

**Awareness Is Prevention  
Speech to the Innocence At Risk Benefit**

**September 27, 2011**

**The Fairfax At Embassy Row  
Washington, DC**

Ladies and Gentlemen:

I am honored to be with you for this celebration. I am a great admirer of Deborah Sigmund and Innocence At Risk. Your Flight Attendant Initiative has mobilized an entire industry to be alert to the realities of child sex trafficking. Your support for orphanages in the Dominican Republic is touching the lives of the children most at risk for trafficking and sexual exploitation.

I have always cited the famous quote from Robert Kennedy that “one person can make a difference, and everyone should try.” Deborah, you are making a difference in the lives of children in America and around the world.

Let me also express my thanks to The Fairfax At Embassy Row for its commitment, and especially to Executive Chef Mark Timms. Chef Timms, your commitment to giving back is inspiring and one which I hope many others will emulate.

We are grateful to Starwood Hotels, which has been a leader in its industry in protecting children for many years. Starwood has implemented the kinds of standards that we hope the entire hotel industry will adopt.

To all of you here tonight supporting Deborah and Innocence At Risk, thank you. But let me be a little presumptuous. I want to challenge you to do more, because the problems are daunting, and we have only just begun.

I am proud to report that together we are making enormous progress. Law enforcement is better trained, better prepared, and has better tools and technology than ever before. In partnership with Interpol, our International Centre has trained police in 119 countries.

We have made progress in other ways. Today, there are new laws, new international agreements, and greater commitment to regional and global cooperation than ever before. There is also far greater public awareness.

Children's lives are being saved, and those who prey upon them are being brought to justice in greater numbers than ever before. Yet, the fundamental premise remains the same. The problem of missing, abducted, trafficked and sexually exploited children is large, growing, under-recognized and underreported. World leaders must act.

We have witnessed an explosion in child sexual exploitation worldwide.

- The State of the World's Children report estimated that 1.8 million children are involved in commercial sex work. Many are forced into it, whether sold into sexual slavery by poor families or abducted and trafficked into brothels or other exploitive environments.
- According to a UNICEF report, children victimized through sexual exploitation "probably number in the millions each year." The report adds, "children as young as fourteen months are bought, sold, and traded for...sexual gratification...and the financial gain of child merchants."
- The International Labour Organization (ILO) estimates that between 700,000 and 2 million women and children are lured into the trade every year worldwide.

We have witnessed the birth of a child sexual exploitation industry. Pravda, the Russian news service, reported that organized crime has moved into child trafficking and child pornography. Why? Because it is easy; children are plentiful and easy to access; there is huge consumer demand; it is enormously profitable; and there is virtually no risk, far less than the traditional commodities: drugs, guns, tobacco. Our goal is to increase the risk and eliminate the profitability.

How do we do that? One important technique is building industry coalitions. Let me cite a brief example from our attack on commercial child pornography:

At the National Center we operate a CyberTipline, a 911 for the Internet, which has handled 1.2 million reports of child sexual exploitation. One report led us to husband and wife entrepreneurs in Texas, who weren't making enough money doing what they were doing, so they went into the child pornography business. We worked with the Dallas Police and when the couple was arrested, they had 70,000 customers, paying \$29.95 per month and using their credit cards to access graphic images of young children being raped and sexually assaulted. One of the sites was called "Baby Rape."

I called the head of a major credit card company and asked, "how is this possible?" He said, "we don't know what the transactions are for. If you can identify the merchant bank for us in a timely way, we can take action. This is an illegal use of the payment system."

So in 2006 we created a Financial Coalition of 35 companies -- MasterCard, Visa, American Express, Bank of America, Citigroup, HSBC, Deutsche Bank, Banco Bradesco of Brazil, and many more. Our goal was the eradication of the commercial child pornography industry, which many called naïve.

An Asian coalition member, Standard Chartered Bank of Singapore, contracted with McKinsey Worldwide to estimate the size of the problem. McKinsey surveyed existing research and estimated that commercial child pornography was a \$20 billion industry worldwide. We have stated consistently that it was a "multi-billion dollar" industry.

Our process is simple and completely voluntary. The companies donate live accounts to us at the National Center. We provide those accounts to law enforcement agents who attempt to make purchases on illegal sites we identify. When the transactions go through, we alert the payment company which stops the payments and shuts down the accounts.

We are in the fifth year of that process. Last year, the Treasury Department's Office of Terrorist Financing and Financial Crimes reported to us that commercial child pornography had dropped to "effectively zero," less than \$1 million per year. They attributed this dramatic change to "cooperation with the private sector which shut down distribution and payment mechanisms." This was a business that couldn't be sustained on a cash basis. By attacking their ability to collect payment, we did real damage to their business model. And we did it all voluntarily.

