

Obama Offers Ominous Warning to North Korea After Sony Cyber Attack

President Barack Obama vowed on Friday to respond to a devastating cyber attack on Sony Pictures that he blamed on North Korea, and scolded the Hollywood studio for caving in to what he described as a dictator trying to impose censorship in the United States.

Obama said the cyber attack “caused a lot of damage” to Sony but that the company should have spoken to him before letting itself be intimidated into canceling the release of *The Interview*, a comedy portraying the assassination of North Korean leader Kim Jong Un.

“We will respond,” Obama told an end-of-year news conference. “We’ll respond proportionally, and we’ll respond in a place and time and manner that we choose.”

Two hours before he spoke, the FBI announced that investigators had determined that North Korea was behind the hacking of Sony, calling it an unacceptable act of state-sponsored “intimidation.”

Obama said North Korea appeared to have acted alone. Washington began consultations with Japan, China, South Korea and Russia seeking their assistance in reining North Korea’s cyber activities.

It was the first time the United States had directly accused another country of a cyber attack of such magnitude on American soil and sets up a possible new confrontation between longtime foes Washington and Pyongyang.

The destructive nature of the attack, and threats from the hackers that led the Hollywood studio to pull the movie, set it apart from previous cyber intrusions, the FBI said.

A North Korean U.N. diplomat said Pyongyang had nothing to do with the cyber attack. "DPRK (North Korea) is not part of this," the diplomat told Reuters on condition of anonymity.

Obama said he wished that Sony had spoken to him first before yanking the movie, suggesting it could set a bad precedent. "I think they made a mistake," he said.

He added: "We cannot have a society in which some dictator someplace can start imposing censorship here in the United States."

Despite that, Obama's options for responding to the computer attack by the impoverished state appeared limited. The president declined to be specific about any actions under consideration.

North Korea has been subject to U.S. sanctions for more than 50 years, but they have had little effect on its human rights policies or its development of nuclear weapons. It has become expert in hiding its often criminal money-raising activities, largely avoiding traditional banks.

The FBI said technical analysis of malware used in the Sony attack found links to malware that "North Korean actors" had developed and found a "significant overlap" with "other malicious cyber activity" previously tied to Pyongyang.

But it otherwise gave scant details on how it concluded that North Korea was behind the attack.

U.S. experts say Obama's options could include cyber retaliation, financial sanctions, criminal indictments against individuals implicated in the attack or even a boost in U.S. military support to South Korea to send a stern message to North Korea.

It could also take the largely symbolic step of restoring North Korea to its list of countries designated as sponsors of terrorism, which carries automatic restrictions.

But the effect of any response would be limited given North Korea's isolation and the fact that it is already heavily sanctioned for its disputed nuclear program.

There is also the risk that an overly harsh U.S. response could provoke Pyongyang to escalate into cyber warfare.

The attack on Sony, more than three weeks ago, was conducted by hackers calling themselves "Guardians of Peace."

It brought down the computer network at Sony Pictures Entertainment, prompted the leak of embarrassing emails, and led to Sony's cancellation of the Christmas Day release of "The Interview," which culminates in a scene depicting the assassination of President Kim Jong Un.

U.S. movie theater chains had said they would not show the film after hackers made threats against cinemas and audiences. Many in Hollywood and Washington criticized Sony's cancellation as caving in to the hackers.

Former Senator Chris Dodd, now the head of the Motion Picture Association of America, called the cyber attack on Sony Pictures, a unit of Sony Corp, a "despicable, criminal act."

"This is unprecedented," said Dmitri Alperovitch, chief technology officer of cyber security firm CrowdStrike. "We have a dictatorial regime that attacked a private company on U.S. soil. Will we see a response from the U.S. government?"

Some of Hollywood's biggest names howled over the cancellation of the \$44 million film, which stars James Franco and Seth Rogen, the latter also a co-director of the movie with partner Evan Goldberg.

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