

Crisis 4.0: Lack of Security and Privacy Could Kill Digitalization

Hans-Joachim Hof
hof@insi.science

Munich IT Security Research Group
Munich University of Applied Sciences

INSicherheit – Ingolstädter Forschungsgruppe angewandte
IT-Sicherheit, Technische Universität Ingolstadt

Digitalization

=

Increasing interconnection between humans and/or machines

Digitalization

=

Increasing number of automated data acquisition and data analysis

Digitalization

=

Exploitation and access to big data

Digitalization



Digitalization
=
IT Everywhere

My personal digitalization

IFTTT

My personal digitalization

IFTTT

Recipe

if this then that

Trigger

Action

My personal digitalization



IFTTT

if this then that

Recipe

Trigger

Action

if  **then** 



Make a grand entrance with Philips hue + IFTTT

by [devin](#) 12k 1.1k

if  **then** 



Crosspost Facebook statuses to LinkedIn only while at work

by [alexander](#) 32 5

if  **then** 



Lost your phone? Text it "lostphone" to turn up ringer volume!

by [calumptrck](#) 74k 1.3k

if  **then** 



If it is going to rain tomorrow, remind me to bring umbrella!

by [l1chen87](#) 4.9k 114

if  **then** 

Mute my phone when I get to the office & turn on vibrate

by [geom84](#) 1.5k 58

if  **then** 


Get a notification on my iPhone or Apple Watch when I receive a call from someone I know

by [ooma](#) 734 2

if  **then** 



If known person arrives at home, then turn off D-Link Smart Plug.

by [saku72](#) 0 0

if  **then** 

Send baby pics to Grandma by Gmail

by [marcnotmark](#) 5 0

if  **then** 

Track new trips in your car with Automatic in a Google Spreadsheet

by [automatic](#) 10k 1.1k

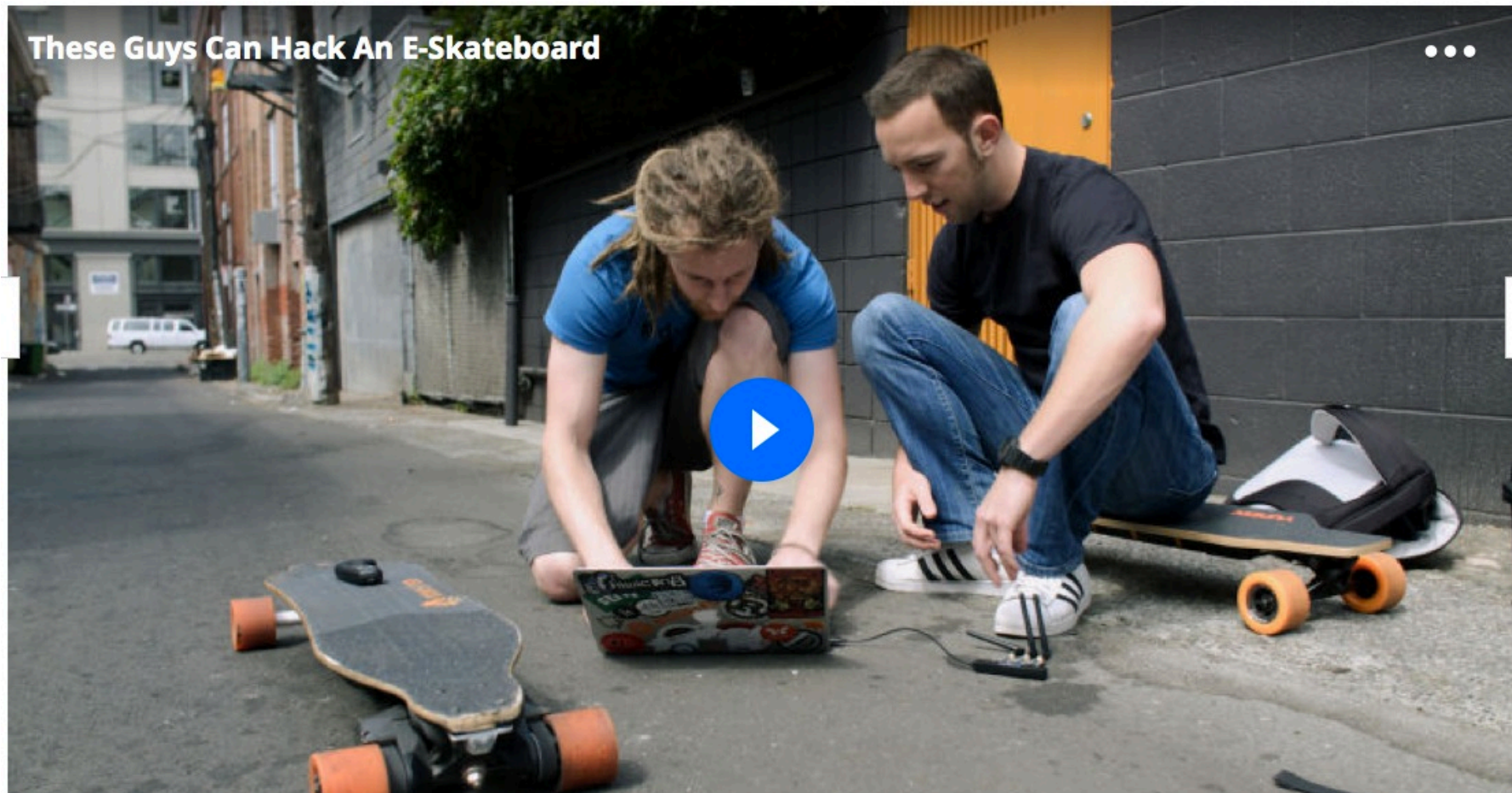
Collection of intelligent things



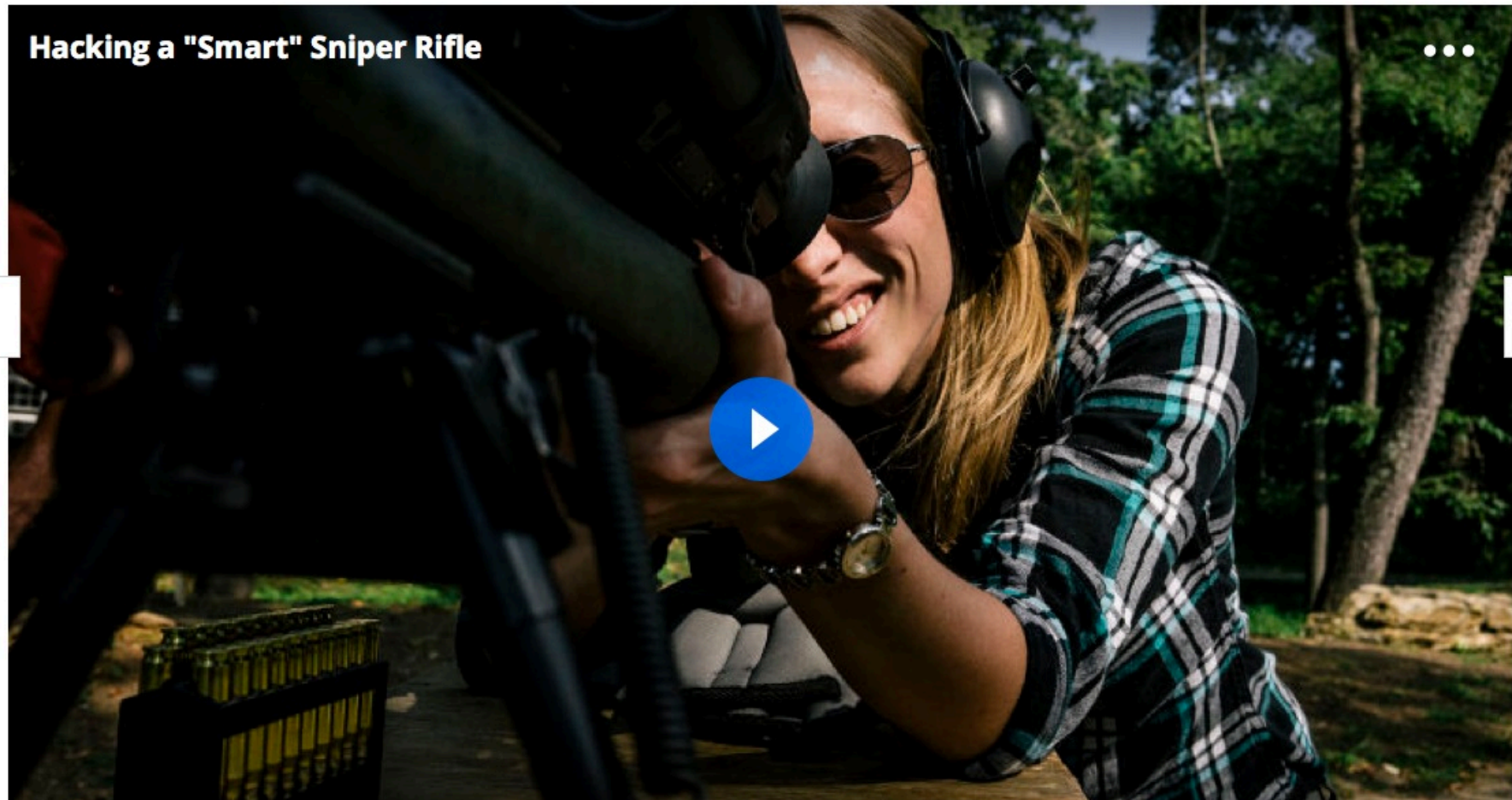
Benefits and drivers of digitalization

- Cost reduction (e.g., increased efficiency, less resource consumption)
- New business models (e.g., digital products + print shop)
- Advanced analysis, better forecasts
- Lifestyle (e.g., fitness, smart home)
- Me too („more than half of surveyed companies (59%) noticed that the disruptive effects of their digital business activities was higher than expected”)
- ...because we can 😊😊😊

