Fox Rothschild Podcast

The Presumption of Innocence

Episode 39: Unthreading the Silk Road: A Conversation With Author Nick Bilton

Featuring Matt Adams of Fox Rothschild and Nick Bilton

Adams: Hi, everyone, and welcome to "The Presumption of Innocence," a podcast brought to you by the White-Collar Criminal Defense and Regulatory Compliance Practice at Fox Rothschild. I'm your host Matt Adams. And today my guest is Nick Bilton.

Nick is a special correspondent for *Vanity Fair*, where he writes about technology, business, politics and culture, and he's a frequent contributor to CNBC. He was previously a columnist for *The New York Times* for almost a decade and he is a bestselling author.

And what we're really going to talk to him about today is his book, "American Kingpin: The Epic Hunt for the Criminal Mastermind Behind the Silk Road." Nick, welcome to the program. How are you today?

Bilton: I'm good. Thank you so much for having me on.

Adams: Yeah, well, you know, Nick, I gotta say, I couldn't put your book down, "American Kingpin." I had heard the story of the investigation of Silk Road in real time as it was happening, read about it in the news, but the detail of your reporting is really commendable. I mean, it knocked my socks off just how deep of a dive you took into this ordeal of several years, as the Silk Road emerged as perhaps the most infamous internet crime in history. And, you know, I look at it from this perspective: 20 years ago, as I sat as a law student taking a new elective class called Internet Law... we were well into the internet age. There was a laptop in front of every student in the class. It had replaced the traditional legal books as the primary means of legal research. We all got our news that way. Email was our primary method of communication. Instant messaging was how we talked to one another. The concept of social media was kind of just emerging in its modern sense.

Yet the dark web, the depths and recesses of the internet where criminality occurred was still just... we really didn't have much knowledge of it. It was limited to probably hacking cases and this concept of a free-for-all illicit marketplace where everything from drugs to guns to explosives, and even human organs, were being trafficked. Really was kind of beyond the then-current state of imagination that would be allowed for thinking through how big this could possibly be. And then we have this event, this monumental, criminal investigation to try to dismantle this massive $1.2 billion criminal enterprise on the dark web.

I've got to start with this question: what made you pursue with such detail? I mean, the book is just so well done. It's broken into these manageable chapters. But in the way that the chapters are broken out, you just don't want to put it down. Your readers are just kind of left to say, well, I gotta go to the next chapter. And then it fluctuates between some character development of the agents investigating versus the people behind the criminal enterprise. And as you see these character arcs sort of develop through the story, you can't put it down. It's almost, it's almost written like almost a work of fiction, except it's real. And so why did you take such a deep dive? Why did you have to dig into this the way that you did?

Bilton: Well, first, thanks for having me on. And, and second, thank you for all the nice things you're saying about the book. You know, I, I think a couple of things. The way I write is I always go deep, and it's just how I do it. We should definitely get to the process because I think you'll find that quite fascinating of the way I investigate these stories and the lengths I go for that level of detail.

The other thing is, I hate reading nonfiction books. I don't read them. I don't listen to them. I just, I love reading fiction. I write nonfiction for a living and I love reading fiction. And I find that, you know, I want -- this story was so insane, so intense, and just with so many twists and turns. And the stakes were so massive. I wanted to ensure that the reader did not put it down from the second they picked it up and that was the goal. And --

Adams: Mission accomplished.

Bilton: Mission accomplished, yeah. I get, I get a lot of people that say, "I picked it up at the airport and I finished it by the time I got to the next airport." And it's like, great.

I think that, you know, I was drawn to this... I was living in San Francisco at the time. I was a reporter for *The New York Times*. I was writing about -- I had a column there and I was writing about all things tech. And I lived in this little part of San Francisco called Bernal Heights. And it's like this blue-collar, sleepy little town feel. There's a little main street area -- in the middle of San Francisco, it's like, it feels like you're in, you're in the Midwest. There's a main street with a little coffee shop and the tiniest library you can ever imagine. It's like a two-story studio, almost. There's a little organic food store and a sushi place. And there's this hiking trail that you can go on, that's about, you know, a 10-minute loop around the whole thing. And every day I would go to all these places in this little area and did this little hiking trail.

