

CS-438

Decentralized Systems
Engineering

Fall 2025

Week 7

Threat modeling

no system is "100% secure"

relevant scopes:

assets - what is to be protected

- user data

- system function (availability, reliability, ...)

boundaries - administrative domains

enclaves - "least privilege" ...

adversaries - resources, capabilities (can/cannot)

goals - motivation

Algorithms — Security assumptions

- DoS resistance/vulnerability
- node honesty - follow the protocol?
 - Byzantine behavior? - #, % threshold bound
 - Rationality
- node crash failure
- cryptographic (hardness) assumptions
- network conditions - availability, performance, jitter, reordering

Adversaries - categorizations

Local vs global

Ephemeral vs persistent

("advanced"
APT)

passive vs active

threshold assumption

Decentralized Systems Engineering

CS-438 – Fall 2025

DEDIS

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EPFL

Credits: H. Zhang, K. Nikitin, D. Kostic, C. Basescu, B. Ford, Wikimedia Commons

Cryptographic Tools for Decentralized Systems

Building trust among untrusted parties

Overview

- Shared-algorithm cryptography
- Symmetric-key cryptography
- Public-key cryptography
- Cryptographic hash functions
- Key infrastructure
- Threshold secret sharing

Introduction

- What is cryptography?
 - A toolbox for many security mechanisms
 - A way to ensure information & communication security

*Secure data *at rest* and *in motion**

- Cryptography is not:
 - The solution to all security problems
 - Reliable unless implemented properly
 - Reliable unless used properly
 - Something you should try to invent yourself

Overview

- Shared-algorithm cryptography

Encryption

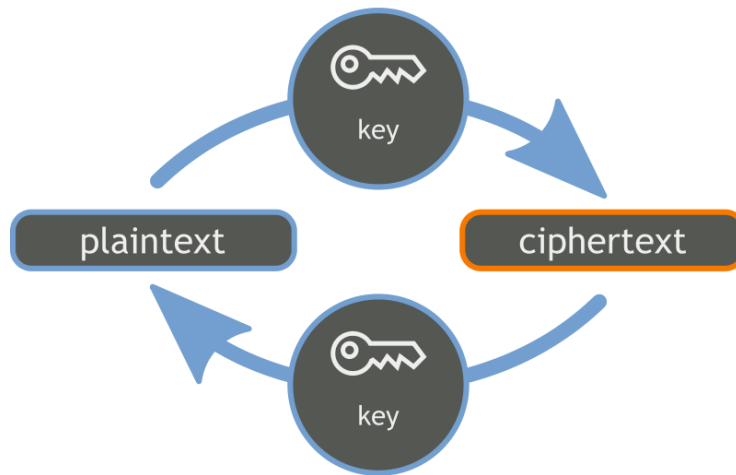
	00101010	Plaintext
⊕	<u>11000001</u>	Secret Key
	11101011	Cyphertext

Decryption

	11101011	Cyphertext
⊕	<u>11000001</u>	Secret Key
	00101010	Plaintext

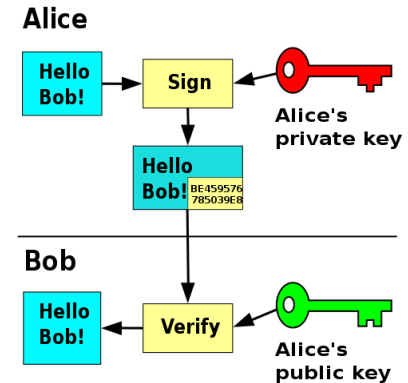
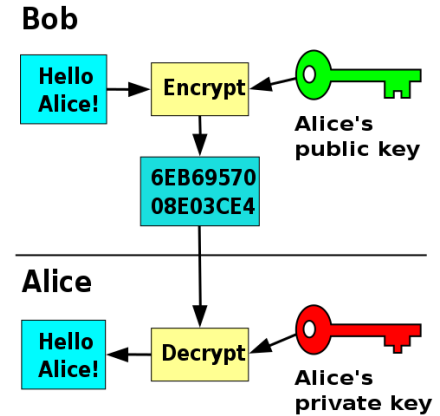
Overview