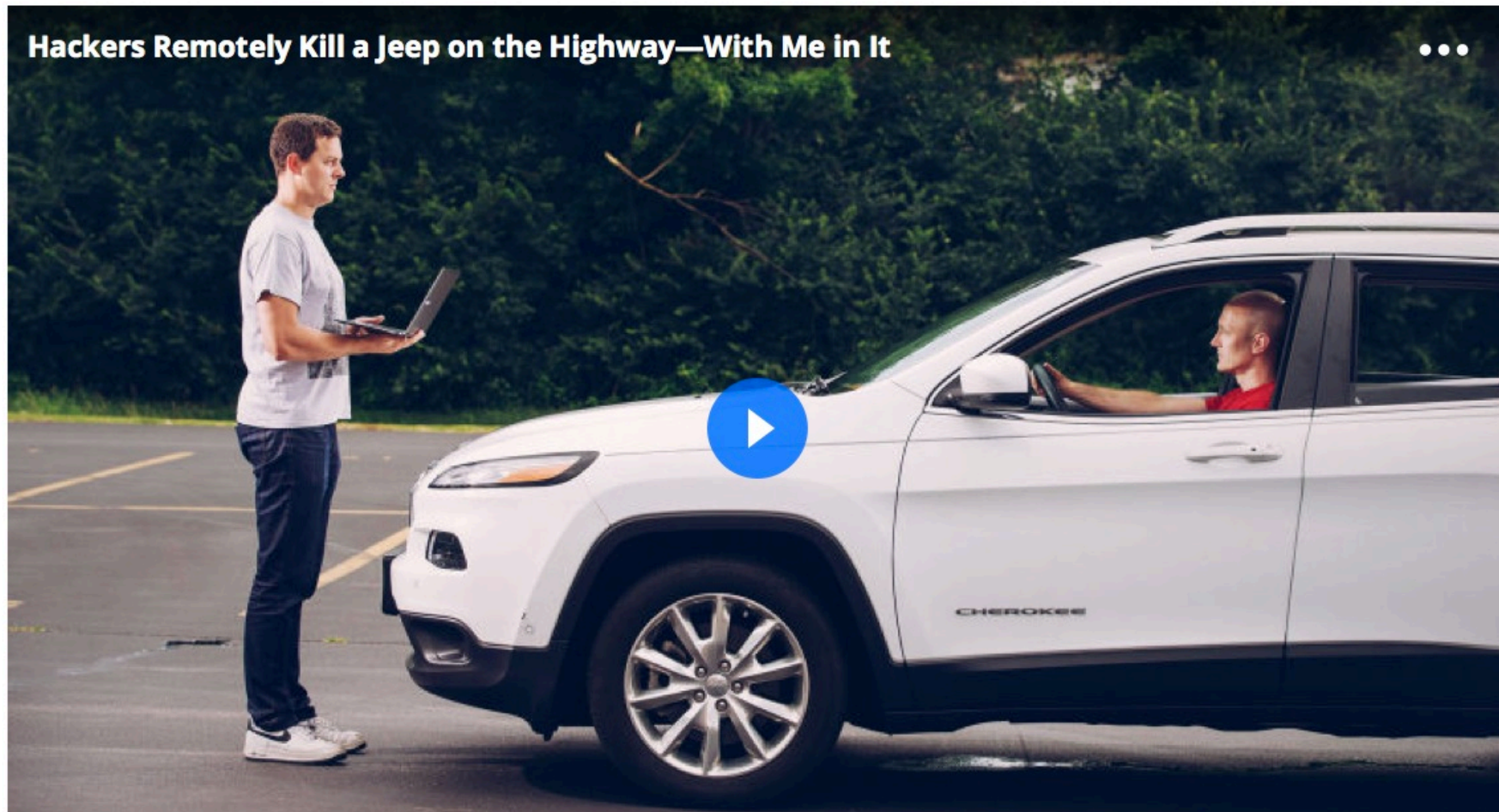
HACKERS CAN SEIZE CONTROL OF ELECTRIC SKATEBOARDS AND TOSS RIDERS



HACKERS CAN DISABLE A SNIPER RIFLE—OR CHANGE ITS TARGET



HACKERS REMOTELY KILL A JEEP ON THE HIGHWAY—WITH ME IN IT



Tesla driver dies in first fatal crash while using autopilot mode

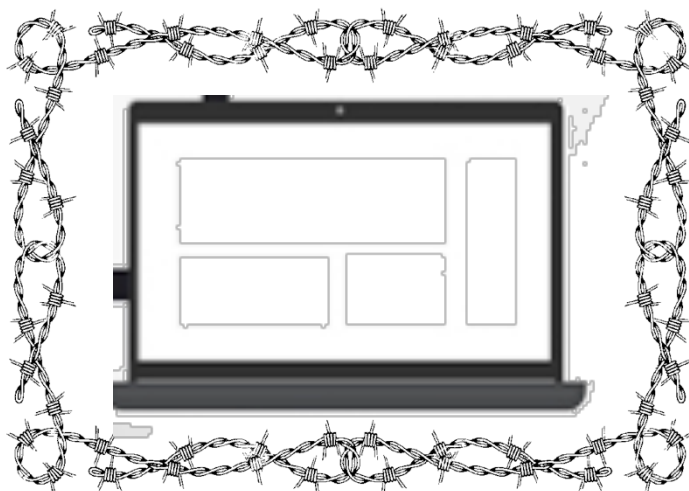
The autopilot sensors on the Model S failed to distinguish a white tractor-trailer crossing the highway against a bright sky



📷 Joshua Brown, the first person to die in a self-driving car accident. Photograph: Facebook

What does digitalization mean for security and privacy?

