

# Craigslist Sex Trafficking Enterprise

## Executive Summary

**Craigslist Inc. (“craigslist”), also known as craigslist.org, has been in the business of facilitating child sex abuse, sex trafficking, and illegal prostitution since 2008 or even earlier. In 90% of the US, these crimes were craigslist’s only business from November 2008 to July 2013.**

These crimes were craigslist's main or close second business in the areas where it had other businesses. **Craig Newmark** and **Jim Buckmaster** have been majority owners, directors, and managers of craigslist since its incorporation in 2004. **eBay** held 28.4% of craigslist equity from 2004 to 2015.

Craigslist facilitated child sex abuse, sex trafficking, and illegal prostitution by:

- Posting sex for sale ads by adults and minors; charging fees for these ads in service categories **Erotic, Adult**, and/or **Therapeutic** from November 2008 to March 2018.
- Providing buyers and sellers of sex, by adults and minors, with anonymous email addresses at craigslist.org domain.
- Operating a 2-way email relay between the buyers and sellers of sex via craigslist.org.
- Enticing minors and adults to sex trade, including through free ads in the categories **Gigs -> Adult** and **Gigs -> Talent**.
- Attracting potential buyers of sex by hosting free ads for almost everything else.
- Specifically targeting young victims by ads for **dating**, cheap second-hand stuff, **dating**, small jobs, **dating**; and community activities, including working for non-profits, helpful in **university admission**. Use of the web as the medium also had an effect of disproportionately targeting young people. Hosting content enticing into the sex trade on a website generally known and used for non-adult content made it more accessible by children.
- Effectively coaching the sex for sale advertisers to evade law enforcement by removing ads with explicit wording, but accepting ads for the same services from the same advertisers when they were written in more deniable ways

**In 2009 and/or 2010, Craigslist received 30%-60% of its revenues from the sex for sale ads.**

Although craigslist attempted to cease its sex trafficking operations in response to the FOSTA-SESTA legislature in 2018, some of them continued.

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## Craigslist Business

Craigslist.org was created as a classified ads website in 1995. For a few years, it appeared as a non-profit under the name List Foundation<sup>1</sup>. Craigslist, Inc. was incorporated in 2004. Craigslist publishes local classified ads all over the US and many locations abroad. Until early 2018, it published personal (dating) ads. For a few years, it posted all ads free of charge, except for jobs in San Francisco – Bay area in California. Not charging for posts and using .org domain, craigslist deceived many users to believe it was a non-profit. Nevertheless, it was an extremely profitable corporation, and it gradually expanded its fees to encompass previously free categories and locations.

Most likely, Craig Newmark and Jim Buckmaster respectively hold slightly less than 60% and 40% of Craigslist, Inc.<sup>2</sup>, and the rest is owned by the employees. The net worth of Craig Newmark was estimated by Forbes at \$1.3B<sup>3</sup>. In 2004, Craig Newmark explained slow monetization of the website by its long-term strategy<sup>4</sup>:

*I'm not in a hurry. Our planning horizon is 200 years, or until the singularity.*

The Erotic Services section was present on craigslist since 2002. It allowed pimps, prostitutes, and sex traffickers to post illegal sex for sale ads free of charge. Craigslist claimed protection under the Section 230 of Communications Act 1934/96. Craigslist was shielded by its political patronage, as shown below. Many of craigslist' activities were not known at the relevant times, which confused the law enforcement. Attempts by state Attorneys General to do something about craigslist ended in November 2008 when the Democratic party won the elections. On November 6, Craigslist and AGs of forty states signed an agreement extremely favorable to craigslist. Under that agreement, craigslist started charging for the ads in the Erotic Services categories.

Craigslist became one of the largest and most visited websites in the US, becoming #7 at the peak. Craigslist categories for sex for sale ads changed repeatedly. Craigslist derived substantial revenue from these ads from November 2008 to March 2018. In 2008, such ads were purchased in the Erotic Services category. It was replaced by the Adult Services and Therapeutic Services. Then the Adult Services was dropped. For years, sex for sale was the only ads category for posting in which craigslist charged everywhere in the US.

Most ads categories were free everywhere. For most time, craigslist had two businesses: facilitating sex for sale all over the US and posting paid job ads in a few metro areas. It also charged fees for apartments rental by brokers in the NYC, but it was not a large source of income. When craigslist was forced to drop sex for sale in March 2018, it sharply increased the number of categories in which it charged fees for posting ads. See the relevant timeline, evidence, and press reports below.

The Section 230 of the Communications Act 1934/96 (pre-2018) protected interactive computer services providers from liability for third parties' content. It has never protected pimps and facilitators of sex trafficking, conducting their business using interactive computer services. Craigslist evaded accountability by changing categories where sex for sale ads were, using ineffective (in long run) verification<sup>5</sup>, and giving false promises. Later, Backpage became a bigger nuisance than craigslist.

## Craigslist Business Model

Craigslist has successfully positioned itself as an almost non-profit. It had a motto “Doing well by doing good.” Even some business analysts bought into that story and started to believe that keeping ads in most categories free was motivated by craigslist’s generosity. It was not generosity, but a sophisticated business model. In 2001, craigslist charged fees for job posts in all markets<sup>6-7</sup>, but failed. It reversed to free job posts in all markets but San Francisco – Bay area, where it had a strong hold.

Craigslist’s business required it **to create multiple local two-sided markets on the internet**. Creating a two-sided market on the internet is very hard. A market requires buyers and sellers. To create a two-sided market, one needs to attract both buyers and sellers. But buyers don’t come until they see sellers, and sellers don’t come until they see buyers. In other words, buyers and sellers come only after the market was already created. eBay succeeded because it brought in one place buyers and sellers from all over the internet. But bringing buyers and sellers from one geographical location is very hard, especially in competition with global marketplaces like eBay, and local newspapers and physical stores.

