft Escalates, Banks Look to Retailers to Bear the Losses

By JULIE CRESWELL   SEPT. 28, 2015

One front of the battle is a federal lawsuit winding through the courts, filed by a number of small community banks and credit unions that contend Home Depot long ignored internal and external warnings from security experts that its systems were vulnerable to attack. A similar lawsuit against Target claims that its security protocols were “so deficient that the breach continued for nearly three weeks while Target failed to even notice it.” That lawsuit was given class-action status this month by a federal judge in Minnesota.
Names for Fraud Techniques

- Requests for personal and financial information disguised as legitimate business communication
  - **Phishing** – e-mail
  - **Smishing** – text messaging
  - **Vishing** – voice phishing
- **Pharming** – false Web sites that fish for personal and financial information by planting false URLs in Domain Name Servers

- Online resumés and job hunting sites may reveal SSNs, work history, birth dates and other information that can be used in identity theft
Catfishing: New Label for Old Scam

BY MEGAN HERRERA – JANUARY 18, 2013
POSTED IN: ALERTS/SCAMS, COMPUTERS-INTERNET-TECHNOLOGY, HOLIDAY, NATIONAL

In the news lately, there has been a lot of talk about fake online profiles in light of a Notre Dame football star, Manti Te’o falling victim to a fake profile hoax. According to Te’o, he fell in love online but his girlfriend’s profile was completely fake.

Someone who pretends to be someone they’re not, using social media or online dating websites is known in the urban dictionary as a “catfish,” and their activities are referred to as, “catfishing.” Or “catphishing” spelled with a ‘ph’ as a nod to classic phishing scams. These situations have become so common, documentaries about them titled, “Catfish” have been made in film and television.
Responses to Fraud

0 Authentication of email and Web sites
0 Use of encryption to securely store data, so it is useless if stolen
0 Authenticating customers to prevent use of stolen numbers → may trade convenience for security
0 In the event information is stolen, a fraud alert can flag your credit report; some businesses will cover the cost of a credit report if your information has been stolen
Responses to Fraud

0 Activation for new credit cards
0 Retailers do not print the full card number and expiration date on receipts
0 Software detects unusual spending activities and will prompt retailers to ask for identifying information
0 Services, like PayPal, act as third party allowing a customer to make a purchase without revealing their credit card information to a stranger
Responses to Fraud

**Biometrics**

- Biological characteristics unique to an individual
- No external item (card, keys, etc.) to be stolen
- Biometrics can be fooled, but more difficult to do so, especially as more sophisticated systems are developed
- 4th and 5th amendment implications
- Replacement for compromised metrics?
Whose law rules the web?

0 Corporations that do business in multiple countries must comply with the laws of all the countries involved.

0 Someone whose actions are legal in their own country may face prosecution in another country where their actions are illegal.

0 A good yardstick to measure by: Where did the harm occur?
Illinois residents can sue Facebook for photo tagging, judge says

The plaintiffs argue that the feature runs afoul of Illinois’ Biometric Information Privacy Act (BIPA), which was passed in 2008 and restricts how private companies are allowed to collect biometric data.

The lawsuit had been transferred from an Illinois court to one in California at Facebook’s request. The social media company then asked the judge to dismiss the case, saying that the plaintiffs had no grounds to sue given that Facebook’s Terms and Conditions have stipulated since 2015 that claims against the company must be litigated according to California law, where no such provision against biometric tagging exists.

http://arstechnica.com/tech-policy/2016/05/illinois-residents-can-sue-facebook-for-photo-tagging-judge-says/
Whose law?

Yahoo and French censorship

- Display and sale of Nazi memorabilia illegal in France and Germany
- Yahoo was sued in French court because French citizens could view Nazi memorabilia offered on Yahoo’s U.S.-based auction sites
- Legal issue is whether the French law should apply to Yahoo auction sites on Yahoo’s computers located outside of France.
Whose law?