And then when the news broke that Ross Ulbricht, the mastermind behind the Silk Road drug website -- which I followed for my career and wrote about here and there and so on -- was living two blocks away from me and was going to the same coffee shops and walking on the same trails and so on, it was just a shocking kind of moment. Because every big, massive drug enterprise before that was run by, like, a Pablo Escobar, you know. It was a, you know, it was a syndicate with bad guys with guns. And, you know, the traditional way that you had always thought about drug dealing and, international intrigue and, you know, people being beheaded and all this other crazy shit.

And here was this, this sleepy little part of San Francisco, and the most wanted man on the internet was my neighbor, essentially. And he had been running this multibillion-dollar drug enterprise where they sold drugs and guns and murder for hire and, and were planning to start selling human body parts. And you could literally buy any drug imaginable. He was a few blocks away from me. And so once I found that out, I said, this is the story I have to tell.

Adams: Yeah. And definitely a guy who put some thought into what he ultimately produced. I mean, I think at some point in the book, you compare it... it was really the Amazon of illicit activity, the Amazon of drugs and guns and violence. And like you said, even human organs, I think, was contemplated.

And the story that you tell really is, as I said, twofold. You see the character arc of the bad guy. And you see the character arc of him as he assumes, Ross, he assumes his alter ego, the Dread Pirate Roberts. And you see these agents, and you tell the story of these agents who are tasked with trying to find him and to understand how he created the Amazon of illicit activity on the internet.

And I'm fascinated at the detail. You mentioned sushi restaurants and libraries. And if people pick up your book, they know that those sushi restaurants and libraries and coffee shops are really central to his character arc. Because when he returned to San Francisco, that's where he was basically running his enterprise from, and he was taken down in that library, eventually, when he was arrested.

But how did you find out so much detail? How did you get the granular? Like, I know what Ross Ulbricht had -- by reading your book, of course -- what he had for dinner his last meal as a free man with the love of his life. And it was a sushi roll. How do you get to that level of detail about the most infamous internet crime in American history?

Bilton: I'll answer that question. It's funny, I usually answer that question at the end of an interview, but I'll answer it in the beginning. But we should after that discuss his character and the character arc of what happened to him and how he started off ostensibly with the goal of being altruistic and good and ended up becoming obviously bad. And the characters, there's character arcs for everyone in the book, which I think is really fascinating.

But what happened was, you know, I discovered he lives near me in San Francisco. I write a piece for *The New York Times* about him and about how, you know, the case started. And how, when the cops at first kind of started looking for the creator of the Silk Road, they didn't know who it was. It could have been anyone on the planet. It could have been me, or you or the, you know, the person running the coffee shop, or, they just had no idea. It could have been Pablo Escobar. And here was this unsuspecting kid who had gone to school in Texas and was really, really, really smart and studied astrophysics and gotten 1600 on his SATs and so on.

And so, when I started writing the book, there was two things. I knew that there'd been reporting on it and so I knew I'd have to go 10 steps further to make it something that people want to read. And my goal is always whenever I do these big, big books and big stories is I want the people who have reported on them to be blown away at the information that they read, because they didn't know it.

Or the people who were involved, even, to do that. I did the same thing with my other book, "Hatching Twitter."

But with this book in particular, there was two people, really. There was Ross Ulbricht and then there were his alter ego, the Dread Pirate Roberts. And he, essentially, as Ross Ulbricht, he lived this life where he was going on social media and posting pictures and talking to people. He was texting friends. He was emailing people about his trips. He was, you know, on Twitter. He, you know, posted photos --

Adams: He was a normal guy.

Bilton: A normal guy.

