US calls movie studio hack a national security breach
18 December 2014, by Michael Thurston, Jerome Cartillier

The White House called the cyber-attack on Sony Pictures a serious national security matter Thursday, threatening an "appropriate response" as others pointed the finger at Pyongyang.

With the Hollywood scandal threatening to escalate into geopolitical crisis, Sony defended its decision to cancel the release of "The Interview," a movie about a fictional CIA plot to kill Kim Jong-Un.

"This is bigger than us," the studio insisted, as footage that leaked onto the Internet showed that the film's climax was to have been a graphic close-up of the North Korean leader's fiery death.

White House spokesman Josh Earnest declined to confirm reports that North Korea had attacked the movie giant, which pulled the film after hackers invoked September 11, 2001 in threatening attacks on cinemas.

But, in a sign US intelligence believes the attack came from an enemy of the United States, he said: "The president considers this to be a serious national security matter."

Earnest said the attack, which saw hackers gain access to a trove of internal Sony documents, was carried out by a "sophisticated actor."

"There has been destructive activity with malicious intent, and the administration believes that that activity merits an appropriate response from the United States," he told reporters.

US options unclear

Others have been less reluctant to point the finger. A Sony source told AFP that, while it was up to US authorities to determine what happened, the studio believes Pyongyang was behind it.

"We don't know, but it appears so," said the source.

It's unclear what measures the United States could take if it determines Pyongyang was behind the cyber attack against Sony.

Experts argue North Korea could be testing the US and probing where it is vulnerable in cyberspace, and as such a strong response is needed.

"A weak response will only embolden North Korea and lead to more serious attacks, even if it is not proven to be the culprit," wrote Bruce Bennett, senior defense analyst with the RAND Corporation.

North Korea has denied involvement in the brazen November 24 cyber attack, which experts say could have been carried out by disgruntled Sony workers or by supporters of a foreign power.

Sony cancelled the film's December 25 release after major US theater chains said they would not screen "The Interview," a mad-cap comedy in which two television journalists are recruited to assassinate Kim.
Free speech advocates and foreign policy hawks slammed the decision as cowardice in the face of a hidden enemy.

Former presidential nominee Senator John McCain lashed Sony for backing down, a few days after the so-called Guardians of Peace hacker group threatened cinema-goers.

"By effectively yielding to aggressive acts of cyber-terrorism by North Korea, that decision sets a troubling precedent that will only empower and embolden bad actors to use cyber as an offensive weapon even more aggressively in the future," said McCain.

A Sony source said the Hollywood studio had no choice.

"This was a terrorist act, and you don't take that lightly," the source said, adding: "This is much bigger than us ... it's a whole new world, now warfare is on the cyber level."

'Very dangerous precedent'

Experts said Sony's decision sets a dangerous precedent.

"I am sympathetic with Sony and I am sympathetic with any theater that worries about damage and injury and worse involving its staff and its customers," said Richard Walter of the UCLA Film School.

"But on the other hand I have to say there is something, for an American and for anybody who loves freedom, that viscerally rebels against surrendering to terror this way," he told AFP.

Former House Speaker Newt Gingrich said this week's events should sound alarm bells. "With the Sony collapse America has lost its first cyberwar. This is a very very dangerous precedent," he said on Twitter.

In addition to threats, Sony has seen the release of a trove of embarrassing emails, scripts and other internal communications, including information about salaries and employee health records.

"The Interview" is not the only film suffering because of North Korea's ire: a planned Steve Carell movie, "Pyongyang," about a Westerner's experiences of living in the hermit state, has been scrapped, according to industry media.

On Thursday, reports suggested that Paramount had nixed some theaters' plans to screen "Team America: World Police"—a 2004 puppet-driven parody with former North Korean leader Kim Jong-Il portrayed as the villain—in place of the comedy film cancelled this week.

Also Thursday, Brazilian author Paulo Coelho offered to pay Sony $100,000 for rights to "The Interview," saying on Twitter that he would then post it free on his blog.

Separately, the UN General Assembly called for North Korea to be referred to the International Criminal Court over its dismal rights record, in a landmark resolution adopted by a strong majority.