We did not hold a press conference and declare victory. I am convinced that organized criminals will adapt, find new ways to profit, but our process goes on. We are continuing to follow the money. Working together, building coalitions, there is no limit to what we can accomplish.

The sexual exploitation of children and the trafficking of children are global phenomena, but they are also a domestic problem. When Americans hear the term "child sex trafficking," they think it only happens somewhere else on the other side of the world. I can report to you that it is happening every day in American cities to American children.

Based on Justice Department research at the University of Pennsylvania, we estimate that at least 100,000 kids are the victims of child prostitution and trafficking each year. We don't know with certainty how many victims there really are. We have a vast amount of anecdotal information from thousands of real cases, but estimating the size of this problem with scientific certainty is impossible.

The operators of these illicit enterprises do not file tax returns. Reporting is miniscule and arrest data are meaningless because there are so few arrests. Since 2003 we have trained police departments nationwide not to arrest the juvenile victim, and nine states have already enacted "Safe Harbor Laws" requiring that these kids not be treated as offenders.

In 2003 the National Center joined with the FBI and the Justice Department to launch the Innocence Lost National Initiative. For the first time we began to look at the problem from a national perspective, from the 30,000 foot level, identifying the networks and the patterns. Today there are 42 Innocence Lost task forces; 700 pimps have been prosecuted and convicted, with six getting life sentences; and more than 1,600 kids have been rescued. Over the past eight years, we have learned five key things:

(1) That these kids are truly victims. This is 21<sup>st</sup> century slavery. The pimps and the customers are the criminals. The kids need to be rescued, not arrested. However, helping these victims recover is a daunting challenge. These kids are badly damaged. The trauma is significant. There are no uniform standards that govern their treatment, and the resources available are inadequate. There are some extraordinary programs doing heroic work, but there are not enough of them, and those that exist need more resources.

(2) That much of this problem is organized crime. There are networks. There is communication and coordination between the operators. The kids are moved from city to city, taken to places with high demand and the greatest profit potential. I have gone around the country saying that this is not traditional organized crime; Mafia or La Cosa Nostra, but organized nonetheless. Yet, in April 2010 a federal grand jury in New York indicted members of the Gambino crime family for selling kids for sex via the Internet. Why would traditional organized crime become involved in the sale of kids for sex? Simple: it is easy, low cost, low risk and highly profitable.

(3) That offenders don't just parade these kids on city streets any more. Today, customers shop online from the privacy of their homes or hotel rooms. That is why in 2008 we joined with 40 state Attorneys General in an agreement with Craigslist, the largest online classified advertising site, to attempt to address this problem. In September 2010 Craigslist shut down their adult ads. We are currently working with Backpage, the next largest site. This year alone, Backpage has made 1,600 reports to our National Center regarding ads on their site that they suspect involve the sexual trafficking of children.

(4) That we need far more attention to prevention. Increasingly, our society sexualizes children at younger and younger ages. Thus, we continue to encounter child victims who almost expect to be sexually exploited, what some have referred to as "compliant victims," kids who simply accept their victimization. We must take steps to sensitize advertisers, entertainment providers and others to this growing societal challenge; and

(5) That little is being done to attack the demand. We cannot arrest and prosecute our way out of this problem. There is massive consumer demand in this country and around the world for sex with kids. And it has never been more blatant or more normalized than in this era of the Internet. We are paying a price as a society because of it.

There are growing efforts to educate the public about this problem. Hollywood stars Ashton Kutcher and Demi Moore have launched a campaign called "Real Men Don't Buy Sex With Girls." Ashton and Demi are urging the nation to take a stand against child sex slavery. We are working with them and are grateful for their leadership.

However, we need to do more than just educate. We also need to hold the customers accountable for their actions. Those who pay for sex with a child violate the law. Yet, courts and prosecutors are often reluctant to treat them like criminals. These are doctors, lawyers, business executives, teachers, coaches. They don't match society's stereotype of a sex offender. They look pretty much like the rest of us.

Yet, we have to create deterrence. A US Attorney in Missouri has begun charging the customers under the federal anti-trafficking law. We hope others will follow her lead.

And we need to awaken the public to the need for real social change. It worked with tobacco, breast cancer, seat belts and car seats. It is time to awaken the nation regarding the sexual exploitation and victimization of our children.

In conclusion, twenty-seven years ago, President Ronald Reagan officially opened the new private, nonprofit National Center for Missing & Exploited Children in a ceremony at the White House. He did it with a poem by Helen Kromer:

One man awake can awaken another  
The second can awaken his next door brother  
The three awake can rouse the town, turning the whole place upside down,  
And the many awake make such a fuss, they finally awaken the rest of us.

Awareness is prevention. Together, we must build greater awareness; attack the demand; and mobilize government and private sector leaders to put an end to this insidious practice.

Thank you for being here and for your commitment and support. I hope you will help us wake up America and the world.