Adams: Yeah.

Bilton: And then the Dread Pirate Roberts was on the dark web with numerous employees, anonymous. However, he had been keeping all of his chat logs as the Dread Pirate Roberts. So he ran this organization for about two and a half years or so, and he kept all the chat logs with his dozens of employees that were all over the world. And so, I ended up getting access to that. I got access to the court transcripts. I got access to some of his emails and text messages to friends just from reporting and so on, and his girlfriend, and so on.

And then I took his social media posts, Facebook, Twitter, anything I could find. And I went and found all of his friends and looked through all of them and to see that they had posted pictures and so on. And then I built a database. And what I did was I took the Ross Ulbricht character and then I took the Dread Pirate Roberts and I lined up all the timestamps. Because I had the timestamps of everything from social media and his texts and so on. And then I had the timestamps from everything that the Dread Pirate Roberts did. And I was able to get this granularity of what both of them were doing at the same time and able to tie it together.

And then you start to get into, like, it gets a little obsessive, honestly, it's fun. But it's obsessive. So, if I see a picture of him camping somewhere, you know, I can start to figure out, okay, he posted one.... I don't know where that is, it's a campground, but he posted one picture at 11:03 going over the Golden Gate Bridge. He posted the next picture at the campground at 12:07. What is the campground? It's one hour away. So, you pull up a map, you start looking at the vicinity. Okay, here's two. And then I go to them both and then I find, okay, this is it. So, then I can sit where he sat and I can describe what that feels like and what it smells like. And that's what I do.

And so, all these places, I'm able to take you there. I go and eat the same sushi roll he eats. You know, I try to sit in the same spot in the same coffee shop. And I take meticulous notes and I can describe what he has done because I'm experiencing it at the same time. And then once you take his personal, all of his commentary, his notes and everything as the Dread Pirate Roberts, you start to piece it all together and you get essentially what would be the equivalent of climbing inside his head for the two-and-a-half-year period that he ran the site.

Adams: We mentioned your method, and I really wanted to start there because the detailed account that you portray in the book is just so overwhelming. So, give our listeners sort of the 30,000-foot overview. I mean, I know you want them to read the book, but for those that are new to what the Silk Road was, and new to what the character arc of this main protagonist who really is sitting in jail right now serving a life sentence, what was it all about?

Bilton: So, Ross is this very sweet kid who grows up in Texas. He's got one sibling, his sister. His parents are married. They have a little kind of cabin in Costa Rica. And he grows up with a really nice, normal life in the suburbs of Texas. And he's always kind of idealistic and a little bit of a dreamer. And he has this belief system at some point that drugs should not be illegal. And he believes that if you make them not illegal in the United States, that you will get rid of all the crimes related to drugs. There'll be no more shootings in the streets. People will not end up in jail for doing drugs or selling drugs. And if you legalize it, that it will be the best-case scenario for everyone, and the crime will disappear. He also believes, idealistically, a philosophy that is, paramount in Silicon Valley at every single technology company: That it is your human body, and the government should have no right to tell you what to do with it, which is --

Adams: He was a hardcore libertarian. I mean --

Bilton: Hardcore libertarian, yeah.

Adams: From, from his days in college at Penn State. Even his parents really--

Bilton: Yeah.

Adams: Taught him that philosophy, as you detail in the book, at a very young age, right?

Bilton: Yeah. And so, as a libertarian, the belief is, don't tell me what I can do with my own body.

And so, he, you know, he's had these ideas and these thoughts for a couple of years. And then all of a sudden along comes this thing called Bitcoin. And he's like, oh, this is this is it. Because previous to that, there was a thing called -- it's now called the dark web, but the dark web was actually originally created Tor Browser. It was originally created by the U.S. government. The U.S. government had all these service members working overseas in places like China and Iraq and so on and so forth, and they wanted to message their families back home. And the U.S. government was worried that these illicit governments would be listening in and so on. So, they created this thing called the Tor Browser, which was anonymized everything. So that you couldn't tell who was sending who a message and what the message was. Everything was wrapped in these kind of, this hardcore code that essentially made it anonymous.

