ACAMS Greater Twin Cities Chapter

Human Trafficking: Deconstructing the Trafficker

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Meet Maeghan

- My granddaughter
  - One of six (soon to be seven) grandchildren
  - I’m extremely blessed

- What does this have to do with human trafficking?
Meet Someone Else’s Granddaughter

• This could easily be my Maeghan
Awareness

• Awareness leads to prevention
Operation Cross Country

• Annual nationwide effort focused on underage human trafficking
  ▫ FBI and National Center for Missing & Exploited Children
• 11th iteration conducted October 12-15, 2017
  ▫ High impact / promoting awareness
  ▫ 84 minors recovered including one 3-month-old and one-five-year old
  ▫ 120 traffickers arrested
• Director Christopher Wray (“Unfortunately, the number of traffickers arrested—and the number of children recovered—reinforces why we need to continue to do this important work)
Awareness

- Understanding the crime problem
- Understanding opportunity and perspective
  - Opportunity is everything
    - Victim perspective
      - Better themselves / improve their environment
    - Trafficker perspective
      - Exploitation
- Training
- Engagement
What is Human Trafficking?

• Human trafficking is a human rights violation
  ▫ Involves the practice of holding another person in compelled service by force, fraud, or coercion
  ▫ Traffickers profit from this practice by controlling their victims and exploiting them for labor and/or sex

• Under U.S. law, human trafficking is defined as “sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age” or “the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery”
Minnesota Strip

- Human trafficking hitting home
  - New York City (8th Ave. between 42nd and 50th Sts.)
  - Broadway Theater District
  - 1970s-1990s
    - Peep shows / prostitution / homeless / panhandlers
    - Runaway girls from Minnesota / Midwest

- Lormel encounter
  - McDonalds (1977)
    - Realization prostitutes underage
      - This could be my sister
    - Disrupt a trafficker’s operation by accident not design
      - Arrest pimp / trafficker
Situational Awareness

• The importance of being aware of your surroundings
  ▫ The same concept applies to physical security and AML compliance

• Best practices include:
  ▫ Identify potential threats and dangerous situations
    • Is something out of the ordinary or unusual?
  ▫ More mindset than skill
  ▫ Recognize that threats exist
  ▫ Take responsibility for your security
  ▫ Trust your “gut” or intuition

• *See something, say something*
Situational Awareness for Human Trafficking

- The importance of being aware of your surroundings
  - Recognizing the warning signs

- Best practices include:
  - Identify potential trafficking typologies
    - Is something out of the ordinary or unusual?
    - Polaris 25 typologies
  - Understand the crime problem and the business of trafficking
  - Recognize constant victim vulnerability
  - Understand the exploiters
    - Recruitment / abduction
    - Transfer and transportation to a point of exploitation
    - Exploitation
Minnesota Strip Revisited

- Missing the warning signs of trafficking during McDonalds encounter
  - Pimp’s rage because prostitute “spending my money”
  - Pimp’s statement “I own these girls”
  - Pimp’s statement “you ain’t gonna change nothin here”
  - Pimp’s statement “I control these girls, they love me”

- Aware but not *situationally aware*
Scope of Problem

• Second or third largest criminal problem in the world
• Fastest growing criminal industry in the world
  ▫ Low start-up costs
  ▫ Minimal risk
  ▫ High profits
  ▫ Large demand
  ▫ Victims can be sold repeatedly
Understanding the Problem

- Questions that need to be asked and answered
  - How do the criminal networks operate?
  - Who is being targeted and how are they recruited?
  - How are the victims transported and what visas are exploited for foreign nationals?
  - How are the victims controlled?
  - What access points might victims have to seek help?
  - What are the financial flows and how is the money managed?
  - Where are the traffickers vulnerable to an intervention?
  - What legitimate government systems and businesses do traffickers interface with?

Source: Polaris
Deconstructing a Trafficker

• Motivation
  ▫ High profits
  ▫ Low risk

• Qualifications
  ▫ Must be a dirt bag

• Attributes
  ▫ Opportunistic
  ▫ Predator
  ▫ Deceitful
  ▫ Exploitive
  ▫ Intimidator
  ▫ Controlling
  ▫ Manipulative
Who Traffics?

- A wide range of criminals, including pimps, family operations, small businesses, loose knit decentralized criminal networks, and international organized criminal organizations, can be human traffickers.

- Traffickers and victims often share same nationality.

- Traffickers can be foreign nationals, U.S. citizens, males and females, family members, intimate partners, acquaintances, and strangers.
Perspectives, Partnerships and Proactive Measures

**Perspectives**
Understand perspective of partners / overcome impediments / strive for win - win situation

**Partnerships**
Leverage capabilities and capacity of partners

**Proactive Measures**
Develop sustainable, innovative and impactful proactive measures to support law enforcement investigative initiatives
Proactive Measures

• Understand and balance perspectives
• Build sustainable partnerships
• Requires cooperation, communication and coordination
• Examples of meaningful partnerships
  ▫ JPMorgan Chase / HSI Human Trafficking Initiative
    • ACAMS special award
  ▫ US Bank Human Trafficking Initiative: Super Bowl LII
    • Convergence of transactional and demographic information / analysis
  ▫ Doing the right thing
Polaris – ACAMS Working Group

• Polaris an NGO
  ▫ Works globally to end modern slavery
• Collaborating with ACAMS to identify financial implications in the 25 Polaris typologies
  ▫ Includes financial institution partners who are ACAMS members
• *The Typologies of Modern Slavery: Defining Sex and Labor Trafficking in the United States*
  ▫ Polaris research report
• Collaborating with ACAMS to identify training methodologies
• Collaborating with ACAMS to promote awareness
Polaris Research: 25 Typologies

- Escort services
- Illicit massage, health & beauty
- Outdoor solicitation
- Residential
- Domestic work
- Bars, strip clubs & cantinas
- Pornography
- Traveling sales crews
- Restaurants & food service
- Peddling & begging
- Agriculture & animal husbandry
- Personal sexual servitude
- Health & beauty services

- Construction
- Hotel & hospitality
- Landscaping
- Illicit activities
- Arts & entertainment
- Commercial cleaning services
- Factories & manufacturing
- Remote interactive sexual acts
- Carnivals
- Forestry & logging
- Health care
- Recreational facilities
Contrasts of Using Financial System

• In using the financial system, traffickers are confronted with distinct contrasts
  ▫ *Facilitation tool v. detection mechanism*

• Serves as facilitation tool by providing continuous access to funds
  ▫ Profits and greed motivate traffickers
  ▫ Trafficking requires use of the financial system

• Serves as detection mechanism because funds can be identified through monitoring and / or investigation
  ▫ Financing a major vulnerability
Takeaways

• Awareness leads to prevention
• Understand
  ▫ Crime problem
  ▫ Opportunity and perspective
• Go beyond awareness of “a” problem
  ▫ Become situationally aware of “the” problem
• Importance of partnerships, perspectives and innovation
  ▫ *Make financing a major vulnerability for traffickers*
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