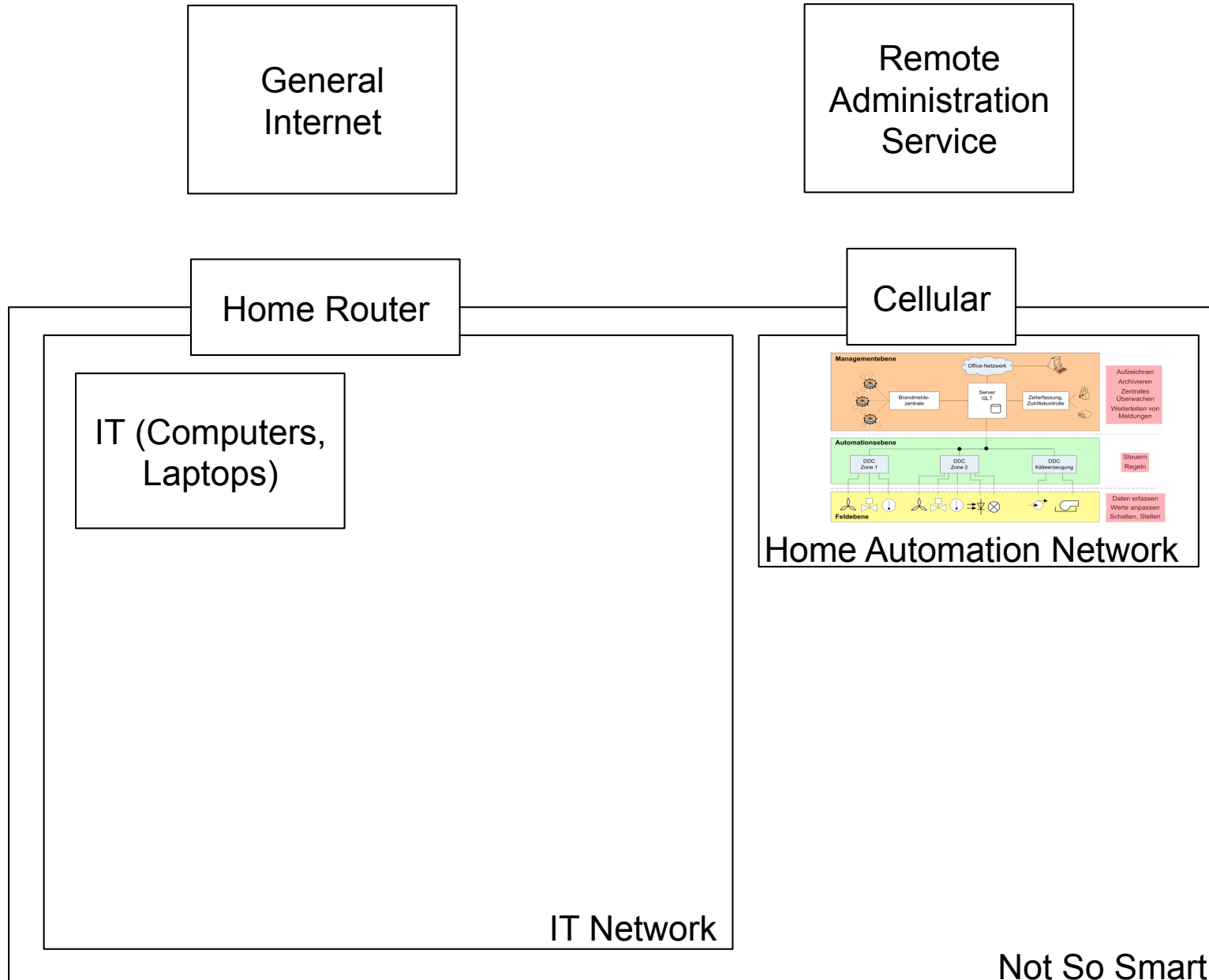
past



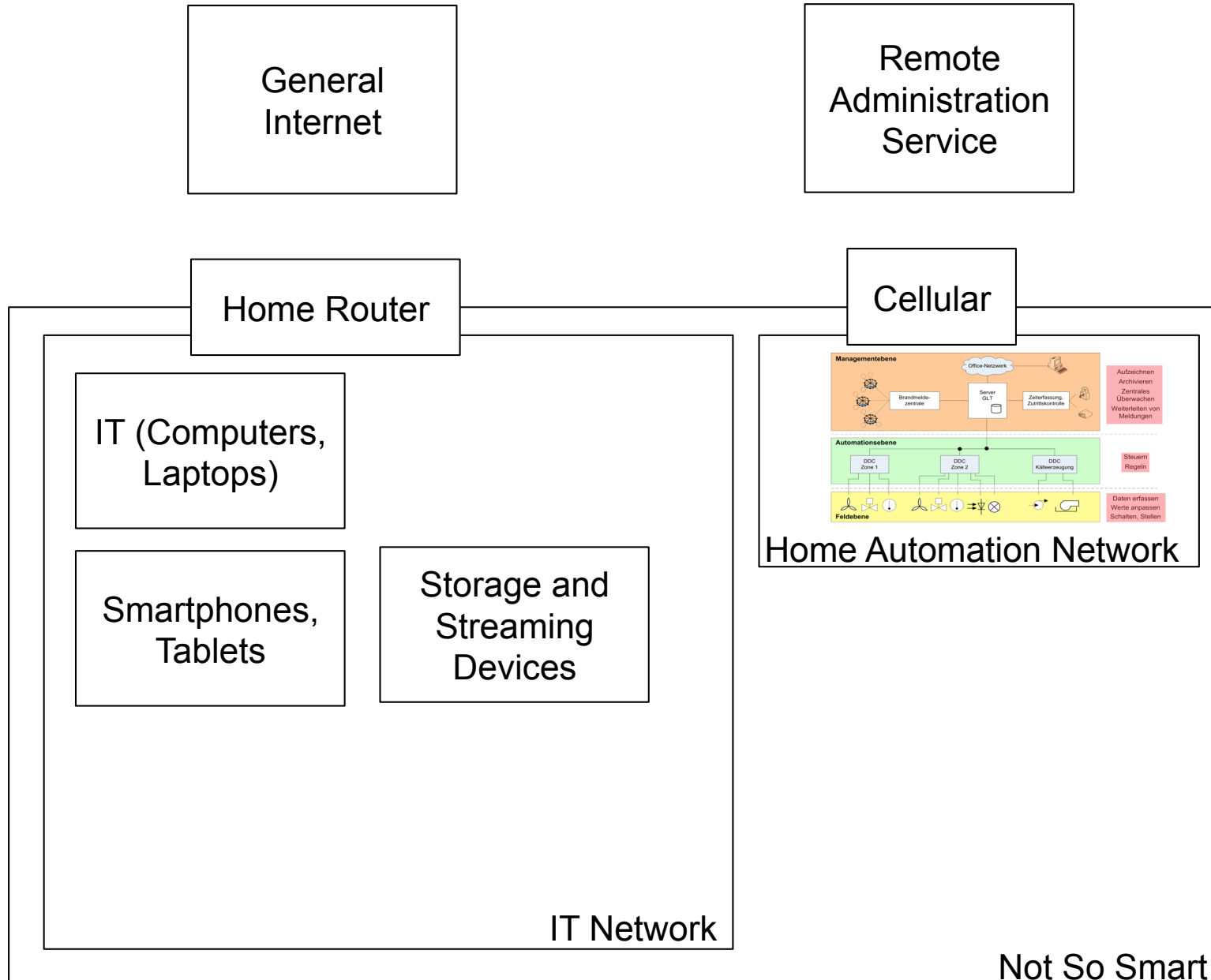
present



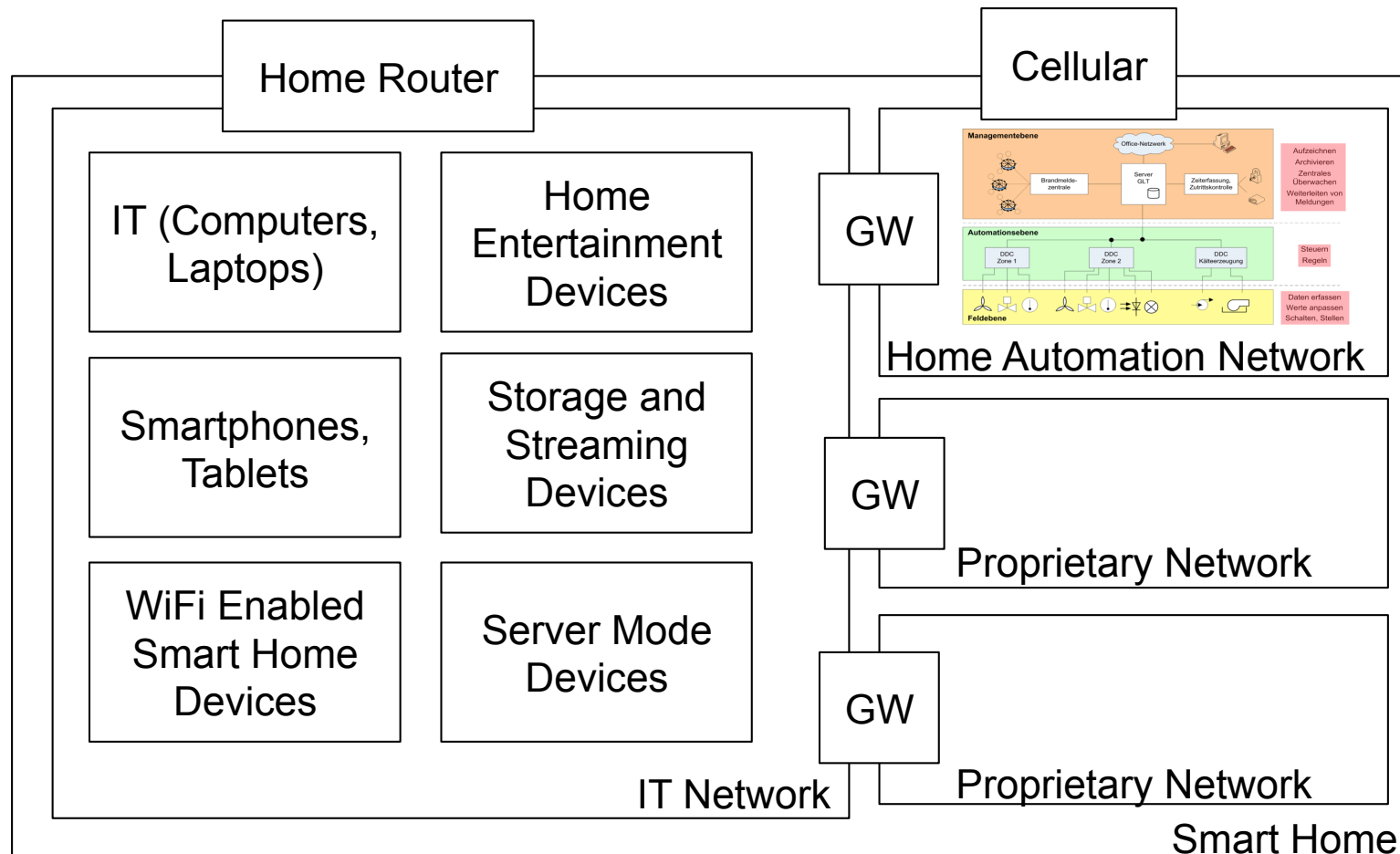
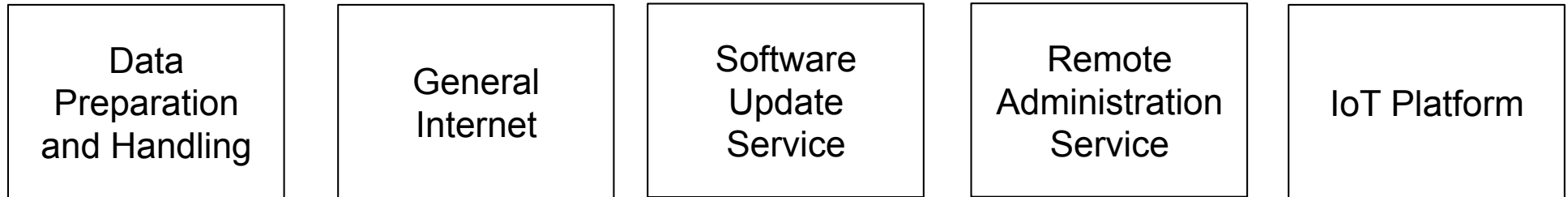
Example: Not so smart home



Example: Not so smart home

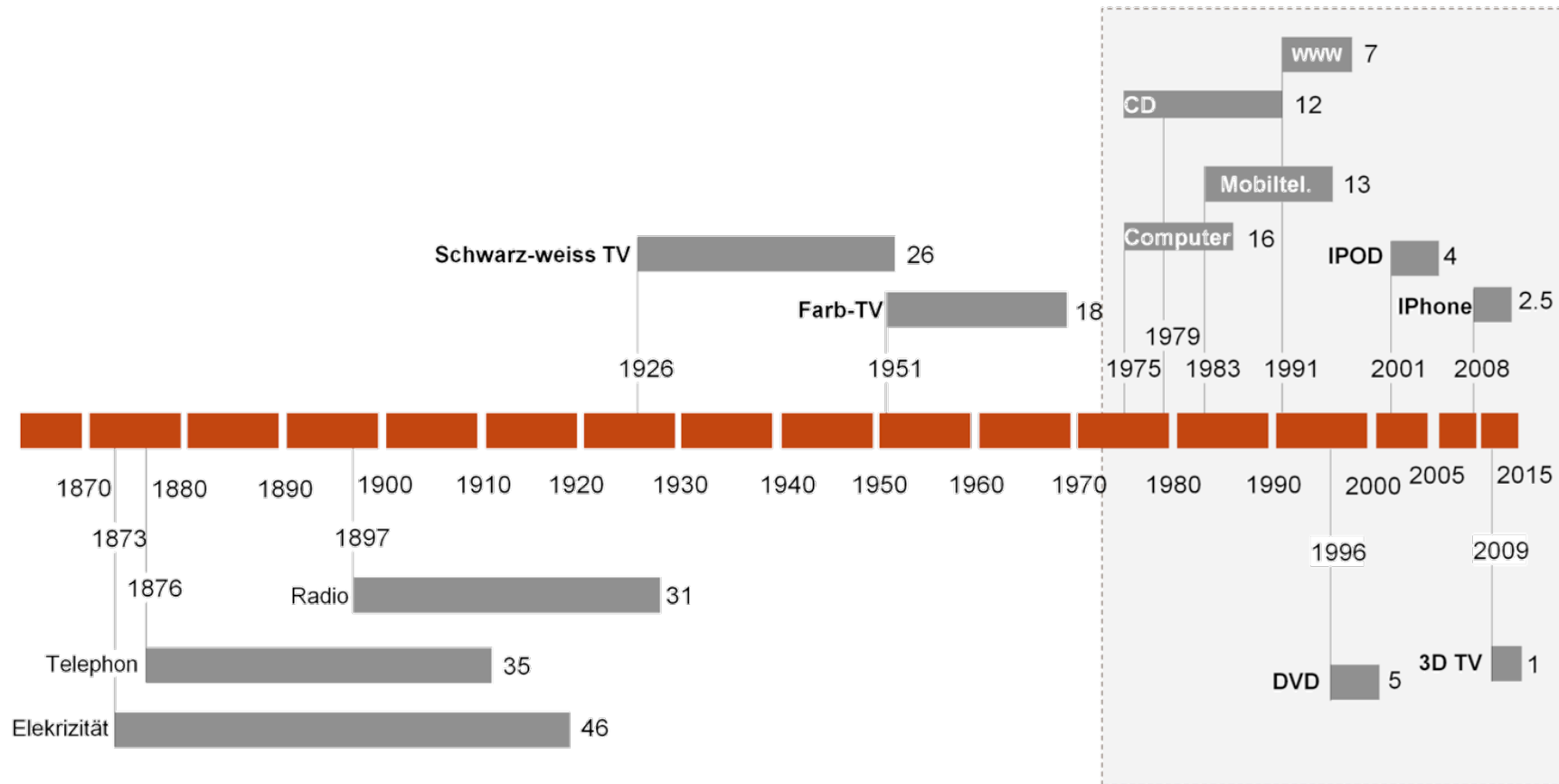


Example: Not so smart home



What does digitalization mean for security and privacy?

Years an innovation needed until ¼ of the population uses it



What does digitalization mean for security and privacy?

- Embedded devices have different constraints
 - Resource efficiency necessary
 - Physical access to devices may be difficult, „installed and forgotten“
 - Other protocols, other development processes
 - Electrical engineers at work ...