And immediately when this thing comes out, people are like, oh, you can use this for illicit purposes. What Ross realizes is that you can take the dark web and the Tor Browser and then you can take Bitcoin and you can build the Amazon of drugs. And it starts this experiment. And it's literally, he goes, he rents a cabin in the woods. He, you know, he becomes -- I imagine him as like Walter White in this moment. He's like, shirtless. You know, he literally was watching "Breaking Bad" while he was

doing it. And he grows magic mushrooms. He gets a big giant bag of them. And then he just, he opens up this website, teaches himself how to code, and he posts the drugs. And then he goes on these forums, and he says, anonymously, hey, I heard about this website called Silk Road where you can buy and sell drugs. And someone decides to go and give it a try. And he's like, holy shit, I got my first sale. Like, this is unbelievable. This idea proved true.

And then there was a reporter from *Gawker*, the website that is now defunct, who wrote about it. And next thing you know, it's everywhere. And it is growing by the second. And because he built it as a marketplace, it's not just him that's posting and selling drugs. There are hundreds and eventually tens of thousands of people who start posting things for sale. And next thing you know, this thing is making millions and millions of dollars a day.

Adams: That initial post that he made in one of those message boards, as you recount in the book, actually ended up being his undoing once the authorities were able to link that to his real persona and not the persona that he adopted for his criminal enterprise being the Dread Pirate Roberts. And actually, they linked Ross and Dread Pirate Roberts at the end and that's how they got him --

Bilton: Yeah.

Adams: -- eventually through that and help from the Icelandic government in where the servers were located.

You know, this is a podcast, we call it "The Presumption of Innocence" because we're frequently talking about the intersectionality of real life and the criminal justice system. And I can't help but note that you spend a lot of time in the book talking about de-escalation among various federal agencies who all wanted to get this guy. It was all the resources of the government that were being thrown at this, and each of them had their flaws.

It wasn't really until that break in the case where the Icelandic government provided the FBI in New York a copy of the servers that they were able to locate and the case started to break open. And it was at that point, barely significantly into the investigation by other government officials from around the country, that they all pieced together the little discrete segments that they had been working on.

From your work and your research in putting together the story of Silk Road, what did you learn about the way that the government operates when it comes to investigating large-scale criminality like this? Because you really went deep. I mean, two federal agents were convicted of crimes as a byproduct of what started out as their role in investigating this thing. And then they got corrupted into the idea that they could make hundreds of thousands of dollars in their own form of alter ego on the Silk Road by just basically blackmailing the people who were working there.

So, there's chapters in your book written about these de-escalation meetings where different federal agencies are coming to bear and higher ups are having to referee these turf wars among federal agents. What'd you learn about the system from your research?

Bilton: That's a fascinating question. It really was, I think I'll say two things. One is that, you know, everyone's human and it really comes out, their humanity, in this. You know, you have these beliefs that you look at people and you think, oh, they work at the FBI, or they work at the HSI or CIA, whatever. And you first think that they've reached the pinnacle of their career and second, that everything is just like this methodical approach and then they eventually solve it. And what you come to realize is that, you know, coming into this -- when I first started reporting the book, before I started reporting it and then after -- I realized that all these conspiracy theories, like the government is doing X, Y and Z, you realize it's complete and utter nonsense because it would be literally impossible for more than one government agency to come together with another to pull anything off. Because they don't talk to each other. You know, their goals are... and it's understandable, it's the way the system is designed, but.

You know, the DEA wants to solve this case, because then that guy gets the promotion and then his boss gets the promotion and then the DEA gets, that division gets more money next year from Congress for this part and that part of their.... You know, it's, you know, we're talking about the very early days of the dark web, and it's a new moment in time for crime. And no one knows what they're supposed to be doing. No one knows who's in charge.

