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## Three Cybersecurity Lessons That Business Can Learn From Local Government.

Businesses can learn a lot from mayors about cybersecurity, especially as city managers have suffered a record number of cyber attacks and have learned a lot of lessons the hard way. Baltimore, Maryland was hit with a severe ransomware attack in 2019, for example, but rather than going into panic, they went into incident response mode, took systems offline to contain the attack, and worked to restore services without paying the ransom.

[Newly released research](#) finds that these attacks happen much more than most people are aware, and that they have robust, adverse effects on municipalities. Using municipal bonds to measure the economic consequences, the results show that a 1% increase in the county-level cyberattacks covered by the media leads to an increase in offering yields ranging from 3.7 to 5.9 basis points, depending on the level of attack exposure. When evaluating these estimates at the average annual issuance amount of \$235 million per county, that implies \$13 million in additional annual interest costs per county.

It is not uncommon to see cyberattacks in the headlines in today's digital age. What often remains out of sight, however, is the financial impact on municipalities and their access to financing, according to this research of mine with Professor Christian Lundblad at University of North Carolina Chapel-Hill, Professors Christodoulos Louca and Eleni Kalotychou at Cyprus University of Technology, and PhD candidate Lefteris Andreadis.

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**Forbes**

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