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My third time presenting at RSS

Information for this presentation was pulled from headlines, books, industry reports, govt statistics, academic papers, security experts, think tanks, govt officials, and privacy rights groups. References at the end



- I. Data breaches are devastating to people and our communities. High profile breaches make headlines - Equifax, Target, Home Depot
But the people who are ultimately victimized, that doesn't make the news
- II. There are people, companies, organizations, and other powerful interests who either allow data breaches or outright profit from it
We're going to look at some of them
- III. What can we as citizens do?
We should be fighting for data privacy as a human right
The US has a long history of

safety, and consumer protections
against powerful interests

We can turn the tide



I. THE HUMAN COST OF DATA BREACHES



80 MILLION
IDENTITY THEFT VICTIMS U.S. SINCE 2012

We've seen these numbers, they are
grim

Breach fatigue

Vendors use them to scare us into
buying their products

But let's understand that behind every
record breached there is a real person
US pop is 327m



\$17 BILLION
COST TO CITIZENS **2017**

\$1,343
AVG LOSS PER VICTIM

IDENTITY THEFT RESOURCE CENTER
ID THEFT
CENTER.ORG
@ITRCSO

The Identity Theft Resource Center
Non-profit organization that provides
consumer education and free assistance
to victims of identity theft.
Consider a donation.

**"IDENTITY THEFT:
THE AFTERMATH"**
2016 REPORT

In 2016 they released a report, Identity
Theft: The Aftermath.
The report is a survey of over 300
victims from 40 states.

IDENTITY THIEVES TARGET
LOWER
INCOME
VICTIMS
"MORE THAN HALF OF RESPONDENTS
HAD HOUSEHOLD INCOMES OF
LESS THAN \$50,000 ANNUALLY."

One of the most striking findings
More than half of the respondents had
household incomes of less than \$50,000
annually. Disproportionate impact,
these victims are less able to deal with
the resulting expenses and other
challenges.
Domino effect, devastating to the most
vulnerable

CRIMINAL THEFT

**"THE THIEF COMMITTED A CRIME
AND GAVE MY INFORMATION TO
LAW ENFORCEMENT."**

Criminal ID Theft - crimes committed in their name resulting in a warrant for their arrest,
criminal conviction under their name,
booking as their name,
or a criminal giving their info to law enforcement.

MEDICAL FRAUD

**"USED MY NAME & SS# FOR DRIVERS LICENSE,
WORK, AND MEDICAL TREATMENT.
I WAS ASSESSED WITH UNPAID TAXES,
MEDICAL BILLS AND MY MEDICAL
RECORD CORRUPTED."**

Medical Fraud -
billed for services not received
insurance company contact about
service they didn't receive
prescriptions obtained in their name
doctor asking about a visit that didn't
happen

GOVT ID THEFT

**"NOW I HAVE TO DO MY TAXES IMMEDIATELY
FOR FEAR THE PERSON WHO USED MY NAME
AND SSN TO FILE TAXES MAY AGAIN DO SO."**

Govt Identity Theft - which includes
taxes filed in their name, drivers license
obtained in their name, or their ssn used
for work.

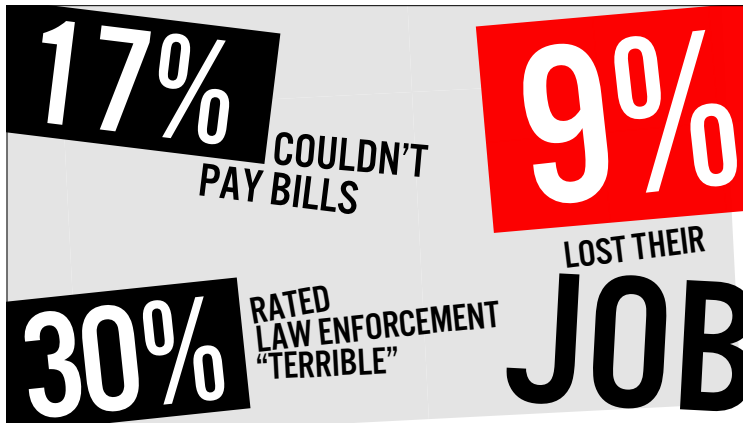
NEW ACCOUNT FRAUD

**"THE THIEF HAD A DRIVER'S LICENSE MADE
WITH MY INFORMATION AND HER PICTURE.
SHE HAD MY ADDRESS AND SSN. SHE
WALKED INTO STORES AND RECEIVED
INSTANT CREDIT. I SUSPECT
A DATA BREACH."**

New Account Fraud - where a criminal
opened a new account for a phone,
internet service, bank account, loan, or
credit card using the victim's identity.



Govt assistance - impacts us all (taxes)
More asked friends and family for assistance
40h - that and \$1343 harder for lower income people. disproportionate impact



Behind every individual record stolen in a data breach is a real person
Data breaches harm our communities - us, our families, our friends, our neighbors, our coworkers, and people we interact with every day.
Let's look at some examples



Vulnerable
Impact on parents
Children may have to deal with the fallout as they grow older
A growing trend



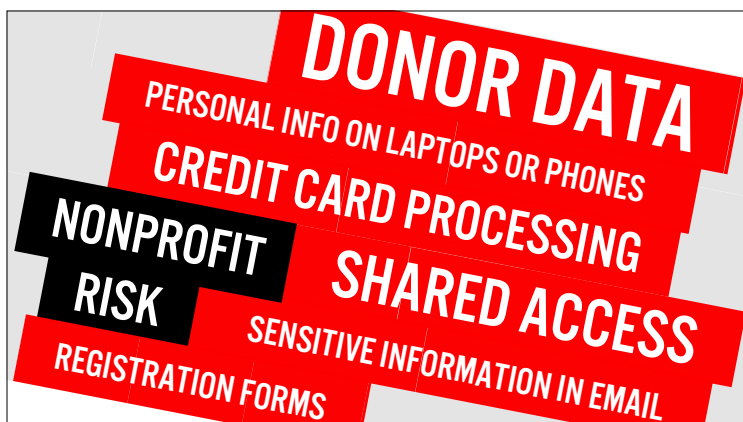
Bruggers Bagels major breach in 2018 (Rochester)



