EastWest INSTITUTE

# Global Cooperation in Cyberspace

#cybersummit2013

EVENT REPORT

2/2014

# Gobal Cooperation in Cyberspace

Report from the World Cyberspace Cooperation Summit IV

**Silicon Valley 2013**

March 2014

Copyright © 2014 EastWest Institute
Illustrations by Harry Campbell, Dragan Stojanovski, Scientific American, IEEE

The views expressed in this publication do not necessarily reflect the position of the EastWest Institute, its Board of Directors or staff.

—

The EastWest Institute seeks to make the world a safer place by addressing the seemingly intractable problems that threaten regional and global stability. Founded in 1980, EWI is an international, non-partisan organization with offices in New York, Brussels, Moscow and Washington. EWI's track record has made it a global go-to place for building trust, influencing policies and delivering solutions.

—

The EastWest Institute
11 East 26th Street, 20th Floor
New York, NY 10010 U.S.A.
+1-212-824-4100

—

communications@ewi.info
**www.ewi.info**

# INTRODUCTION

Dear Colleagues,

It is our pleasure to share with you highlights of our recent World Cyberspace Cooperation Summit IV, the EastWest Institute's first cyber event in Silicon Valley. We welcomed more than 360 participants from 37 countries from business, government, technology, policy and law enforcement, with the goal of forging clear paths ahead for practical solutions. We were thrilled to host this summit with the Stanford Institute for Economic Policy Research (SIEPR), IEEE Communications Society, The William and Flora Hewlett Foundation and Palantir.

Minister Cai Mingzhao of the State Council Information Office of China opened our fourth summit by calling for strengthened international cooperation on cybersecurity measures. "The United States and China are Internet giants," Cai said. "We share many common interests and there is enormous scope for cooperation." In subsequent panels and breakthrough groups, top cyber experts pointed to encouraging signs of progress in international cyber cooperation, but stressed that there is still very far to go, pointing to the importance of continued momentum. In this report, you will find summaries of key breakthrough groups and publications.

This latest summit follows our 3rd summit, which took place in New Delhi in October 2012, underscoring India's increasingly important position on the world cyber stage. The summit featured substantial participation from the upper echelons of the Indian government and private sector, which helped shape the summit's outcomes. Indeed, India and China, through their Computer Emergency Response Teams, found in the summit an opportunity to deepen their work together in responding to common cyber threats.

For 33 years, the EastWest Institute has served as a think and action network. We have discreetly convened officials, experts and the business community to tackle some of the most difficult issues of our time. None is more complex than cyber. EWI's publication regarding its joint Chinese-U.S. effort to fight spam was singled out in a May 2013 New York Times editorial that urged President Barack Obama and President Xi Jinping to read it before their first meeting. The recently published report Measuring the Cybersecurity Problem highlights the need for clear metrics to spur global investment, and it offers recommendations that can lead to a breakthrough for much-needed measurement of cybersecurity breaches. Frank Communication and Sensible Cooperation to Stem Harmful Hacking, an additional paper introduced in Silicon Valley, is the product of a two-year long China-U.S. bilateral focused on preventing hacking. These publications are the product of intense, ongoing breakthrough group work, a fundamental part of our summit process.

We are already planning our next cyber events. Our next summit, co-sponsored by the Federal Foreign Office of Germany, will take place in Berlin in 2014 (December 3-5). Each of us at EWI looks forward to working with you over the next months and years to come.

Yours,

Ross Perot, Jr.
Chairman

John Edwin Mroz
President & CEO

# The Big Picture

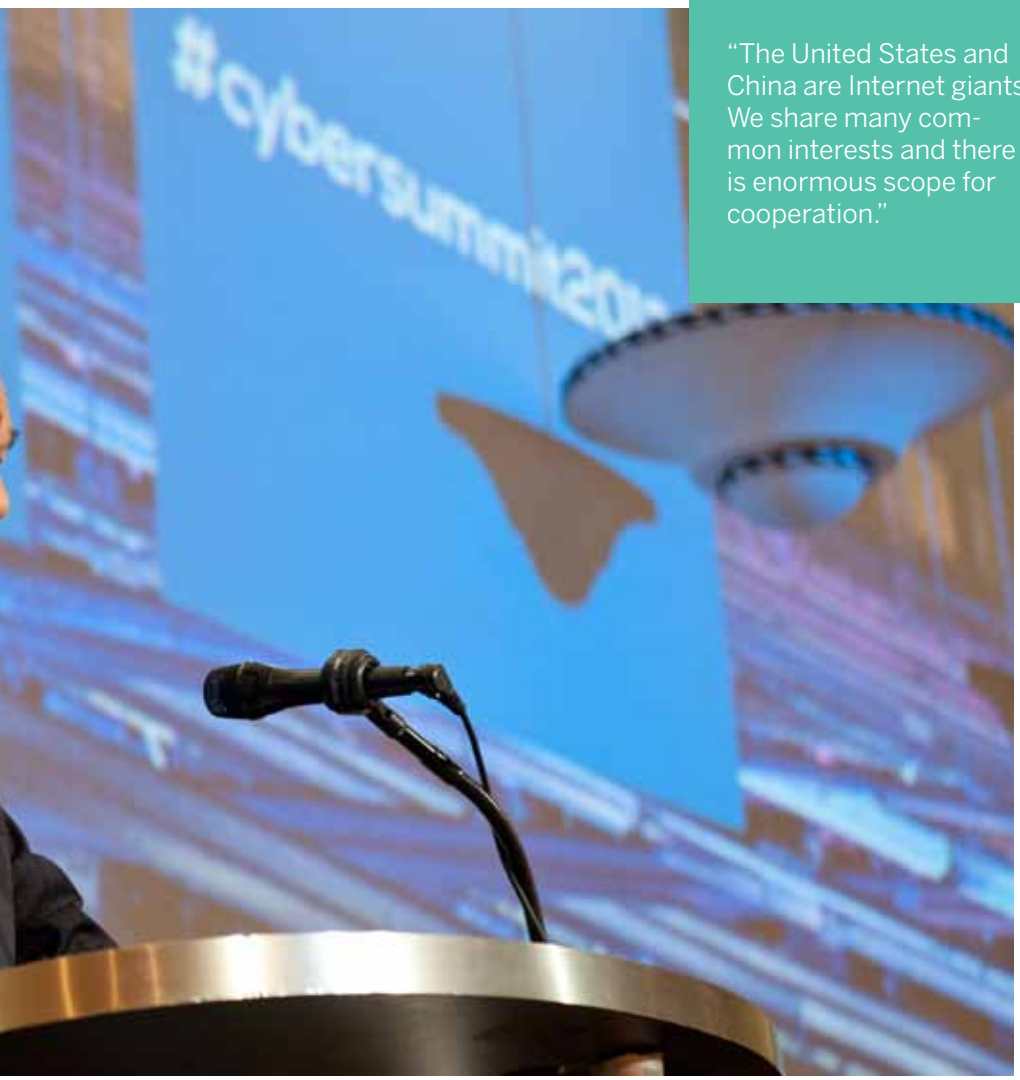
Following the successes of the previous annual summits in New Delhi, London and Dallas, the 2013summit brought together an international group of cyber experts, leaders and practitioners from both the private and public sectors

Clockwise from above: Cai Mingzhao, Minister, State Council Information Office of China; John Edwin Mroz, President & CEO, EastWest Institute; Ross Perot, Jr., Chairman, EastWest Institute; Chairman, Hillwood

Setting the stage for the broad agenda of the summit, which featured five plenary sessions, Chinese Minister Cai Mingzhao of the State Council Information Office of China delivered the introductory keynote. Cai noted that the Internet is "a major driving force" in China's economic transformation, but that the country faces enormous cyber threats. "More than 80 percent of Chinese Internet users have fallen victim to cyber attacks" and more than 20,000 China-based websites were "modified by hackers," he said, all of which caused severe damage to the economy.

