

MIKE BLOOMBERG'S FONDNESS FOR SPYING EXTENDS TO THE BANKSTERS

In the wake of the Boston bombing, Mayor Bloomberg had some fairly alarming things to say about privacy.

“The people who are worried about privacy have a legitimate worry,” Mr. Bloomberg said during a press conference in Midtown. “But we live in a complex world where you’re going to have to have a level of security greater than you did back in the olden days, if you will. And our laws and our interpretation of the Constitution, I think, have to change.”

But apparently he – or at least his company – even has a cavalier approach to the privacy of those in his own class.

Goldman Sachs recently discovered that Bloomberg reporters were monitoring Goldman activity on their \$20,000 a year Bloomberg terminals.

The ability to snoop on Bloomberg terminal users came to light recently when Goldman officials learned that at least one reporter at the news service had access to a wide array of information about customer usage, sources said.

In one instance, a Bloomberg reporter asked a Goldman executive if a partner at the bank had recently left the firm – noting casually that he hadn’t logged into his Bloomberg terminal in some time, sources added.

Goldman later learned that Bloomberg staffers could determine not only which of its employees had logged into

Bloomberg's proprietary terminals but how many times they had used particular functions, insiders said.

The matter raised serious concerns for the firm about how secure information exchanged through the terminals within the firm actually was – and if the privacy of their business strategy had been compromised.

“You can basically see how many times someone has looked up news stories or if they used their messaging functions,” said one Goldman insider.

[snip]

“Limited customer relationship data has long been available to our journalists, and has never included clients' security-level data, position data, trading data or messages,” said Bloomberg spokesman Ty Trippet.

“In light of [Goldman's] concern as well as a general heightened sensitivity to data access, we decided to disable journalist access to this customer relationship information for all clients,” he noted.

Now, normally I'd be laughing my ass off at MOTUs spying on MOTUs. Particularly the thought of MOTUs paying \$20,000 a year for the privilege of being spied on.

But I am worried about what this will do for Bloomberg's business model. Bloomberg News happens to do a lot of (freely-accessible) journalism, subsidized by MOTUs paying for these terminals. If MOTUs get squeamish, it might cut back on actual journalism.

For the moment, at least, it does confirm that MOTU reticence about surveillance has more to do with their belief that their most guarded activities aren't watched than with a real disinterest in spying.

Update: See this Quartz article for a description of everything Bloomberg employees could snoop on.