Yet, craigslist did it. In 2004, eBay purchased from craigslist’s founders 24.8% of the company shares for \$32M. It is likely that some of that money was invested in craigslist’s operations. Nevertheless, craigslist had to make everything free (except for job posts in San Francisco Bay area) and to absorb all associated costs. This was the only way to create two-sided markets. Craigslist also competed against other companies with a similar business model.

Craigslist won by creating an illusion of community and charity, fostering an anti-establishment image (falsely, as the letter from Speaker Nancy Pelosi shows), earning publicity through association with the causes, popular with the media, and cultivating controversies, including around its Erotic Services.

Where it established a dependable two-sided market, craigslist used a typical for internet-based businesses freemium model. The freemium model business attracts potential customers by free services, then upsells them to paid premium services, or starts charging for formerly free service. Initially, craigslist had one business – paid job ads<sup>8</sup>.

By early 2008, it was able to charge fees for job posts in some two dozen metro areas, although SF-Bay area was its main revenues source. It also charged NYC rental brokers \$10 per listing, although it was a minor source of income, probably motivated by Newmark’s anger at the NYC brokers rather than by business considerations.

Craigslist had a lot of ads and view in the Erotic Services (selling sex) and Adult Gigs (buying sex, mostly for resale) for which it charged no fees. Explicit ads in the Erotic Services stirred controversy, driving publicity and contributing to the anti-establishment image of craigslist. Not charging fees for these ads kept the owners out of prison. Craigslist was doing well, and there is some evidence that it attempted to discourage sex for sale ads in the Erotic Services in March 2008. But a few months later, it decided to double down on such ads, and to even charge fees for them. This was unfortunate, because craigslist was a pimp from hell.

## Why craigslist is a Pimp from Hell

Prostitution is the world oldest profession, and pimping is probably as old as it is. But craigslist tends to entice youth into sex trade and to cause child sex abuse and sex trafficking (at least, pre-2018). A real-world pimp fears the law and the law enforcement. Craigslist doesn't; it believes that it is shielded by the Section 230. Thus, it doesn't stop where ordinary pimps and even violent sex traffickers stop. No crime is too grave for it.

An average real-world pimp knows his "providers" and doesn't use minors. Craigslist doesn't know who is being advertised, doesn't care, and facilitates selling minors and adults the same. An average pimp doesn't entice innocent young girls into prostitution. Craigslist does, see below. Craigslist is geared toward younger audience and was more so in 2000's.

Craigslist is in a category of its own as a place that attracts girls with promises of a date, a cheap purchase, or something increasing chances of a university admission, then dangles before them offers to be a "sex worker" and to make big (for a teenager) money. Craigslist used to post links to prostitution advocacies, that claimed that becoming a prostitute is a perfect career choice, like a doctor or a teacher. Craigslist specifically targets minors for the sex trade through:

- Attracting minors
- Appealing directly to minors in the absence of adult and even their peers
- Normalizing prostitution as a life choice
- Lowering barriers to entry

"Lowering barriers to entry" is considered a good thing in normal markets. A good marketplace lowers barriers to entry by design. But we don't want to have a sex market, especially for young persons. Offers of erotic services were not unique to craigslist. Craig Newmark tweeted on August 6, 2010<sup>9</sup>:

*RT @ritters90: Just watched a woman accuse @craignewmark of operaitng walmart of sex. is she mad or stupid ? Accuse entire internet then !*

Yes, there is a lot of pornography and sex offers on the internet. But most of such offers are on specialized adult websites. Only unfrequently a girl would visit such a website. But craigslist caters to the mainstream audience and is not considered an adult website but has sex for sale and cash for sex categories, seamlessly integrated with the rest of the site.

Before the internet, prostitution was local. Craigslist made it a national and global marketplace. An ad for a "sex worker" in San Francisco is noticed by traffickers all over the US and Central America.

## From Job Posts to Sex Trafficking in six months

In the period April-October 2008, craigslist was hit by a combination of adverse events:

- Recession
- Competition
- Lawsuits

### *Recession and Loss of Revenues*

Very few businesses do well in a recession, but the biggest casualty of any recession is hiring. Even prosperous companies freeze hiring. Open vacancies are typically filled through referrals, without need to advertise. Craigslist's business was publishing job ads! Its revenues should have been decimated. A review of archived snapshots of the actual job postings shows a somewhat better than expected picture, corresponding to 2-3 times revenue drop. See the Evidence section below. Starting to charge for what was previously free is a hard choice, and it would have led to the loss of the almost non-profit illusion that gave Craigslist goodwill and small amounts of the labor of its users. Also, most of the Craigslist local markets were not sufficiently formed and wouldn't have survived monetization attempt. Craigslist could have sold itself to eBay but didn't want to.

Craigslist operated on a shoestring budget. It said it employed only 25 persons, didn't spend money on advertising, and likely spent only very little on sales and marketing. Yet, it had to meet payroll, to pay office rent, and to pay for the web hosting and network bandwidth. It was the 7<sup>th</sup> most trafficked (no pun intended) website in the US.

### *Competition*

Web behemoths with practically unlimited financial resources coveted Craigslist's niche business model. The competition included but was not limited to eBay and Google with offerings like eBay Kijiji & Google Base. They could charge users no fees at all – and still benefit from increasing their audience. The competition in the internet business is cutthroat. The largest players end up controlling the whole market. That was an existential threat to Craigslist.

### *Lawsuits*

eBay, that already owned 28.4% of the Craigslist stock, sued Craigslist<sup>10</sup> for an attempted dilution of its equity in Craigslist. On top of Craigslist troubles, attorneys general of dozens of states threatened to sue Craigslist and its owners-managers for sex trafficking. Legal fees add up fast.

There was no end to the troubles in sight.

### *Prostitution and Sex Trafficking*

But one economic sector is immune to recessions. In it, the demand is stable, and the supply increases in a recession. Services to this sector are not subject to competition from internet giants. This sector is prostitution.

