

Questions of ethics in computer systems and their future 13720

[Technology](#), [Internet](#)



Questions of Ethics In Computer Systems and Their Future

1) Identify and discuss security issues and considerations evident for

Information Systems

And computerization in the brokerage industry. (Think about how the

Internet has

already influenced trading.)

" The technology is getting ahead of regulators" claims David Weissman, director of money and technology at Forrester Research Inc., in Cambridge, Mass.

If one is to believe the quote above it sounds very ominous for the regulators and the government to attempt to even bring this media under any kind

of regulation. But, what is it that they the government agencies truly are looking to regulate? If you take to the argument that this media, the Internet is truly a public access network, then the control to which they would like to extend to it would be the most regulated public access system in history.

What I

believe the attempt here is to regulate through censorship. Since it is almost

impossible to censor the phone networks without actually eaves dropping on your

phone, they have decided to regulate and censor your written word. The danger in

this is what you write as an opinion may be construed by that government regulator as a violation of some regulatory act. The flip side to this is if you did this through another medium such as the phone system nothing would ever come

it. The bigger question here is how much government do people want in there

lives? The Internet was brought into the picture for the public as the next great technology of this century. It is without a doubt as big if not bigger

than any other public means of communication that has come before it. With that

in mind I think the government is trying to extract it's pound of flesh for what they believe is missed revenue dollars that could be made in the form of tax regulations.

" There are probably insiders touting stocks on the Internet either

anonymously or under assumed names," said Mary Schapiro, president of the

National Association of Securities Dealers, which oversees the NASDAQ market.

The argument that they are both (the government and NASDAQ) currently running

with is the "protection of the investor". When one looks at NASDAQ's complaint

it is fairly superficial, for them it is clearly a loss of income for their

trading environment, for the government it is a loss of taxes that could be

derived from those trades. Are we to believe that both of these agencies only

have the best intentions at heart for those investors that might be duped.

These

issues have been around for along time through the use of other mediums

like the

phone system, direct mail marketing, "cold calling" from "boiler plate"

houses,

and even unscrupulous brokers who work in legitimate brokerage houses.

People

today are still the victims of these types of scams through the use of the older

technologies. So how is it that since the older scams are still being used is one to believe that they will have anymore success tackling the complex nature

of the Internet and the myriad of scams that could generate from it. The success

rate of convictions from past indiscretions is low at best, one only has to look at the mountain of arrests for " insider trading", that the government launched

during the late 1970's through the middle 1980's to realize for all the hype of cleaning up Wall Street not a whole lot ever came from the scourging. What it

seems to me is Ms. Shapiro would be better suited to try and align her NASDAQ

forum with the Internet technology to take advantage of the technology rather

than trying to use the government to bully people into being afraid to use the

technology. Her second quote of " there is a tremendous amount of hype," comes

off as nothing but sour grapes and a big opportunity to use her position to knock the Internet. If she honestly believes she's done everything to insure her

customer base that her system of doing business is any bit as less likely to fall victim to insider trading and traders touting of stocks beyond what they should be touted as, she is sadly mistaken. The average investor is going to use

every opportunity presented to them if they think it will give them the advantage in investing. Just look at places like Harry's at Hanover Square, a popular bar in the Wall Street area where depending on the afternoon one would

only need walk around the bar to hear the broker types hyping their own stocks

to each other and just about anyone in sight. Are they ready to regulate this very common practice done for the last 30 years, or how about the broker's who

spend weekends on golf courses singing the praises of their stock to customers

and brokers alike, who then come in on Monday and trade off the weekends knowledge or what they heard at the bar. How do they regulate this kind of "insider trading" activity, they have no way to help or protect the person who

is not privy to these kind of conversations or dealings. The availability of the Internet to trade on this information to a larger market base I believe does even the playing for a lot of people who do invest. I don't believe that those who would use the Internet for financial information are that wild in their approach of their investing to fall for the super-hype of someone they don't know. For those do they would have fallen for it through any media out there because their approach is to win at all costs regardless whether it is legal or not.