High remediation costs for a small business



A third of customers will stop business with a small biz after a data breach



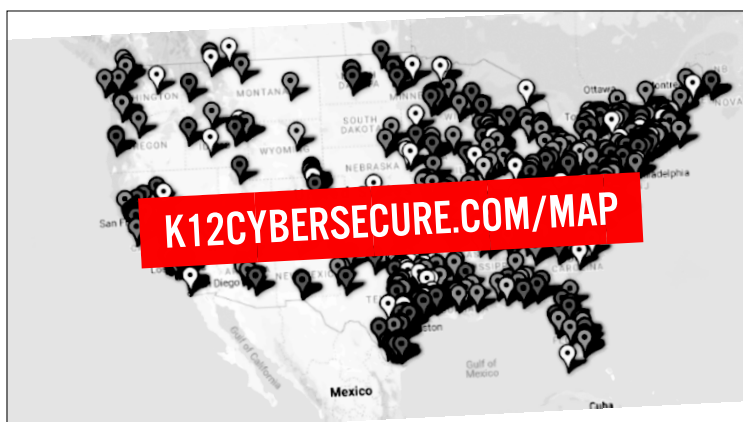
- Nonprofits have similar risks to retail
- Local nonprofit xxxxxx (Rochester) breach march 2019. Senior living, mental health housing. SSNs exposed. Again, some of the most vulnerable
- Places of worship, churches, at risk and seeing impact



What chance does my small town govt have against highly organized criminals and nation-states (North Korea, Iran, China, Russia, etc)?
2011 Town of Pittsford (Rochester suburb) hacked, \$139,000



Recent streak of ransomware has had major impact on local govt
Government emails were down
911 dispatch systems were taken offline.
payments to city departments couldn't be made online.
Tickets couldn't be paid.
Utilities were double-billed.
Real estate transactions couldn't be processed, leaving some home sales in limbo.
court cases rescheduled,
Police submitted reports on paper.
Domino effect and disproportionate impact for lower-income citizens

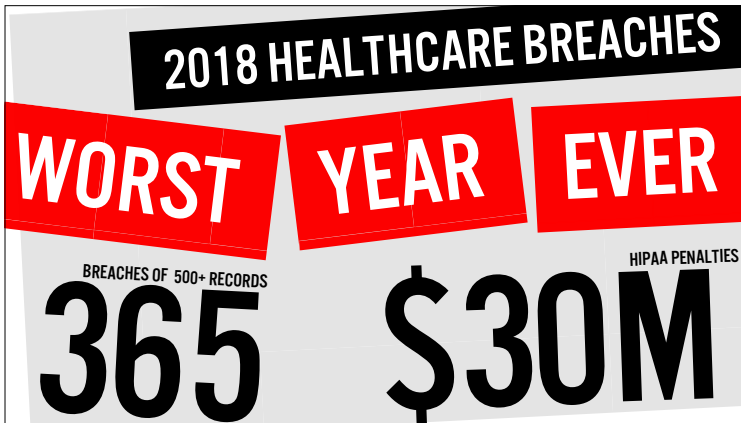


Our local K-12 schools are frequently targeted



And counting.

- Aug 2019 data breach impacted several Rochester, NY-area schools in the news



Our local healthcare/hospitals
Statistical worst year on record for #
breaches, penalties

URMC (Rochester) lists data breach
notifications on their website



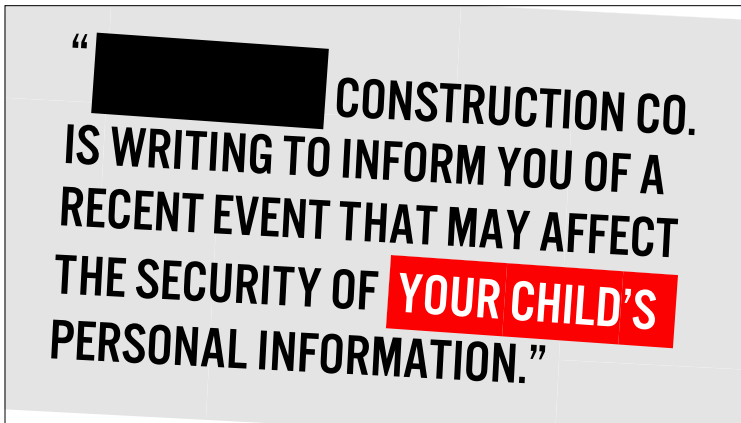
Most farms are small and family owned



Farms aren't old fashioned barns and
tractors anymore
High level of risk and impact



Impacts blue-collar working-class people
High degree of automation systems
Intellectual Property



Victimizes working-class people in our communities
Not the kind of letter you want to receive
Again, the trend of child ID theft
Many reports on the high level of data breach impact on these industries



Beyond data breaches and the risk of ID theft, the threat of cyberwar impacts us as citizens
Three points in a timeline: 2010, 2014, 2018



US far more connected - and therefore far more vulnerable - than any other country.

Doom-and-gloom forecast any cyber attack targeting our utilities, infrastructure, power grid, or financial systems, that it would be our civilian populations and privately owned business that would suffer



US and Israel's (though still denied) attack on Iranian nuclear centrifuges using Stuxnet, "the world's first digital weapon."

underground markets where zero days sell for as much as \$200,000
thriving gray market where exploits are sold to government cyber armies and spies, often foreign



2016 election

They didn't hack voting machines but they initiated unprecedented campaign to influence the election

