

# The Human Cost of Cryptomania

In Zeke Faux's new book, a spam text leads to a Cambodia slave labor complex.



Aerial view of Chinatown in Cambodia.

*Photographer: Danielle Keeton-Olsen*

By [Zeke Faux](#)

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**The mysterious WhatsApp message arrived one night** in August 2022, while I was out at a bar with a friend: “Hi David, I’m Vicky Ho don’t you remember me?”

This was strange. My name isn't David, and I didn't know anyone named Vicky. But [I'd been getting a lot of seemingly misdirected messages on my phone](#). Usually I ignored them. This time, for some reason, maybe because I'd had a spicy watermelon margarita, I didn't.

After I texted that she had the wrong number, Vicky apologized. Then she awkwardly tried to continue the conversation. "Instead of apologizing for the wrong number can we be friends? lol," she wrote.



["Vicky" Source: Zeke Faux](#)

When I asked where she was, she replied with a selfie. It was edited so heavily that she looked like an anime character: a pretty young Asian woman with porcelain-smooth skin, a narrow chin and big round eyes with long lashes.

“Nice to meet you,” I wrote. “My name is Zeke Faux. I live in Brooklyn.”

“You have a very cool name,” she said. “I am 32 years old and a divorced woman.”

I showed my phone to my friend and explained that I was stringing Vicky along because I’d heard about a new kind of investment fraud that often started with a text. The scam was called “[pig butchering](#).” The scammers fattened up the victim’s confidence over time with a pretend romantic relationship and made-up investment gains before stealing their money. My friend said he’d been getting, and ignoring, texts with similar nonsensical come-ons, too.

I sent back a selfie of my own. Vicky told me I looked great and asked how old I was. But I let the conversation drop after my friend and I left the bar and went out for dumplings. When I woke up the next morning, I had a string of messages from Vicky waiting for me:

“What are you doing”

“good night”

“have you slept”

“What is your profession?”

“where is my dear friend”

“it seems you are very busy”

Vicky acted thrilled when I wrote back. She told me that she lived in New York, too, where she ran a chain of nail salons, and that she’d

moved from Taiwan five years ago on the advice of her uncle, a rich man who was “very good in financial fields.”

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I knew that Vicky’s real job was to use social engineering to defraud me. But she wasn’t very good at it. For one thing, she informed me it was raining in New York when I could see for myself it was sunny. When she sent a suggestive photo of her legs in bed, the view from her window didn’t look anything like New York. Her attempts at flirting sounded robotic: “I like to pursue romantic things like a healthy body and the surprise and preciousness of love.”

After a day, Vicky revealed her true love language: Bitcoin price data. She started sending me charts. She told me she’d figured out how to predict market fluctuations and make quick gains of 20% or more. The screenshots she shared showed that during that week alone she’d made \$18,600 on one trade, \$4,320 on another and \$3,600 on a third.

But Vicky told me I wasn’t ready to trade like her and recommended I read a few books about Bitcoin first. For days, she went on chatting without asking for me to send any money. I was supposed to be the mark, but I had to work *her* to con *me*. She stuck to chitchat, brushing off my attempts to redirect the conversation. Her restraint was remarkable.

When I woke up to yet another text saying, “Love Did you sleep well last night,” I tried another way to show her I was a good prospect. I

told her I wanted to buy a car, and sent a photo of a \$142,000 Tesla I coveted.

“I see the price is 142,200,” Vicky wrote.

“Yeah they are costly,” I said.

“As long as you like this, money is nothing,” she said.

Then she sent me a Bitcoin price chart and told me she was going to make a new trade based on her data analysis. Finally, I was in. The next day, Vicky sent me a link to download an app called ZBXS. It looked pretty much like other crypto-exchange apps. “New safe and stable trading market,” a banner read at the top.

Then Vicky gave me some instructions. They involved buying one cryptocurrency using another crypto-exchange app, then transferring the crypto to ZBXS’s deposit address on the blockchain, a 42-character string of letters and numbers.





[Vicky, in "New York." Source: Zeke Faux](#)

For a newbie, this might have been a little intimidating. But Vicky's random text had found its way to pretty much exactly the wrong target. I'd been investigating the crypto bubble for more than a year, trying to figure out why the prices of Bitcoin and hundreds of lesser coins—with ridiculous names like Dogecoin, Solana, Polkadot and Smooth Love Potion—were going up and up. It seemed the logic of the financial world had broken down. Hardly anyone knew what cryptocurrencies were for. Even supposed experts couldn't explain them. It was unclear why many of them should be worth anything at all. I was told again and again that crypto was the future of finance, technology and art, but as I traveled to cryptocurrency hot spots from Manhattan to Miami, the Bahamas, El Salvador and the Philippines, pretty much all I saw was empty hype and scams.

Vicky's message was a clue about something crypto actually was good at: moving dirty money around the world. The ZBXS trades, she explained, hinged on a cryptocurrency called Tether. She told me it

was safe, because Tether is a “1:1 cryptocurrency with the US dollar, also known as a stablecoin.”