Cai proposed using the framework of the United Nations to help define the rules of the road in cyberspace in a way that protects the interests of all parties. He also urged the participants to explore "effective means to tackle urgent problems...such as cyber attacks, viruses and cyber terrorism" and the creation of "communication channels to facilitate international cooperation."

"The United States and China are Internet giants," Cai said. "We share many common interests and there is enormous scope for cooperation." He pointed to the closing down of the biggest Chinese-language pornographic website, the Sunshine Entertainment Alliance, as a clear example of successful cooperation of the police forces of both countries.



"The United States and China are Internet giants. We share many common interests and there is enormous scope for cooperation."

**Cai Mingzhao**
Minister, State Council
Information Office of China

"EWI's track record in the cyber arena has demonstrated that it is perfectly suited to bring nations together around this critical issue. Solutions to cybersecurity require global cooperation, and our institute has and will continue to enable this platform."

**Ross Perot, Jr.**
Chairman, EastWest Institute;
Chairman, Hillwood

"Our fourth summit is a place where honest, frank discussion must take place to improve cooperation for global cyber stability and security."

**John Mroz**
President and CEO,
EastWest Institute

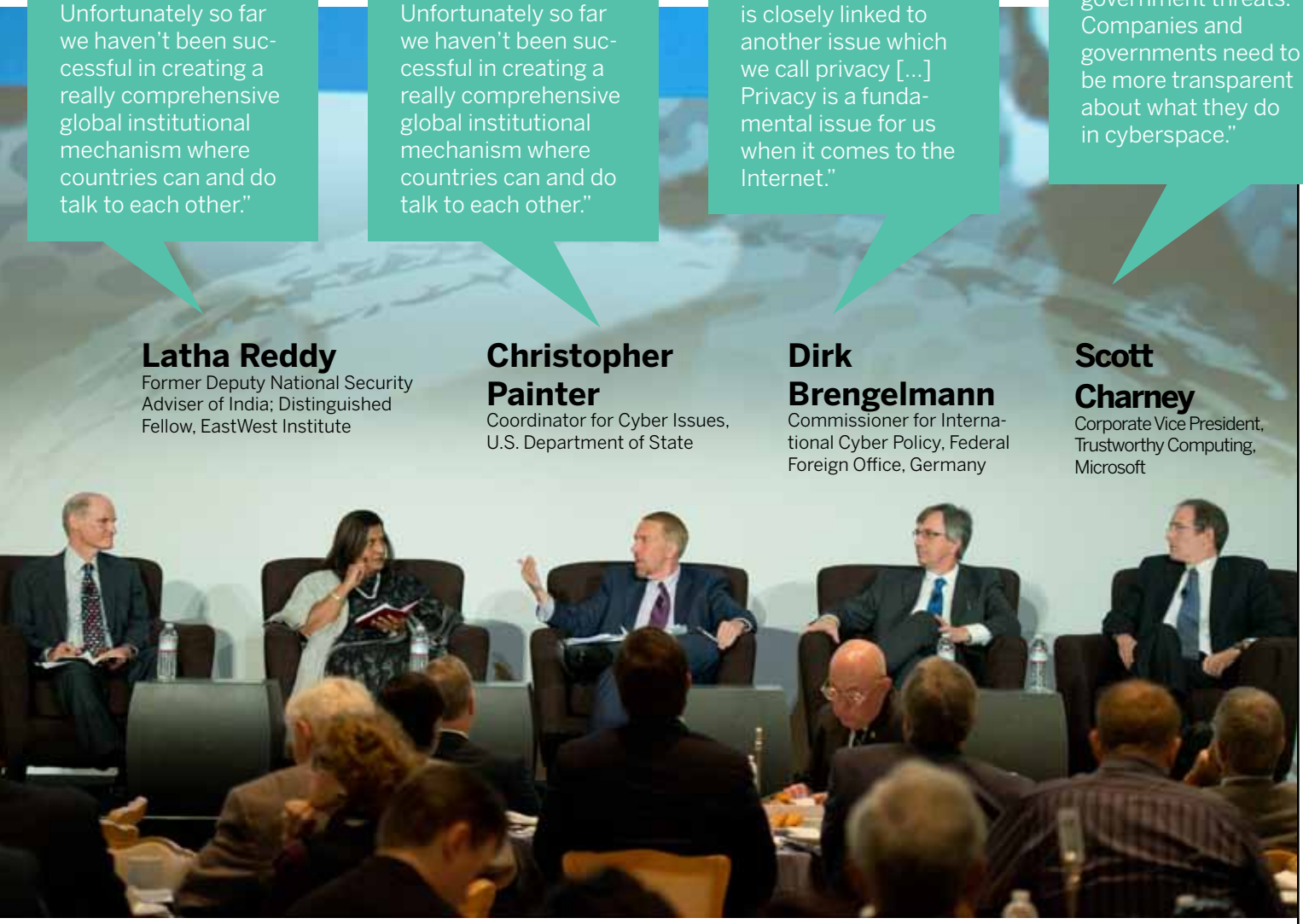
Above, from left: Cai Mingzhao, Minister, State Council Information Office of China; John Edwin Mroz and Ross Perot, Jr., EastWest Institute; John B. Shoven, Stanford Institute for Economic Policy Research; Below, from left: Larry Kramer, President, The William and Flora Hewlett Foundation; Bill Woodcock, Executive Director, Packet Clearing House; Sameer Bhalotra, Chief Operating Officer, Impermium; Former Senior Director for Cybersecurity, The White House; Beatrice Covassi, Digital Agenda and ICT Counselor, EU Delegation to the U.S.; Abraham D. Sofaer, George P. Shultz Senior Fellow in Foreign Policy and National Security Affairs, Hoover Institution, Stanford University.

> "In cyberspace as we all know... it takes a village. Many roles are to be played, and no one government, no one company and no one sector of the economy can make cyberspace safe, secure, reliable and open."
>
> **Bruce McConnell**
> Senior Vice President, EastWest Institute; Former U.S. Deputy Under Secretary for Cybersecurity

Cai rejected the notion that the national norms no longer apply in cyberspace. "The Internet is global, but at the same time it belongs to different countries," he said, calling for everyone "to show respect for national sovereignty in cyberspace."

The far-ranging plenary sessions allowed participants to hear about encouraging signs of progress and the enormous amount of work still needed to secure cyberspace.

In the "The Necessity for Cooperation in Cyberspace" plenary session, panelists discussed current cooperation in cyberspace and ways to improve it. Governments, companies and civil society all participate in and depend on a safe and reliable cyber environment. However, no single actor or set of actors can ensure the safety, security and reliability of cyberspace on its own. Cooperation is both more challenging and more critical than ever before. EWI's Senior Vice President Bruce McConnell chaired this lively discussion with panelists Dirk Brengelmann, commissioner for International Cyber Policy, Federal Foreign Office, Germany; Scott Charney, corporate vice president, Trustworthy Computing, Microsoft; Christopher Painter, coordinator for Cyber Issues,




U.S. Department of State; and Latha Reddy, former deputy national security adviser of India and EWI Distinguished Fellow.

