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Archdiocese of Los Angeles - Our Lady of the Angels Region

### Protecting God's Children for Adults



Vol. 20 No. 10

## Child Sexual Abuse Materials Online Can be Fueled by Cryptocurrency

By [Robert Hugh Farley, M.S.](#)

### Introduction

Child Sexual Abuse Materials (CSAM) involves a visual depiction of a child, fewer than 18 years of



age, being sexually abused—or, the lewd exhibition of the child's genitals. CSAM can include photos and video depicting a child who is being sexually abused. It isn't appropriate to refer to CSAM as "pornography," because pornography is defined as *adults* engaged in sexual behavior in pictures, videos and writing, with the intention to cause sexual excitement. When children are involved in these types of behaviors, it's not pornography—it's child sexual abuse material and it's a crime. If an adult is aware that an individual possesses CSAM, "child pornography," or any material that sexually exploits minors, the adult must report this information to civil authorities, and/or, to the CyberTipline at [www.cybertipline.org](http://www.cybertipline.org). Additionally, if an adult suspects that a child is being shown any type of pornography involving adults, or CSAM involving children, either of these scenarios must be reported to the proper civil authorities.

Cryptocurrency has faced worldwide criticism for a variety

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### Robert Hugh Farley, M.S.

As a highly decorated police detective, Deputy United States Marshal, and currently as an international child sexual exploitation prevention consultant for INTERPOL, Robert Hugh Farley has spent the last 30 years protecting children from killers, physical abusers, molesters and sexual predators. He has trained tens of thousands of police officers, federal agents, child protection workers, attorneys, medical personnel, and other professionals and conducted hundreds of training seminars. Robert has been a consultant,

of reasons, including wild exchange rate fluctuation, the vulnerabilities of the digital infrastructure underlying the cryptocurrency and facilitating illegal activities. Included in the cryptocurrency "black-market" illegal activities is the ability to anonymously launder money from human sex trafficking and the purchase of child pornography or, more appropriately labeled as Child Sexual Abuse Materials (CSAM).

## Background

Cryptocurrency is a type of virtual or digital currency (money) that generally only exists as a virtual network across a large number of computers. This decentralized structure allows cryptocurrency to exist outside of the control of governments or any type of central authority.

A few notes regarding cryptocurrency:<sup>1</sup>

- Cryptocurrency is not rooted in any material goods.
- Cryptocurrency has no government-issued coins or bills.
- "Real money" is traded or converted into digital cryptocurrency.
- One must use a crypto-exchange service to "cash in" the cryptocurrency for physical, government-issued currency.

Cryptocurrency utilizes "Blockchain" technology, which is a specific type of database that collects data together in groups; it keeps an online public ledger of all of the transactions that have ever been conducted, is fairly secure, but not immune to hacking.

## Bitcoin

Cryptocurrency has an enormous financial footprint. The first Blockchain-based cryptocurrency was Bitcoin, which still remains the most popular and, according to news reports, the most valuable. The domain name bitcoin.org was registered in the summer of 2008. Today, there are thousands of alternate cryptocurrencies, some of which are Bitcoin clones or built from scratch.

Bitcoin has been described as revolutionary technology that created the world's first genuine peer-to-peer and decentralized monetary system. The internet-based money enabled online payments without a third party and also wasn't issued by a government or corporate entity.<sup>2</sup> There is no central server, the Bitcoin network remains peer-to-peer which means that every client can be a server. *As of June 21, 2021, there were over 18.74 million Bitcoins in circulation, worth \$32,513.41 per coin, with a total market cap of approximately \$927 billion.*<sup>3</sup>

## Criminality: How Cryptocurrency and Bitcoin Impact

author and trainer for the VIRTUS programs since 2003. In July 1997, Robert created the Child Exploitation Unit through the Cook County Sheriff's Police. This specialized unit was the first police unit, in the United States, to deal specifically with proactively combating the online Internet solicitation and molestation of children. Under Robert's leadership, the program has grown to become one of the most successful law enforcement organizations of its kind, and to date has a 100 percent conviction rate. Its activities have received frequent publicity on nightly television, as well as in the national and international press. Prior to creating this Unit, Robert served as one of the founding members of the Federal Child Exploitation Strike Force in Chicago. From 1988 to 1997 he conducted hundreds of undercover child pornography, child exploitation and child prostitution investigations, to successfully target child sexual predators in Illinois, Wisconsin, and Indiana. As an internationally known child abuse expert, Robert has co-authored books while also serving as a senior instructor for the child abuse training programs of the U.S. Department of Justice, OJJDP, the FBI, the National Center for Missing and Exploited Children and INTERPOL. His training curriculum and child abuse investigative techniques have been implemented by hundreds of prosecutors, police departments, probation departments, child protection agencies and advocacy centers across the world. Robert utilizes his extensive experience to evaluate and determine risk factors for youth groups, schools, organizations, agencies, and congregations.

