

# WIRED

## BY JACK ENGLISH

### SAMPLE CHAPTERS

#### Prologue

In every revolution, there are winners and losers, people who adapt and those who don't. The current revolution is in commerce. Paper money replaced gold. Checks replaced paper money. And now, checks are giving way to faster moving electronic money. On any given day, a thousand billion dollars is transferred across the country electronically. Most is sent over an electronic funds transfer network operated by the Federal Reserve Bank. This network is called Fedwire.

#### Chapter One

##### TEN BILLION DOLLARS

SENATE BANKING COMMITTEE, WASHINGTON, D. C.,  
JULY 19TH, 10:00 A.M. EST.

The hearing room was jammed. Reporters from every newspaper and television station in the country were there. If the leaks were accurate, they were in for high drama.

"I, William Weldon Richey, Chairman of the Board of Governors of the Federal Reserve, do solemnly swear the testimony I am about to give is the truth, the whole truth and nothing but the truth." Richey was a small man with round glasses and a receding hairline. A former Yale professor, he was more at home with monetary theory than people. He squirmed in his seat.

Beauregard Winterthur Rice, on the other hand, was an old buffalo of a senator. A distinguished, gray haired man, he had staked out his claim to the banking committee long ago, and ruled over that territory like a tyrant. Rice shuffled the papers in front him and leaned into the microphone.

"Mr. Chairman, the Senate Banking Committee would like to thank ya for voluntarily agreein' ta' appear hea' today. Under the circumstances, your decision shows a great deal of backbone for which I complement you, sa. Mr. Chairman, I am holdin in ma hand a copy of the January 15th New York Times, which says the Federal Reserve Bank of Philadelphia misplaced TEN BILLION DOLLARS over New Year's weekend." Senator Rice looked at the CSPAN cameras. "Mr. Chairman, I want ya ta explain how you can misplace ten BILLION dollars.

"Before ya answer, I want ya ta look at the stack of cardboard boxes my staff placed in front of us hea. It measures nine feet by nine feet by thirteen feet. Now Mr. Chairman, if I stacked them ta the top," Rice held his hand up over his head, "with thousand dollars bills, it would still only be a billion dollars. Ten

BILLION dollars would be ten times as large. Now how, Mr. Chairman, I repeat, how could the Federal Reserve misplace that much money ova a weekend?"

Richey knew the Senator wasn't going to like his answer. "Senator, the missing money wasn't currency per se. As you know, most money is in the form of saving and checking account deposits. Those deposits only exist as computer entries and those computer entries were altered."

Senator Rice squinted as though his prize hunting dog had led him, not to a raccoon, but to a pair of old socks. Rice held a copy of the New York Times toward the television cameras. Its banner headline read "PHILLY FED LOOSES \$10 BILLION". Rice slapped the paper and raised his voice. "Do ya mean to tell me this whole thing is just a darn fool bookkeeping error?"

Richey pulled the microphone closer, "I'm afraid, Senator, it's more than that. The computer records were so scrambled there was no way of knowing which Fedwire transfers were legitimate and which weren't for about two weeks. In that time, funds were moved electronically from bank to bank until they vanished."

Rice spread his hands in disbelief. "Why didn't ya' just shut down the bank until ya' sorted it out?"

"Shutting down the Philadelphia Federal Reserve, would have had a devastating effect on the economy. Hundreds of billions of dollars of payrolls, investments and taxes are wired in and out every day."

Senator Rice pulled himself up, making himself look as stately as possible. "Mr. Chairman, are you telling me the Federal Reserve Bank of Philadelphia has been ROBBED?"

"Yes Senator, that's entirely possible."

#### Chapter Two

##### JUSTICE

RUTGERS UNIVERSITY, CAMDEN, FIFTEEN YEARS EARLIER

Matthew St. Augustine was a man with a gift. He was tall, but not basketball tall; thin, but not gaunt; smart, but not so smart his teachers noticed. He was not more than ten points better than average in any respect, except for his gift. He was able to see the reaction to every action, and the reaction to that reaction. He was able to "see" what was going to happen before it did. It wasn't much in terms of a superpower, but it was still useful.

