

How do you relate to computer fraud?

- Alex Lam -

With the widespread use computerization and inter-networking technologies and the methods by which information is handled within society has enabled computer fraud to spread dramatically. Never before has an individual been able to commit a computer fraud and reach so many people so far away effortlessly and inexpensively. As such computer fraud must be seen as part of a continuing trend.

Computer fraud, closely linked to Internet fraud, is defined as the use of a computer or computer system to help execute a scheme or illegal activity and the targeting of a computer with the intent to alter, damage, or disable it. Computer fraud breaks down roughly into three categories:

- Theft of information
- Theft of or denial of service
- Hacking into or damaging a computer's hardware system

Theft of information refers to the theft of information from a secure or private computer system, as when a hacker illegally breaks into a government system to obtain top secret information. The theft of trade secrets and the computer-aided duplication of copyrighted materials—such as video games, movies, and music also fall into this category.

Theft of service is when a hacker uses a computer to access web sites or Internet connections for which he did not pay. It may also include using a computer to break into long distance systems to “steal” service for free calls. Usually, theft of service is classified as Internet fraud, often linked together with computer fraud. Internet fraud includes any scheme that uses a web site, chat room, email account, or all three to cheat a company or individual. Examples of crimes include offering nonexistent goods to a buyer (such as with an online auction), stealing someone's money by hacking into his bank or credit card account, or illegally using access devices, such as those of a paid news subscription service. Conversely, denial of service includes “mailbombing,” which is when someone purposely attempts to disable an email account by sending massive amounts of emails to its address.

Hacking refers to illegal entry into a computer's hardware system. Hackers obtain passwords and delete information, create programs to steal passwords, or even search through company garbage to find secret information. Such criminals might pretend as computer repairmen in order to gain easy access to computer systems, or they might create and send out dangerous computer viruses.

In the future those engaged in computer fraud will take advantage of new opportunities developed from the increasing technological improvements of contemporary operations in commerce. The rapid expansion of electronic commerce builds a global environment for computer fraud to grow up.

As we are now implementing new applications of computer technology and e-commerce every day, along with these new technologies come new methods of forging, counterfeiting, and committing fraud by creative “e-criminals.” We need to know what the e-criminals are doing today and learn how to guard against their strikes.