- Shared-algorithm cryptography
- **Symmetric-key cryptography**



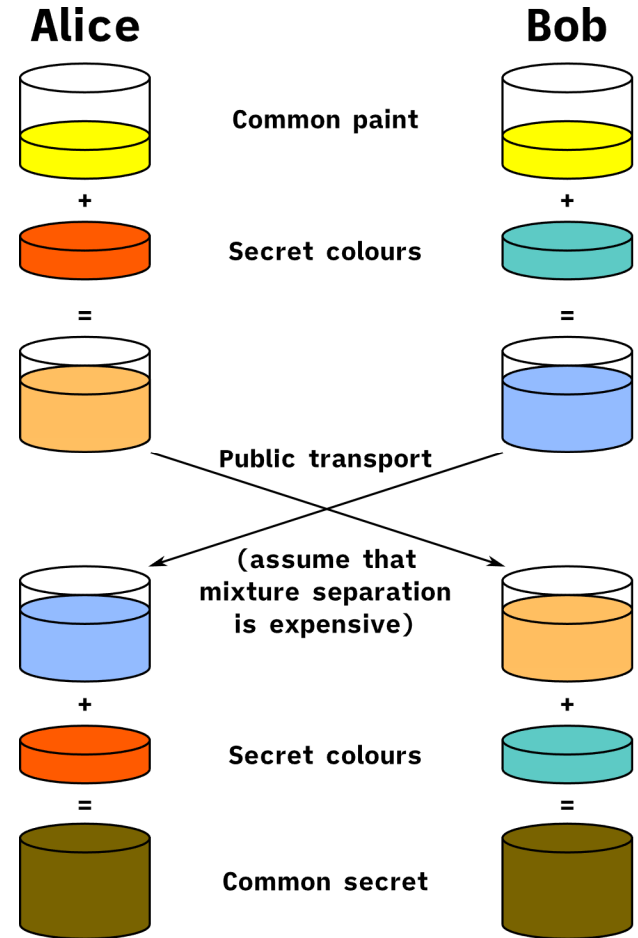
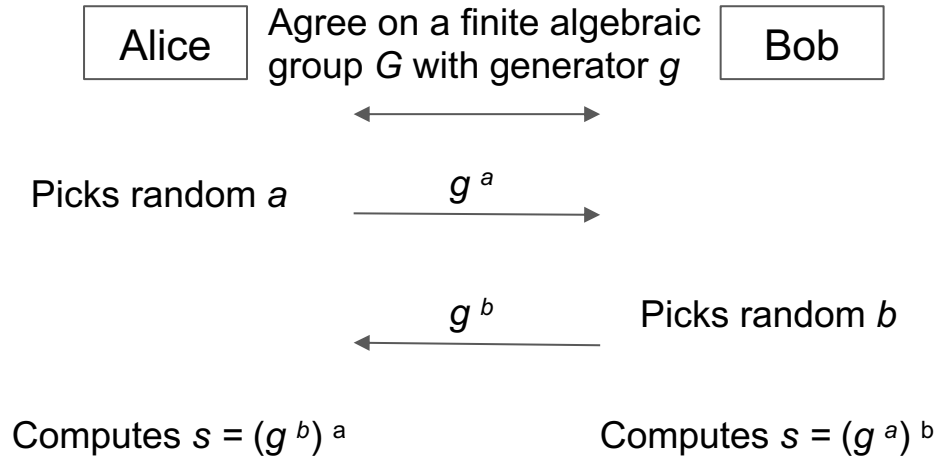
Overview

- Shared-algorithm cryptography
- Symmetric-key cryptography
- **Public-key cryptography**
 - Interactive Key Exchange (Diffie-Hellmann)
 - Elliptic-curve Cryptography (ECC)



