Of Skunks & Canaries (and maybe rat holes)

Workshop on Internet Economics Dec 2012 Erin Kenneally, CAIDA

Reality of Network Data Sharing

- O Uncertainty of legal risk
- Understated value of potential benefits
- One-size-fits-all approach to disclosure controls
- O Implicit assumption that any sharing increases risk
- Results in:
 - Data rich vs. data poor
 - Sharing through ad-hoc, interpersonal relationships
 - Scarcity of scalable, transparent, sustainable sharing

Data Exchange Risk-Utility Approach

• Qualitative framework for:

- 1. Identifying specific utility goals and related risks
- 2. Choosing disclosure controls to address risks
- 3. Assessing effects of those controls
- Generalizable across all network data & scenarios
- Enable data providers to:
 - Better understand sources of risk
 - Tailor controls to intended utility
 - Justify choices and explicitly state assumptions
- Promote the social value of shared data & process







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Patient Data Breaches: Future Looks Grim

Inadequate security funding, tools and expertise could cost healthcare industry billions of dollars annually, finds Ponemon/ID Expert's third annual study.

By Michelle McNickle InformationWeek December 06, 2012 02:06 PM

A majority of organizations polled for Ponemon and ID Expert's third annual benchmark study on privacy and security don't have the technologies, resources and trained personnel in place to take on modernday privacy and data security risks.

Since beginning the benchmarking in 2010, Ponemon and ID Experts have found that threats to healthcare organizations have increased. The organizational costs for dealing with breaches are climbing as well, with the average price tag increasing from \$2.1 million in 2010 to \$2.4 million in 2012. The report projects that eventually the annual cost of continuous breaches for the industry "could potentially be as high as \$7 billion."



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- <u>Context</u>: Architecture, Innovation, Governance Relationship Model
 - Do we need regulation? Will self-reg/market approach work
- O Internet Privacy how has industry self-reg fared?
 - Data opacity; Info asymmetry; Identity bundling
 - Similar celebrity death matches: Indiv and collective consumer privacy v. Industry innovation, security, anti-fraud
 - Many terms not defined (e.g., innovation, harm & threshold)
 - How does/will de-reg impact consumers? Systemic risk? Industry goals met?
 - Measurement-provocateur dynamic





"Every great cause begins as a movement, becomes a business, and [most] eventually degenerates into a racket"