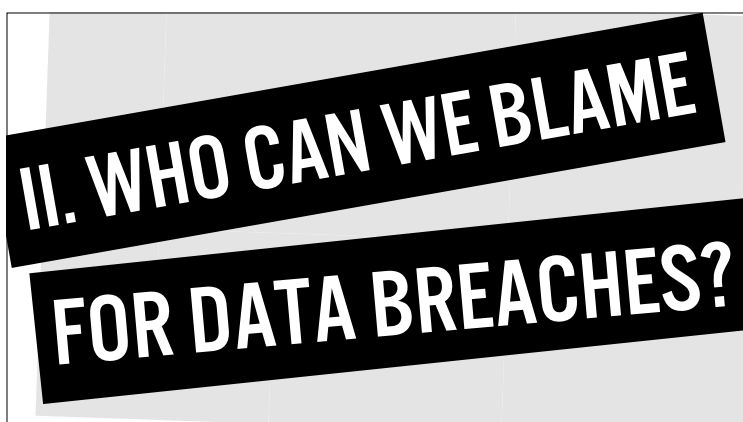
Fake news, misinformation, disinformation, fake events, sensational images (candidate with Satan)

Overwhelmingly in favor of one candidate

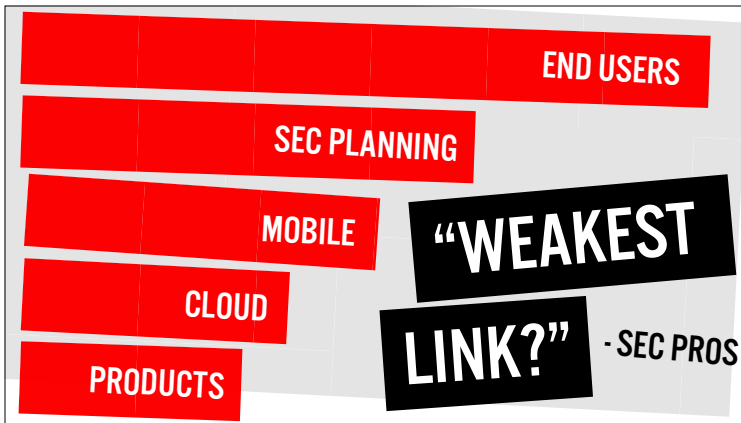
Reached 126 million Facebook users and saw 288 million Twitter impressions.

DNC hack with leak of emails

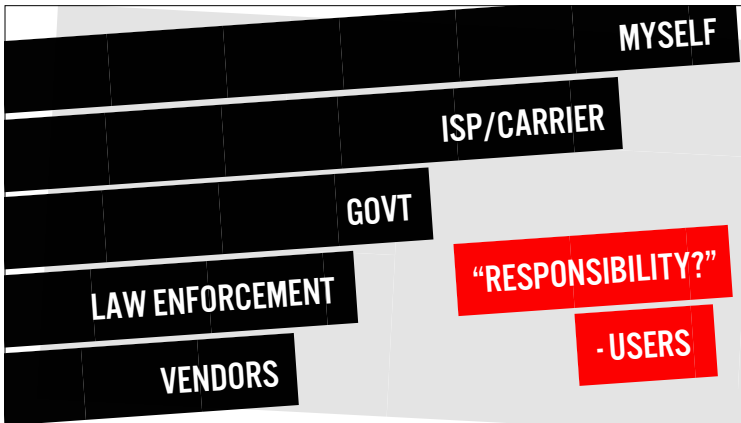
Author considers this possibly the "Cyber Pearl Harbor" we've all been afraid of



As citizens, who can we hold responsible?



Black Hat Conference 2015 survey
Security pros blame end users



We as users even blame ourselves, even in the face of attacks from professional cyber criminals and nation states
“Who has the responsibility for your data privacy?”

Palo Alto Networks survey

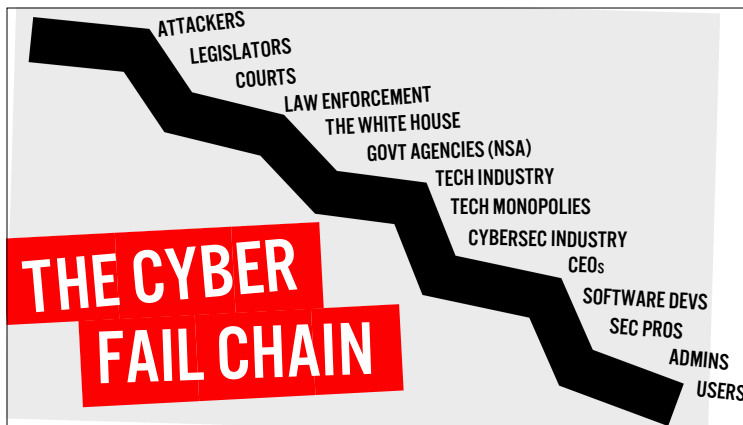


This cartoon has made the rounds. I get it, but I have a problem with it and with the mantra “users are the weakest link”

You’re just Dave, an overweight, balding, and incompetent Human Error in socks and sandals, staring off into oblivion, so stupid even a \$125bn/yr cybersecurity industry can't help you. If you get hacked it’s probably because you clicked the wrong thing or didn’t install a patch. You’re a (L)user, It's your own fault, and you deserve to get hacked.

It deflects blame and got me thinking - who else benefits from deflecting blame?

We’ve been conditioned to blame end users - the mantra is intentional



If you take away one thing it should be this

Take a photo

You've heard of the Cyber Kill Chain, this is the Cyber Fail Chain

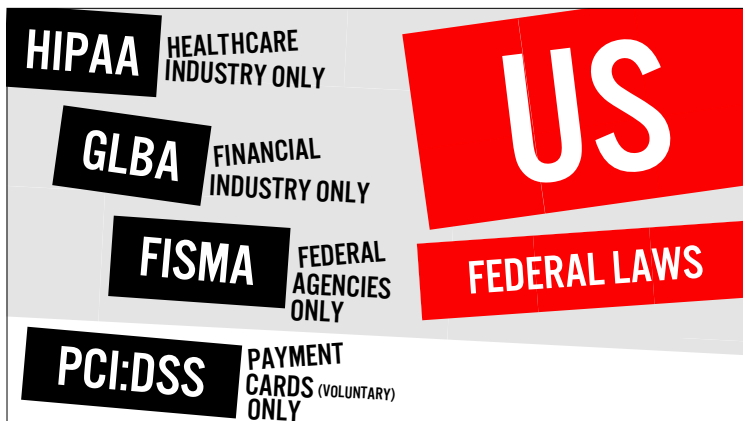
Responsibility falls to users and admins only because so many others failed their responsibility