Larry Kramer, president of The William and Flora Hewlett Foundation, chaired the second plenary session, "Privacy & Security: Core Interests and New Realities," which focused on the tensions between government and private industry. As recent headlines dramatically demonstrate, governments' perceived national security interests drive them to maximize their access to information. On the other hand, private groups are increasingly demanding transparency in the process used to manage government information collection. It is challenging enough for any one country to manage this tension, but the latest revelations triggered by Edward Snowden's massive release of classified documents have magnified and extended the tension across borders. The panel debating these issues was composed of Sameer Bhalotra, chief operating officer, Impermium and former White House senior director for cybersecurity; Beatrice Covassi, digital agenda and ICT Counselor, EU Delegation to the United States; Abraham D. Sofaer, George P. Shultz Senior Fellow in Foreign Policy and National Security Affairs, Hoover

Institution; and Bill Woodcock, executive director, Packet Clearing House.

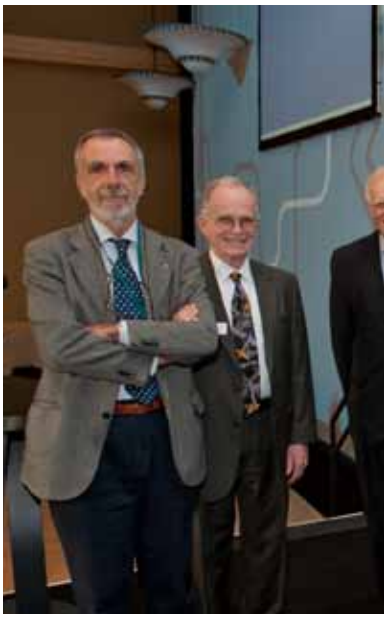
Additional plenary sessions were "The Economic Dimensions of Securing Cyberspace," where panelists offered insights into the economic dimension of securing cyberspace on an international level; "International Cooperation in Fighting Cyber Crime," where participants discussed the state of current cooperation and the improvements necessary; and "Success Stories and Way Ahead," which featured senior stakeholder reflections on the work of the summit and identifying key emerging policy and management issues requiring further attention.

"Partnership to scale beyond our individual capabilities is ever more key. Partnership must now extend across multiple governments internationally."

**Philip J. Venables**
Chief Information Risk Officer, Goldman Sachs

"While diversity has always been present in our world, it has historically been ignored or suppressed. But now in this new age, you can't ignore it. People everywhere know what is going on. They can organize and express themselves. So the new problem of governance is how you govern over diversity in an age of transparency."

**George P. Shultz**
Thomas W. and Susan B. Ford Distinguished Fellow, Hoover Institution, Stanford University; Honorary Chair, SIEPR; Former U.S. Secretary of State



"Is this a zero sum game? Is it necessarily the case that any steps that we take to protect security require a trade off on privacy or any steps we take to enlarge or secure privacy rights will require a trade off on security? "

**Larry Kramer**
President, The William and Flora Hewlett Foundation

"We are witnessing, a lot more unveiling of who the adversaries are, a lot better understanding of the types of attacks and the information they're after."

**Dave DeWalt**
Chairman & CEO, FireEye; Chairman, Mandiant

**Ronald O'Hanley**
President, Asset Management, Fidelity Investments; Member, Board of Directors, EastWest Institute

"We still don't really understand how to put cyber into a risk management framework like we do for other risks."

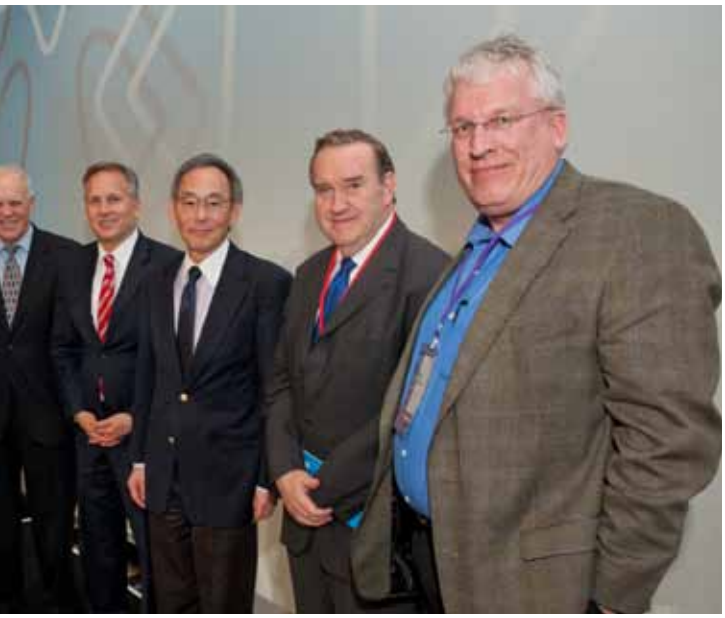
"For many diplomats and politicians, I think that cyberspace is still like a room scattered full of puzzles where no matter how hard they try, they cannot put the pictures together."

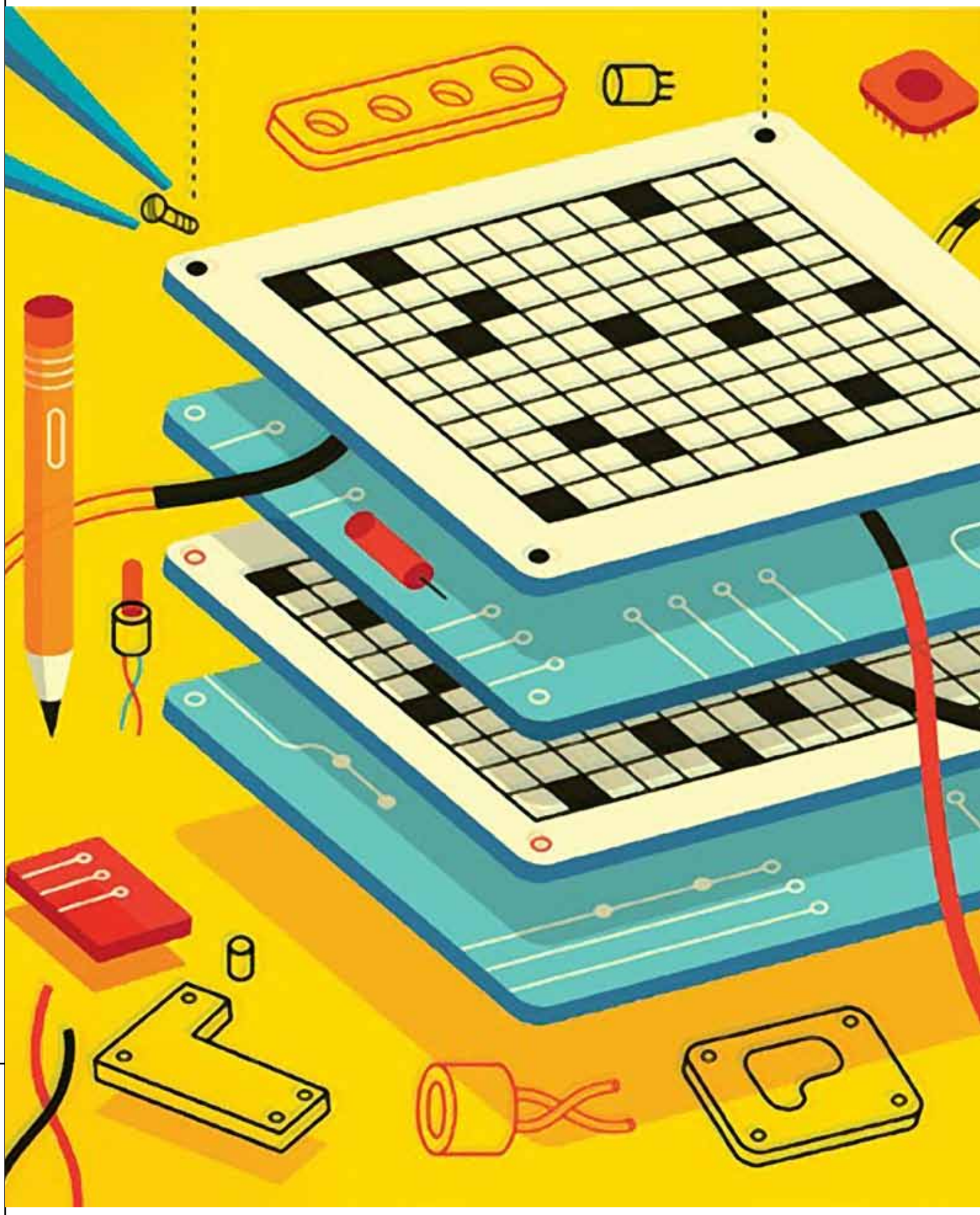
**Sergio Benedetto**
President, IEEE Communications Society