- High damage potential (business damage, loss of lifes)

- Diversity of system lifetime (months to decades)

- IT Everywhere => acquisition of privacy relevant data everywhere

Recent security fails

- Configuration error: alarm system with standard password (l:admin p:admin1234, l:1234, p:1234)
- Design errors: Vulnerable key management of ZigBee Home Automation 1.2 used in intelligent door locks
- Programming errors: Buffer overflow in drive used in home routers
- For a lot of fun go to Shodan (www.shodan.io):

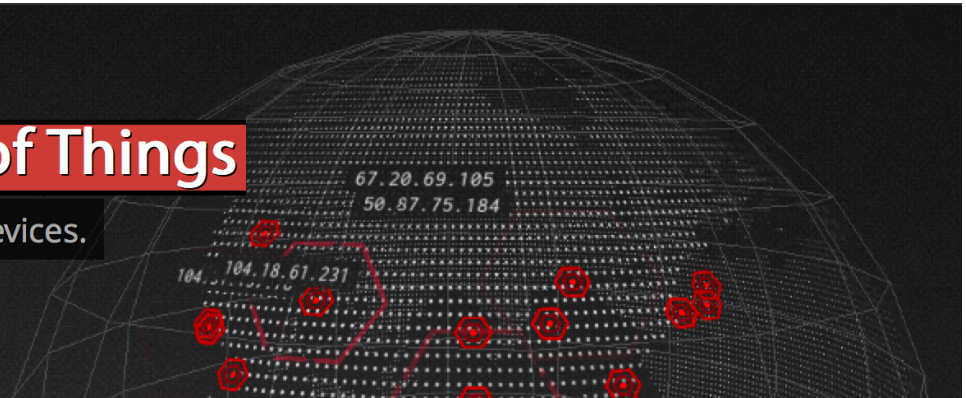
Problems from
the 90s ...

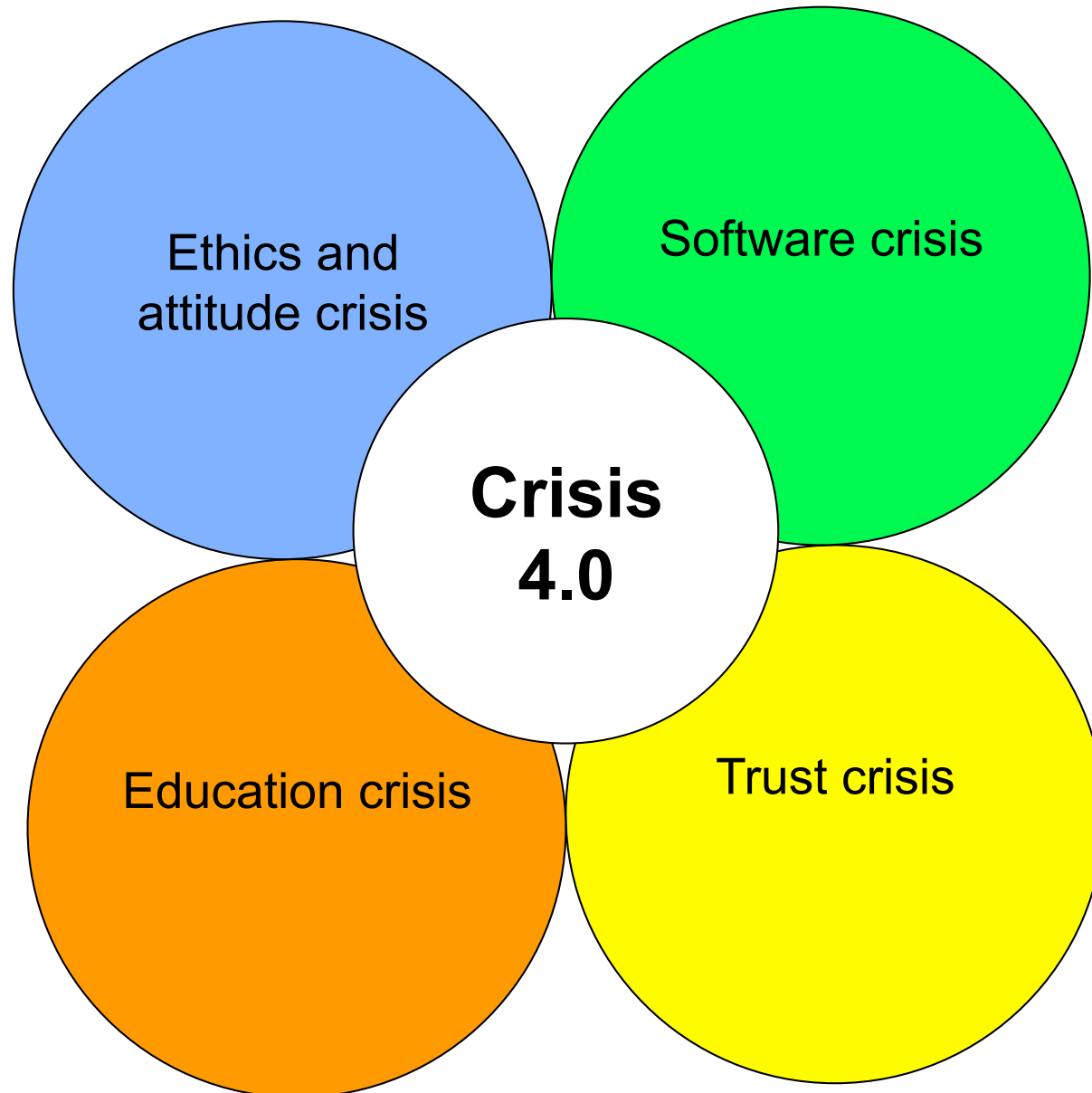
The search engine for **the Internet of Things**

Shodan is the world's first search engine for Internet-connected devices.