There's these moments in the very beginning when the DEA first started investigating Silk Road, and I always found this little detail fascinating. The DEA, the way they used to solve crimes is they would do what's called jump out. So they would all get in a van. They would drive around Baltimore. They jump out of the van, grab a couple of drug dealers, take them back and interrogate them and hopefully they'll get, like, their boss. And and that's it. That was their approach, right? And so how do you do jump outs on the internet where people are buying drugs and getting the mail to them? You can't.

And then the Department of Homeland Security, they don't do drugs. Like, it's not their job. They're doing other things. And yet we have the mail system being used to sell drugs. And yet there's also the fact that, like, you know, the case really opens up from this investigator Jared Der-Yeghiayan from HSI when he discovers a tiny little pink pill being mailed from China to someone in Chicago. And he's like, who mails a single pill of ecstasy? So, the FBI is like, we don't do drugs, we do cybercrime.

Like, so no one can figure out who's in charge but yet they all want to be in charge. And what I think was just so fascinating is that they didn't share a lot of their information because they just weren't designed to do that. And had they have done that, this probably would have been solved a little quicker, but the system was, at the time, not designed to make these organizations work together. And that kind of plays out in the book.

Adams: In one particular instance in the book that comes to mind as we talk through this issue, you detail the inner workings of one federal agency and one federal agent in particular getting notifications that his reports are being read by another federal agent. And he's, he's pissed. He's mad that they are taking his work product and using it as part of their case. And as this thing hits a crescendo, you tie those threads back together because Gary Alford the IRS agent, you know,

chugging along on his money laundering investigation, at some point is almost dejected that his approach to this is sort of being superseded by these cybercrime FBI agents out of New York. And then at the end, it's really his work. It doesn't really seem to tie back until the end, right, where all these threads start to weave together and somebody has a eureka moment. And then the next thing you know they found their suspect in San Francisco.

Bilton: Yeah, I think it's interesting because some of the agents and people involved in the investigation believe that they were the ones that found Ross Ulbricht. And there were others who believe, like, okay, it was a big effort by all of us. And I think it was definitely the latter. There was no one person that solved it. Or, no one person that was responsible for taking down the Dread Pirate Roberts, is probably a better way to put it. But you know, when they finally do start working together, that's when the case is really solved.

But then they have this challenge. And the challenge is obviously the best part of the book is where they find the Dread Pirate Roberts. And you know, they have, the FBI is there. They've got the SWAT team. They've got everyone. It's just a crazy, crazy couple of days in San Francisco. And the government's been shut down back then it was... and then they couldn't get approval for all this stuff. But they knew that they only had a certain period of time to get him.

And then you had Jared Der-Yeghiayan, who's the HSI, who was working undercover as an employee for the Dread Pirate Roberts. And there's this moment where they know they have to get him with his hands on the laptop, because if they don't, he can just be like, it wasn't me. And I just find it all just so fascinating, the intensity and, what's at stake. And the fact that it wasn't just about knowing who it was, it was about having to prove who it was. And, you know, in the end, they all have these character arcs, all of the people involved, that are really compelling. They're just really, really compelling. Very American in some respects.

Adams: Nick, I want to take you outside the character arc of the book and I think we've spoiled the ending that he does get arrested. He does go to prison.

Bilton: It doesn't spoil the book, so.

Adams: It doesn't spoil the book for sure.

Bilton: It does not spoil the book.

Adams: Because when I say that the detail you've been able to ascertain from the various digital fingerprints that this particular guy left on the world before he was arrested is fascinating. That's exactly where I want to go next. And it's really something that was triggered -- after the final chapter of your book, you have a section called "Notes on Reporting." And if you'll allow me, I just want to read a quick paragraph from that section. You write, "each and every day, as we navigate the real world, we leave a billion literal fingerprints in our wake. The door handles we touch, the screens we press and the people we interact with all capture a trace of our being there. The same is true on the internet. We share pictures and videos on social networks, leave comments on news article. We

email, text and chat with hundreds of people throughout the day. If there is anyone who left more of those digital fingerprints lying around the internet than most people, it was Ross Ulbricht.