The legal obstacles were removed on November 4, 2008. Craigslist friends – the Democratic party and Barack Obama – won the elections. At this point, it was only natural for far-left individuals like Craig Newmark and Jim Buckmaster to make facilitating illegal prostitution (including child sex abuse and sex trafficking, inevitable in the faceless internet service) their central business. Sex with minors was not a taboo in the leftist circles in 2000's. On November 6, Craigslist made an agreement with attorneys general of forty states, in which he obliged them by agreeing to charge for posts in the Erotic Services! Craigslist started combining its sex trafficking and ordinary ads businesses in ways that were mutually complementing and synergetic. Then the Erotic Services category was replaced by the Adult services and Therapeutic services. Then the former one was dropped.

Craigslist kept charging for sex for sale ads in the “Therapeutic” services category until March 2018, when it closed it together with Personals and other categories, where such ads were published apparently free of charge. Some ads enticing girls into the sex trade moved to Gigs -> Talent category and appeared there even in 2019. See below

Etc.

Since 2004 or even earlier, craigslist used non-profits, such as Craigslist Foundation and Craig Newmark Philanthropies to launder its image, advance Democratic party agendas, and to acquire political protection.

Because it operates an email relay, craigslist might have information about non-publicized personal relationships and might be able to use it for blackmail.

## Craigslist Protectors in Photos and Documents

*Fig. 1. A photo of Craig Newmark with Hillary Rodham Clinton*



(probably 2013) Craig Newmark is on the left<sup>11</sup>.

Fig. 2. 2006 ads page on craigslist, a sample (the highlight is added)<sup>12</sup>

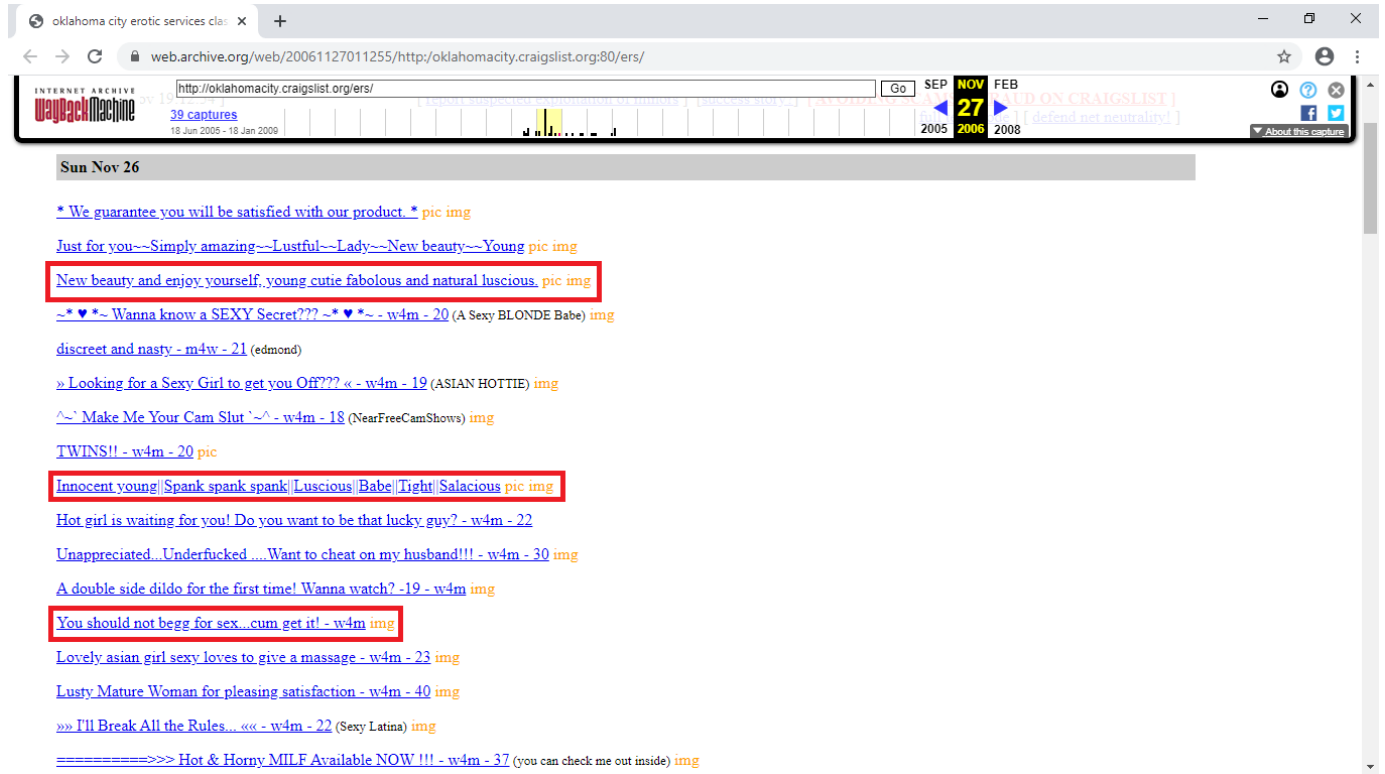




Fig. 3. A letter from Nancy Pelosi to a craigslist organization<sup>13</sup>



**Nancy Pelosi**  
**Speaker of the House**

August 18, 2007

Craigslist Foundation  
4<sup>th</sup> Annual Nonprofit Boot Camp  
Berkeley, California

Dear Friends,

Thank you for attending the 4<sup>th</sup> annual Craigslist Foundation Nonprofit Boot Camp in San Francisco. Congratulations to Darian Rodriguez Heyman, Executive Director of the Craigslist Foundation, along with his cadre of devoted staff and volunteers, for once again organizing a successful nonprofit conference. Darian's passion for advancing social progress and for capacity building in the nonprofit sector is evidenced by the increased interest and attendance at this event.

I am also proud to recognize Craig Newmark, the founder of Craigslist, for creating and managing a groundbreaking website that allows individuals to pool their resources, exchange information and affect positive change in their communities.

I know that this conference will provide you - the next generation of nonprofit leaders and social entrepreneurs- with the knowledge and resources to help fight for those who cannot fight for themselves. It is encouraging to know that some of the most innovative minds will gather in common cause to benefit our nation's communities. Your leadership and dedication to your constituencies are inspirational to all who wish to make the world a better place.