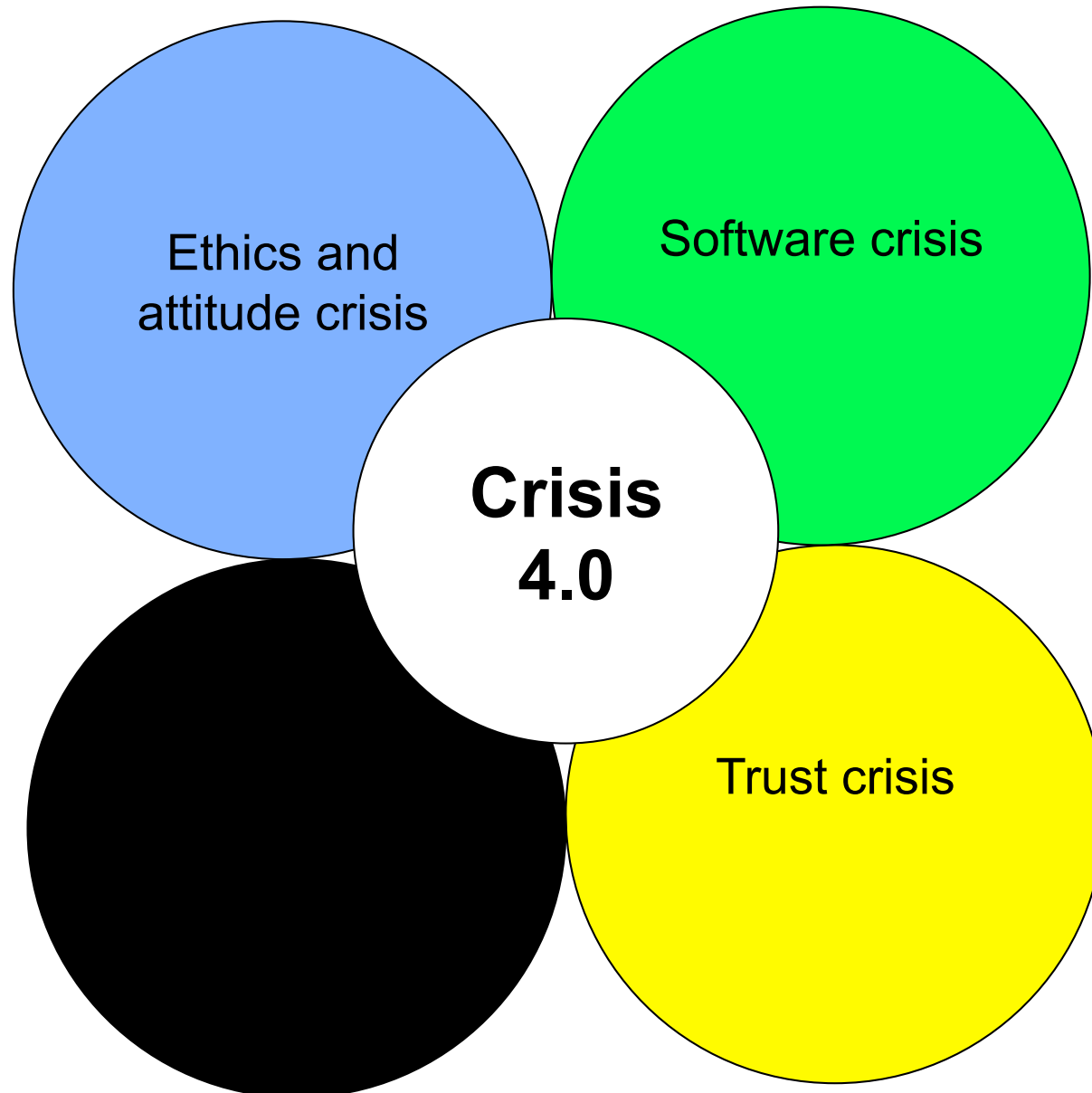
Create a Free Account

Getting Started

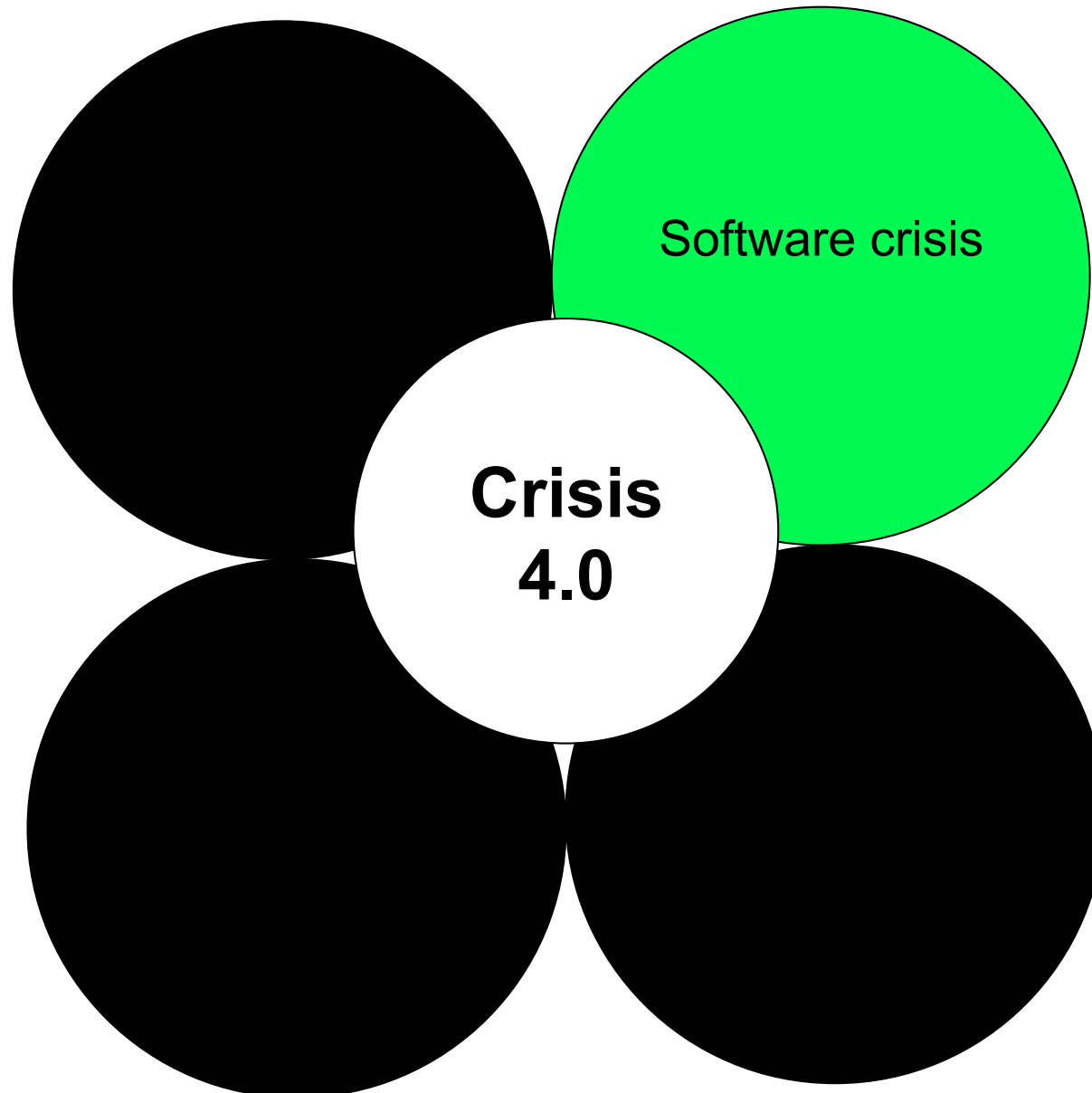




Crisis 4.0 – this talk

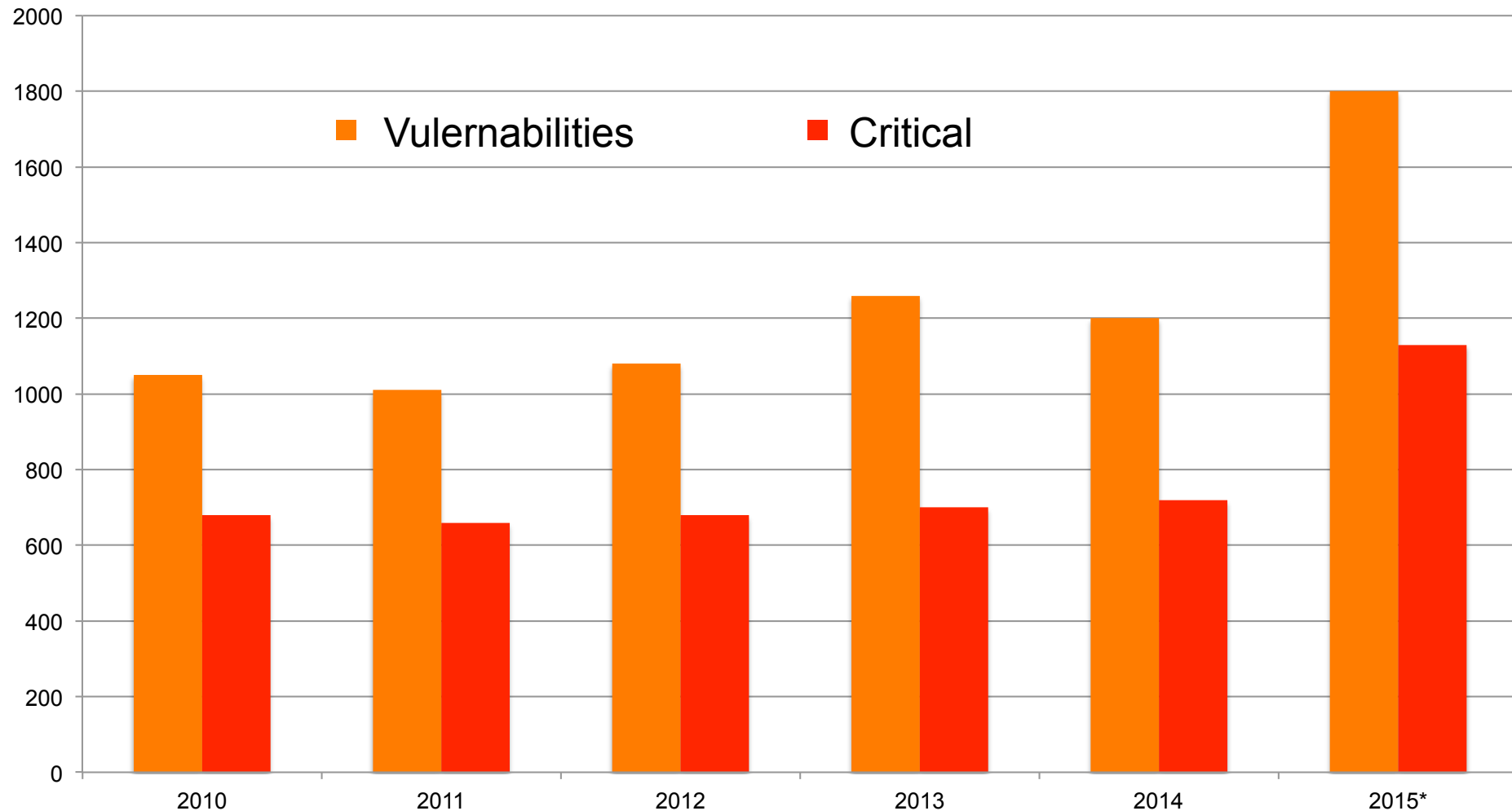


Crisis 4.0 – the software crisis

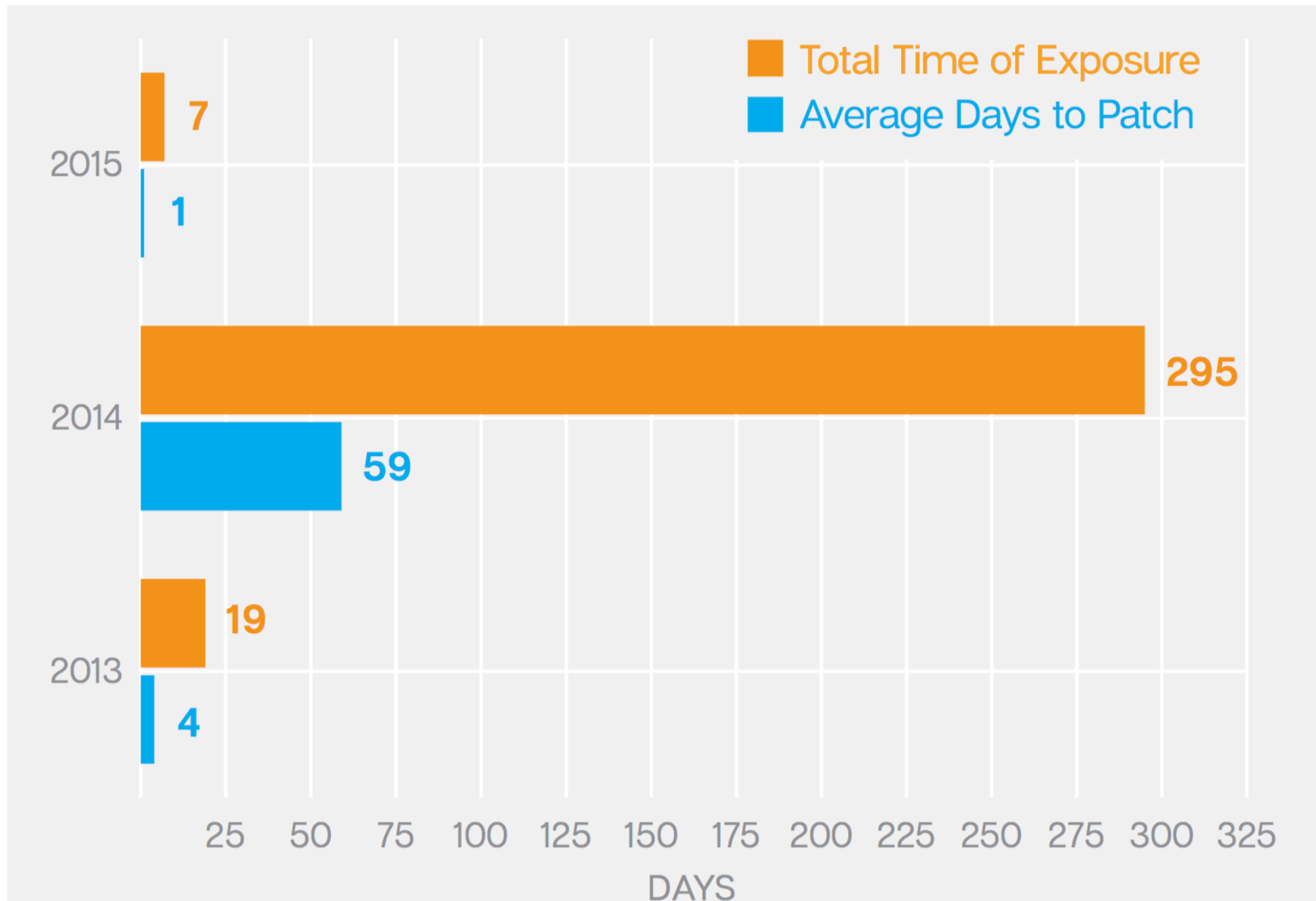


Vulnerabilities

- Vulnerabilities for 13 popular standard software products (BSI):



Software Crisis: Handling of vulnerabilities



Source: Symantec Internet Security Threats Report

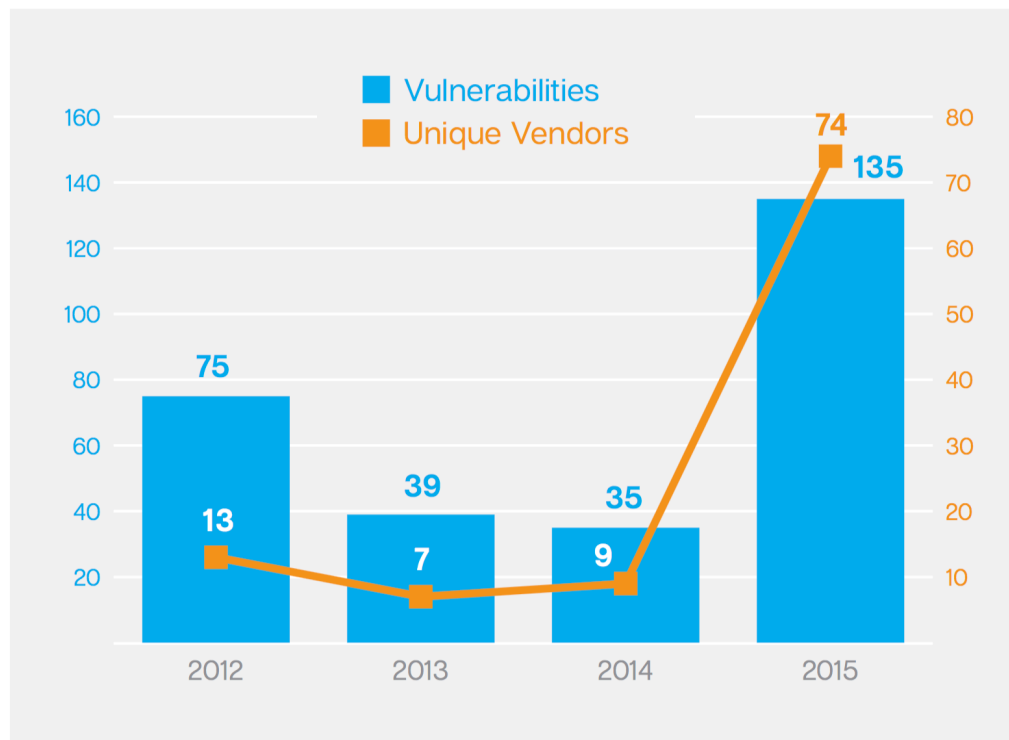
Software Crisis: Handling of vulnerabilities

- Study of Heartbleed attack: Number of vulnerable hosts
 - Day 0 : 600.000
 - Day 0 + 30 : 300.000
 - Day 0 + 60 : 300.000 (!!!)
 - 43 % of admins tried to close vulnerability, only 14% succeeded

- Evaluation of web application vulnerabilities
 - 75% of websites had unpatched vulnerabilities
 - 15% of websites had critical unpatched vulnerabilities
 - Numbers do not change over years!!!