Top left: Sergio Benedetto, President, IEEE Communications Society; Jack Howell, Executive Director, IEEE Communications Society; John L. Hennessy, President, Stanford University; Karl F. Rauscher, Former Chief Technology Officer & Distinguished Fellow, EastWest Institute; Steven Chu, Professor of Physics and of Molecular and Cellular Physiology, Stanford University; Former U.S. Secretary of Energy; John Edwin Mroz, President & CEO, EastWest Institute; Greg Shannon, Chief Scientist, CERT, Carnegie Mellon University; Top right: Jean Djounkeng, Minister Plenipotentiary, Deputy Secretary of North American Relations, Department for American and Caribbean Affairs, Ministry of External Relations of Cameroon; Bottom: Bruce McConnell, Senior Vice President, EastWest Institute; Former Deputy Under Secretary for Cybersecurity, U.S. Department of Homeland Security; Karl F. Rauscher, Former Chief Technology Officer & Distinguished Fellow, EastWest Institute; Kamlesh Bajaj, CEO, Data Security Council of India (DSCI); Latha Reddy, Distinguished Fellow, EastWest Institute; Former Deputy National Security Adviser of India; Dirk Brengelmann, Commissioner for International Cyber Policy, Federal Foreign Office of Germany; John Hurley, Managing Partner, Cavalry Asset Management; Member, Board of Directors, EastWest Institute; Matt Bross, Chairman & CEO, IP Partners; Member, Board of Directors, EastWest Institute

"The connectivity of today's society is far deeper than people realize. And the connectivity gives us so many new advantages. And it gives us so many new vulnerabilities. The whole cybersecurity issue is directly linked to connectivity—travelling at the speed of light connectivity."

**Steven Chu**
Professor of Physics and of Molecular and Cellular Physiology, Stanford University;
Former United States Secretary of Energy





# Breakthroughs

> "The discussions have been open-ended–approached with an open mind–and an acceptance of criticism of all kinds. The summit underlined the need for even greater international cooperation against the background of global surveillance."
>
> **Kamlesh Bajaj**
> CEO, Data Security Council of India (DSCI)

The success of EWI's Global Cooperation in Cyberspace Initiative is measured in part by the policy breakthroughs made in the interactive working sessions, both during the summit meetings and in on-going activities throughout the year.

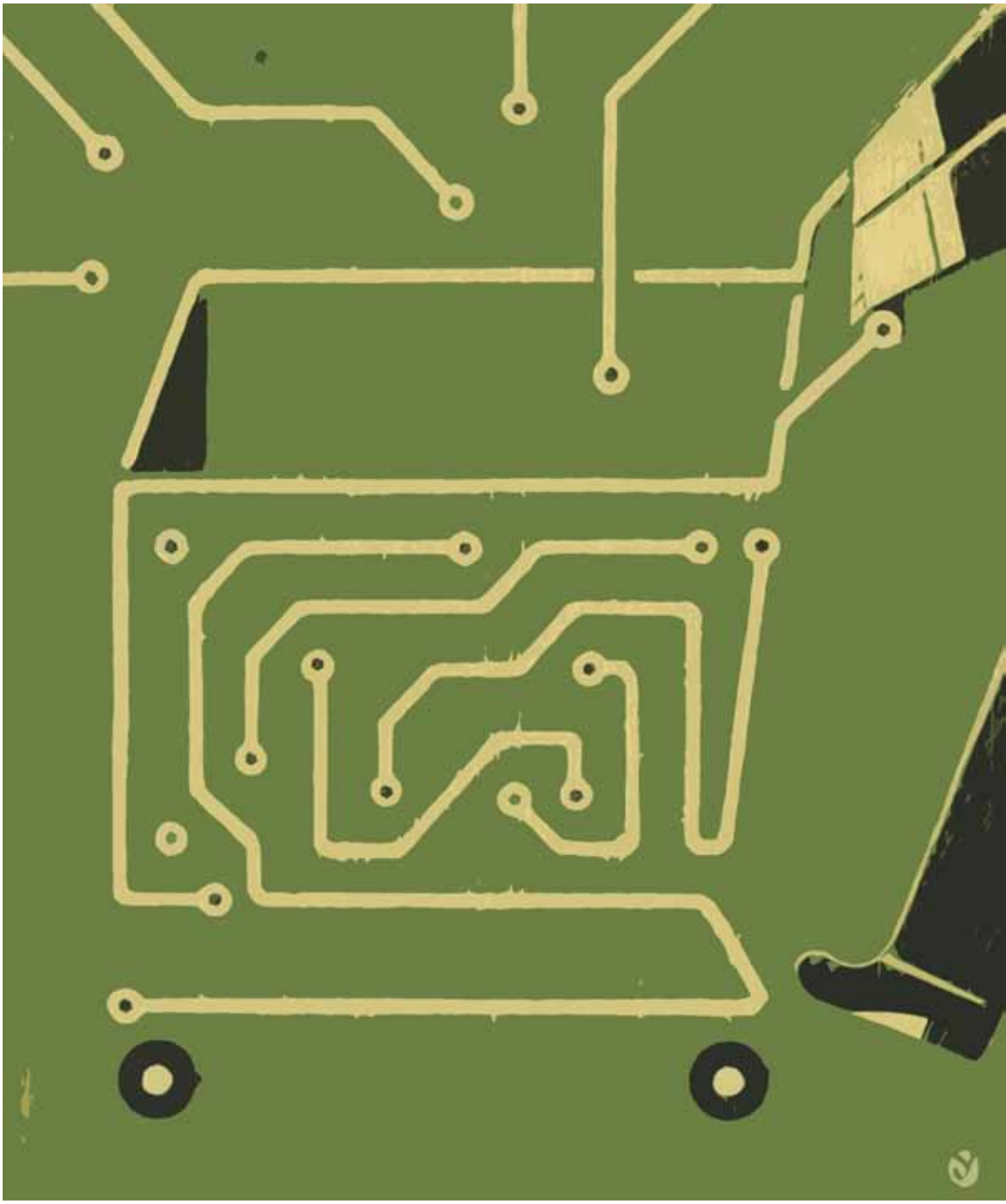
The objective for each breakthrough group is to have actionable recommendations for industry and government that, if implemented, will have significant impact in making cyberspace and the real world safer, more stable and more secure. As in Dallas, London, and New Delhi, the format of the Silicon Valley summit included ongoing and new breakthrough groups, immersing participants in interactive sessions with professional peers from around the world. The topics discussed below emerged as central areas of focus at the Silicon Valley Summit.

