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Daniel Rabetti's seminar

Title: Coins for Data: An Anatomy of Crypto-Based Cybercrimes

Abstract:

Despite their worldwide adoption, cryptocurrencies threaten investors' protection, financial stability, and national security due to their use in illicit activities. Understanding the economics of crypto-based cybercrimes is essential for guiding effective regulation by agencies such as the U.S. federal government without jeopardizing the innovation that the technology fosters. We, therefore, assemble comprehensive datasets from cyber security experts to provide an anatomy of crypto-based cybercrimes. Our analysis reveals that a few organized ransomware gangs dominate crypto-based cybercrimes. These gangs have evolved into sophisticated firm-like operations with physical offices, franchising, and affiliation programs. Their techniques have also become more aggressive over time, expanding to several layers of extortion. Although seemingly appealing, restricting cryptocurrency usage by individuals or organizations may prove ineffective in tackling crypto-based cybercrime. Instead, regulators can exploit blockchain transparency and expertise in blockchain forensics to track, monitor, and shut down dominant cyber-criminals.