Remember, as you go forward with your work, our nation appreciates all that you do. Your efforts are vital to the lives of the people for whom you champion. I hope that your work proves as rewarding to you as it has been to the public that you serve.

May this year's Boot Camp stoke the fires that drive you, and may you leave better equipped for the great quest for justice and social change.

Best wishes for a productive time for networking, professional development and fun.

Best regards,

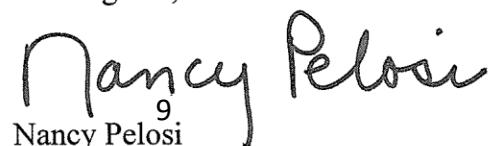
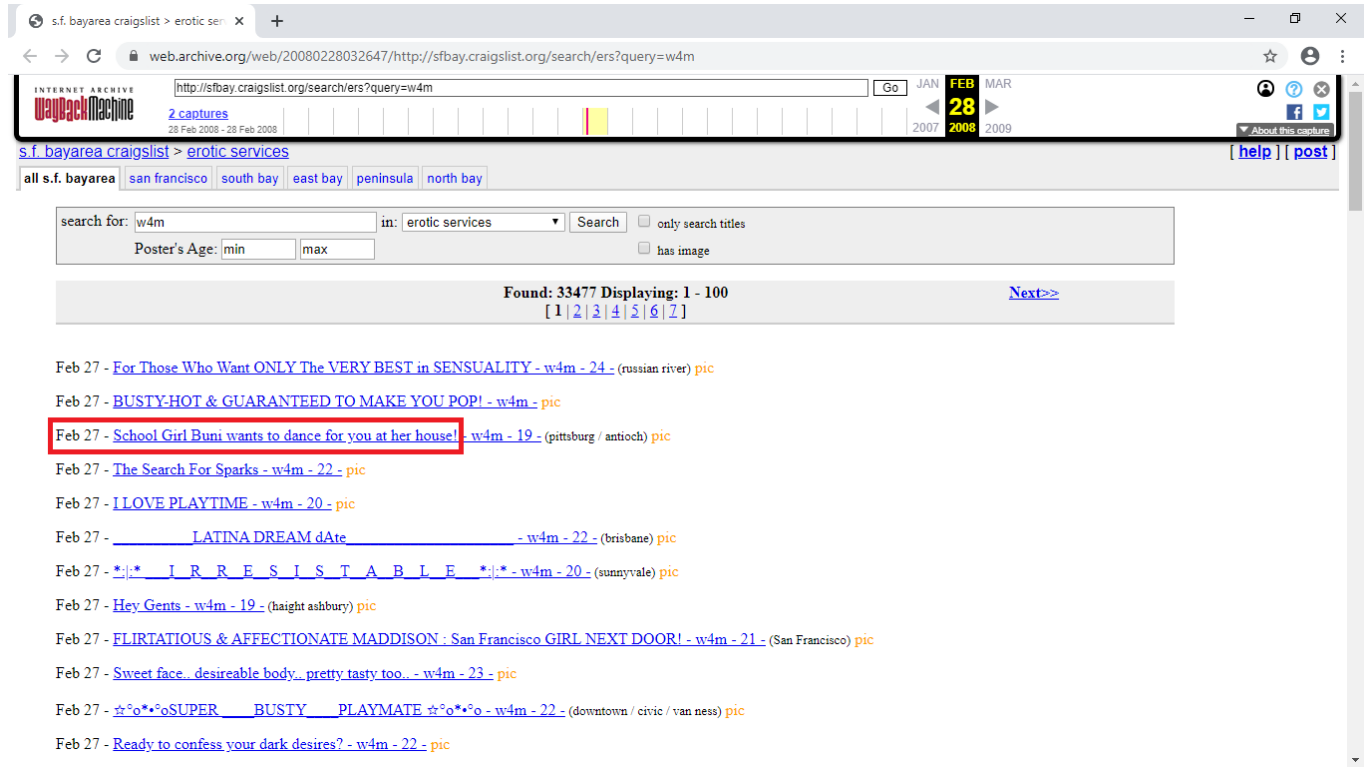
  
Nancy Pelosi  
Speaker of the House

Fig. 4. 2008 ads page on craigslist, a sample (the highlight is added)<sup>14</sup>



*Fig. 5. A photo of Craig Newmark with Barack Obama*



(unknown year) Craig Newmark is on the left<sup>15</sup>.

Fig. 6. A photo of Craig Newmark with Jim Buckmaster



Craig Newmark is on the left, Jim Buckmaster is on the right.

## Evidence

Craig Newmark was listed as the Chairman of craigslist in 2004 and remained the Chairman through the 2019, according to craigslist's corporate filing<sup>16</sup>, despite his statements denying or downplaying his role in managing craigslist. In 2008, Craig Newmark removed this information from his bio page on craigslist<sup>17</sup>.

Craigslist's practice of starting charging for ads in previously free categories suggests that accepting ads in the Erotic Services category was part of its business of facilitating sex for sale even when those ads were free. This category served to develop the craigslist owned two-sided market(s) of sex for sale. Each ad in this category gave some financial value to craigslist. These markets were monetized from November 2008 to March 2016. These markets were so resilient that they survived multiple changes in the names of the categories and required wording. The only way to remove these markets from craigslist was to shut down multiple categories and even the super-category *Personals*.

Craftiness and tenacity with which craigslist defended its business of facilitating child sex abuse, sex trafficking, and illegal prostitution in 2008-2010 show its existential role for craigslist.

## Sharp Drop in Job Posts from Q1 to Q4 2008

In March-April 2008 more than half of craigslist revenues were from job posts in San Francisco – Bay area at \$75 per post. Nearly all the rest came from job posts in few other metro areas at \$25 per post. The revenues from the NYC paid broker listings were insignificant (about 200 paid ads<sup>18</sup> at \$10 yielded about ~\$2k per day).

Craigslist started applying discounts for bulk (\$675 or more) ad buys since October 2008<sup>19</sup>, showing financial distress.