## International Critical Infrastructure Protection

Agreements about policy are integral to facilitating essential services, including those that affect national and international critical infrastructures in the public and private sectors. However, gaps in the framework jeopardize protection, endangering the provision of critical services, such as energy, transportation, finance and health care. This working group sought to identify and propose ways to close gaps as they relate to national and international critical infrastructures in the public and private sectors.

Think of how many transactions take place via the Internet—travel reservations, restaurant reviews, banking, shopping, real estate evaluations, dating, investing—you name it. Now think of the tremendous disruption that the lack of trust in the security of the web would cause the economy. It would literally roll back the economic progress of the last few decades immediately. We can't let that happen.

**John Shoven**
The Trione Director of SIEPR; Charles R. Schwab Professor of Economics, Stanford University



## Emergency Preparedness for the Financial Services Sector for International Crises in Cyberspace

The financial services sector plays a vital role throughout society— increasingly electronic and international in nature—and as a result, is progressively exposed to cyber challenges. The conclusion that the sector's preparation for a major international crisis in cyberspace is insufficient emerged from previous summit working sessions. This group worked to define requirements across the financial services industry to improve the industry's operational ability to respond to cybersecurity incidents through information sharing and effective information security response coordination; and to transform the international emergency preparedness capability from facing an extreme event with "trying our very best" to "best prepared for the most trying."

## Acts of Aggression in Cyberspace

Ambiguity in defining what constitutes an act of aggression in cyberspace impedes clear positions and consensus on response protocols. This working group aimed to identify and close policy gaps in expectations around the acceptability of aggressive actions in cyberspace, whether they are conducted by governments, businesses or NGOs.

## Internet Governance

A variety of existing venues are attempting with limited success to address key issues such as cybersecurity, routing, quality of service, content restrictions and intellectual property. These entities include parts of the United Nations, the Internet Corporation for Assigned Names and Numbers (ICANN), regional alliances, and purpose-specific groups, along with bilateral, multilateral and multi-stakeholder meetings. This group worked to determine new approaches to

Unfortunately, offense is cheaper and easier to invent than good defense. So we see a situation where the offensive frontier is moving faster than the defensive frontier.

**John Hennessy**
President,
Stanford University

We often think about security as black and white while there is always some blend in between, and you are constantly making a choice: how much to invest in security.

**Ellen Richey**
Chief Enterprise Risk Officer, Visa Inc.

bringing greater predictability in the interactions of Internet users, be they nation-states, companies, civil society or individuals; and explored potential pathways toward ensuring that all Internet participants can manage and safely navigate this globally shared resource.

## Enhancing International Cooperation for Law Enforcement for Cyber Crime

There is a widespread agreement that the Internet is an essential economic enabler for competition at the global level. On the other hand, there is also broad agreement that the growing presence of crime in cyberspace is unacceptable, and that something has to be done. This session explored the state of current cooperation and what improvements can be made.

## Collaboration Enhancing the Stability of Global Connectivity

The Global Undersea Communications Cable Infrastructure (GUCCI) underpins the world's economy, supporting an estimated $10 trillion worth of financial-services transactions daily. As the sector is increasingly electronic and international, international connectivity is a crucial factor for individual institutions and the sector as a whole. This session provided a progress report on implementation.

## Priority International Communications—Staying Connected in Times of Crisis

This breakthrough initiative is driving the implementation of a priority international communications capability that will overcome the obstacles of lack of awareness, economics and private-public cooperation.

## Special Track: Diplomatic Strategies for Stability in Cyberspace

Two special sessions reviewed the progress in international diplomacy to promote stability in cyberspace, and assessed the state

of global consensus while mapping out leverage points for shaping more effective outcomes for the 2014 international diplomatic action plan. In addition, this group focused on the diplomatic impacts of interdependence in critical infrastructure and evaluated the need for new attention on cross-border dependencies in Information and Communications Technology (ICT), related services and critical national infrastructure in order to underpin a more rapid move to optimal positions in the diplomacy of cyberspace.

## Additional Breakthrough Groups and Policy Briefings:

### Cyberspace Security and Reliability: A German Perspective

At the crossroads of commerce and politics in Europe, the German Federal Government is increasingly focused on the role of a secure and reliable cyberspace in promoting economic growth while preserving individual rights. The development of its Cyber Security Strategy positions cybersecurity as core to maintaining and promoting economic and social prosperity in Germany, balancing private, civilian and military roles. This session explored the domestic issues inherent in German's strategy and the international implications of its approach.

### Optimizing Policy for Secure Cloud Enablement

Network architects, engineers and consumers recognize the reduced control associated with cloud storage and cloud services. Moreover, numerous concerns exist about data passing through, residing in, or in the control of other countries. The global drive to reduce costs in a highly competitive world, however, seems to make this trade-off inevitable. In an effort to maintain more control, some governments have placed limitations on the data flow of their citizens' data, reducing the potential benefit for cost savings. Given the seemingly unavoidable shift to cloud storage and services, how can policy agreements be optimized to provide the most secure cloud environment?

"Cyber security risk is a significant and growing concern to business and government leaders, in the US and globally. Through its global cyber summit program, EWI has played a timely and impactful role in driving international understanding, action, and solutions."

**Bob Campbell**
CEO, Campbell Global Services LLC; Member, Board of Directors, EastWest Institute

"The interest of protecting cybersecurity is not inconsistent in my view with freedom and privacy. On the contrary, security is a prerequisite to real freedom and privacy."

**Abraham D. Sofaer**
George P. Shultz Senior Fellow in Foreign Policy and National Security Affairs, Hoover Institution, Stanford University

### Measuring the Cybersecurity Problem

Trillions of dollars of transactions fly across cyberspace every day that we know are riddled with cybersecurity problems, yet there is no sufficient way to measure their frequency or impact. The recently published report, Measuring the Cybersecurity Problem, highlights this global challenge and offers recommendations that, if implemented, would achieve a breakthrough for much-needed measurement of cybersecurity breaches.

### Latest Global Threats from Harmful Hacking

Cyberspace has created complex challenges to domestic and international security. The problems traditionally associated with asymmetric threat landscapes persist in cyberspace: easy to attack, difficult to defend, perpetrated by the few, victimizing the many. What's more, the threats continue to evolve and adapt. This interactive session discussed the dynamic global threat landscape and answered provocative questions concerning tomorrow's risks.

### International Cooperation on Fighting Spam and Botnets: Keeping Email and Texting

This session focused on how international cooperation can best confront anti-abuse messaging as billions of additional users and devices come online in the coming years. Earlier this year, The New York Times editorial board suggested an EWI China-U.S. bilateral report, titled Fighting Spam to Build Trust, as recommended reading for

"This report [Harmful Hacking] lays out confidence building measures that will help the United States and China work on a global basis to establish trust, confidence and security in cyberspace."

**Michael Chertoff**
Chairman and Co-Founder, The Chertoff Group; Former U.S. Secretary of Homeland Security; Member, Board of Directors, EastWest Institute

presidents Obama and Xi in the context of the respective countries troubled relationship regarding cybersecurity. This report articulated two recommendations and 46 voluntary best practices for the private sector. The implementation of this guidance has been championed by the international Messaging, Malware and Mobile Anti-Abuse Working Group (M3AAWG), which has extended this and other botnet-fighting skills and coordination to other countries, including India.

### Future Cooperation in Cyberspace

Diversity is evident everywhere in today's world, magnified by increased transparency through the Internet. This shift suggests that more distributed systems of governance may be required going forward. This session discussed the implications for a new model of cooperation, and the necessary conditions for improved trust in cyberspace.