Software Crisis: Can figures be transferred to new domains?

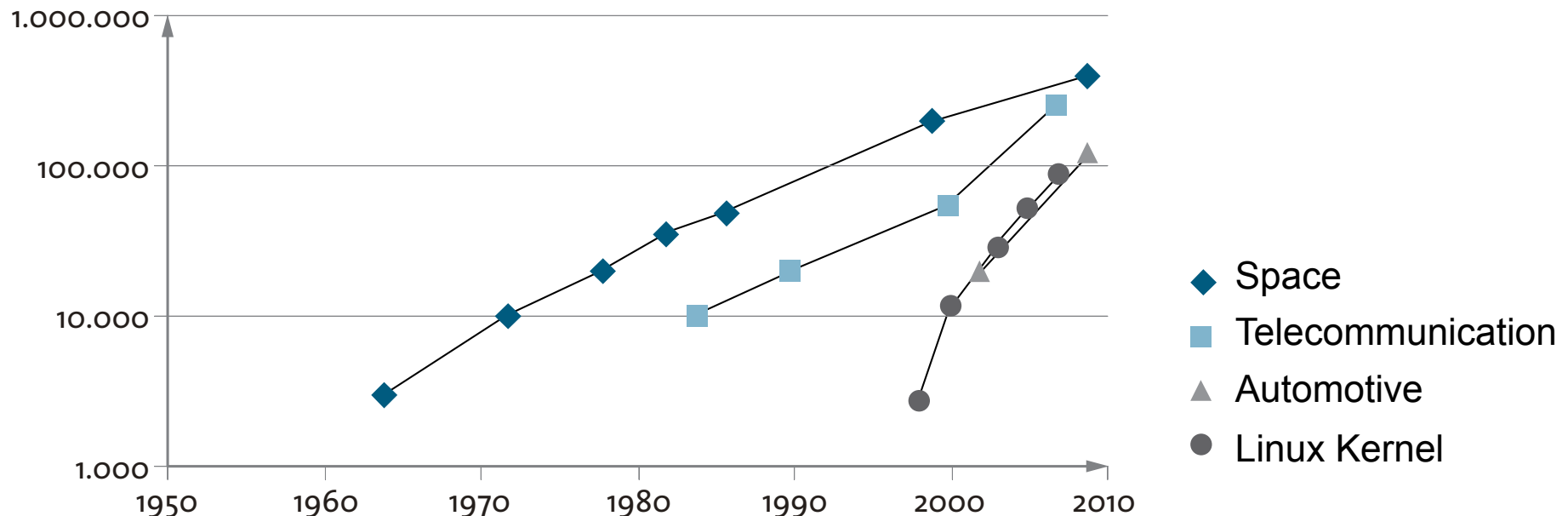
- McAfee: IoT devices often stay unpatched („installed and forgotten“)
- Vulnerabilities of Industrial Control Systems (Symantec):



Software Crisis: Can figures be transferred to new domains?

- Many domains with complexity higher than standard IT

Code-Umfang in 1000 Befehle



Quelle: Bitkom „Eingebettete Systeme – ein strategisches Wachstumsfeld für Deutschland“

- There is hope: Other domains (e.g., automotive) achieve high quality of non-functional requirements (e.g., safety)

Necessary actions



Increase activities to ensure software quality



Design:

- Goal: Resilient systems
- Don't forget a software update mechanism, system may live for a long time
- Learn from safety



Legislation:

- Enforce „Security by Design“ similar to safety and privacy
- We need a law stating a strong liability for software

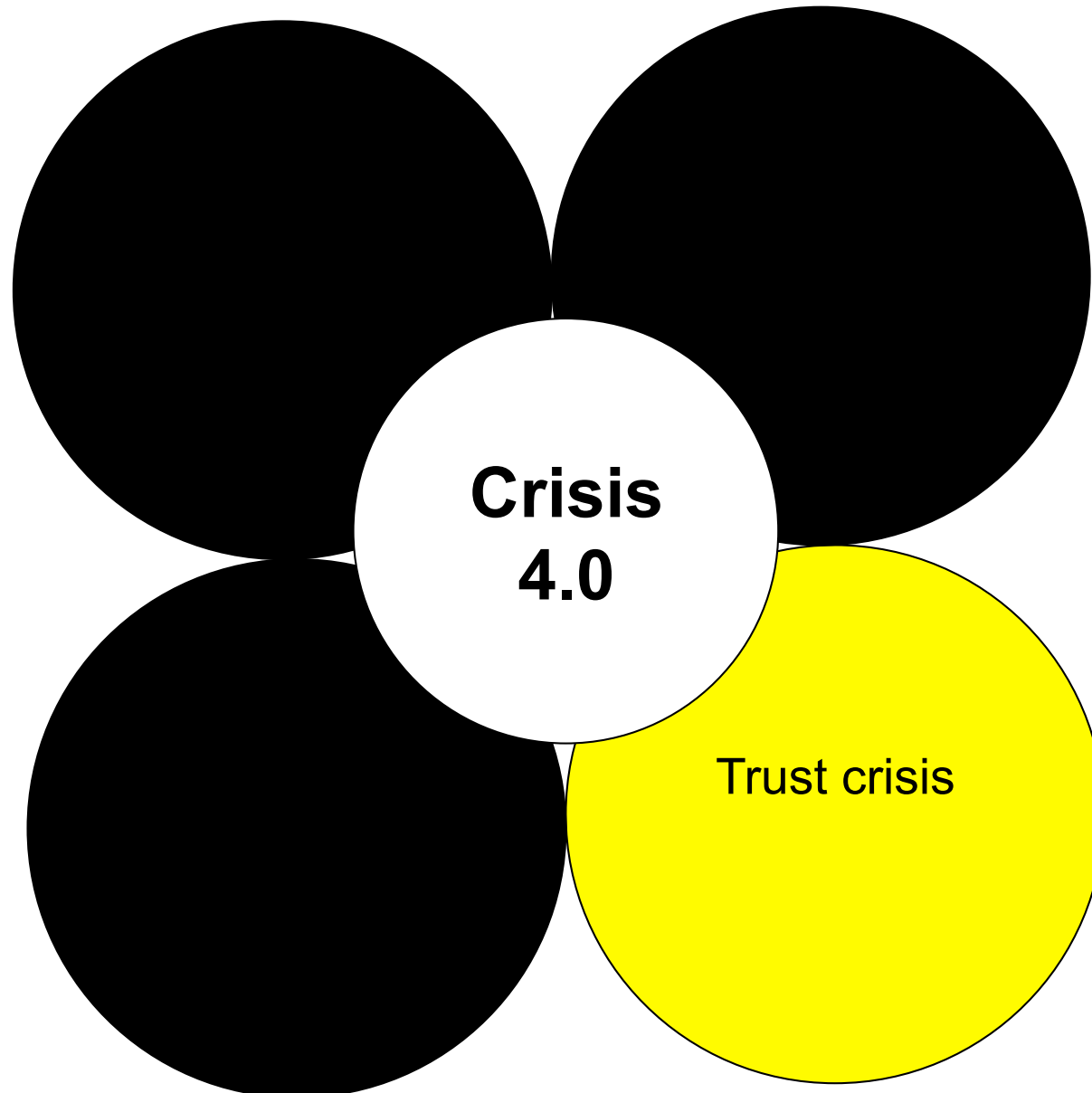


Risk-based approach

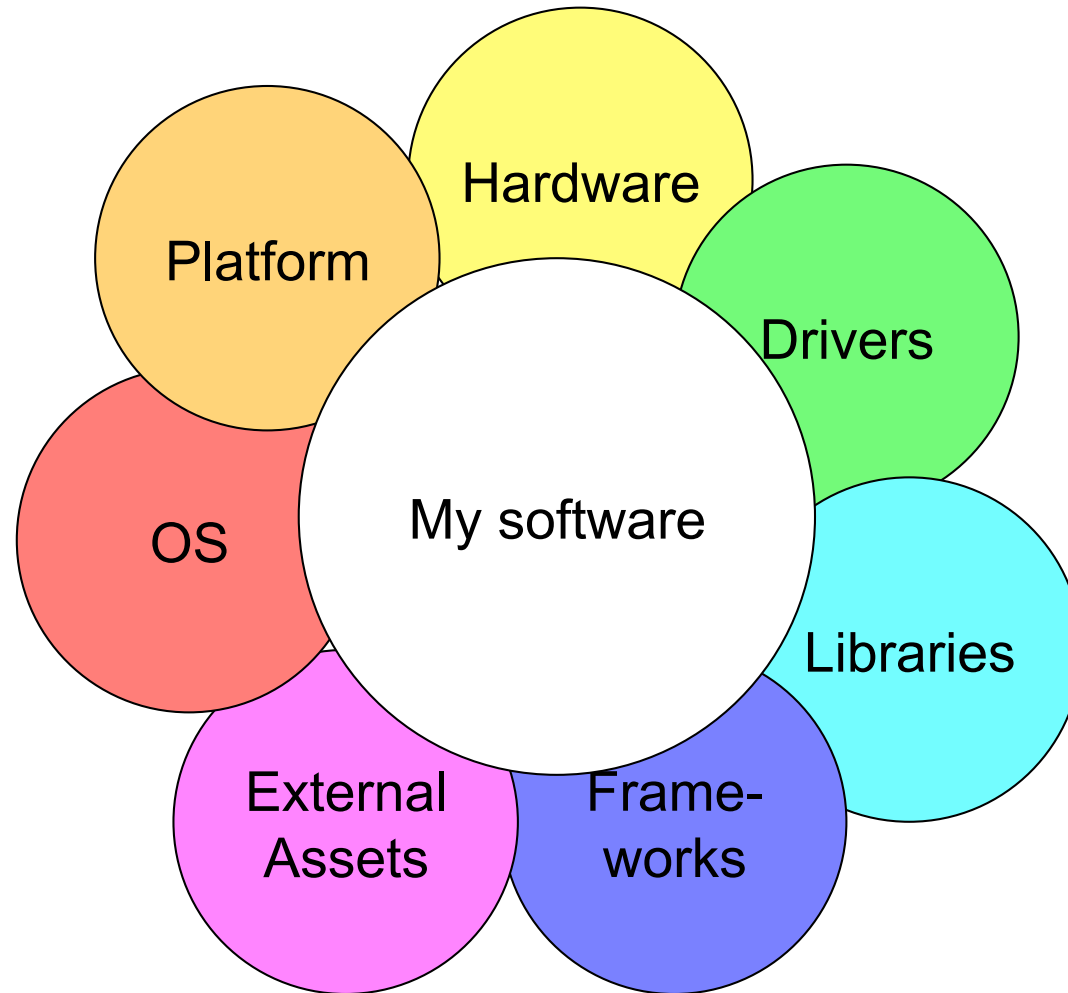
- Goal should be: „zero vulnerabilities“
- Offer transparent risk rating