It starts with the attackers

Fair to blame them

There are different types of attackers with different motives



We can blame legislators

US fed laws are few, narrow, and relatively weak

Typically only require a "reasonable level of security"

Written with vague language leaving room for interpretation

"Checking the box" for compliance instead of true security

Often requires only development of guidelines and policies

Not comprehensive

Lags much of the rest of the world

50 STATES
HAVE BREACH NOTIFICATION LAWS

So that's good

TWENTY FIVE STATES
HAVE SOME DATA PRIVACY LAWS

So that's good, but these laws are not comprehensive

MAINE APPOCI, 2019
NEVADA SB220, 2019
CALIFORNIA CCPA, 2018
COMPREHENSIVE DATA PRIVACY LAWS

Only 3 states have “comprehensive” data privacy laws, all within the last year
Maine and Nevada not that comprehensive

COMMON LAW COURTS
GENERALLY DOESN'T SEE DATA THEFT AS A HARM IN ITSELF

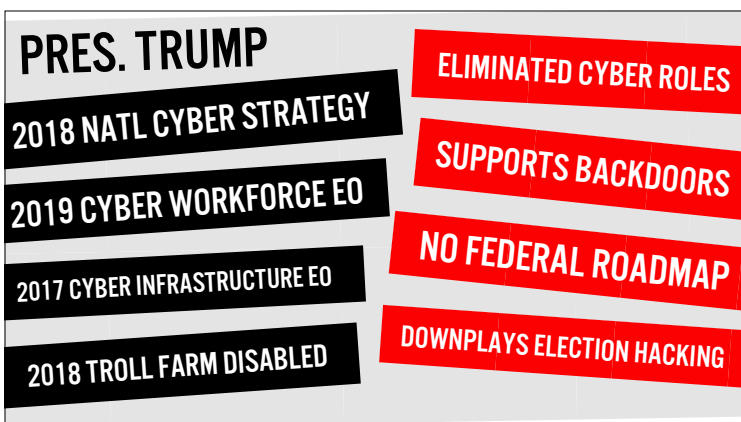
We can blame the legal system
Victims have been unable to prove that they suffered financially directly from a data breach incident. It's hard to prove exactly which breach led to harm (ie, identity theft) - the data could have come from a breach at a different company.



We can blame law enforcement.
Rate is likely lower than .1%
Many indictments involve foreign individuals and the US is often nearly powerless to enforce charges (ie, arrest).
However, this may limit their ability to travel internationally which may hinder their operations.
Attribution is a problem
Skills shortage is a problem



Facebook fine was a slap on the wrist
Projected 2019 revenue



We can blame the white house (W, Obama, Trump)
Pres Trump mixed record on cyber so far
Black bars are good developments, red bars are not good
Strategy is continuation of Obama and W
Signed some good EOs
Troll farm attack was cool imo

(controversial

Eliminated White House cybersecurity coordinator.

Eliminated cyber diplomat position at State Dept

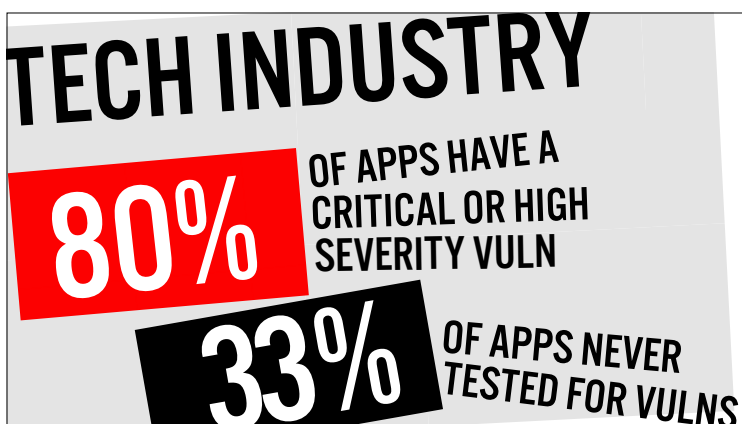
“It also could be somebody sitting on their bed that weighs 400 pounds, okay?”



US is hacking other countries and doesn't want to make a big deal about other countries hacking us, doesn't want to make rules (yet)



NSA held on to the vuln for 5 years, didn't report it to get fixed
Many victims were hospitals and schools (again, some of the most vulnerable people), Impacted many industries including manufacturing, government, and telecom
US policy “we don't hoard zero days”



We can blame the Tech Industry
IoT devices, mobile, apps, etc

SELL NOW
PATCH LATER

Ship!
First to market
Sec is an afterthought at best

EULA **LIABILITY SHIFT**
**"REFUND OR REPLACEMENT
OF PRODUCT"**

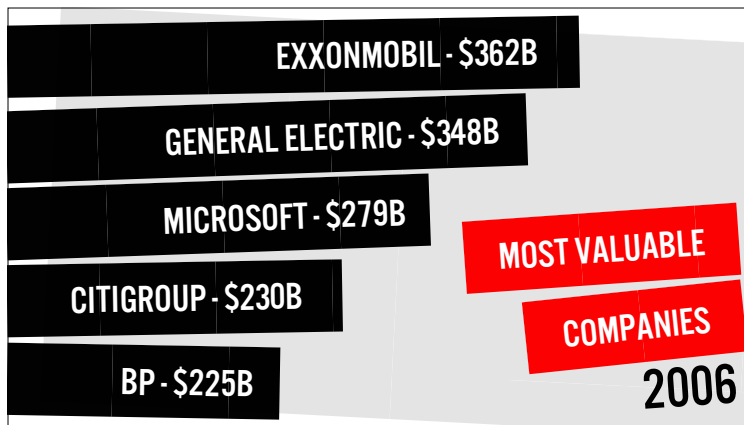
If you get hacked, Microsoft will refund
or replace Windows for you
kind of a joke