Comparison of the number of daily job posts on craigslist confirms the sharp drop of the job posts from February-March 2008 to December 2008 – January 2009<sup>20</sup>. For example, the numbers of postings in some of the main job subcategories for San Francisco – Bay area:

Category \ Date	March 6, 2008	Dec 17, 2008	Jan 16, 2009
accounting+finance	80 <sup>21</sup>	40 <sup>22</sup>	40 <sup>23</sup>
admin / office	120	40	40
marketing / pr / ad	70	20	40
software / qa / dba	70	30	30
medical / health	90	50	80
sales / biz dev	70	50	70
food / bev / hosp	90	30	40
<b>Sum of above</b>	<b>590</b>	<b>260</b>	<b>340</b>

The dates are of the snapshot. For the health category, the last snapshot date is Jan 10, 2009. The numbers are approximate. This table includes only some job categories.

Notice that craigslist introduced discounts in October 2008, so the its revenue per ad decreased, too. The similar situation was in other markets<sup>24</sup>. Thus, from the Q1 to Q4 of 2008, craigslist revenues probably dropped 2-3 times.

## Evolution of craigslist

### *2004: Craigslist, Inc is registered*

All posts are free, except for job posts in the San Francisco – Bay area. Paid jobs posts in other areas have been attempted unsuccessfully. They will be introduced later<sup>25</sup>. Erotic Services section exists and features unpaid ads by prostitutes, pimps, and child sex traffickers<sup>26</sup>. It also features a promotional link to the Sex Workers Project<sup>27</sup> - an advocacy for illegal prostitution, run by the radical Urban Justice League. From the press<sup>28</sup>:

*And while prostitutes also advertise on other sites, the police here and across the country say Craigslist is by far the favorite. On one recent day, for example, some 9,000 listings were added to the site's "Erotic Services" category in the New York region alone: Most offered massage and escorts, often hinting at more.*

### *2008, November: craigslist starts charging fees for the erotic services ads*

Craigslist starts charging for ads in the Erotic Services category<sup>29</sup>. Ironically, this is presented as a concession to the Attorneys General from 40 states. This happens two days after Barack Obama and the Democratic Party win the elections. The evidence suggests that craigslist intended to charge fees<sup>30</sup> for such ads even earlier but didn't risk doing that under Republican administration.

Now craigslist is a pimp and sex trafficker, armed with the latest digital technology. Craigslist would continue deriving at least substantial part of its revenues from these activities, even as the categories

are renamed and the providers and traffickers are directed to avoid explicit language. As part of the agreement with the AGs, craigslist agrees to screen erotic services ads. It does screen them, but only for the language. In effect, it coaches the payers to make the ads more deniable.

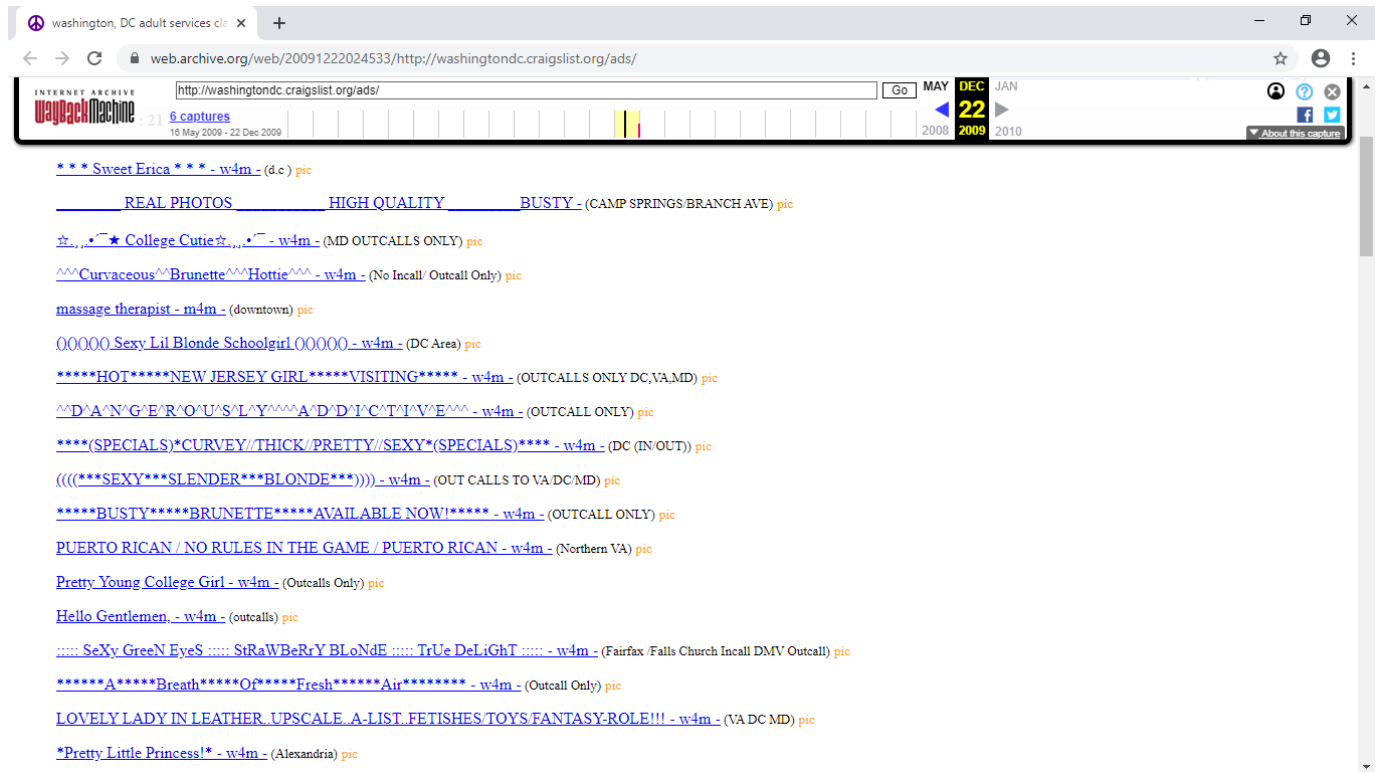
Links to prostitutes' organizations are at the top of the listings in this category<sup>31</sup>, clearly demonstrating viewers what is being offered in the ads. The promoted organizations of "sex workers" are Erotic Service Providers Union<sup>32</sup>, Sex Workers Outreach Project<sup>33</sup>, and Desiree Alliance<sup>34</sup>. Craigslist might have used its ties with organized prostitution for blackmail. Craigslist business model included facilitating of child sex abuse and sex trafficking.

