



CHANGING THE GAME: A DIFFERENT APPROACH TO CYBERSECURITY



**CYBER
THREAT**
ALLIANCE

Michael Daniel
President & CEO

WHY IS CYBERSECURITY A HARD PROBLEM?



Cybersecurity is not just a technical problem

Cybersecurity is also an economic, psychological, and human behavioral challenge



Cyberspace is governed by a different set of rules

The concepts of distance, borders, and proximity all operate differently in cyberspace compared to the physical world



Cybersecurity is “new” and we’re still learning

We haven’t had the time or the experience to develop the comprehensive frameworks required to address cyber risk

HOW IS THE CYBER THREAT EVOLVING?

Four primary types of cyber adversaries

Hactivists

Act in support of a cause

Criminal Organizations

Profit off malicious activity

Terrorists

Leverage cyberspace to recruit

Nation States

Pursue their national interests



Volume and diversity of connected devices increases complexity

Low barriers to entry and high ROI incentive actors



More broad

The attack surface is exponentially increasing

More frequent

Volume of malicious cyber activity is increasing

Because of these actors, the cyber threat is becoming....

More dangerous

Actors are increasingly moving to more destructive activity

More disruptive

Potential impacts of a cyber incident are increasing



Critical infrastructure is at the center of actors' malicious activity

Digital dependence is making society increasingly vulnerable



BUT IT'S NOT ALL BAD

All malicious actors face **limitations**:

- > Hollywood ≠ real life
- > Capacity constraints
- > Limited number of paths to achieve their goals
- > Operations occur on defender's networks

These limitations provide the openings for better cybersecurity.

WHAT ARE SOME KEY ISSUES DRIVING GLOBAL CYBERSECURITY POLICY?



How are we going to deal with the Internet of Things?

Once connected devices can kill people, regulation is inevitable.



How should sovereignty apply in cyberspace?

We need new tools to manage friction in cyberspace.



How can we have privacy and security in cyberspace?

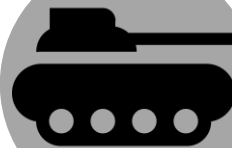
Privacy and security should reinforce each other, but can be mutually destructive.

WHAT ARE SOME KEY ISSUES DRIVING GLOBAL CYBERSECURITY POLICY?



How can we manage correlated risks?

Interconnections, common software, and malware reuse reduce risk independence.



What counts as an act of war in cyberspace?

We need new definitions that work for cyberspace.



How will Artificial Intelligence affect cybersecurity?

AI's impact could be good, bad, or indifferent.

TAKE ACTION INTERNALLY: BUILD A CYBER TOOL BOX



Each element depends on the others to be effective

TAKE ACTION EXTERNALLY: DON'T GO IT ALONE

Information
sharing

External
expertise

Law enforcement,
network defenders,
and regulators

Organizations must reach across boundaries and engage with external actors

TAKE ACTION COLLECTIVELY: COORDINATE AND COLLABORATE

Enable robust threat sharing with the cybersecurity industry

Cybersecurity companies need information to inform defenses

Undermine the criminal business model systematically

Make them undertake business process re-engineering

Coordinate disruption and response activities between governments and private sector actors

Not “hackback” but focus on comparative advantage



**CYBER
THREAT**
ALLIANCE

QUESTIONS?



**CYBER
THREAT**
ALLIANCE

BACK UP SLIDES

NATION-STATE CYBER CAPABILITIES: BENEFITS, CONSTRAINTS, AND RISKS

Benefits

- > Effective
- > Relatively cheap and fast
- > Levels the playing field
- > Deniability

Constraints

- > Intelligence dilemma
- > Third country conundrum
- > Bureaucratic challenges
- > Collateral damage uncertainty
- > Tool reuse

Systemic Risks

- > Attribution difficulties
- > Offense favored over defense
- > Unintended consequences

NATION-STATE CYBER CAPABILITIES: DEALING WITH THE SYSTEMIC RISK

Analogies that **don't** apply:

Border security
Missile defense
Nuclear deterrence

Approaches having some promise:

Operational Collaboration
Transparency
International Norms
Confidence-building measures
Resilience