0 German-Finnish Kim Dotcom hosted MegaUpload servers in Hong Kong. He currently resides in New Zealand and is wanted for charges in the United States.

I never lived there
I never traveled there
I had no company there

But all I worked for now belongs to the U.S.

https://twitter.com/KimDotcom
US law, foreign companies

- Russian company sold a computer program that circumvents controls embedded in electronic books to prevent copyright infringement.
- Program was legal in Russia, but illegal in U.S.
- Program’s author, Dmitry Sklyarov, arrested (2001) when arrived in U.S. to present a talk on the weaknesses in control software used in ebooks.
- After protests in U.S. and other countries, he was allowed to return to Russia.
US law, foreign companies

07/2006: An executive of a British online gambling site was arrested as he transferred planes in Dallas. (Online sports betting is not illegal in Britain.)

https://twitter.com/betonsports_
Even if something is illegal in both countries, the exact law and associated penalties may vary.

In cases of libel, the burden of proof differs in different countries.

In 2006, the New York Times reprogrammed its geolocation tools (normally used for targeting advertisements) to block people in England from reading a news article describing an investigation of suspects in an alleged plot to carry liquid explosives onto airplanes and blow them up. It is illegal in England to publish information damaging to defendants before trial.

One of its key aims of reporting restrictions is to prevent the publication of material which might prejudice a fair trial by influencing jurors to think that a defendant might be guilty.

-BBC
DSK menotté : le "perp walk" mode d'emploi

L'image du patron du FMI à sa sortie du commissariat a choqué. Une pratique courante aux Etats-Unis, devenue une arme de choix pour le procureur. Par Philippe Boulet Gercourt.

De toutes les images, c'est celle qui a le plus choqué : Dominique Strauss-Kahn livré en pâture aux médias, les bras menottés dans le dos comme un criminel. Même pas inculpé, et donc présumé innocent, le directeur du FMI s'est retrouvé confronté à une tradition détestable mais généralisée : le perp walk.

"Perp" est une abréviation de perpetrator, c'est à dire d'auteur d'un crime, walk ("marche", en anglais) est le fait de montrer en public la personne arrêtée, dans une position humiliante.
Whose law?

Libel, Speech and Commercial Law

Some countries have strict regulations on commercial speech and advertising.

- Direct price comparisons
- Factory to consumer

Auto Mafia: State Bans On Tesla Sales Expose Monopolistic Nature Of Franchise Laws

Once seen as the wheels of choice for the environmentally conscious or the socially pretentious, Tesla Motors is shifting in major ways the conversation about electric cars. So what's stopping sales from keeping pace with gas-guzzlers and other traditional autos?

By Frederick Reese

@FrederickReese | January 21, 2015

West Virginia is the latest state to ban Tesla direct sales

Law bars the sale of new motor vehicles other than through franchised dealers.

by David Kravets - Apr 4, 2015 1:27pm EDT

International agreements

Countries of the World Trade Organization (WTO) agree not to prevent their citizens from buying certain services from other countries if those services are legal in their own.

The WTO agreement does not help when a product, service, or information is legal in one country and not another.
Potential solutions

Responsibility-to-prevent-access

Publishers must prevent material or services from being accessed in countries where they are illegal.

Authority-to-prevent entry

Government of Country A can act within Country A to try to block the entrance of material that is illegal there, but may not apply its laws to the people who create and publish the material, or provide a service, in Country B if it is legal there. (One country can’t prevent another one from accessing something just because it is illegal in their own.)
Silk Road

An online marketplace for illicit goods
- 2008-2013: original [Founder Ulbricht serving life in prison without parole after being sentenced in 2015]
- Charged with CFAA, money laundering, distributing controlled substances
- 2013-2014: Silk Road 2.0
- 2015-current: Silk Road 3.0
- 30% of users self-identified as U.S.
- Transactions paid for with Bitcoins
- 70% of goods offered: drugs
- Child porn, weapons, stolen cards, assassinations not allowed

Silk Road cont’d