He wasn't a member of the chess club, but made his lunch money playing against chess club members. They thought they were smart, but day after day he laid them low because he could

"see" every move and counter move they were likely to make.

His gift let him "see" the logic of the most complicated computer programs unfold in his mind. When the campus police ticketed him unfairly, he used his gift to hack into the college's computer and deleted everybody's tickets. When the school raised parking fees from \$100 per year to \$500 per year, he hacked into the computer and marked everyone's fee paid.

He put all that behind him when he graduated and went to work for the programming department of a bank. Eventually, his gift attracted the attention of management and they gave him the most sophisticated and complex assignments. In every case he met the challenge. But the more dependent his boss became on him, the more his boss resented him.

St. Augustine applied for graduate tuition and his boss refused to approve it. Why? He was too valuable to lose. St. Augustine paid his own tuition, but his boss put him on rotating shifts, making it impossible for him to schedule classes. One thing led to another and his boss made every day a living hell.

One day, he got so fed up he was going to punch his boss in the mouth. But, the words of his Sunday School teacher came floating back to him. "Love those who hate you." He returned to his cube, hacked into the payroll system and added five thousand dollars a week to his boss's pay.

That Friday, he watched as his boss opened his paycheck. He looked at the check, looked left and right, and then slid it into his shirt pocket. For three weeks, his boss accepted the money and didn't report it. St. Augustine increase his boss's pay another five thousand dollars a week, but he said nothing.

His anger gone, St. Augustine was about to return his boss's pay to its original amount when his boss called him in.

"Matt, why'd you do it?"

"Do what?"

His boss threw a dozen computer security articles on his desk, articles St. Augustine had written. "Why'd you write these articles?"

"It's my own research. What's it to you?"

"Matt, don't you see? People are going to read these articles and think our bank has these security problems. I'm going to have to turn this over to legal. You might as well kiss off a raise this year. You'll be lucky if you're not fired."

"People write articles all the time." St. Augustine picked up one and threw it at his boss. "This one's three years old. Get any complaints?" He didn't suffer fools gladly and wasted no more words on his boss.

He printed a list of the extra payments his boss had accepted and typed up a note. "Who better to raise their own pay than the Manager of Programming?" He slipped the list and note into an envelope and sent it to the bank's Security Officer.

At noon the next day, the Security Officer and two Philadelphia policemen confronted his boss in his office. They were talking loud enough for the whole office to hear. At first his boss denied being over paid, and when confronted with the canceled checks claimed it was a mistake. They read him his rights and hauled him away.

At the end of the week, St. Augustine notified his new boss that he'd accepted a job at the Federal Reserve Bank of Philadelphia, and cleaned out his desk.

### Chapter Three PARTY

SANTA BARBARA, LAST NEW YEAR'S EVE, 9:00 P.M.  
PACIFIC TIME

A breeze floated in off the terrace, carrying with it the cries of sea gulls riding the thermals rising along the ocean cliffs outside. In the next room, women in glittering gowns and men in black tie listened as a musician wailed out *Harlem Nocturne* on a saxophone.

Matthew St. Augustine stood alone. His hazel eyes watched the party goers through an open doorway. He unbuttoned his tux and leaned back against a fireplace, arms stretched along the mantle. He extended his fingers a little and wrapped them around a margarita. He took a sip and looked up at the clock. It was nine Pacific Time, midnight in Philadelphia. A thin smile spread across his face. In his mind's eye he watched events unfolding three thousand miles away.

COLLINGSWOOD, NEW JERSEY, NEW YEARS DAY, 12:01 A.M.

On the second floor of a stately old Collingswood home, long ago made over into modest, but comfortable apartments, a computer woke up from a long sleep; logged into the Federal Reserve Bank of Philadelphia; and identified itself as user with read-only access. The Collingswood machine asked for file 111. This opened a trap door to an area of the computer's memory reserved for privileged, high security programs, and transferred that privileged status to itself. It then searched file directories for the Fedwire input and output transaction logs. The input transaction log contained bank requests to transfer funds. The output logs recorded amounts actually transferred.

