

MAKSIMENKO CASE: EXOTIC DANCING

RECRUITMENT

Traffickers begin recruiting women from Eastern Europe through their beauty agency. They arrange for the illegal entry of victims using sham marriages and the J-1 student visa program. Victims are transported to Michigan, where they are housed together in apartments.

2001

2002

2003

2004

2005

2011

EXPLOITATION

Once the victims are in the United States, traffickers assess large debts against the women and force them to work as exotic dancers for twelve hours a day, six days a week at a strip club.

ESCAPE

A victim escapes with the assistance of a patron from the strip club. The patron takes the victim to ICE and she reports the abuse.

ARREST

Trafficker 3 is finally arrested and charged with money laundering.

RESCUE & ARRESTS

The FBI raid the apartment, rescue three other women, and arrest two of the traffickers. The third trafficker becomes a fugitive.

THREE TRAFFICKERS WORKED through their beauty search companies to entice at least twelve young women from Ukraine, Russia, and the Czech Republic to come to the United States with false promises of well paid jobs. The victims were then forced to work as exotic dancers.

Traffickers' Methods and Strategies

Recruitment

The traffickers had little difficulty exploiting the J-1 student visa program and arranging several sham marriages between victims and U.S. citizens. They also used their personal and business connections to target vulnerable women from Eastern Europe.

The traffickers were also able to obtain dancing licenses for some of the victims, even though these licenses exceeded the scope of the J-1 student visa, which does not permit international students to work in the United States except for in certain limited circumstances.

Exploitation

The traffickers in this case developed a method—which they referred to as “the System”—to ensure their victims’ compliance. They would confiscate victims’ travel documents, isolate the victims, and use force, threats of force, and threats of deportation to intimidate them. Traffickers 1 and 2 told the victims about how they handcuffed a woman in their basement and threatened her with a gun. At least one of the traffickers sexually abused several of the victims, violently forcing them to have sex with him.

The women were so closely controlled that when one victim arranged with a patron to escape, she did not know her own address and had to look at her neighbor’s unopened mail in order to tell the patron where she lived. She and another

PEOPLE INVOLVED

3 Traffickers
12 Facilitators/
 Enablers
Many Bystanders
12+ Victims

victim also had to pretend they were taking out the garbage in order to simply leave the apartment without raising suspicion.

Traffickers 1 and 2 would regularly collect all or most of the victims’ earnings, totaling an estimated \$957,000.

They burned the ledgers

the women kept to record the payments they made to traffickers toward their debts, and maintained keys to the apartments where the women were held in order to conduct searches of the premises. They deposited some of the funds into bank accounts owned by their beauty agency to cover expenses, kept some as cash in concealed locations, and wired roughly \$140,000 to Trafficker 3 in Ukraine either through their banks or Western Union. The beauty agency maintained two bank accounts that the traffickers deposited roughly \$1.4 million into between January 2002 and February 2005.

Case Resolution

Trafficker 1 was sentenced to seven and a half years in prison, Trafficker 2 was sentenced to fourteen years, and Trafficker 3 was sentenced to three years. The wives of Traffickers 1 and 2 pleaded guilty to lesser obstruction-related crimes and were sentenced to two years of probation. The stepmother of Trafficker 3 pleaded guilty to conspiracy charges and later received two years of probation. A facilitator pleaded guilty to his role in firebombing a victim’s car to intimidate her, and was later sentenced to 46 months in prison. Two Ukrainian men who also acted as facilitators were convicted of visa fraud.

Separately, two victims filed a civil action naming the strip club where they were forced to work, the club owners and managers, and a talent agency as defendants. The management company eventually filed for bankruptcy.

Opportunities for Intervention and Key Sources of Risk to Traffickers

The victims’ first point of contact in this case would have been with immigration authorities and customs officials, who failed to detect that both the J-1 student visas and marriages facilitated by the traffickers were fraudulent.

Additionally, exotic dancing is a licensed industry in Michigan, and clubs that employ exotic dancers are subject to inspection by authorities. Between 2001 and 2005, inspectors should have had opportunities to detect the unlicensed dancers.

The traffickers recruited victims through a beauty agency in Eastern Europe, which may have had knowledge of the trafficking scheme. And though it is unclear whether the owners of the Detroit strip club knew exactly how the victims had come to work for them, Traffickers 1 and 2 told at least one owner that they controlled the victims by beating them. These club owners were either unaware or unconcerned with the signs of labor trafficking: workers having the wrong type of visa, workers’ lack of required professional licenses, and the victims’ appearing to be controlled through force and threats of force.

Finally, the victims routinely came into contact with club patrons, one of whom eventually facilitated the escape of two victims and the eventual arrest of the traffickers.

Conclusion

The traffickers in this case stood to gain almost \$1 million in profits by forcing at least a dozen victims to work as exotic dancers and then collecting nearly all

of the victims’ earnings. The traffickers were relatively unconcerned with the possibility that the women might escape or go to the police. By conspiring with their wives, family, and close business associates, the traffickers created a team that was able to pool its resources—personal connections in Eastern Europe, expertise in the U.S. immigration system, victim intimidation tactics, and business relationships with talent agencies and strip clubs—efficiently and with relatively low risk.

This case demonstrates that traffickers often run their operations parallel to, and in partnership with, legitimate businesses. The regulations and licensing schemes that govern those businesses can play a major role in preventing and detecting human trafficking. Inspectors and employers should ask to see the licenses and work authorization of employees in adult industries.

Traffickers often are also highly skilled at navigating the U.S. immigration system and obtaining fraudulent visas in order to bring victims in the United States. In terms of their stringency and their enforcement, U.S. immigration laws should function to protect victims and disincentivize traffickers from taking on the risk of getting caught committing visa fraud.

Ultimately, it was a patron of the club who was in the best position to be able to assist the victims. In general, business owners, employees, and consumers in the adult entertainment industry should be aware of the signs of human trafficking, particularly in areas such as exotic dancing, adult film, and the commercial sex trade. These signs include: evidence of workers being physically abused, statements by workers suggesting that they are working against their will, indications that workers are not in control of their own personal documents or their own money, and the employment or presence of minors. ■