**"SOFTWARE
SECURITY
IS
NATIONAL
SECURITY"**
ICITECH.ORG
INSTITUTE FOR CRITICAL
INFRASTRUCTURE TECHNOLOGY

Non-profit think tank
"Systemic Problems in the Software
Development Landscape"

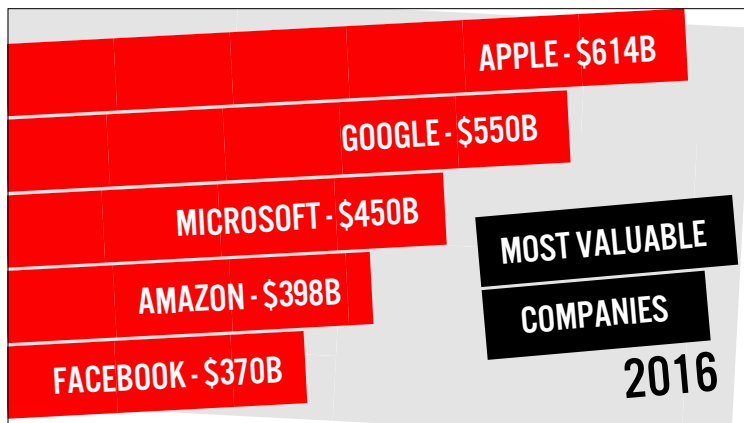
**BIG
TECH**

We can blame Big Tech
AKA tech monopolies



World's biggest companies change from 2006 vs 2016

From "Move Fast and Break Things" by Jonathan Taplin



Got so big so fast

What does this mean for cyber?

No incentive to innovate or secure



Initial judgement was to break up Microsoft, appealed and reversed
We used to say:

"Bill Gates is only good at marketing, not good products"

"Nobody has a choice but to use MS"

"MS doesn't care about security - they have no competition so what do they care"

We used to put the dollar sign in Micro\$oft

MS building vulnerable software and then selling you security services, seems unethical

Still today almost 80% market share

"WE NEED TO BUILD ON THE LESSONS FROM THE INTERNET AND STOP MICROSOFT'S EFFORTS TO TRANSFORM THE INTERNET INTO A PRIVATE NETWORK DOMINATED BY A SINGLE, RUTHLESS COMPANY."

RALPH NADER

WHY MICROSOFT MUST BE STOPPED, 1998

Ralph Nader - Public safety advocate, activist, writer, lecturer, reformer, presidential candidate

words are true 21 years later

Facebook didn't exist in 1998

Google and Amazon were small in 1998

- just "search engine" and "online books"

Apple didn't have iphone, ipads, or even ipods yet. Small niche player in 1998

CISCO ASA - 31%

CHECK POINT - 15%

PALO ALTO - 10%

FORTINET - 10%

2015 FIREWALL

MARKETSHARE

Cisco ASA firewall dominates the FW market

CHECK POINT LEADER

PALO ALTO LEADER

FORTINET CHALLENGER

CISCO ASA CHALLENGER

2015 FIREWALL

GARTNER RATING

Does ASA dominate because it's the best?

No, it's not the best firewall

CISCO 60% ROUTER MARKET DOMINATION

"BUY TWO ROUTERS, GET ONE FIREWALL FREE!"

Cisco domination of router & switch market led to ASA being installed everywhere

Which led to poor security

For many years ASA was a glorified router

Directly impacting our private data since these are installed around the world

NOBODY
LEFT FACEBOOK
FOR A **COMPETITOR**
AFTER THE
CAMBRIDGE ANALYTICA
SCANDAL.

FB GREW TO 2.2B MO USERS

PROFIT UP 63%

There is no “free market” to fix this
The “invisible hand” won’t fix this
We can’t “vote with our dollars”
You can’t get away from FB if you
wanted to

\$125 BILLION

CYBER SECURITY INDUSTRY

We can blame the cyber security
industry
A massive market
Yet things still get worse year by year
Problems aren’t getting solved

**“THE SECURITY INDUSTRY
PROFITS FROM THE
INSECURITY OF COMPUTING
AT AN ECONOMIC LEVEL.”**

MALCOLM HARKINS CSO CYMATIC, CSO CYLANCE, VP INTEL
@PROTECTTOENABLE

Malcolm Harkins - Cymatic, Cylance,
Intel, speaker, writer
There’s an inherent conflict of interest -
cyber companies don’t actually want to
fix the problem.
If problem was fixed, we’d all be out of a
job
Malcolm Harkins -“The Rise of the
Cyber Industrial Complex”

JUST IGNORE THE RISK

CYBER INSURANCE WILL COVER IT!*
* SOME RESTRICTIONS APPLY

\$23B BY 2025

Cyber insurance, interesting
development, since insurance
companies are denying claims because
companies aren’t following sec best
practices. May end up driving sec
innovation

SOFTWARE DEVELOPERS

0/10

TOP COMP SCI SCHOOLS
REQUIRE SEC COURSE

80%

DEV JOB LISTINGS
EXCLUDE "SECURITY"

We can blame software developers
(programmers)

Software they write are vulnerable to
exploits

Devs aren't trained or hired for sec skills

DEVOPS

"THE PHOENIX PROJECT"

**TREATS SEC AS A HINDRANCE
TO PUSH ASIDE**

Half of developers say there isn't time
for security

IT decision makers say sec and net are
not in close enough contact

Not all Devops treat sec as a hindrance
but it's common

ZERO FLAWS

IN SPACE SHUTTLE SOFTWARE
\$????? PER LINE

Hey, it's possible. just cost money

Medical devices have higher standards
required. So it's possible

CEOs

"THE BIGGEST REASON
COMPANIES DON'T PROTECT OUR DATA
ONLINE IS THAT IT'S CHEAPER FOR
THEM NOT TO."

