## Establishing market based mechanisms for CYBer security information Exchange (CYBEX)

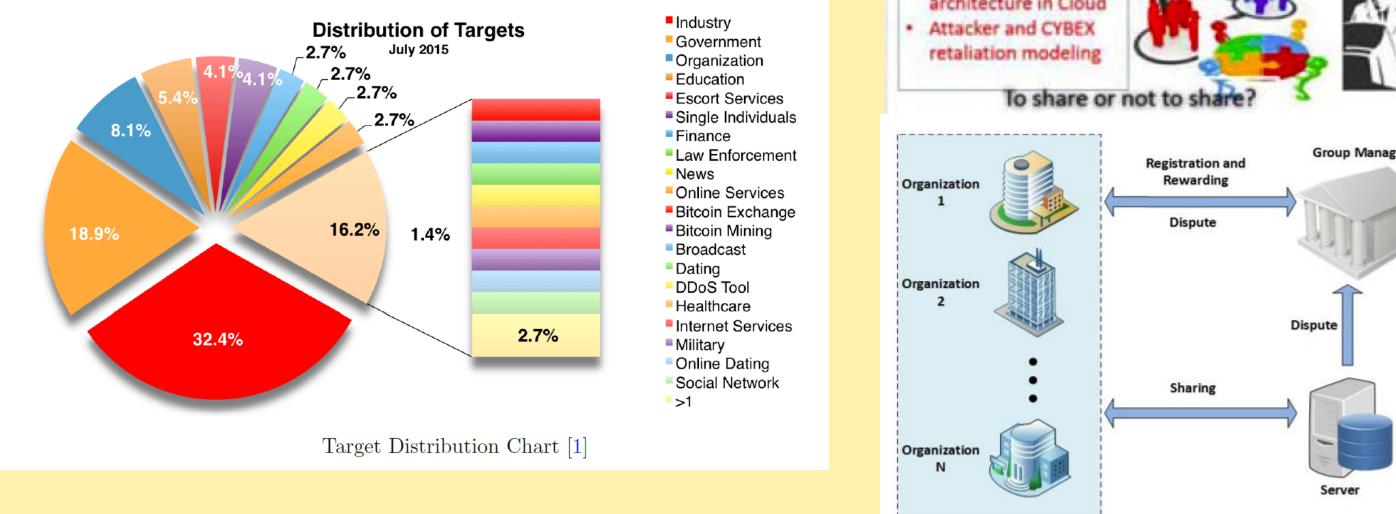
#### PI: Dr. Shamik Sengupta, CSE Dept., University of Nevada, Reno Email: ssengupta@unr.edu



# Objective

In this project, by using micro and macro-economic theory as a substrate, we intend to establish market based mechanisms for enabling Cyber Security Information Exchange (CYBEX). Task 1

The transformative nature of the proposed research lies in its potential to identify, model, and analyze the competition process among entities inhabiting the evolutionary and adaptive multi-dimensional environment with intertwined competitions.





### **CYBEX**

#### **Benefits**:

(1) fostering cyber situational awareness, (2) developing proactive defense mechanisms,

(3) clarity in understanding the threat landscape, malicious actors, security loopholes etc.

#### **Challenges**:

(1) lack of incentivization with respect to a organization's sharing contribution. (2) the possibility of information exploitation through such exchange as the sharing organizations may not trust the other participants,

(3) organizations' market reputation might get negatively affected

# Game Formulation Participate & Share

 $Sa \log(1 \pm I) = r = c$ 

Not Participate  $a\log(1+I) - x - c,$  $a \log(1 \perp I)$ 

Faiticipate & Share	$Su \log(1+1) - x - c$	$u \log(1+1)$
	$a\log(1+I),$	$a\log(1+I),$
Not Participate	$a\log(1+I) - x - c$	$a\log(1+I)$

Participate & Share

 $Sa \log(1+I) - x - c$ ,

I – amount of investment made by the firms

a - simple scaling parameter that maps user satisfaction/benefit to a dimension equitable to the

price/monitory value

c - cost of participation in the CYBEX framework

S – Scaling benefits of sharing

$$g'(\alpha_{sol_1}^* = 0) = -x - c$$
  

$$g'(\alpha_{sol_2}^* = 1) = -(S - 1)a\log(1 + I) + x + c$$
  

$$g'(\alpha_{sol_3}^* = \alpha_{sol_3}) = (x + c) - \frac{(x + c)^2}{(S - 1)a\log(1 + I)}$$

By modeling Transformation Speed in this game we can observe that achieving Evolutionary State Strategy is conditioned upon the wise choice of the incentive/participation cost (c) as well as initial population proportion taking sharing approach

References

Interested in meeting the PIs? Attach post-it note below!



National Science Foundation WHERE DISCOVERIES BEGIN

NSF Secure and Trustworthy Cyberspace Inaugural Principal Investigator Meeting Nov. 27 - 29<sup>th</sup> 2012 National Harbor, MD