Interactive Key Exchange

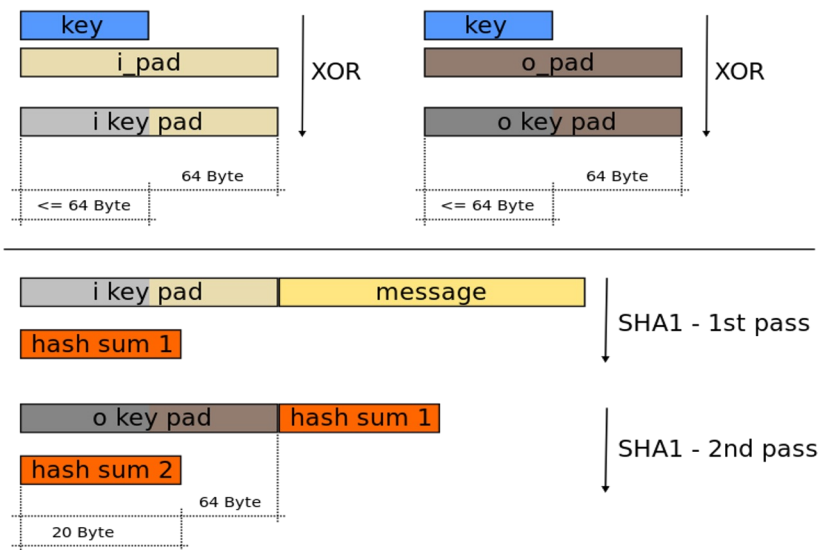
- Diffie-Hellman Key Exchange
(e.g. Handshake protocol in TLS)



- Security relies on Discrete Logarithm Problem

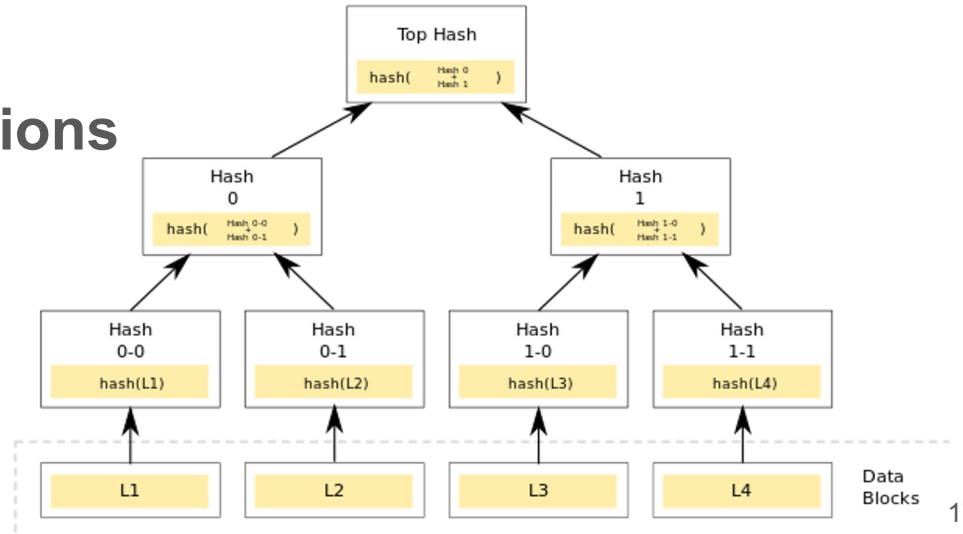
Overview

- Shared-algorithm cryptography
- Symmetric-key cryptography
- Public-key cryptography
- **Cryptographic hash functions**
 - HMAC
 - Merkle trees



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Overview

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- **Key infrastructure**

Key Distribution

- For both symmetric and asymmetric crypto we have to distribute keys
- Symmetric cryptosystems require the exchange of secret keys
 - Need for a secret/confidential channel
- Asymmetric cryptosystems require the exchange of public keys
 - Need for a trusted/integrity protected channel
- Authorities trusted to provide secret / trustworthy keys:
 - Key Distribution Centers (KDC)
 - Certification Authorities (CA)

Using Hierarchy of Trust

- One KDC/CA is not enough to serve all users
- KDCs/CAs are organized into hierarchies or peer networks