Increase security education for computer scientists and electrical engineers



External data and code in own software



Examples

- CVE-2015-3036 (04/2015): KCodes NetUSB Linux Kernel driver with buffer overflow vulnerability
 - Used in routers of TP-Link, D-Link, Trendnet, Netgear, Zyxel

- Foscom surveillance camera uses IOTC Platform
 - P2P network for NAT-NAT-Traversal
 - Controlled by a chinese company (ThoroughTek)

- ZigBee Home Automation 1.2

- Buffer Overflow in OpenSSL library (Heartbleed attack)

- ...

Trustworthiness of foreign software

Image removed for web version




Trustworthiness of Open Source Software

- Often heard: „An error in open source software does not go unnoticed for a long time“

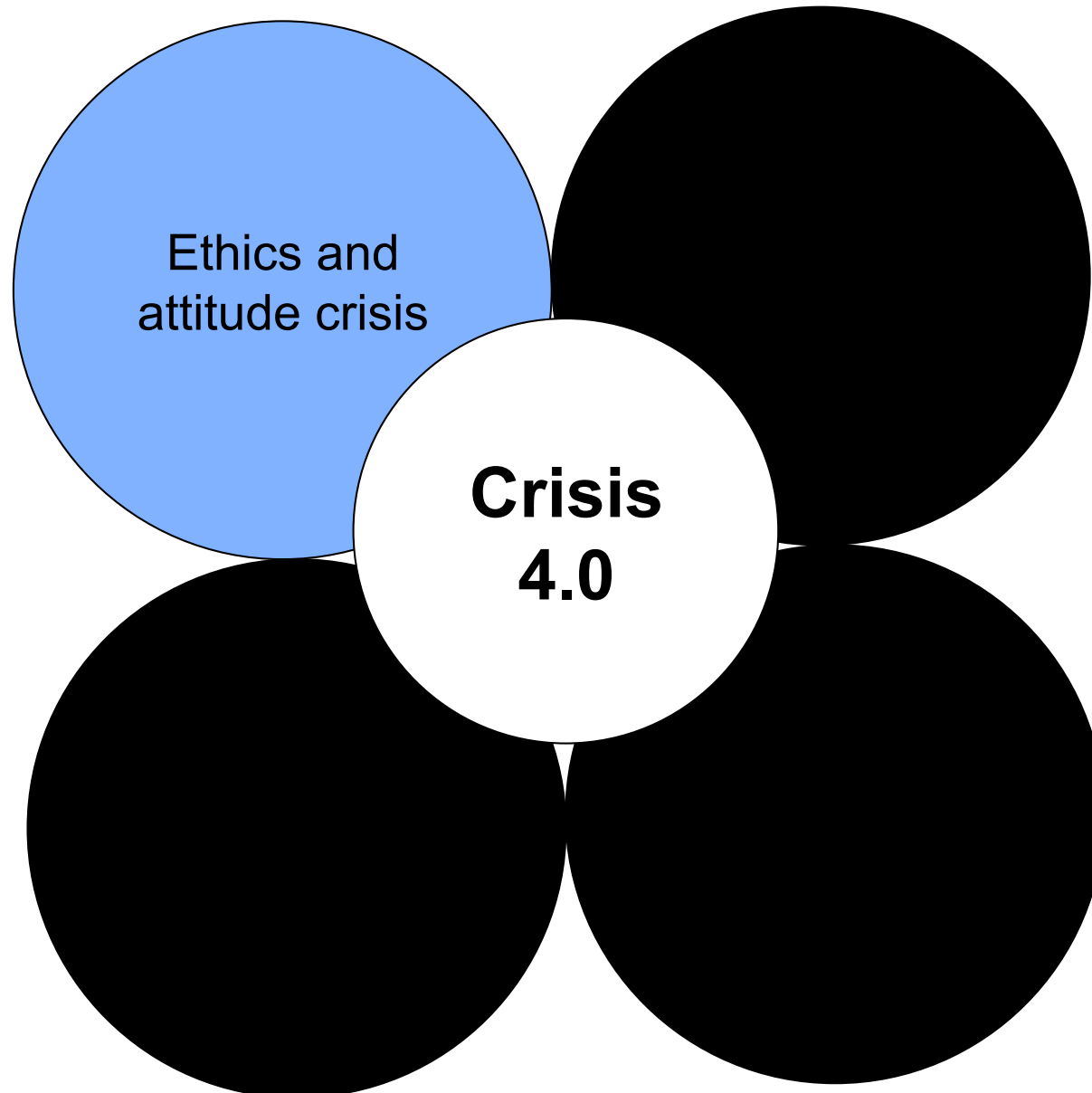
- Recent counterexamples:
 - Heartbleed bug
 - Shell Shock

- It is evident to rethink the use of open source software

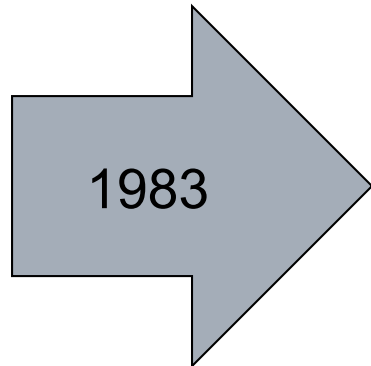
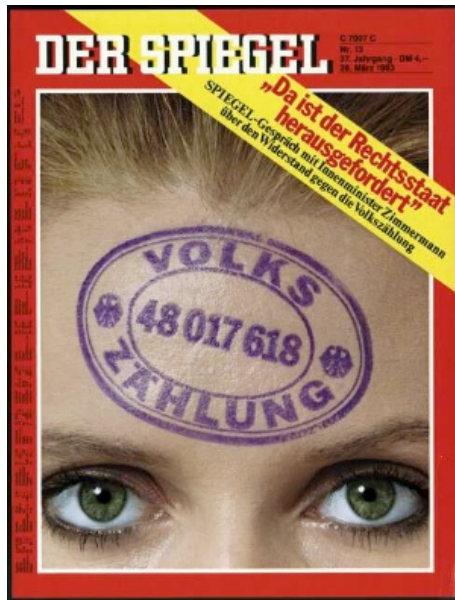
Necessary actions

-  It is necessary to have a European security-certified platform (hardware, OS)
-  We need diversity of critical resources (e.g., crypto library)
-  Developers should not be feature creepers

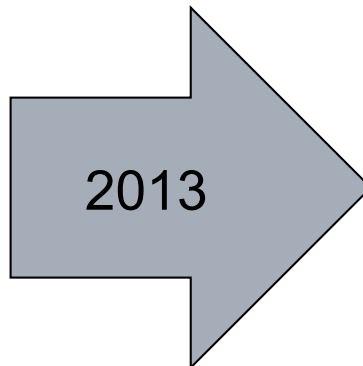
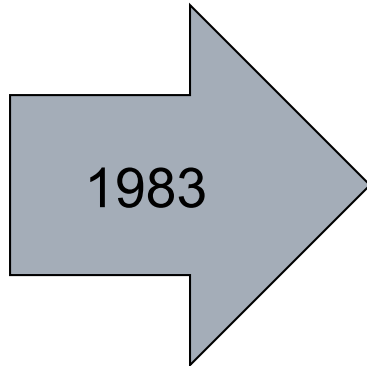
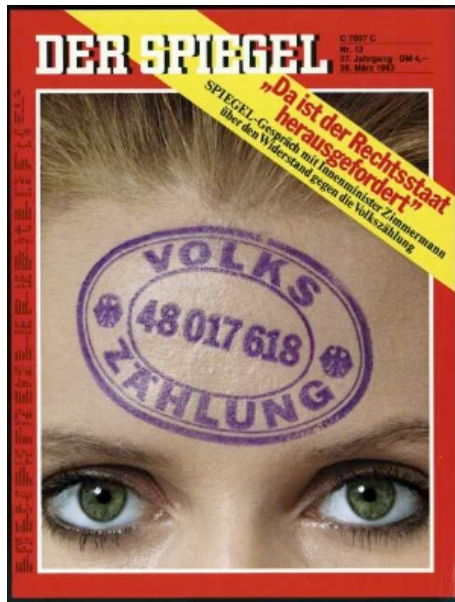
Crisis 4.0 - Ethics and attitude crisis