#### *2009: Erotic Services are replaced by Adult Services*

Craigslist creates the Adult Services category, which replaces the Erotic Services<sup>35</sup>. Whatever few restrictions craigslist agreed to in its Erotic Services section, do not apply to the Adult Services<sup>36</sup>. The essence - facilitating child sex abuse, sex trafficking, and illegal prostitution – doesn't change. Also, the Therapeutic Services becomes a new harbor for such ads. Remarkably, "adult services and therapeutic services" are the only service categories in which craigslist charges for ads. From the press<sup>37</sup>:

*Maureen [a prostitute] says that there aren't any real checks in place under the new system—Craigslist merely charges more per listing and takes longer to post them to the site. "You just can't say what you offer anymore; now everything is offered through massage service," she told Ars.*

This is an example of the Adult Services, after craigslist removed the Erotic Services category (Washington DC, Dec 2009<sup>38</sup>)



Some of the ads in the screenshot:

- ()()()() Sexy Lil Blonde Schoolgirl ()()()() - w4m - (DC Area) pic*
- Hello Gentlemen, - w4m - (outcalls) pic*
- \*Pretty Little Princess!\* - w4m - (Alexandria) pic*

Craigslist has been paid for each of them.

*2010: craigslist removes Adult Services, keeps “Therapeutic Services”*

After letters from child survivors of sex trafficking facilitated by craigslist and the consequent bad publicity, craigslist closes the Adult Services category. The only category in which craigslist continues to charge for sex for sale ads is the Therapeutic Services. Craigslist screens these ads to ensure that language of them is deniable, in its opinion. This is the only services category for which craigslist charges fees<sup>39</sup>.

It was estimated/forecasted that ads from the Adult Services generated more than 30% of the craigslist revenues in 2010<sup>40</sup>. Almost certainly, the sex for sale share of craigslist’s revenue in 2009 was higher than in 2010. Some estimated it at more than 50% of craigslist’s revenues<sup>41</sup>. But even 30% is enough to demonstrate that craigslist acted as a pimp and panderer. It facilitated sex trafficking using interactive computer services, rather than a street corner. Facilitating sex trafficking remains the only craigslist’s business outside a few metro areas until July 2013<sup>42</sup>, when it starts charging for ads in the *tickets by the dealer* category.

2014

Craigslist starts charging fees in the *cars/trucks by-dealer* category<sup>43</sup>. It is likely that craigslist's dependence on the revenues from facilitating illegal sexual services decreases.

2015, May

Justice for Victims of Trafficking Act (JVTA) is passed and signed into the Law. This is a federal law, containing grave criminal penalties for anybody remotely connected with sex trafficking. Craigslist reacts by demanding more deniable ads from the "massage parlor" brothels advertising in the Therapeutic Services<sup>44</sup>. The Therapeutic Services remains the only service category for which craigslist charges fees<sup>45</sup>. The Polaris Project, a respected advocacy against sex trafficking<sup>46</sup>, said in 2019:

*... the IMB [illicit massage parlors]-related ads, which moved from "adult services" to the "massage" section on Backpage, and to a lesser extent, to the "therapeutic services" section on Craigslist.*

Many of those ads might have been deniable<sup>47</sup>, if they were not in the place where illegal prostitution was advertised openly, and sexual abuse of children was known to be advertised. The law enforcement fails to act, probably because of the political patronage craigslist has in the DC.

The category **Gigs** -> **Talent** makes the craigslist owners eligible to a special place in the Purgatory. It mixes up small job offers (gigs) for teens with enticement to prostitution. The following are sample ads looking for Talent<sup>48</sup> (out of the order):

*May 8 Get free stuff just by writing reviews on Amazon*

*May 8 needed busty cute female \$\$\$ massage girl (sfv)*

*May 8 Salsa and Tango dance Partner gig (Sherman Oaks)*

*May 8 Need flower delivery drivers Sunday for mothers day*

On another day<sup>49</sup> (out of the order):

*Dec 28 Clothing models needed! Blondes Brunettes 25-35 years old (Downtown LA)*

*Dec 28 New escorts needed. Female owned. Make great \$. Highest split 80-20 (LA)*

*Dec 28 Real Estate Assistant/mentee (Hermosa Beach)*

*Dec 28 \*\*\* Female Amateur Wanted \*\*\*\*\* Private Video \*\*\*\*\* \$250.00 cash. 1 hr (SGV)*

Every day, thousands of teenage girls go on craigslist looking for a small gig or a talent show, but encounter offers to work as "escorts" or in "massage parlors." Here is an example of how it works (August 2016)<sup>50</sup>.