### Legal Issues in Cybersecurity

This working group looked at how legal departments can inform cyber risk decisions, and investigated whether they need to be involved earlier in the process when companies make cybersecurity-related decisions. This session also provided a read-out of the special breakthrough group on general counsels. This group examined ways to further integrate cybersecurity risk management into the legal operations of companies and how to raise awareness of ways that general counsels can best manage cyber risks as corporate risk managers.

# Newsfeed

"'We should, step by step, create a fair and transparent mechanism for the governance of cyberspace,' Cai said in his keynote address at the EastWest Institute's Worldwide Cyberspace Cooperation Summit in Stanford, California."

**China Daily**

"Governments and businesses spend $1 trillion a year for global cybersecurity, but unlike wartime casualties or oil spills, there's no clear idea what the total losses are because few will admit they've been compromised. Cybersecurity leaders from more than 40 countries [gathered] at Stanford University [...] to consider tackling that information gap by creating a single, trusted entity that would keep track of how much hackers steal."

**CBS News**

"Speaking at the EastWest Institute's Cybersecurity Summit in Silicon Valley last month, executives at a number of financial services firms discussed their approach to cybersecurity challenges. As much as 75% of breaches in any given year are the result of low-to-moderate difficulty attacks, according to Ellen Richey, chief enterprise risk officer at Visa Inc. 'There's a lot to be said from an economic view in controlling this risk by doing basic blocking and tackling that's absolutely not being done in many places today,' she said."

**Wall Street Journal**

"'We're losing leverage internationally to China, Russia and other countries that want to give more authority to the United Nations and governments,' Hoover Institution professor Abe Sofaer said at the fourth annual meeting on international cybersecurity cooperation held by the EastWest Institute."

**The Guardian**

**Reuters**

"The conference at Stanford University drew senior officials, academics and corporate officers from more than 40 countries who are working through the EastWest Institute on systems for improving collaboration on Internet security issues.

But on some of the biggest issues, including the appropriate role for international bodies and privacy rights, U.S. officials were on the defensive even from their European counterparts and American company representatives, who said the loss of trust by Internet users and possible Balkanization of the Internet's technological rules could erode economic growth."

"The Internet boom that keeps the world connected presents many global challenges as well. Concern over threats to cyber security is what brought together more than 350 delegates to this year's World Cyberspace Cooperation Summit.

Cai Mingzhao, China's minister of State Council Information, spoke at the summit Tuesday. He praised China's technological contributions noting that Internet-based IT businesses generate 10 percent of the nation's GDP. He also lauded China's number of netizens reaching a new high.

But at the same time, Cai Mingzhao said that China is a victim of cyber security breaches. More than 80 percent of Chinese Internet users, he said, have felt the effects of online hacking."

**CCTV**

"Cai Mingzhao, minister of the State Council Information Office of China, suggested that countries need to show respect for national sovereignty over cyberspace when keeping cyber security during his speech at the 4th World Cyberspace Cooperation Summit on November 5 in the United States.
Cai said at the summit that China is ready to expand the cooperation with other countries and relevant international organizations on the basis of equality and mutual benefit."

**People's Daily**

# New Ideas

EWI released two reports, *Measuring the Cybersecurity Problem* and *Frank Communication & Sensible Cooperation to Stem Harmful Hacking*, to coincide with the summit and to help spark discussion there.

*Measuring the Cybersecurity Problem* offers recommendations that, if implemented, would achieve a breakthrough for much-needed measurement of cybersecurity breaches.

EWI's former Chief Technology Officer Karl Rauscher and Stroz Friedberg's Executive Managing Director Erin Nealy Cox, the co-authors of the report, propose that the private sector lead the development of benchmarks that are universal. They also propose the establishment of a trusted entity to collect such data.

"Many volunteers from around the world have already offered to help build the new trusted entity called for in the report," Rauscher said. "We are optimistic about the chances for getting this done."

Nealy Cox pointed out that numerous private sector companies and government agencies have been reluctant to share the data on cybersecurity compromises impacting their operations.

"Our recommendations offer the means to break through the logjam that prevents effective data collection, analysis and reporting, and such global information and intelligence sharing is critical to bolstering security efforts around the world," she said. "One of the main obstacles has been the lack of clear benchmarks and measurement tools needed to understand the scale and severity of potential cyber threats."

With these steps implemented, the public would be able to understand a particular cyber threat with a given number value—in the same way that the Richter Magnitude Scale measures seismic events, for example.

The second report, *Frank Communication & Sensible Cooperation to Stem Harmful Hacking*, authored by Karl Rauscher and Zhou Yonglin, director of the Internet Society of China's Information & Network Security Committee, offers recommendations on how to build trust and avoid harmful hacking between China and the U.S.

# Looking Forward

"Most important to me are the relationships starting to form, where trust can begin to fill in as the glue between people who have participating consistently."

**Matt Bross**
Chairman & CEO, Compass EOS; Member, Board of Directors, EastWest Institute

## Global Cooperation in Cyberspace

### Strategic Objective

To mitigate the negative consequences of global Internet fragmentation, the EastWest Institute has launched the Global Cooperation in Cyberspace Initiative.

### The Challenge

Economic growth and international security are increasingly endangered by national policies governing the secure flow of information and the handling of data. This development is being driven by three influences:

- **Political and Economic Concerns:** Trade preferences, concerns about inappropriate or illegal Internet content, and anger about surveillance and privacy create domestic political pressure for the "localization" of products, services and data.
- **Security Concerns:** The digitization and interconnection of society, and in particular critical infrastructures, increase the risk of accidental or deliberate cyber disruptions, while international cyber criminals go unpunished and a cyber arms race threatens stability.
- **Weak Governance:** National and international cyberspace governance institutions are slow, weak, isolated, or non-existent.

If these three influences are not successfully managed, a militarized, fragmented "Splinternet" will emerge to undermine global economic growth and fuel dangerous regional and international instability. Moreover, these interrelated influences cannot be managed separately. Because the network connects everywhere, true cyber security and stability require the participation of all key governments, including the developing world. Private sector operators and suppliers, national and international non-governmental organizations, and the netizens themselves must also participate in shaping a common future.

Progress is urgently needed in the near term – every month that passes without action raises the costs to society of the current trends, and of turning those trends around. Without effective action, the future safety and liveli-

hoods of literally billions of young, new Internet users will be damaged, leading to unrest in already fragile states.

## The Opportunity

The Splinternet is an Internet whose capacity and effectiveness are weakened by barriers to efficient information transfer, threats to personal and public security, and unresolved conflicts around norms. EastWest is helping to create institutions, processes, and policies that reduce the pressures driving fragmentation and minimize its negative consequences. The Global Cooperation in Cyberspace Initiative convenes and mobilizes government and private stakeholders around **three objectives** that match the three influences driving fragmentation:

1. **Economic and Political Development:** Enhance global access to secure digital products and services, encourage the flow of information to support education and innovation, and explore limits on cyber surveillance.
2. **Digital Security and Stability:** Work to mitigate cyber risks to critical infrastructure, modernize mutual law enforcement assistance in cyber-enabled crime, and promote measures of restraint in cyber weapons development and deployment.
3. **Sound Governance and Management:** Facilitate the design and testing of transparent, accountable, orderly, inclusive and agile management and governance structures that increase predictability and trustworthiness in cyberspace.