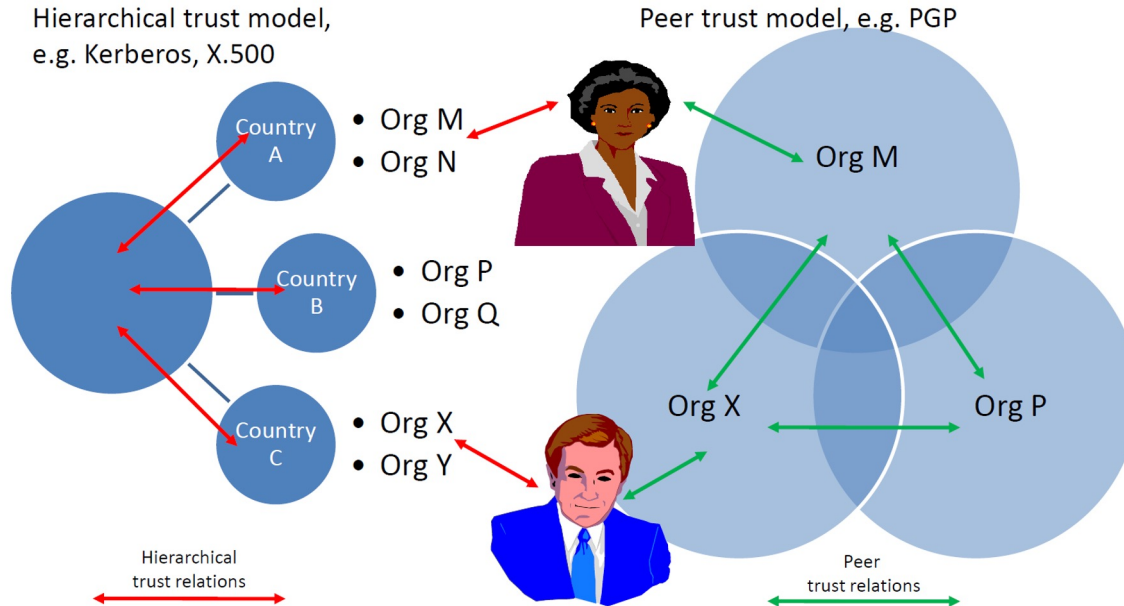


Figure Credit:
P. Janson "IT
Security
Engineering" course 20

Public Key Infrastructure (PKI)

PKI binds *public keys* to their *owners*

- Certificate Authority (CA): stores, issues and signs the digital certificates
- Root certificate public keys are embedded in web browser
- Few Root CAs sign "delegation" certificates declaring that other CAs are also trusted to sign server certs
- Subsidiary "issuing" CA signs a certificate for, e.g., Google servers
- When your browser connects to Google server via SSL, the server sends its server-side certificate and the "chain" of signatures down from the root CA

Overview

- Shared-algorithm cryptography
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- **Threshold secret sharing**

How do you share a secret without revealing it ?

Any encrypted data is secured with a *private key*

- A private key is *just information* (a number)!
- If the *key* leaks, anyone can decrypt the data
 - Regardless of where it's stored: cloud, blockchain...

Privacy & Accountability with secret-sharing

- Essential idea: after encrypting data, “deal” the secret key to a *threshold t* of *n* parties

Secret Sharing: Illustration

Suppose you're a pirate & bury your treasure...



Keeping the Location Secret

You have 3 henchmen who you want to send back for it later, but you don't trust *any one* completely