He spent years living on his computer and interacting with people, good and bad, through that machine. You even have a chapter in your book dedicated to the fact that his computer is now in a museum of famous criminal artifacts. And that piece of the book really struck me as it came full circle. I read every last detail of your reporting on the way this was built up and then dismantled by the government.

As a defense lawyer sitting here, you know, with today's technology, which is even more powerful than it was when this whole Silk Road thing was put together. I would dare say it's scary in a sense that we now have AI to worry about being used or misused in a manner like the dark web was being misused for the Silk Road. But when I read those "Notes on Reporting," in particular, that passage I just shared with our audience, I'm struck but to think about the advice I give virtually every client is that just be careful the footprint that you're leaving out there. That this world in which we live now, there really isn't any anonymity anymore. And we're talking about dismantling a criminal network that this guy's purpose in life from the time that he woke up in the morning till he put his head on the pillow at night and everywhere in between was consumed with living this identity.

He didn't have a regular job to go to. He didn't have anything else going on except running the Silk Road. And yet, at the end of the day, focused exclusively on keeping his anonymity safe, it was actually those digital fingerprints that he left that were his undoing.

Bilton: Correct. I think that he... his undoing was the digital fingerprints he left. But it was also his hubris. He got to a point where he just believed he was uncatchable. There's an amazing -- it's actually my favorite moment in the story, in the book, where he orders some fake driver's license. And none of this, just for people listening, none of this gives away the book. Like, you could, I could tell you everything and you read it and you'll still be blown away. It's like, you know, this is not, this is not telling you anything that, it's just, you know...

Adams: I wasn't kidding. I wasn't kidding, Nick, when I said, I know what this guy had as his meal the last night of his free man. And not only did that, I know where him and his girlfriend went the last night of a free man and what they did while they were there because of your reporting.

Bilton: No, I mean, it was really astounding, like, there were certain times I got, like, a picture. Like, I remember getting a picture of him at a campfire and so I could describe, I went, I know where the campfire was. I went to that beach. It was, you know, obviously in San Francisco. And this is just an aside from what we're talking about, but, and I remember going there and seeing where the campfires were and, and you could describe, what it looks like and what it smells like. And then also I remember interviewing federal agents and they were like, they remembered the time that they were watching him when he was at the campfire. So I get both of those perspectives. Neither of them knew and had and you get to describe it in this kind of visceral, terrifying detail.

And of course, you get to the end of that chapter and you have to go to the next one and the next one and the next one. It's all like that.

But this is one moment, just to go back to what we're talking about earlier, where he orders these fake drivers licenses, funnily enough from the dark web, probably from the Silk Road or something. And there's a, I don't remember what the street was, 18th Street or something like that. So he's in this one part of San Francisco in this house on 18th Street, and then there's an 18th Avenue. And San Francisco is one of this weird, I don't know if you ever lived there or anything, but it's this weird place where there's like, there's an 18th Street, an 18th Avenue, an 18th Boulevard. Like there's so many of them. And most cities grow out of that and they eventually get to the point where they're like, we're going to change the name of this one to like, Barack Obama Boulevard or something. But San Francisco, when it's like, maybe isn't was like, hell, no, we're having 17 different versions of 18. And he orders these IDs and they get picked up by the Department of Homeland Security, just by chance. Literally chance that they get them. And they go to the 18th Avenue address.

And you think, like, in the book, like, you're like, oh, my God, he's finally going to get caught. Knock on the door and some Chinese man comes up. And he starts yelling at the HSI agents, like, to go away. And it's clear that they had gone -- they don't realize this at the time -- but it's, they've gone to the wrong address. And eventually they end up at the right address. And when they confront him, his face is on the IDs. It's him. And he's nervous at first and then he says, " Well, I didn't order those," you know. And he says, like, "but if you wanted to get something like that, you could probably go to a website called the Silk Road."