The work needed to achieve a secure and stable cyber environment aligns with EastWest's mission. EastWest takes on seemingly intractable problems that, left unsolved, would result in serious conflict among and within nations on a regional or global scale. Over the past four years, EastWest's cyber collaboration has integrated public and private leadership to address several serious challenges in cyberspace. For example, EastWest has worked successfully to catalyze international arrangements that are improving communications security, reducing spam and building bilateral confidence and trust among China, India, Russia, and the United States.

"Cyberspace is the future of the human race."

**Zhang Li**
Director, Chinese Center forContemporary International Relations

## The Work Program

The Global Cooperation in Cyberspace Initiative uses EastWest's proven process – Convene, Reframe, Mobilize – to help achieve the three objectives that will mitigate the impact of the Splinternet. This work takes place through working groups (which we call **breakthrough groups**) that will meet at least four times in 2014, either in person or online. These interrelated activities capitalize on EastWest's ability to help top corporate and national leaders around the world see and shape the strategic impact of issues. EastWest is utilizing its global network of technology/policy experts and senior officials responsible for cyberspace in governments and private organizations. Participants in the work include:

- Government: ICT security and policy leaders in key governments, including China, Germany, India, the European Union, Russia, the United Kingdom, and the United States.
- Corporate: Public policy, law, security, and business executives from a geographically-diverse set of international companies who provide and use cyberspace to serve their customers
- NGOs: Selected cyber/Internet policy and advocacy groups to complement EastWest's capabilities.
- EastWest Fellows: Volunteer subject matter experts who serve as Fellows for the Institute.

Two invitation-only **global meetings** will coordinate and consolidate progress, showcase results, and promote collective action. A working roundtable in San Francisco June 16-17 will formally launch the 2014 cyberspace cooperation work program. The major summit in 2014 will occur December 3-5 in Berlin, co-hosted by the German Foreign Office.

Eight breakthrough groups, aligned with the initiative's three objectives, will carry forward the program:

| Objective | Breakthrough Group | Mission |
|---|---|---|
| **Economic and Political Development** | Enhancing global access to secure products and services | Balance the conversation about the benefits of "localization" by promoting the benefits of worldwide access to secure products and services. |
| | Encouraging information flows for education and innovation | Recognize the domestic security and stability concerns that lead to content filtering; balance the conversation by encouraging the flow of information to promote education and innovation. |
| | Exploring limits on surveillance | Internationalize and expand the dialogue about transparency and limits. |
| **Digital Security and Stability** | Strengthening critical infrastructure resilience and preparedness | Enhance international preparedness and resilience in such areas as contagion risk for interconnected systems, emergency communications, submarine cable incident response, and regional CERT-CERT cooperation. |
| | Increasing confidence in ICT product and service security | Advance discussion around securing ICT supply chains and promote the adoption of highly secure computing. |
| | Modernizing international procedures against cyber-enabled crimes | Modernize mutual law enforcement assistance procedures for the investigation and prosecution of cyber-enabled crimes. |
| | Promoting measures of restraint in cyber armaments | Promote measures of restraint in the use of cyber weapons against civil nuclear facilities, submarine cables, and financial exchanges and clearinghouses. Explore potential implementation regimes. |
| **Sound Governance & Management** | Governing and managing cyberspace | Design and model strong Internet institutions and processes for cyberspace management and governance. |

"The more interesting question is: 'what are the crucial variables outside of your organization's control?' Go right to those borders. Start the conversation there."

**John Hurley**
Managing Partner, Cavalry Asset Management; Member, Board of Directors, EastWest Institute

EastWest's senior vice president, **Bruce McConnell**, a widely-respected cyberspace policy and security leader with over 25 years' experience in public and private sector information policy and technology organizations, is leading this effort. His skills are complemented by EastWest cyber staff and fellows, along with EastWest's extensive network of volunteers and partners.

# #cybersummit2013

Organized by:

EastWest INSTITUTE

Partners:

Stanford Institute for Economic Policy Research (SIEPR)

IEEE

IEEE COMMUNICATIONS SOCIETY

Sponsors:

**CenturyLink**

**The Chertoff Group**

**Deloitte**

**Fidelity Investments**

**Goldman Sachs**

**Huawei Technologies**

**Intel**

**M³AAWG**

**McAfee**

**Microsoft**

**Morgan Stanley**

**Palantir**

**PayPal**

**Stroz Friedberg**

**Symantec**

**Technology Crossover Ventures**

**TeleGeography**

**Visa**

**Wells Fargo & Company**

**The William and Flora Hewlett Foundation**

Media Partners:

SCIENTIFIC AMERICAN™

MIT Technology Review

Knowledge Partner:

**Oxford Analytica**

Watch the summit video highlights at:
**cybersummit.info**

# EastWest Institute Board of Directors

## OFFICE OF THE CHAIRMEN

**Ross Perot, Jr. (U.S.)**
*Chairman*
EastWest Institute
*Chairman*
Hillwood Development Co. LLC
*Board of Directors*
Dell Inc.

**Armen Sarkissian (Armenia)**
*Vice Chairman*
EastWest Institute
*President*
Eurasia House International
*Former Prime Minister of Armenia*

## OFFICERS

**John Edwin Mroz (U.S.)**
*President, Co-Founder and CEO*
EastWest Institute

**R. William Ide III (U.S.)**
*Council and Secretary*
*Chair of the Executive Committee*
EastWest Institute
*Partner*
McKenna Long and Aldridge LLP

**Leo Schenker (U.S.)**
*Treasurer*
EastWest Institute
*Senior Executive Vice President*
Central National-Gottesman Inc.

## MEMBERS

**Martti Ahtisaari (Finland)**
*Former Chairman*
EastWest Institute
*2008 Nobel Peace Prize Laureate*
*Former President of Finland*

**Tewodros Ashenafi (Ethiopia)**
*Chairman and CEO*
Southwest Energy (HK) Ltd.

**Peter Bonfield (U.K.)**
*Chairman*
NXP Semiconductors

**Matt Bross (U.S.)**
*Chairman and CEO*
IP Partners

**Robert N. Campbell III (U.S.)**
*Founder and CEO*
Campbell Global Services LLC

**Peter Castenfelt (U.K.)**
*Chairman*
Archipelago Enterprises Ltd.

**Maria Livanos Cattaui (Switzerland)**
*Former Secretary-General*
International Chamber of Commerce

**Michael Chertoff (U.S.)**
*Co-founder and Managing Principal*
Chertoff Group

**David Cohen (U.K.)**
*Chairman*
F&C REIT Property Management

**Joel Cowan (U.S.)**
*Professor*
Georgia Institute of Technology

**Addison Fischer (U.S.)**
*Chairman and Co-Founder*
Planet Heritage Foundation

**Stephen B. Heintz (U.S.)**
*President*
Rockefeller Brothers Fund

**Hu Yuandong (China)**
*Chief Representative*
UNIDO ITPO-China

**Emil Hubinak (Slovak Republic)**
*Chairman and CEO*
Logomotion

**John Hurley (U.S.)**
*Managing Partner*
Cavalry Asset Management

**Amb. Wolfgang Ischinger (Germany)**
*Chairman*
Munich Security Conference
*Global Head of Governmental Affairs*
Allianz SE

**Ralph Isham (U.S.)**
*Managing Director*
GH Venture Partners LLC
*Chairman*
Laurus Edutech Pvt. Ltd.

**Anurag Jain (India)**
*Chairman*
Laurus Edutech Pvt. Ltd.

**Gen. (ret) James L. Jones (U.S.)**
*Former Advisor*
U.S. National Security
*Former Supreme Allied Commander*
Europe
*Former Commandant*
Marine Corps