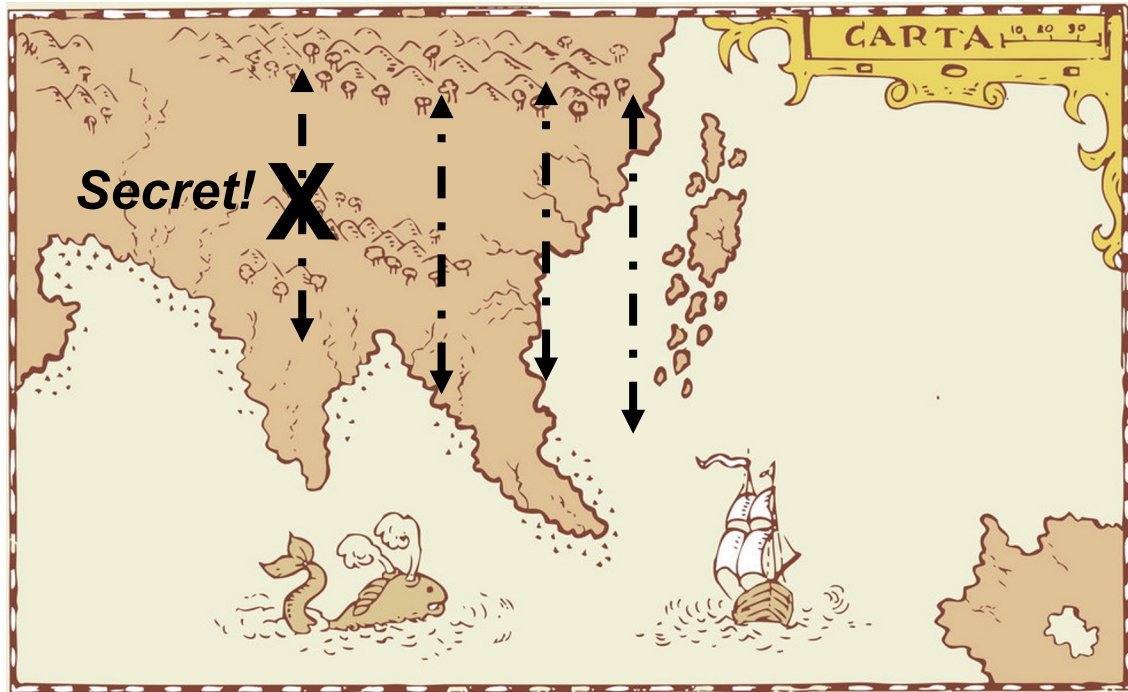
Secret Sharing: Illustration

You mark the spot between two reference points



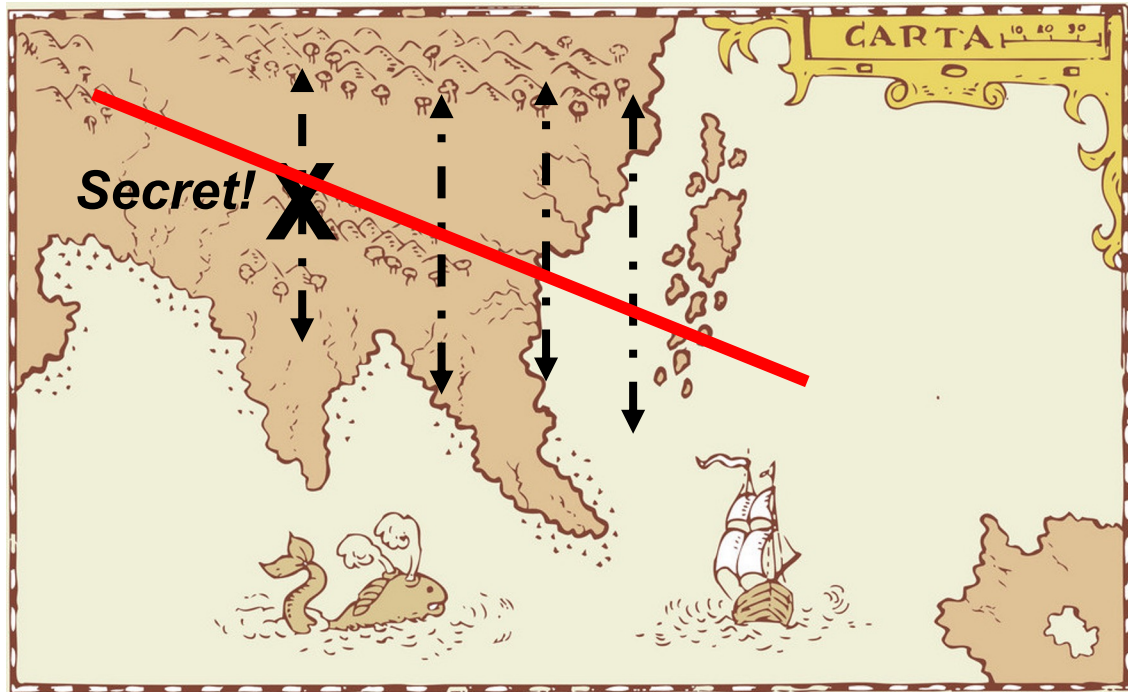
Secret Sharing: Illustration