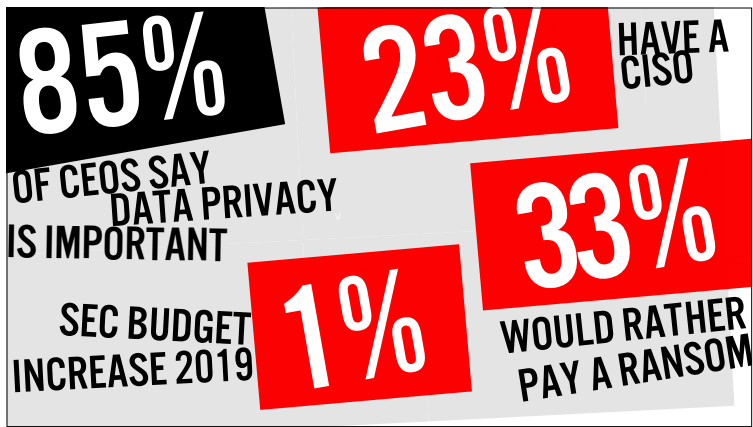
- BRUCE SCHNEIER
@SCHNEIERBLOG

We can blame CEOs

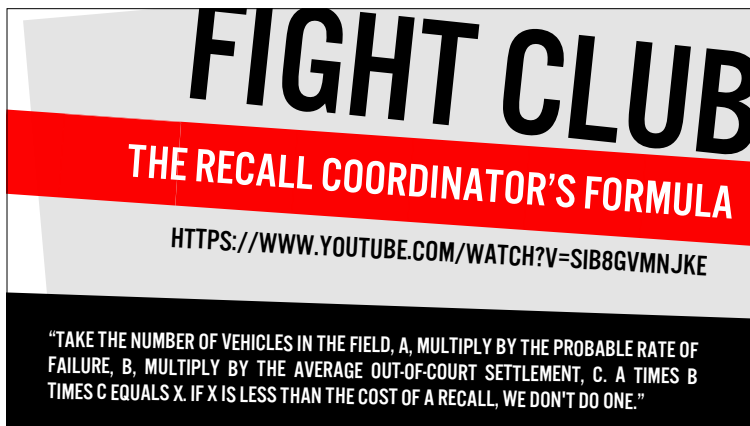
If you take away two things - this one
too. Take a photo

CEOs want 4 new rolexes, not just 3

Bruce - cryptographer, computer
security professional, privacy specialist,
writer, former RSS Keynote



CEOs talk the talk but don't walk the walk



This video is basically the current state of cyber security.



We can blame CISOs and sec pros
I've seen it first hand - Techs and executives speak different languages



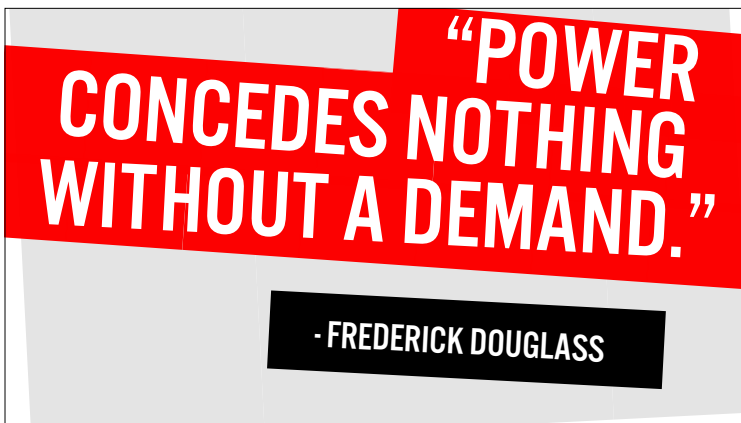
Sec pros deflect blame to end users and don't take responsibility
Ira - sec pro, speaker, former DoD, former RSS keynote



Sec pros are trained to consider only monetary cost



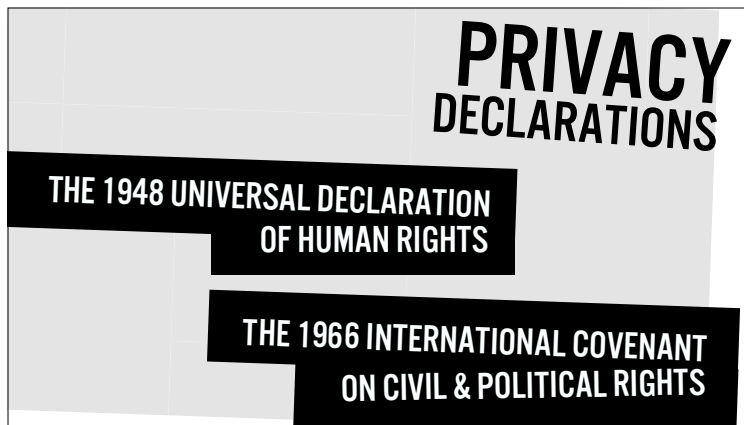
what can we as citizens do about data breaches?
a 12-step program



Data privacy is a struggle between citizens and powerful interests



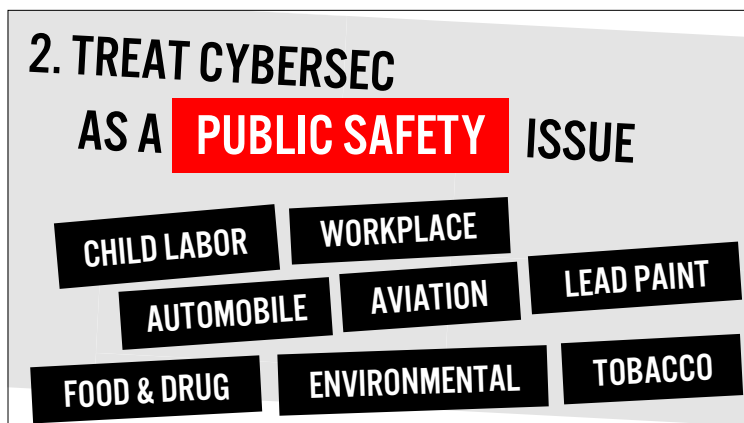
Acknowledge that data breaches have a real human cost
Humans have a right to not have their personal data stolen and used against them
This will push responsibility up
Change the narrative