Over the next two hours, the Collingswood machine dumped fifty thousand wire transfer orders, averaging two hundred thousand dollars each into the Federal Reserve's Fedwire computer.

Anticipating the Philly Fed would realize something unusual had happened and close Fedwire operations until the situation could be investigated, St. Augustine's program transferred funds to banks outside their jurisdiction.

Four billion dollars was spread across accounts in twenty five New York banks; three billion was spread across accounts in twenty Chicago banks; and two billion was spread across a dozen Los Angeles banks. Another billion was spread across banks in Toronto, Montreal, Quebec, Vancouver, Mexico City, London, Berlin, and Singapore.

The Collingswood machine supplied a steady stream of destination banks, accounts and amounts from midnight until the two A.M. posting deadline at which time it dropped off the network. From the time it logged on until it logged off, it inserted ten billion dollars of electronically created money into the Federal Reserve System.

One of the Collingswood machine's last instructions before dropping off the network was to delete all traces of itself from memory.

SANTA BARBARA, CALIFORNIA, NEW YEAR'S EVE, 10:45 P.M.

A tall leggy blond glided into the room and batted her eye

lashes at St. Augustine. "Matthew..." the sound of his name floated on the breeze, "Matthew, don't you want to come play with us?" she pointed to the party in the next room with a glass of champagne. She pressed her lips close to his ear. "The party's just getting started," she whispered.

St. Augustine knew the pleasure this woman-child could give. At thirty, she was just beginning to develop a womanly sensuality, yet she still retained a child-like innocence.

Her nails scratched his side through his shirt. "Let's play a game."

"A game? What kind of game can we play with a house full of guests?"

"I don't know." She pressed herself against his chest. "How about charades?"

"Not tonight love." He folded his arms around her; the smell of perfume in her hair evoked the image of their bedroom. Ariel lay naked on the bed, her blond hair spilling out over the pillow like some exotic head-dress, her long legs under a silk sheet drawn to her waist.

"Why not? Don't you want to play a game with me?" she pouted.

"I'm playing a game just standing here. Guess what I'm doing?"

"Do I get any clues?"

"No clues, just guess."

"I don't know." She frowned. "What are you doing?"

"I'm robbing a bank." He smiled a little smile at the perplexed look on her face and followed her back into the living room. He sat next to her on the sofa and watched others play charades.

He looked at his watch. It was eleven O'clock Pacific Coast Time which meant it was two in the morning Eastern Standard Time. The Collingswood program should be purging itself from memory.

There was a whoop and a holler as someone guessed the name of a movie. He smiled at the joy around him, but his mind drifted back to the scene at the Fed. And the scratch program...

It wasn't so much stealing as counterfeiting. Nobody was going to lose any money. It's just that new electronic money was minted under the umbrella of the Federal Reserve. The beauty for St. Augustine was that one electronic record looked very much like the next one, just as one set of electrons looks like the next. And as long as banks couldn't tell which money originated in St. Augustine's imagination, or at least in a program conceived in his imagination, they had to honor it.

He had a slight twinge of conscience, not at poking the Federal Reserve with a stick, but at risking Ariel, his home, his business, and a very comfortable life style for what started as an elaborate prank and had become, in the last few hours, the crime of the century.

## Chapter Four LOGON

NETWORK CONTROL CENTER, FEDERAL RESERVE BANK OF PHILADELPHIA NEW YEAR'S DAY, JANUARY 1ST, 1:55 A.M.

The Network Control Center was a cool, dark room isolated from the outside world by the bank's thick walls and layers of physical security. The room was lit by a row of computer displays along one wall disgorging information on the status of a dozen of computers, scores of communications lines, and untold terabytes of storage. Over the course of the evening, as more and more banks got onto the network, the terminals came alive with a blaze of color. Banks from New Jersey, Pennsylvania, Maryland and Delaware queued to post wire transfers, make interbank loans to cover mandatory reserve, and to invest excess deposits to avoid being stuck with idle funds overnight.