Then draw three parallel reference lines...



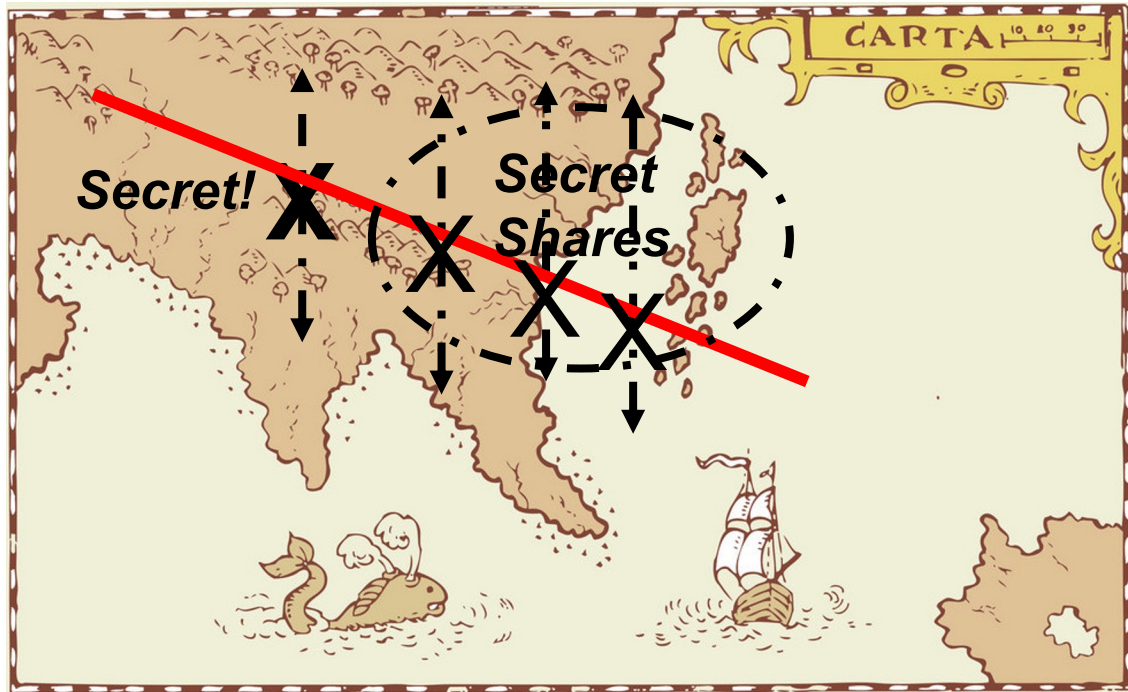
Secret Sharing: Illustration

...and another line intersecting all four...