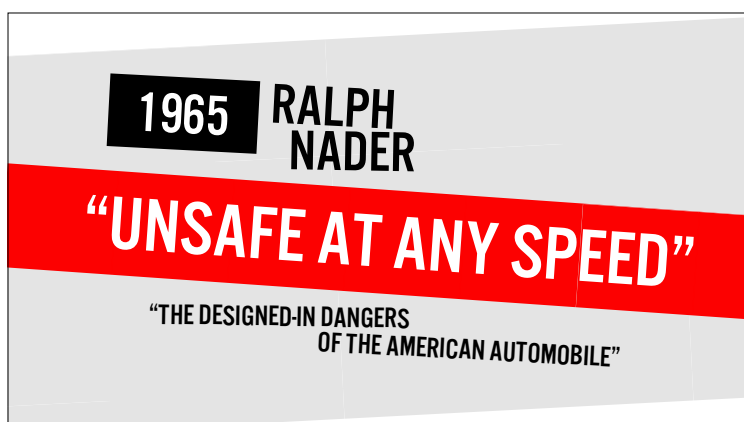
Two major international declarations of privacy as a human right



Many other quotes



Americans have a long history of citizens fighting for public safety and human rights against powerful interests



Manufacturers ignored safety concerns tire pressure, swing-axle suspension, chrome dashboards, non-standardized shift patterns, workmanship problems, opposed solutions such as seat belts and crash testing, all out of concern for cost.

car manufacturers created road safety guidelines that focused on DRIVERS (aka. users) and roads to distract from

the real problems of car safety. sounds familiar



Let's not ask, let's force.

Reg - Greycastle, CIS, RSS 2019

Keynote

Pro-business guy

Greycastle talks about security ROI, sec as business (which I disagree w) but maybe it's dawning on him (shower thought)



115th Congress, 226 pieces of legislation that focused primarily or tangentially on cybersecurity the 114th Congress introduced only 22 bills on the issue

Secure Elections Act. Kamala Harris

DETER Act - Rubio

DEFEND Act - Harris

CCCA - Gillibrand

Data Breach Prevention and

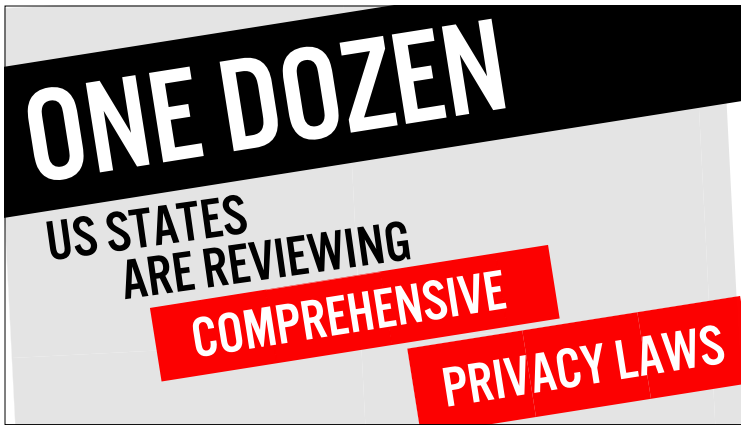
Compensation Act - Warren and Warner.

IoT Cybersecurity Improvement Act of 2019 - Warner

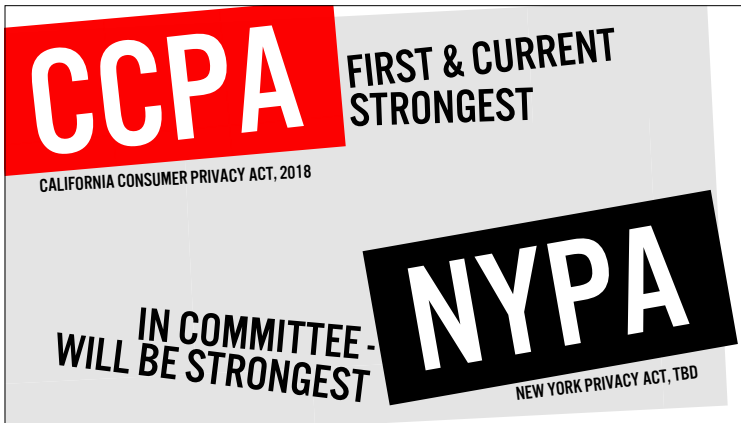
Consumer Data Protection Act' - Sen Ron Rynden (D-OR)

ADD - Rubio

Many others



About a dozen states have comprehensive privacy laws currently under Committee review. Only 3 so far have them as previously discussed (CA, NV, ME)

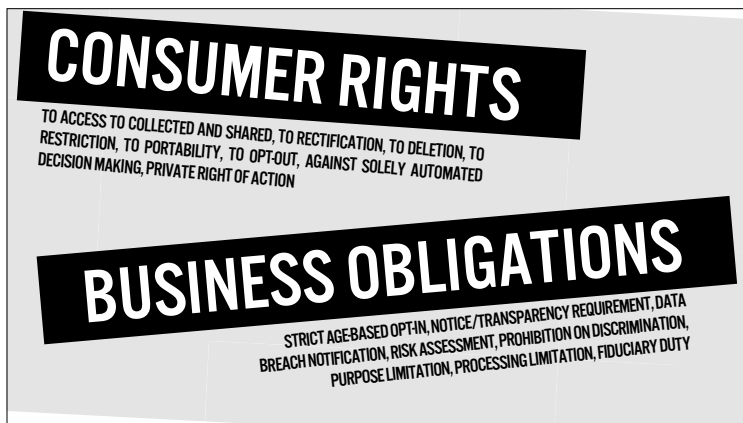


Also, In July 2019, New York signed into law the Stop Hacks and Improve Electronic Data Security Handling Act (SHIELD Act, 2019) which updates and broadens data breach enforcement laws.



Can't talk about data privacy laws without mentioning GDPR
Most comprehensive data privacy law in the world
Many state-level US laws are GDPR-inspired
The GDPR contains key principles:
Our data can only be collected for a specific purpose
We must consent to the purpose that our data is collected
Only the data needed to achieve this purpose should be collected
Collected data must be deleted at our request or when it's no longer needed
Integrity and confidentiality
Accountability and compliance
Applies to all companies that collect, process, or hold data from users in the EU - global impact, not just EU.