I decided to start with \$100 and ended up with 81 Tethers after paying a series of fees. Sure enough, after I transferred them to the address, they appeared in my account in the ZBXS app.

But Vicky said that wasn't enough. She told me I'd have to deposit \$500 in Tether to make the “short-term node” work. It was gibberish. When I didn't send the money right away, she sent me a voice memo. “OK, Zeke, what are you doing?” she asked, in a high, soft, silky voice whose accent I couldn't place. “I see you got my message. Why you not reply me back, huh?”

At this point, I decided I'd played this out long enough. “I have to tell you something,” I wrote. “I'm an investigative reporter. The reason I've been talking with you is I wanted to learn more about how these things work.”

“ohoh it's not what you think,” Vicky wrote.

Then I saw her doe-eyed WhatsApp profile picture turn into a white dot. That was the last I would hear from Vicky.

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I was especially interested in Vicky's scam, because I'd [zeroed in on Tether](#) as a target for my crypto investigation. The coin and the company behind it, also called Tether, were practically quilted out of red flags. Dreamed up by a former child actor from [The Mighty Ducks](#),

Tether was now run by an Italian former plastic surgeon who'd never given an interview and was rarely seen in public. New York's attorney general had accused Tether of [lying about its reserves](#). It was unclear if any country at all was regulating it. But Tether was at the center of the crypto world: On some days, more than \$100 billion of it changed hands. Some called Tether the central bank of crypto. (A spokeswoman for Tether Holdings Inc. didn't respond to inquiries for this excerpt. The company has said that it "cooperates on a near-daily basis with global law enforcement" and that it will freeze criminals' wallets.)

I'd been hearing rumors about illicit uses of Tether—I'd seen court documents containing intercepted messages from a Russian money launderer promoting it to his clients, for one thing—but pig butchering was the most concrete example I found. People around the world really were losing huge sums of money to the con. A project finance lawyer in Boston with terminal cancer handed over \$2.5 million. A divorced mother of three in St. Louis was defrauded of \$5 million. And the victims I spoke to all told me they'd been told to use Tether, the same coin Vicky suggested to me. Rich Sanders, the lead investigator at CipherBlade, a crypto-tracing firm, said that at least \$10 billion had been lost to crypto romance scams.

The huge sums involved weren't the most shocking part. I learned that whoever was posing as Vicky was likely a victim as well—of human trafficking. Most pig-butchering operations were orchestrated by Chinese gangsters based in Cambodia or Myanmar. They'd lure young people from across Southeast Asia to move abroad with the promise of well-paying jobs in customer service or online gambling. Then, when



the workers arrived, they'd be held captive and forced into a criminal racket.

Thousands have been tricked this way. Entire office towers are filled with floor after floor of people sending spam messages around the clock, under threat of torture or death. With the assistance of translators, I started video chatting with people who'd escaped.

They described abuses that were worse than I could have imagined. Workers who missed quotas were beaten, starved, made to hit one another. One said he'd seen people forcibly injected with methamphetamine to increase productivity. Two others said they'd seen workers murdered, with the deaths passed off as suicides. They said the bosses would buy and sell captive laborers like livestock.



[Illustration: Jiayi Li for Bloomberg Businessweek](#)

Bilce Tan, an outgoing 41-year-old from Malaysia, told me he'd answered an ad on a website called JobStreet seeking someone to work in "telesales." When he arrived in Cambodia, he was given phones loaded with fake accounts and was told he couldn't leave. He said he was ordered to make sure his targets sent Tether.

"It's more safe," Tan told me. "We are afraid people will track us, for money laundering. It's untraceable."

Some victims I spoke with were held in a giant compound, called Chinatown, in Sihanoukville, in southwestern Cambodia. From photos, it looked as large as a city's downtown. It had dozens of tall, drab office towers, arrayed around a few courtyards and surrounded by high gates, security cameras and concertina wire. Armed guards dressed in black stood outside.

At street level were noodle shops, convenience stores, barber shops—many of them with signage in Chinese, rather than the local Khmer. Photos posted by one confused tourist showed that the shops were bisected by metal gates, preventing anyone who entered through the back door from exiting through the front. Local news reports described a string of suspicious deaths near Chinatown—one body was found hanging at a construction site, and another corpse was dug up handcuffed from a shallow grave in a field nearby. A local vendor told a Cambodian outlet that there had been many suicides at the complex. "If an ambulance doesn't go inside at least twice a week, it is a wonder," he said.

The problem was pervasive enough that it could account for a serious amount of Tether transactions. I'd heard that Chinatown alone held as many as 6,000 captive workers like "Vicky Ho."

It was hard to see how this slave complex could exist without cryptocurrency. Crypto bros like to claim they were somehow helping the poor. But it seemed none of them had bothered to look into the darker consequences of a technology that allowed for anonymous, untraceable payments. In any case, there was only so much I could learn about Chinatown from afar. I had to see it for myself.