

# KEITH ALEXANDER HAS FINANCE WORRIED ABOUT BEING ZEROED OUT, JUST LIKE PRESIDENT'S REVIEW GROUP

Keith Alexander's clients in the finance industry are proposing what he proposed to them: a government-finance industry council to protect against cyberthreats.

Alexander had been pitching Sifma and other bank trade associations to purchase his services through his new consulting firm, IronNet Cybersecurity Inc., for as much as \$1 million per month, according to two people briefed on the talks.

He has made much the same argument to Sifma as the association is now making to the government about the emergence of new kinds of software assaults.

How tidy.

I'll have more to say about their plot in a follow-up. But for the moment, look at what the consider one of the threats to the industry.

The next wave of attacks "in the near-medium term" is likely to be more destructive and could result in "account balances and books and records being converted to zeros," while recovering the lost information "would be difficult and slow," according to the Sifma document.

"We are concerned that the industry may not have the capabilities that we would like to effectively defend against this

newer form of potential attack, the capability that we would like to stop such an attack once commenced from spreading to other financial institutions, or the capability we would like of effectively recovering if an initial attack is followed by waves of follow-on attacks," the document says.

This seems like tacit admission that the finance industry doesn't create enough backups, but instead of doing that, they apparently prefer setting up this government-finance council.

It's great to see Keith Alexander creating such a profitable panic among the richest industry.

But I can't help but note that this fear mimics one the President's Review Group raised in an oblique recommendation.

(2) Governments should not use their offensive cyber capabilities to change the amounts held in financial accounts or otherwise manipulate the financial systems;

Second, governments should abstain from penetrating the systems of financial institutions and changing the amounts held in accounts there. The policy of avoiding tampering with account balances in financial institutions is part of a broader US policy of abstaining from manipulation of the financial system. These policies support economic growth by allowing all actors to rely on the accuracy of financial statements without the need for costly re-verification of account balances. This sort of attack could cause damaging uncertainty in financial markets, as well as create a risk of escalating counter-attacks against a nation that began such an effort. The US Government should affirm this policy as an international norm, and incorporate the policy into free

trade or other international agreements.

So are these seeming parallel worries based on classified information? If so, has Keith Alexander already started leaking classified information, as Alan Grayson raised concerns about?