Penalties as high as €20 million or 4% of annual global revenue, whichever is greater.



Proposed US state laws have many provisions in common with GDPR



Two particularly interesting provisions
Private right of action/recourse -
Allowing consumers to sue
Data fiduciary - Similar to doctors and lawyers, a professional relationship.
Yale Law School Professor Jack Balkin
Opposed by some for not going far enough - companies shouldn't have our data at all



I reached out to NY Sen Rich Funke (R) via facebook to ask why he voted against the NY SHIELD Act which passed July 2019. he said local hospitals opposed the act due to overlapping requirements with hipaa and other regulations. i read the law and saw several sections that said hipaa and other regs were exempt, let him know this. he said. "that's not how i read it". i

don't think he read it



Gilded age anti-monopoly action from 100 years ago

But brakes put on anti-trust action since the 80s

Matt - Fellow @ Open Markets Institute, writer, policy advisor, author

Lina - Academic Fellow at Columbia Law School, researcher, writer, "Amazon's Antitrust Paradox"



Very liberal and very conservative agree. Interesting!



News right now of attempts to defang current state laws

Or to pass a watered-down federal law to supersede

EFF and others raising awareness

1920s CHILD LABOR LAWS

"FAVORED BY BOLSHEVISTS AND COMMUNISTS"

- NATIONAL ASSOCIATION OF MANUFACTURERS
- EXECUTIVE COMMITTEE OF SOUTHERN COTTON MANUFACTURERS
- SOUTHERN TEXTILES ASSOCIATION

1920s child labor laws were opposed by industry groups
Gilded Age Era trust busting, industry regulation, consumer protection, and other laws
"the progressive era"

1970 CLEAN AIR ACT

"UNOBTAINABLE"

"DISASTROUSLY EXPENSIVE"

"ENVIRONMENTALLY UNNECESSARY"

- CAR MANUFACTURERS

Lobbied against. Fought installation of catalytic converters.
"no roi"

CCPA

"DEEPLY FLAWED"

"UNWORKABLE"

"RUSHED"

- TECH LOBBYISTS

Tech lobbyists, chamber of commerce
Making it more "business friendly"
Defang, water down, take away consumer rights, reduce business obligations

6. ENACT A COMPREHENSIVE ENFORCEMENT STRATEGY

LARGER ROLE FOR ENFORCEMENT

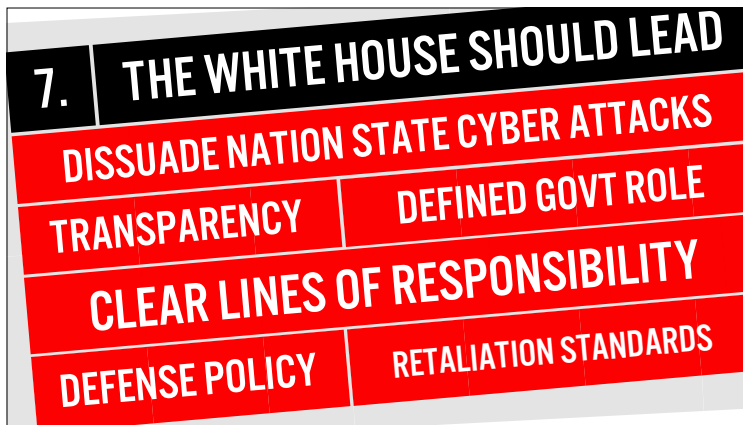
BETTER ATTRIBUTION

BUILD A HIGHLY SKILLED FORCE

BETTER INTERNATIONAL COOPERATION

SANCTIONS & REWARDS

We talked about how less than 1% of breaches have a law enforcement action



Dissuade - we saw Obama stand up to the Chinese in a rare instance and cyber attacks dropped off for months



Malcolm Harkins “prevention before detection, prevention before profit”

Detection is too late

If your business model involves a violation of my data privacy, then you need a new business model.

There is no ROI with security just as there is no ROI with car safety or child labor laws.

If data privacy is a human right then just do the right thing and pony up

Companies shouldn't be allowed to choose if they want to protect my data privacy or not



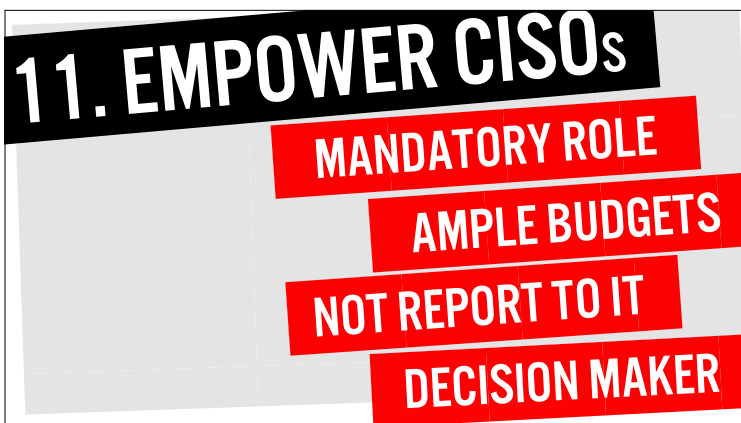
Security should be a crucial part of every org



If there is a breach, the victim should list all of their security controls that failed to stop it (firewall, endpoint, etc)
Vendors make wild claims. where are the warranties? guarantees?
Third party testing has done a great job lately in upholding higher quality standards
Malcom Harkins ideas



Security “shift-left” - marriage of devops and security
Kelly Shortridge @swagitda_ VP, researcher, writer, speaker, product manager, former RSS keynote
Controlled Chaos



ciso seat at the table



Stop deflecting blame and take responsibility
User risk needs to be managed
Links are made for clicking. Emails are made for opening. Apps are made for installing.
Human nature is to take the path of least resistance.
People just want to get work done.
If we treat data privacy as a human right

it will push responsibility up
Don't allow other groups off the hook

tyty



REFERENCES

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