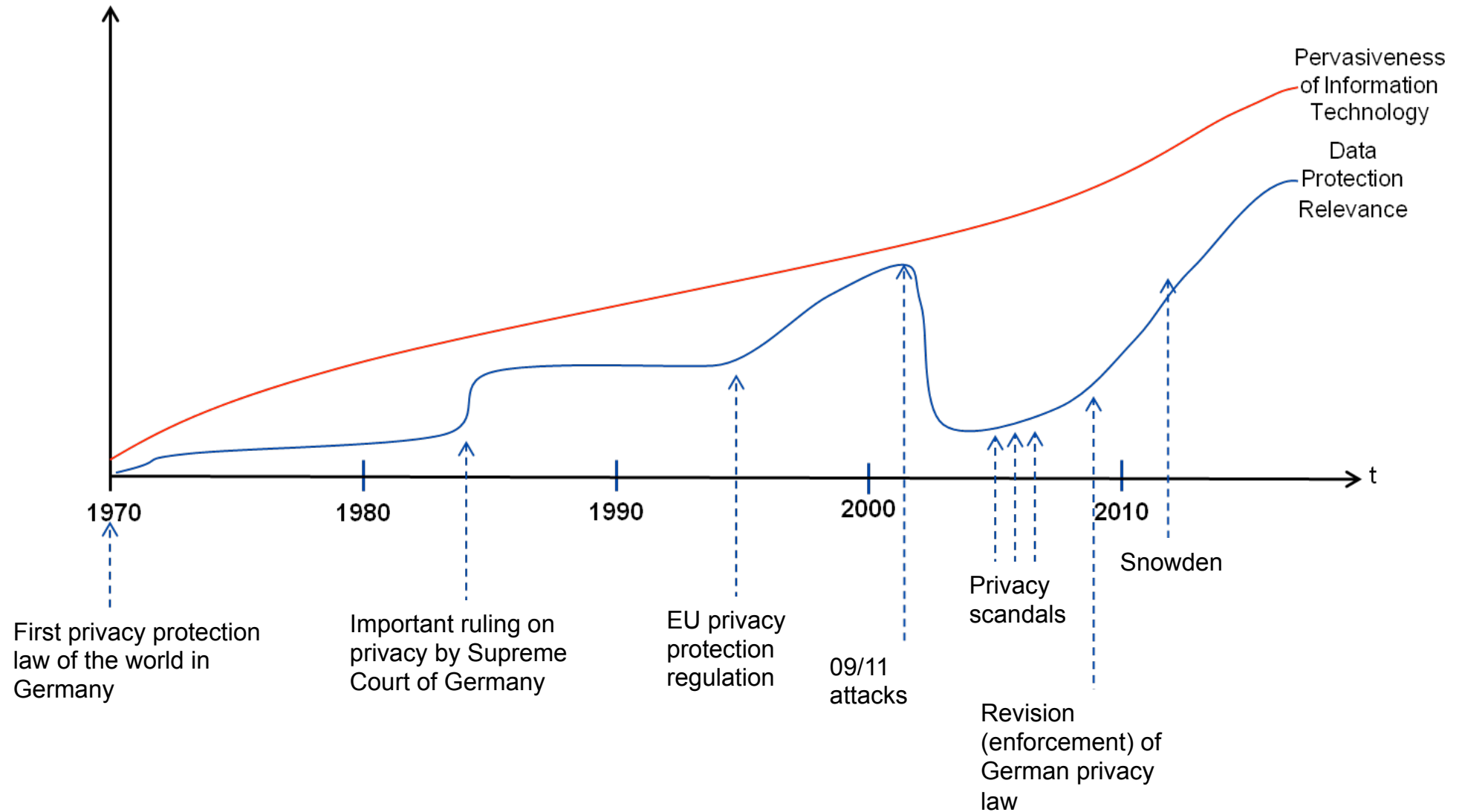
Ethics and attitude crisis



Ethics and attitude crisis

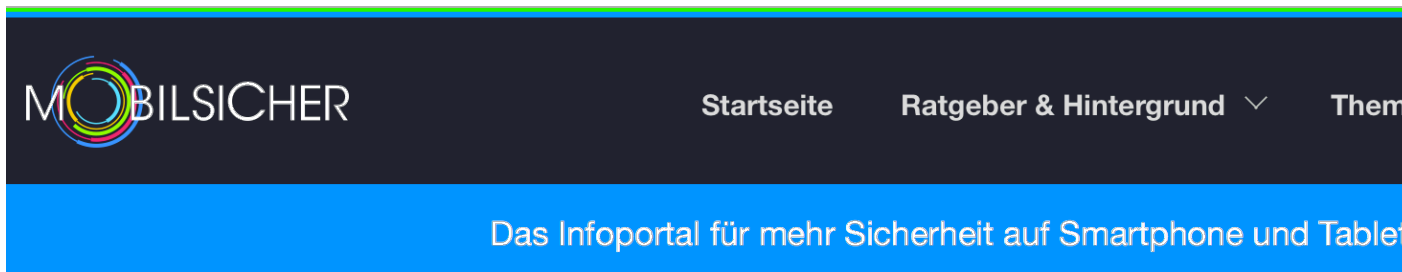


Attitude of society



Culture of free stuff:

„If an online service is free, you are not the customer. You are the product“



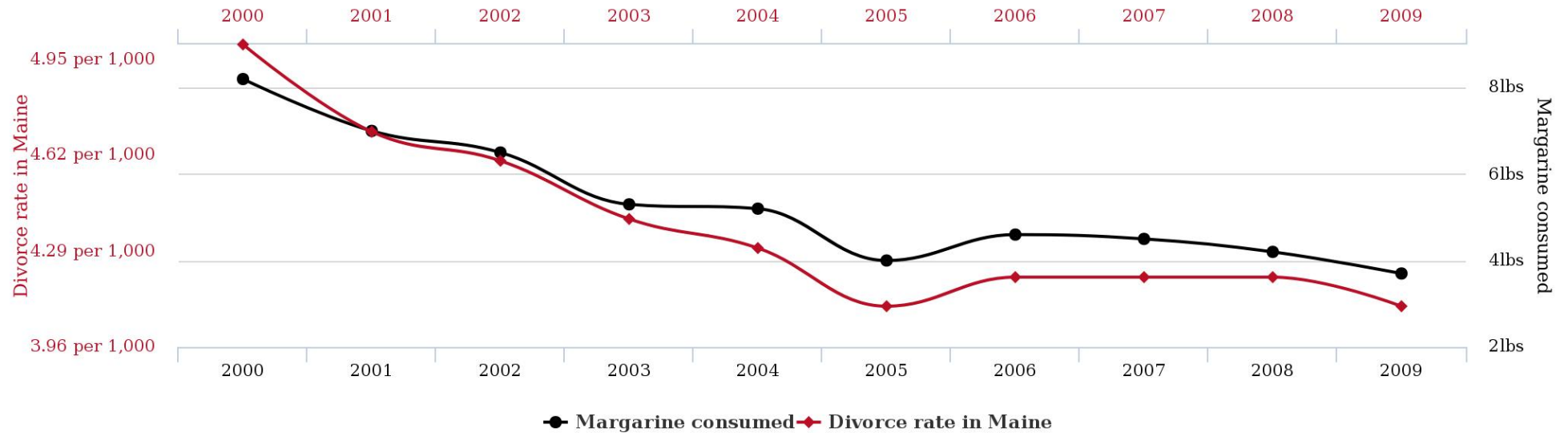
Attitude of companies

Image removed for web version

Attitude of companies: insufficient tools for easy answers




Divorce rate in Maine correlates with Per capita consumption of margarine






tylervigen.com





Attitude of users



 **Julia** 
Gestern um 09:09 · 

Wenns sogar im Radio kommt erkläre ich hiermit folgendes: Heute 04. Juli 2016, in Reaktion auf die neuen Facebook Richtlinien. Gemäß den Artikeln I. 111, 112 und 113 des Strafgesetzbuchs, geistiges Eigentum, erkläre ich, dass meine Rechte an allen meinen persönlichen Daten, Zeichnungen, Bilder, Texte etc... nur bei mir liegen. Veröffentlicht auf meinem Profil ab dem Tag, an dem ich mein Konto erstellt habe. Die kommerzielle Nutzung erfordert vorher meine schriftliche Genehmigung ! Jeder kann diesen Text kopieren und einfügen in seiner persönlichen Facebook-Seite. Damit bist du unter dem Urheberrecht. Mit diesem Post lässt du Facebook wissen, dass das veröffentlichen, vervielfältigen, verbreiten, senden, oder auf irgendeine andere Weise Content aus deinem Profil streng verboten ist. Die oben genannten Artikel sind auch für Arbeitnehmer, Studenten, Agenten und / oder -- anderes Personal im Dienst von Facebook. Der Inhalt von meinem Profil enthält private Informationen. Die Verletzung von meinem Privatleben wird bestraft unter Berücksichtigung des Gesetzes (UCC 1-308 1-308 1-103 und dem Statut von Rom). Alle Mitglieder sind eingeladen, einen ähnlichen Beitrag zu setzen, oder wenn du willst, kannst du diese Nachricht kopieren und einfügen. Wenn du diese Erklärung nicht mindestens einmal veröffentlichst, wirst du stillschweigend zulassen, dass deine Fotos, sowie die Informationen in deinem Profil verwendet werden dürfen. (nicht teilen. Du musst kopieren und einfügen)

 Gefällt mir  Kommentieren  Teilen

Autosteer (Beta)

Autosteer keeps the car in the current lane and engages Traffic-Aware Cruise Control to maintain the car's speed. Using a variety of measures including steering angle, steering rate and speed to determine the appropriate operation AutoSteer assists the driver on the road, making the driving experience easier.

Tesla requires drivers to remain engaged and aware when Autosteer is enabled. Drivers must keep their hands on the steering wheel.

Autosteer (Beta)

Autosteer keeps the car in the current lane and engages Traffic-Aware Cruise Control to maintain the car's speed. Using a variety of measures including steering angle, steering rate and speed to determine the appropriate operation AutoSteer assists the driver on the road, making the driving experience easier.

Tesla requires drivers to remain engaged and aware when Autosteer is enabled. Drivers must keep their hands on the steering wheel.

Privacy in the IoT

- It gets more and more impossible to protect one's privacy by own action
 - IoT devices use sensors to collect data about people in sensor range
 - Many IoT devices used in public space
- Privacy 2020:

?



?

There is hope: EU data protection act

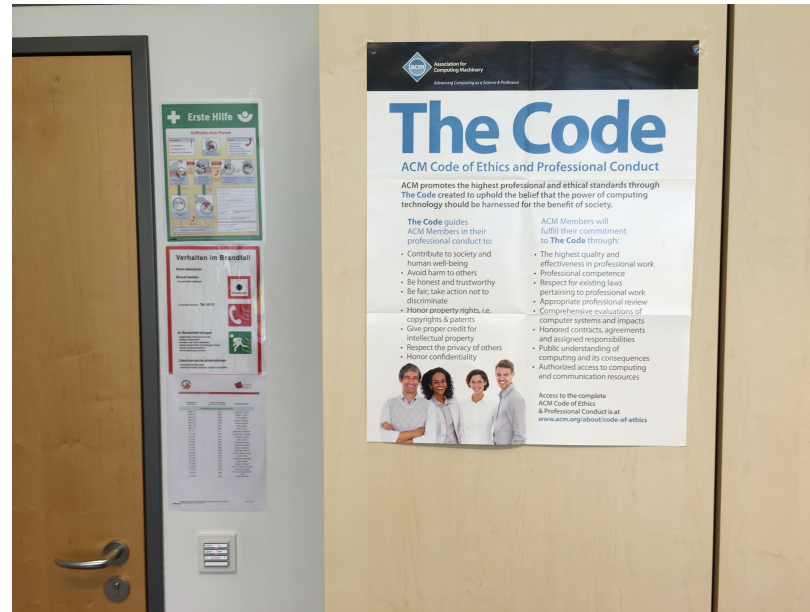
- Immediately effective for whole EU, no national loopholes
- Broad scope
- Enforces "Privacy by Design"
- Violations can be punished (max. 3% of total revenue)




Necessary actions

 Defeat loopholes in EU Data Privacy Act

 Discuss codes of conduct



 Sensibilize for security, safety, and privacy, review own behavior

 Avoid the next data privacy scandal when developing the Internet of Things

Conclusion

Fighting crisis 4.0 means...

- ... focusing on software quality
- ... reducing dependencies on other software as well as on foreign products
- ...reawaken interest for non-functional requirements like privacy, security, and safety
- ...educate for ethical behavior



For offline questions please contact hof@insi.science