The frenzy of electronic money exchange started as a trickle of transactions around eight in the evening and peaked around midnight. Thereafter, communications activity tapered off slowly as banks with telecommunications or other posting problems struggled to catch up. After the two A.M. posting deadline, activity dropped off abruptly as banks shut down their networks to do their preliminary daily closing.

If operators had been carefully monitoring their displays, they would have noticed one line coming from an Internet Protocol (IP) address that displayed the number of a bank that had been merged out of existence months ago. It was St. Augustine's Collingswood machine. Millions of dollars of physical and computer security gave the Fed a sense of safety, but it was powerless to stop the Collingswood machine.

Across the room from the terminals, Murray Schwartz, the computer supervisor, sat reading a copy of *Tres Torres* by a small desk lamp, ignoring the billions of dollars being exchanged a few feet away. A buzzer sounded, signaling someone was trying to get in. He looked up at a security monitor and saw Theodore Williams waiting to be buzzed in. Williams was a Rutgers Camden graduate, first in his class. At thirty he was on the fast track and jokes about his being the first African American Chairman of the Federal Reserve had the ring of truth.

Williams was the Accounting Duty Officer and as such it was his job to supervise the overnight funds transfers and daily closing. Trained in sophisticated financial and economic analysis, the job of Accounting Duty Officer drew on only a fraction of his ability, yet it was an important rug on the ladder of increased responsibility and thus far, it provided him with few challenges. Williams rang again. In three more months he would have completed his tour and be assigned as a department head. He buzzed again and was finally let in. "So, Murray, how come I had to buzz three times? Didn't you see me?" Williams glanced at the security monitor which displayed the area where he was just standing. "Or were you asleep again?"

"Not asleep Ted, just thinking about fishing."

Williams looked at Schwartz's desk. A large framed picture of Schwartz standing on a dock next to an eight foot marlin was surrounded by other pictures of Schwartz on a variety of fishing trips. On one side of his desk was an open tackle box, a half-finished lure peaking over the top. "Any problems?"

"Not that I've noticed." Schwartz used a thumb drive as a book mark and tossed the novel he was reading onto his desk among the other clutter.

"Good. Print a wire recap. I've got to balance the funds transfers before final closing."

"Give me a couple of minutes to post the last few transactions." Schwartz looked at the number of banks logged onto Fedwire. At midnight, there had been six hundred banks on the system. Now there were only thirty. Schwartz watched as the number dropped to twenty, ten, three and then one which lingered on the system after all others had logged off. Schwartz looked at the area code of the incoming call. "I bet that's Reading and Western National Bank. They're always behind." Schwartz called up the menu to cut off the line when Reading and Western logged off. Schwartz pulled up a new menu and fired off the commands to run the funds balancing report. Schwartz swiveled around in his chair and saw Williams sitting on his desk thumbing his copy of *Tres Torres*.

"Any good?" Williams asked waiving the paperback at Schwartz.

"It's well written and the characters are interesting, but the plot is a little implausible."

"What's it about?"

Schwartz took a sip of coffee, "Computer fraud."

Williams shook his head. "Where's my report?"

"Don't know," Schwartz frowned. The printer was silent. One lone page lay in the output tray. He picked it up. It said:

FUNDS TRANSFER BALANCING REPORT  
INPUT LOG FILE NOT FOUND

OUTPUT LOG FILE NOT FOUND

JOB ABNORMALLY TERMINATED

The entire novel is on Amazon at: [https://www.amazon.com/Wired-Jack-English-ebook/dp/B0056VBEF8/ref=sr\\_1\\_sc\\_1?s=books&ie=UTF8&qid=1476917091&sr=1-1-spell&keywords=wired+jacki+english](https://www.amazon.com/Wired-Jack-English-ebook/dp/B0056VBEF8/ref=sr_1_sc_1?s=books&ie=UTF8&qid=1476917091&sr=1-1-spell&keywords=wired+jacki+english)