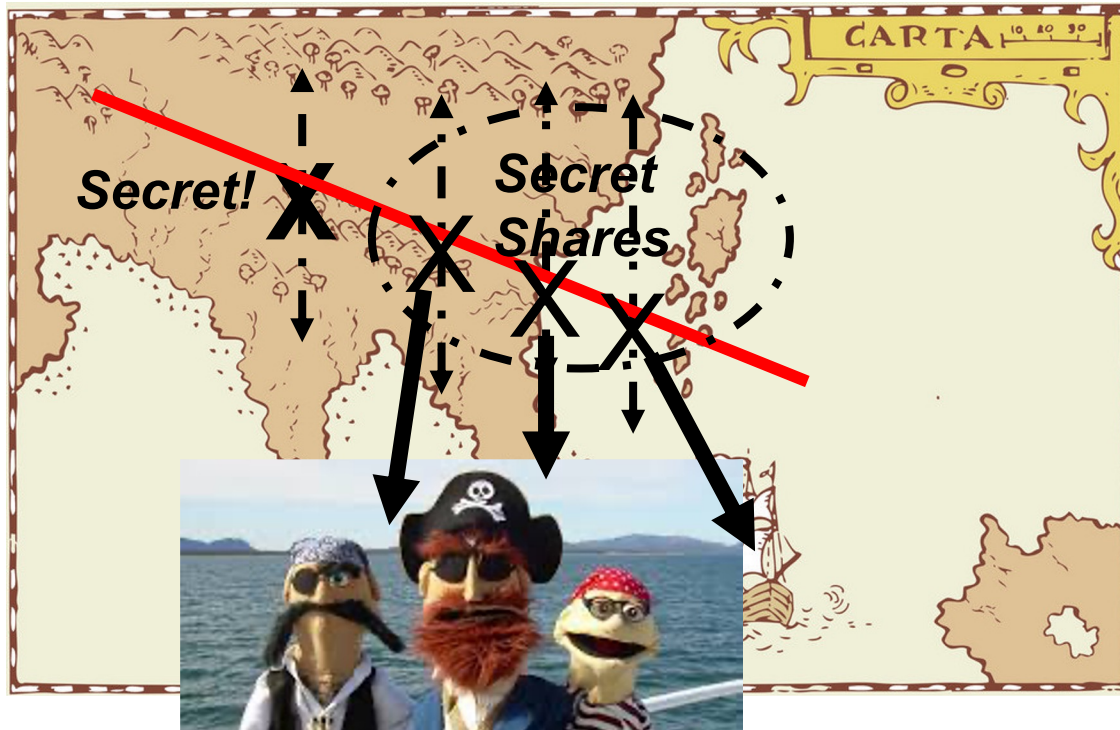
Secret Sharing: Illustration

The intersection points are the *secret shares*...



Secret Sharing: Illustration

You give *one* of these shares to *each* henchman



Threshold Secret Sharing

Now suppose your henchmen come back later to recover the treasure...

- Any **one** henchman won't know how to find it
- Any **two** henchmen will be able to!

You get both **threshold privacy** of the secret...

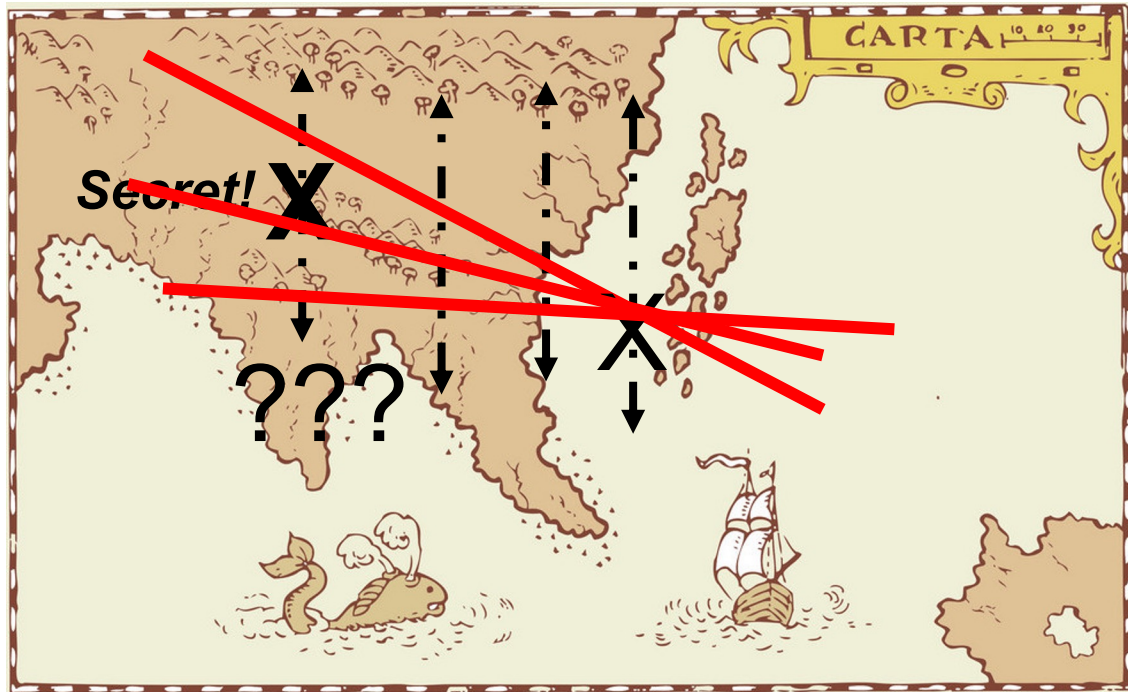
- No single compromised party can recover it