**Haifa Al Kaylani (Lebanon/Jordan.)**
*Founder and Chairperson*
Arab International Women's Forum

**Zuhal Kurt (Turkey)**
*CEO*
Kurt Enterprises

**General (ret) T. Michael Moseley (U.S.)**
Moseley and Associates, LLC
*Former Chief of Staff*
United States Air Force

**F. Francis Najafi (U.S.)**
*CEO*
Pivotal Group

**Amb. Tsuneo Nishida (Japan)**
*Permanent Representative of Japan to the U.N.*

**Ronald P. O'Hanley (U.S.)**
*President,Asset Management and Corporate Services*
Fidelity Invesments

**Amb. Yousef Al Otaiba (U.A.E.)**
*Ambassador*
Embassy of the United Arab Emirates in Washington, D.C.

**Admiral (ret) William A. Owens (U.S.)**
*Chairman*
AEA Holdings Asia
*Former Vice Chairman*
U.S. Joint Chiefs of Staff

**Sarah Perot (U.S.)**
*Director and Co-Chair for Development*
Dallas Center for Performing Arts

**Louise Richardson (U.S.)**
*Principal*
University of St. Andrews

**John Rogers (U.S.)**
*Managing Director*
Goldman Sachs and Co.

**George F. Russell, Jr. (U.S.)**
*Former Chairman*
EastWest Institute
*Chairman Emeritus*
Russell Investment Group
*Founder*
Russell 20-20

**Ramzi H. Sanbar (U.K.)**
*Chairman*
SDC Group Inc.

**Ikram ul-Majeed Sehgal (Pakistan)**
*Chairman*
Security & Management Services Ltd.

**Amb. Kanwal Sibal (India)**
*Former Foreign Secretary of India*

**Kevin Taweel (U.S.)**
*Chairman*
Asurion

**Amb. Pierre Vimont (France)**
*Executive Secretary General*
European External Action Service
*Former Ambassador*
Embassy of the Republic of France in Washington, D.C.

**Alexander Voloshin (Russia)**
*Chairman of the Board*
OJSC Uralkali

**Amb. Zhou Wenzhong (China)**
*Secretary-General*
Boao Forum for Asia

## NON-BOARD COMMITTEE MEMBERS

**Laurent Roux (U.S.)**
*Founder*
Gallatin Wealth Mangement, LLC

**Hilton Smith, Jr. (U.S.)**
*President and CEO*
East Bay Co., LTD

## CO-FOUNDER

**Ira D. Wallach* (U.S.)**
*Former Chairman*
Central National-Gottesman Inc.
*Co-Founder*
EastWest Institute

## CHAIRMEN EMERITI

**Berthold Beitz* (Germany)**
*President*
Alfried Krupp von Bohlen und Halbach-Stiftung

**Ivan T. Berend (Hungary)**
*Professor*
University of California, Los Angeles

**Francis Finlay (U.K.)**
*Former Chairman*
Clay Finlay LLC

**Hans-Dietrich Genscher (Germany)**
*Former Vice Chancellor and Minister of Foreign Affairs*

**Donald M. Kendall (U.S.)**
*Former Chairman and CEO*
PepsiCo. Inc.

**Whitney MacMillan (U.S.)**
*Former Chairman and CEO*
Cargill Inc.

**Mark Maletz (U.S.)**
*Chairman, Executive Committee*
EastWest Institute
*Senior Fellow*
Harvard Business School

## DIRECTORS EMERITI

**Jan Krzysztof Bielecki (Poland)**
*CEO*
Bank Polska Kasa Opieki S.A.
*Former Prime Minister of Poland*

**Emil Constantinescu (Romania)**
*President*
Institute for Regional Cooperation and Conflict Prevention (INCOR)
*Former President of Romania*

**William D. Dearstyne (U.S.)**
*Former Company Group Chairman*
Johnson & Johnson

**John W. Kluge* (U.S.)**
*Former Chairman of the Board*
Metromedia International Group

**Maria-Pia Kothbauer (Liechtenstein)**
*Ambassador*
Embassy of Liechtenstein to Austria, OSCE and the UN in Vienna

**William E. Murray* (U.S.)**
*Former Chairman*
The Samuel Freeman Trust

**John J. Roberts (U.S.)**
*Senior Advisor*
American International Group (AIG)

**Daniel Rose (U.S.)**
*Chairman*
Rose Associates Inc.

**Mitchell I. Sonkin (U.S.)**
*Managing Director*
MBIA Insurance Corporation

**Thorvald Stoltenberg (Norway)**
*President*
Norwegian Red Cross

**Liener Temerlin (U.S.)**
*Chairman*
Temerlin Consulting

**John C. Whitehead (U.S.)**
*Former Co-Chairman*
Goldman Sachs
*Former U.S. Deputy Secretary of State*

* Deceased

# EastWest Institute Policy Report Series

## 2014

**Critical Terminology Foundations 2**
Russia-U.S. Bilateral on Cybersecurity
Policy Report 2014—2

**A Measure of Restraint in Cyberspace**
Reducing Risk to Civilian Nuclear Assets
Policy Report 2014—1

## 2013

**Afghan Narcotrafficking**
A Joint Threat Assessment
Policy Report 2013—1 [EN | RU]

**The Path to Zero**
Report of the 2013 Nuclear Discussion Forum
Policy Report 2013—2

**Threading the Needle**
Proposals on U.S. and Chinese Actions
on Arms Sales to Taiwan
Policy Report 2013—3

**Measuring the Cybersecurity Problem**
Policy Report 2013—4

**Frank Communication & Sensible Cooperation to Stem Harmful Hacking**
Policy Report 2013—5 [EN | CH]

## 2012

**Bridging the Fault Lines**
Collective Security in Southwest Asia
Policy Report 2012—1

**Priority International Communications**
Staying Connected in Times of Crisis
Policy Report 2012—2

## 2011

**Working Towards Rules for Governing Cyber Conflict**
Rendering the Geneva and Hague
Conventions in Cyberspace
Policy Report 2011—1 [EN | RU]

**Seeking Solutions for Afghanistan, Part 2**
Policy Report 2011—2

**Critical Terminology Foundations**
Russia-U.S. Bilateral on Cybersecurity
Policy Report 2011—3

**Enhancing Security in Afghanistan and Central Asia through Regional Cooperation on Water**
Amu Darya Basin Consultation Report
Policy Report 2011—4

**Fighting Spam to Build Trust**
China-U.S. Bilateral on Cybersecurity
Policy Report 2011—5 [EN | CH]

**Seeking Solutions for Afghanistan, Part 3**
Policy Report 2011—6

## 2010

**Economic Development and Security for Afghanistan**
Increasing Jobs and Income with the Help
of the Gulf States
Policy Report 2010—1

**Making the Most of Afghanistan's River Basins**
Opportunities for Regional Cooperation
Policy Report 2010—2

**The Reliability of Global Undersea Communications Cable Infrastructure**
Policy Report 2010—3

**Rights and Responsibilities in Cyberspace**
Balancing the Need for Security and Liberty
Policy Report 2010—4

**Seeking Solutions for Afghanistan, Part 1**
Policy Report 2010—5

# Building Trust
# Delivering Solutions

The EastWest Institute seeks to make the world a safer place by addressing the seemingly intractable problems that threaten regional and global stability. Founded in 1980, EWI is an international, non-partisan organization with offices in New York, Brussels, Moscow and Washington. EWI's track record has made it a **global go-to place for building trust, influencing policies and delivering solutions.**

–

Learn more at **www.ewi.info**

EastWest Institute

EWInstitute
EastWestInstitute