In closing, the argument presented by NASDAQ and the government is a weak

one at best, I don't believe any government agency should be pressured into

regulating any medium because of private industry's displeasure with that medium.

Also regulations passed based on private industry demand usually leads to more

problems than ever before. One only has to look at the great S bank failures that occurred after the government stepped in to help the S industry out. We will never know the true value of all the losses (in the S failures) derived from when government agencies answer the call with regulations to help out an

industry that pushed for regulation to prop up a dying industry. The American

people and the government should stand up and take notice of what the government

tried to do in regulating banking in the 1980's, could very well be the debacle

of the late 1990's with trying to regulate the Internet to save some parts of the Wall Street industry. Maybe this medium of the Internet will sound the death

bells for some parts of a lot of industries, but I believe it is only the start

of many great things to come for everyone involved who takes advantage of it.

2) Provide what regulations and guidelines, if any, you feel need to be implemented for this situation.

Based on the preceding question any regulations passed to help the Wall Street industry I believe would create situations even more serious than the S

failures, or the " insider trader" failures of the 1980's. You always run a fine line between what is a regulation for the good of the consumer and what are regulations designed to protect an industry. I believe there are enough regulations out there to protect the Wall Street industry as it presently exists,

to have to conjure up regulations for every medium that could possibly come down

the road to protect every industry or private citizens environment is just too much government agency in everyone's face. Not only will the federal government

want their piece of the action, let's not forget cash strapped states like New

York will also be looking for their's to. I will discuss this more in question

#3.

3) Discuss ethics and surveillance concepts that pertain to this situation.

The ethics problems I would like to discuss from both sides of the equation.

From the standpoint of the trader the ethics problems are fairly obvious. He has

to do his job within the present guidelines that regulate his/her profession.

They are not to trade on information that has been illegally gotten through whatever means. This includes what I mentioned in Question #1 about information

obtained through means that the general public is not privy to, all those bar dates and golf dates where the information about stocks is bantered about like

idle gossip at a garden club party. This technically is considered " insider trading", but how does the government intend to alleviate this problem through

any kind of surveillance, they can't. No more than they could alleviate the

problem through the use of the phone network short of tapping their phones and

monitoring their conversations. When does monitoring for wrong doing and the

infringement of your Constitutional rights start to crossover. The danger here

is obvious, for every regulation the government perceives as needed the American

citizen gives up a little more of there right to privacy and free speech. For

the trader types this comes in the form of what he says or writes about on a

particular stock, he has to worry that it won't be construed as classified

information that was some how derived from an illegal source. From the public

side's responsibility and the perception they have to worry about is that what

they traded cannot also look like they received some kind of special information

that help them trade successfully and earn a profit.

For both sides the questions of ethics in trading can only be answered by

those that are involved. The majority of the industry does do everything above

board, and I believe there are enough regulations and surveillance out there already to keep a fairly tight lid on all of those people who choose to be involved. Nothing is every 100%, but with is being done to police the industry

is enough of a deterrent not to be persuaded to do the " insider trading" thing.

You will always have those that will break the law for the pursuit of the dollars, some will even break the law for the thrill of getting over on the system, but for the vast majority this is not the means by which they invest, and with that they should not be penalized by overzealous government regulators

and an industry looking to extract dollars out of a technology. You will never be able to stop the criminal types who will use the Internet for criminal advantage, anymore than you can stop all street crime. You cannot regulate the

Internet for prevention of crime any better than you can regulate all people from doing criminal things, there is that small minority that will always continue to find the easy or criminal way around everything. To regulate the

Internet to attempt to protect the public is just another form of censorship.