*A 63-year-old Las Vegas man used ads on Craigslist to lure teenage girls into sex trafficking, according to a Metropolitan Police Department arrest report obtained by the Las Vegas Review-Journal. ...*

*"The investigation also indicated the suspect had been involved in this type of activity since October, 2015," the release said.*



2018, March: FOSTA-SESTA is signed in Law

One of the FOSTA-SESTA provisions is amending the Section 230 to remove perceived immunity from private and state actions related to sex trafficking. Loudly complaining, craigslist removes the “Therapeutic Services” and all Personals. Apparently to compensate for the lost revenue, it starts charging for posting ads in many new categories. Some of them are<sup>51</sup>:

- All services in the US and Canada
- All by-dealer categories in the US (expanded from rentals in the NYC only, tickets, and cars)
- All Gigs
- Jobs postings in areas where they have been free

In 2019, craigslist starts charging individuals for car sales ads<sup>52</sup>. Charging individuals was a no-no before. Gigs -> Talent category is paid now. It was cleaned up, but not enough<sup>53</sup>. An example:

*Jul 17 CASTING: NEW TV SHOW (White Plains)*

*Jul 17 VIP Event Hiring Smart & Attractive Event Models (\$400-\$900) (Manhattan)*

*Jul 17 Paid focus group for Foodies (New York)*

*Jul 17 Sociable girls to work for profitable events*

## Prosecution Prospects

### Craigslist’s Email Relay

One of the services provided by craigslist to its advertisers, including those engaged in child sex abuse and sex trafficking, has been *email relay*. Craigslist allowed them to create and to use email addresses on its domain craigslist.org<sup>54</sup>. It received and forwarded messages to and from its users. The intent and effect of these measures were to conceal identities of those persons from other parties and the law enforcement.

Thus, craigslist served as a physical connection between participants in the illegal sex-for-sale transactions. That makes craigslist an intermediary in every act of child sex abuse, sex trafficking, and/or illegal prostitution, committed with the use of craigslist.org email aliases. From craigslist help<sup>55</sup>:

*When replying to a post you'll see an address like:*

***rcc9la26d7534400a6a03514c34f9200@sale.craigslist.org***

*When answering an email you'll see an address like:*

***rcc9la26d7534400a6a03514c34f9200@reply.craigslist.org***

Some persons engaged in illegal activities even used those email aliases off craigslist<sup>56</sup>.

### Imaginary Deniability

The massage parlor ads that would have been deniable in another place are not deniable in the “therapeutic services” category of craigslist, because craigslist clearly indicated, and its users knew from the experience, that those were ads for illegal sex for sale services.

## Continuing Violations of FOSTA-SESTA and JVTA

There are all signs that craigslist makes attempts to comply with the recent legislation increasing liability for having connections to sex trafficking. The content of craigslist's Gigs -> Talent categories show that it is not successful in that. Craigslist attracts child sex traffickers, pimps, prostitutes, and their customers because it has been in the business for so long.

## Success against Backpage

The last but not the least is that craigslist lost the political patronage that allowed it to facilitate child sex abuse, sex trafficking, and/or illegal prostitution on the enormous scale in 2008 – 2016.

Even before FOSTA-SESTA legislation, Backpage and individuals behind it were successfully prosecuted for facilitating prostitution and related offenses<sup>57</sup>. Backpage was a smaller, less connected, and less sophisticated version of craigslist.

## Declaration

I declare under penalty of perjury that the foregoing is true and correct to the best of my knowledge.

s/ Leo Goldstein

Leo Goldstein

Texas, USA

**February 6, 2020**

## Published Research, Samples

### ***Digital Sin City***<sup>58</sup>:

*By 2005, Craigslist became a virtual prostitution zones, in which it host 25,000 new prostitution-related ads every ten days in the United States alone (Farley 2006).*

*... our mechanism showing a separate market created by Craigslist over and above commercial vice, highlights the possibility of new entrants both from the supply side and the demand side.*

### ***Craigslist as a source for heroin: a report of two cases***<sup>59</sup>

## From the Press

2009

From *Pimps Go Online to Lure Kids Into Prostitution* (Wired, 2009)<sup>60</sup>

*... the most common online outlet for underage prostitution appears to have been Craigslist, which played a prominent role in at least eight federal child sex-trafficking prosecutions filed in the last 12 months. ...*

*Responding to pressure from the NCMEC and the attorneys general of 40 states, Craigslist placed new limits on its adult ads last November. Among other reforms, the site now charges \$5 for the formerly free postings ... Nevertheless, a month after the measure was adopted, an underage girl missing from New Jersey turned up in a prostitution post on Craigslist. Police spotted her nude photo in an ad offering in-call services in Miami, 1,200 miles away from her home.*

From *Police warn Craigslist and other online sites used to sell sex with children* (Vancouver Sun, Canada, 2009)<sup>61</sup>

*Craigslist and other online social networking sites are being used to sell sex with children, say police and child protection workers here as the online classified ad website comes under pressure in the United States for its "erotic service" listings. Craigslist founder Craig Newmark was in Vancouver Monday but he pulled out of all media interviews in Canada ...*

*"There is no question the Internet is being used as a tool at times to prostitute or pimp out young people, just as it is being used by pedophiles to locate children as potential victims," said Sgt. Tim Shields, media relations officer for the RCMP in British Columbia. "The pedophile of the past would go to a playground. But the pedophile of today goes to the Internet."*

2010, the last attempt to rein Craigslist in

From *Sex-trafficking opponents fight Craigslist's 'adult services' ads* (Washington Post, 2010)<sup>62</sup>:

*Newmark is the founder of the worldwide online bazaar Craigslist. MC is a 17-year-old girl who says she was repeatedly sold for sex through ads on Craigslist. ... "I was first forced into prostitution when I was 11 years old by a 28-year-old man," she wrote. "I am not an exception." ...*

*Andrea Powell, head of Fair Fund, a District-based group that works with girls and teens who have been sold for sex, calls Craigslist "the Wal-Mart of online sex trafficking." She said most of the young people she works with are sold through the site, which has 20 billion page views a month. Her organization was one of the groups that paid for the Post ad and vouched for the women's stories; AK has met with Attorney General Eric H. Holder Jr., Powell said. ...*

*Powell and Malika Saada Saar, who heads the District-based Rebecca Project, said online pimps stay one step ahead of attempts to monitor their online activity. They said pimps drop the word "innocent" from an ad intended to appeal to a pedophile, for instance, and replace it with a new code word. "Young," "new to town," and "fresh" are common code words, the women said. On Friday, on the Washington area Craigslist adult services section, more than 600 ads contained one of those descriptions.*

CNN, 08/02<sup>63</sup>:

***Craigslist's shame: Child sex ads***

*"All day, me and other girls sat with our laptops, posting pictures and answering ads on Craigslist. He made \$1,500 a night selling my body, dragging me to Los Angeles, Houston, Little Rock -- and one trip to Las Vegas in the trunk of a car. I am 17 now, and my childhood memories aren't of my family, going to middle school, or dancing at the prom. They are making my own arrangements on Craigslist to be sold for sex, and answering as many ads as possible for fear of beatings and ice water baths." No one from Craigslist responded to M.C. ...*

*Law enforcement officials and anti-trafficking organizations have repeatedly asked Craigslist to rein in its sex ads in an effort to stop the selling of children for sex. Craig Newmark and Craigslist CEO Jim Buckmaster have made some efforts to screen the site for children sold for sex and cooperate with law enforcement investigations. But for the most part, they have ignored such pleas, maybe because they just made an estimated \$36 million in profits from these sex ads in the last year alone.*

*While Craigslist has made selling children a virtual stop-and-shop for predators, it alone doesn't by any means account for the explosion of child trafficking. Prostituting children has become a growth business for all sorts of criminal elements because it is hugely profitable and virtually unprosecuted.*

CNN, 08/03<sup>64</sup>:

***Sold on Craigslist: Critics say sex ad crackdown inadequate***

*Of all the sites that offer "adult services," Craigslist is one of the most popular. The online classified ad site is used regularly by about 50 million Americans for everything from buying used lawn furniture to finding a job or a roommate. It's also used to sell sex, making Craigslist a prime target of a nationwide campaign against internet prostitution.*

*"Most of the young women we've worked with who have been exploited online talk about Craigslist," said Andrea Powell of the anti-trafficking group The FAIR Fund. "Craigslist is like the Wal-Mart of online sex trafficking right now in this country."*

*According to police who investigated the case of the missing 12-year-old, she had previously advertised on Craigslist under a false name and age. Craigslist declined to provide copies of the ad, citing privacy concerns.*

*Craigslist founder Craig Newmark defended his site ...*

The Coalition Against Trafficking in Women (CATW)<sup>65</sup>

*My first introduction to prostitution was arranged through Craigslist. I answered an ad for online modeling which turned out to be an agency recruiting for "escorts". Escort is a word they use instead of prostitute. First model, then escort and eventually prostitute. After I was eased into prostitution, many of the pimps, massage parlor owners and girls themselves would use*

*Craigslist o post adds for prostitution. ... The sad part is that not everybody knows the dirty secret about Craigslist, so if somebody's little girl wanted to be a legitimate model she could easily be lured into a trap. I fear for the vulnerable, the naive. A young person can easily be lured into prostitution by online pimps like Craig.*

*--- Nekome, a Bay Area survivor of prostitution, July 2010*

*I personally know over 20 girls who were trafficked through Craigslist. Like me, they were taken from city to city, each time sold on a different Craigslist site —Philadelphia, Dallas, Milwaukee, Washington D.C. My phone would ring, and soon men would line up in the parking lot. ...*

*--Open Appeal to Craig Newmark (Rebecca Project/ San Francisco Chronicle) May 19, 2010*

2011

The Juicy Ecumenism blog<sup>66</sup>:

*Increasingly, traffickers are using the Internet to recruit unsuspecting victims. Often these nefarious agents prey on naiveté and access to chat rooms and online hybrid sites such as Craigslist.com.*

*Whilst growing a faithful following, Craigslist simultaneously developed a dark side whose repugnance put Newmark on a collision course with anti-trafficking activists. In late 2010, Craigslist lost a protracted battle over its notorious Adult Services section. For several years Newmark maintained that the website was doing its best to report incidents of human trafficking. Police seldom received actionable reports of such activity. Business calculus explains why Craigslist traipsed around the issue. As Mashable revealed, Craigslist generated about one third of its annual revenue, or \$36 million, from the sordid section.*

craigslist's political patronage

From *Dems Profit from Craigslist's Sex Slave Scene* (Human Events, 2010)<sup>67</sup>

*Top Democrats accept thousands in campaign donations from Craigslist founder, earned from prostitution and child sex trafficking.*

*Prominent Democrats including President Obama and House Speaker Nancy Pelosi accepted campaign money from Craig Newmark, whose Craigslist classified ad website profited in part from child sex trafficking.*

*Newmark, the founder of Craigslist, has given over \$84,000 to prominent Democrats and Democratic political committees, according to the independent Center for Responsive Politics. Newmark did not give any money to Republicans.*

*In the wake of Craigslist's profiting as much as \$44 million this year from illegal sexual commerce, including child sex trafficking, HUMAN EVENTS launched an investigation to determine which Democratic politicians would return Newmark's tainted political donations. Only one Democrat—Rep. Mary Jo Kilroy—is returning the campaign donation.*

## pro-craigslist voices

Even craigslist-friendly voices agree that craigslist facilitates entry into sex trade.

Jezebel, Sep 2010<sup>68</sup>

*As a practicing sex worker — a professional dominatrix — my early career, and many others, was made possible by the multi-purpose website. Craigslist's Erotic Services boards are where we found our first jobs in the business, responding to ads posted by commercial houses looking for new staff, and later, tried out as a free place to advertise our services once we left the houses ...*

*Really, the women most affected by the shuttering of Adult Services are all the "non-pros" — college students and young women freelancing in the sex trade for extra money.*

The Daily Beast, 2017<sup>69</sup>

*But many young women still go the solo route, and though that's always been an option, Craigslist has made it easier than ever to work when you're in a financial pinch. Melissa Gira Grant, a reporter and former escort who covers the Internet sex industry, put her finger on an ambivalence that seems widespread. Even professional escorts who might not use Craigslist routinely will sometimes resort to it. "Nobody admits that they advertise on Craigslist, but everybody has at some point, no matter how upscale the rest of their marketing might be," says Melissa.*

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- <sup>2</sup> *According to court documents from a 2008 legal battle with eBay, Newmark owned 42% stake at the time—a stake worth \$1.6 billion today. His stake could be higher given that eBay sold its 28% stake back to Craigslist in 2015.*  
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