## Child Sexual Exploitation

Law enforcement continually encounters that child abusers, in their quest to sexually abuse children, continue to be on the cutting edge of technology. For example, in 2019, the largest Internet "dark web" child pornography site in the world was taken down in a joint, multi-country law enforcement investigation. The investigation resulted in the seizure of approximately 7.5 *terabytes* of child pornography videos (videos depicting children who are being sexually abused), the largest seizure of its kind. In other words, that is more than 10,000 CDs full of imagery of children being sexually abused that are no longer in the hands of child pornographers, or, people who view the sexual abuse and exploitation of children (as long as those videos weren't also downloaded separately apart from the pornography site).

At the onset of the investigation, the United States Internal Revenue Service (IRS) had become aware of an Internet "dark web" site offering child sexual abuse videos for sale. By analyzing the site's Blockchain and its Bitcoin transactions, over the course of two years, the IRS Criminal Investigations Division was able to identify hundreds of child abusers in 38 countries. These child abusers were involved in uploading and downloading CSAM even though the site's users thought that they could remain anonymous. Additionally, 25 children were rescued from circumstances of child sexual abuse and exploitation.

In July 2020, a South Korean court rejected an extradition request by the United States for a South Korean citizen, who was convicted in South Korea of running the CSAM site. Unfortunately, the abuser received only an 18-month sentence in South Korea for his online child sexual exploitation crimes. Some of the many customers in the United States who uploaded or purchased CSAM videos through his website have been sentenced to five to 15 years in prison—because viewing, downloading and distributing CSAM is illegal.

As cryptocurrency gained traction in the financial world and access to bitcoin became more widespread, criminal enterprises started shifting their sexual exploitation operations from more traditional financial products such as *Paypal*, *Venmo*, *Western Union*, etc. to cryptocurrency. In December 2020, *MasterCard* and *Visa* cut ties with an enormous pornography website over allegations of illegal content, causing the website to become a cryptocurrency only platform.

As an aside, it is important for every adult to recognize that *any website that features the pornography* of adults may be intentionally or unintentionally harboring child

Through diagnosis, psychological evaluations, management tools, policy development, employee training, and security risk environmental factors, Robert develops an individualized approach to avoiding potential child maltreatment. In addition, he assists in the supervision of internal investigations by providing comprehensive on-site analysis of existing situations and procedures, and by serving as a liaison with local law enforcement officials. Robert holds a master of science degree in criminal justice and corrections and a bachelor's degree in education—both from Chicago State University, in Chicago, Illinois.

sexual abuse materials—even if it says that the content is representing 18-year-old people. For anyone who visits these types of websites, visiting and viewing the content could contribute to the proliferation of the child sexual abuse and exploitation of children. In fact, whenever the sexual content or images of young people are shared using smartphones, or over the Internet, it can continually be shared without the child's permission or knowledge, and it contributes to the proliferation of child sexual abuse materials that revictimize youth repeatedly—every single time it's downloaded, every single time it's viewed. And, once it's shared, the kids can never get the video or images back. Regardless of whether the adult's intention is to view or encounter CSAM, if it is viewed, downloaded or shared, this could still be a criminal activity and prosecuted as such. If anyone is aware of CSAM, it should be reported to the CyberTipline at [www.cybertipline.org](http://www.cybertipline.org).

Because certain cryptocurrency allows its users to remain anonymous, the use of cryptocurrency in the sexual exploitation of children and human sex trafficking has created regulatory challenges. As a result, the United Nations and many countries have developed task forces and working groups in an attempt to curb these illicit activities. In 2020, the cryptocurrency exchanges of *Coinbase*, *Paxful*, *Gemini* and *BitFinex* joined together in the *Anti-Human Trafficking Cryptocurrency Consortium* (ATCC). The consortium focuses on the deployment of tools to identify and fight sex trafficking.

## **Conclusion**

Electronic and digital technology are developing so rapidly that it is often difficult to keep up... Many people can be fooled into believing or participating in a technology that they really don't understand. To avoid contributing to any technology that may be involved in sex trafficking or child sexual exploitation, it is essential to carefully conduct research before utilizing a technology of this kind.

It is very easy to make a report when you suspect or see what could be child sexual abuse materials, or, the possible depiction of the sexual interaction or abuse of children. To report suspected online sexual exploitation, or CSAM, contact the National Center for Missing & Exploited Children (NCMEC) at 1-800-843-5678 or online at [www.cybertipline.org](http://www.cybertipline.org).

To report suspected child abuse or neglect, or sex trafficking, contact your local law enforcement or child protective services (CPS) in your state or county.

### References

- 1 Bitcoin.com, Jamie Redman, 10/31/17
- 2 Bitcoin.com, Jamie Redman, 10/31/17
- 3 Coindesk.com, 6/21/21

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#### 1) Which of the following statements are TRUE?

- A)  Child Sexual Abuse Materials (CSAM) involves a visual depiction of a child, fewer than 18 years of age, being sexually abused.
  - B)  If an adult is aware that an individual possesses Child Sexual Abuse Materials ("child pornography") or any material that sexually exploits minors, the adult must report this information to civil authorities, and/or, to the CyberTipline at [www.cybertipline.org](http://www.cybertipline.org).
  - C)  If an adult suspects that a child is being shown any type of pornography involving adults, or Child Sexual Abuse Materials involving children, either of these scenarios must be reported to the proper civil authorities.
  - D)  All of the above.
  - E)  A and B only.
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