The government would be riding a very fine line behind this concept of protection and the rights of the individual to express an opinion. If I publish on my Internet page that I made a great bit of stock this week, that is my opinion and only my opinion. Should the government come along or any other

private group come along and attempt to either sue me or censor me in some form

or fashion just for my opinion. Should I worry that someone reading my page decides to act on what I wrote. If he/she does I would have to say that they are

rather foolish to act on my opinion and invest their money. On the same token I

would never react and invest on someone's say so without first thoroughly checking out all the facts. Do people go out and kill because they see a violent

movie I don't think so! Then why would the government say they need to protect

the public's interest by possibly watching my home page or anyone else's
out

there. Do they listen to your phone calls, do they read your mail, do they
read

your E-mail, do they tell you what books to read, what movies to see, then
why

would I want them surfing the Internet to under the guise of public
protection.

I'm an adult and would like to be treated as such, I can make correct
decisions

not only about how my money is spent but where. If I find something out on
the

Internet that I feel is so criminal I would alert people to the fact that

whatever was out there to watch out for. You would be surprised how well

Internet people do police the net and warn there friends and others about it.

Don't buy into the government hype of public protection, for all the mediums

I just listed above the scams as they are related to Wall Street are still

happening big time, and they already regulate those technologies for our

protection! It's not regulation they are looking to do, it is ownership of the

Internet they are trying for, and with the help of big business, who sits there and cries foul, they may very well achieve this. Talk about two groups in need

of finding some ethics big business and the government are sorely lacking. This

the first major technology that has leveled the playing field for even the littlest user. Don't buy the hype where ever you can try to keep the regulators

out, by voting, writing your congress, or whatever it takes legally. We are intelligent enough to make our own decisions!!

4) The year is 2016. Describe how information Technology and computerization

have

impacted individuals and Society in the past 20 years.

Let's look at from an everyday perspective: First you'll be gently awaking by an alarm that you set by your voice the night before and playing what you want to hear again that decision was made the night before. You'll enter a kitchen where on voice command you order your cup of coffee and whatever

breakfast you want because your computer run appliances will be able to do this

for you. Next you go to your printer and get a copy of the newspaper you want to

read because you will have programmed to extract information from five or six different sources that you want your news from and it will be waiting for you to

read. If you real lazy you could have your computer read it to you in a smooth

digitized voice that you've selected. After finishing in your computerized

bathroom that not only knows how hot you like your shower but also dispenses the

right amount of toothpaste on to your tooth brush. After dressing from your

computerized closet that selected all your clothes for the week, you'll enter

your computerized car which is all activated by your voice. There also is a

satellite guidance system for the times you might get lost but you've already

programmed the car to know how to get you to work. Work will be only a

three day

a week affair with the other two days working out of your home. Your office will

be totally voice activated. You'll run all of the programming you'll need for the day by voice activating the programming.

You'll conference call to other office sites but it be in complete full

motion video. The next step will be 3D holograms but that hasn't quite come to

market yet. You'll instruct your computer by voice to take an E-mail you need to

send and it will be sent in real-time. The rest of the office also is capable of

call forwarding you any phone calls or messages because the central computer in

the office will know your whereabouts in the office at any time as you pass

through any door. Your day is over you'll leave instructions from your computer

to watch certain events throughout the night and if need be you could be reached

at home. You'll be paid in credits to the credit cards of your choice, there

will no longer be money exchanged. To help you protect against fraud on your

cards when you spend money you'll use your thumb print as you would your signature now. At night you'll come to a far less stressed environment because

the computer appliances in your house have taken a lot of the mundane jobs that

you use to do away. You'll be able to enjoy high definition TV and be able to

receive some 500 channels. After checking with your voice activated home

computer to see if there is any phone messages or E-mail, you'll retire to bed

of course in your climate controlled home that knows what settings you like in

what parts of the house. Oh, yes you won't even have to tell your voice

activated computer not to run your computerized sprinkler system for your lawn

because it will have realized from the weather report that it will rain.