You also get **threshold availability** of the secret

- Can still recover if one henchman goes missing

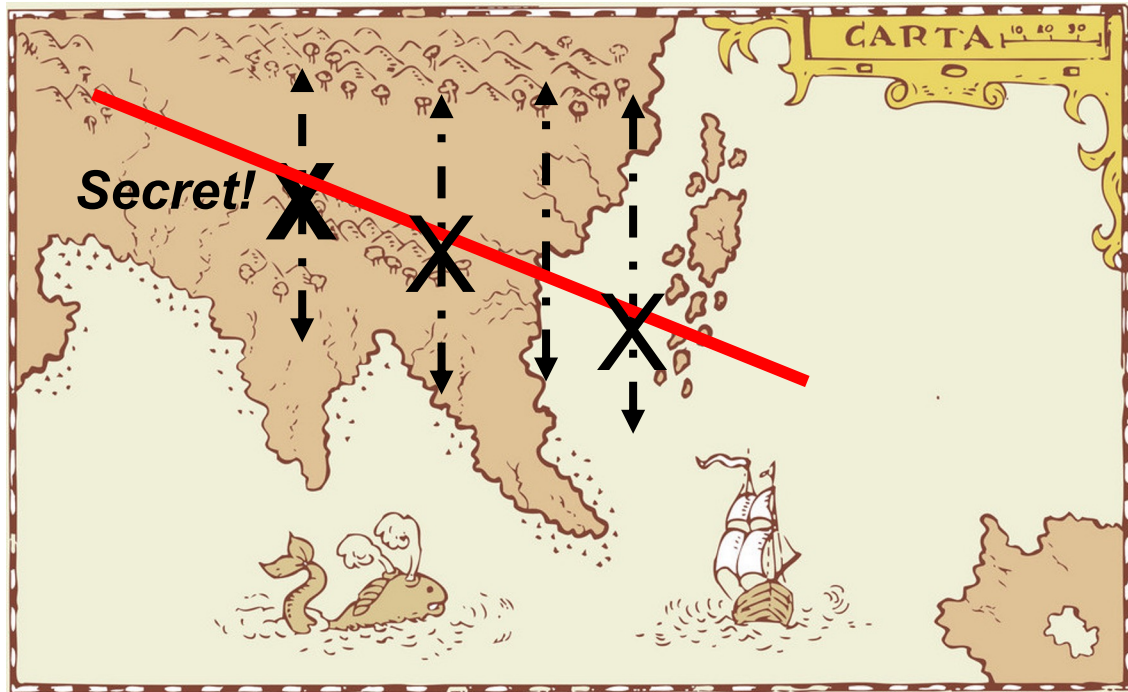
Secret Sharing: Illustration

One henchman alone can't recover secret



Secret Sharing: Illustration

...but *any two* working together can!



Threshold Cryptosystem

- **Shamir's Secret Sharing (SSS)**
- **Verifiable Secret Sharing (VSS)**
- **Publicly Verifiable Secret Sharing (PVSS)**
- **Distributed Key Generation (DKG)**