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Start-up guru Vardi: Cyber-insecurity here to stay

Israel's high-tech pioneer is bullish on the cyber-tech industry — because it is going to be around for a long time

By David Shamah / April 8, 2014, 7:05



Yossi Vardi speaking at the INSS Conference (Photo credit: Courtesy)

Yossi Vardi, a leader in the Israeli tech field, said Tuesday that the present and future state of technology did not bode well for individuals concerned about falling victim to hackers.

There are two big winners in the cyber-security space, according to Vardi. “Of course, the companies that make the cyber-security products and services are thriving, and will continue to thrive,” said Vardi. “And the conference business will continue to do well, too.”

Vardi maintained his well-known humorous presentation style even as he pessimistically described a cyber-future in which the average user had almost no chance of securing their computers or online accounts. “National institutions might have a chance at so-so security, but, for most businesses’ security, it is out of reach. For the average user, forget it.”

Vardi gave his gloomy forecast at the annual Defensive Cyberspace Operations & Intelligence Conference, taking place April 8 and 9 and sponsored by the **Institute for National Security Studies (INSS)**, Tel Aviv University’s think tank on security issues. The conference hosted speakers from large cyber-security companies, including Checkpoint and RSA, as well as international experts on computer security issues.

Vardi, now 71, struck gold with the first big Israeli start-up of the Internet era, when he and his partners sold ICQ in 1998 for a rumored \$400 million. As a result, he has been named a “tech guru,” an ultimate oracle regarding the Israeli start-up and tech scenes.

“I have been watching security technology and communications since 1969, when I started my career” in the communications department of Israel Military Industries (Rafael), said Vardi. “Since then, billions of dollars have been invested in cyber-security, and it doesn’t look like we’ve gotten any better at it.” As soon as new defenses are developed, hackers come up with workarounds, and when solutions are found to those hacks, new ones are developed yet again, Vardi noted. “It’s like a dog that chases his tail and never catches it.”

There are technologies that can keep a system relatively safe, but they are very expensive and out of reach of most individuals and businesses. “Your average coffee shop doesn’t have the money to hire the kind of staff they would need to prevent hackers from stealing their information,” said Vardi. “The price for hacking tools is extremely low, and kids buy them and use them. There is almost no way to stop them.

“I’m not even sure it’s worth it to try and stop them,” Vardi added. For example, sophisticated cyber-security solutions often cost more than what a hacker could steal from individuals whose credit card numbers were compromised, because the law protects customers from too great a loss.

“And that’s the good news,” said Vardi. There are currently about 5 billion devices — computers, smartphones, tablets — that hackers can reach over networks. That number is expected to quadruple or quintuple in the next few years, as “Internet of things” devices (such as refrigerators, watches, vacuum cleaners and more) come onto the market. “That will be great for consumers, but hackers will have a field day like they never had before.”

But all is not lost, Vardi said. Once users understand the issues, they can learn how to cope, survive and even thrive. Changing passwords, regularly backing up data and avoiding suspicious sites are all good ideas, of course. But don’t hold your breath for a “grand vision” solution or cyber-security silver bullet. “The Internet was never designed for the volume of data we are using and it was never designed for cyber-security,” Vardi said. “There is talk of developing a new, alternative Internet that can better fit our needs, but that’s a long way off. Meanwhile, we will have a lot to talk about at future conferences.”

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