And he's taunting these agents. Like, he is the guy, the most wanted man on the internet. And he's got two federal agents standing in front of him, and he's taunting them to go to that website. And I think, like, you know, I ended up getting access to the logs of the Dread Pirate Roberts. And they were chat logs, I counted, it was 2.1 million words of chats, right? It took me -- I have a researcher that works with me -- it took us weeks to go through them all, and to pull all these details out. And he just didn't believe that anyone would ever get access to them. And he just believed that he was smarter than everyone else.

And I think that what's crazy -- and I have a question for you, actually, at the end of this moment here. I talked to those at *The New York Times* when I wrote this, and I remember talking to some of the court reporters. And they were like, if he would have just -- these are people that have been on the court system for 20, 30 years -- if he would have just said, I screwed up. I was a kid. It got out of hand, you know like, I didn't try to have these people murdered -- or I did, we didn't even get to that part of it -- but I made a mistake and I'm sorry. He would have probably gotten 10 years. Maybe. I don't know, maybe, maybe 20 maximum. Right?

Adams: I don't think he would have gotten a life sentence, yeah.

Bilton: He would not have gotten a life sentence, but he believed he could beat it. Yeah, he believed he could beat it.

Now, my question for you, and it's the question everyone asks me, is, do you think he deserves a life sentence?

Adams: Yeah, and it's funny, in researching to come on here with you today, I found, you know, there is a powerful social movement out there selling "free Ross" merch and all kinds of things.

You know, I think that the way the federal sentencing guidelines read, the judge was in her legal discretion to sentence him in the manner that she did. If there was some acceptance of responsibility, whether that would have been the sentence, I think, is the big question. Is the central issue, right? Because I think, as he stood at his sentencing, I think he hadn't yet accepted that responsibility. And something we talk about with our clients all the time. Which is once you're convicted -- and as I understand it, his jury came back fairly quick. Once you're convicted, your best form of mitigation is acceptance of responsibility. It's recognized in the federal sentencing guidelines as a reduction in sentence. Most courts will give you the benefit of a reduction in sentence by virtue of accepting responsibility. But he didn't and --

Bilton: Correct. And still to this day has not.

Adams: Yeah, and they literally caught him with his hands on the computer. As you said, when they went for that final raid, there was a concerted effort to ensure that he was logged in, that the Silk Road was open on his laptop. They faked a diversion in the middle of a quiet library with two agents screaming obscenities at each other. So, everybody was taken aback by the fact that, you know, the F-word is being screamed in the middle of a library. They get him to kind of be put off for a second. And at that split second, as he's doing what everybody else is doing, they take his computer and it's logged in and they have him red-handed.

I think that, coupled with the incident you described in San Francisco, where there was engagement with law enforcement who had not yet known that there was other federal agencies looking at him, and knew where he was, and were following him at that moment. They just had picked up these fake IDs that were being sent to him, ironically at the time where he was planning his great escape.

The idea that he had that opportunity there and he sort of misled them, I think, probably weighed heavy as well in the judge's mind at sentencing. But it's impossible to -- without the benefit of a thorough analysis of the guidelines -- really understand what led to his life sentence.

Bilton: Yeah.

Adams: But I can tell you that acceptance of responsibility, or the lack thereof, weighs heavy in the federal system.

Bilton: Well, it's interesting you said, because on the one hand, I remember talking to my researcher. I just had kids, I think I had my first kid when he got sentenced. And I remember seeing his parents at the trials, I was covering the whole trial. And I remember saying my researcher, you know, I feel really bad for them. Like, it must be so hard to see your son get sentenced to jail for the rest of their life.

And my researcher said, yes, but you also have to realize that he would have happily sold drugs to your son and not given a shit if your son died as a result.

And so, there's two sides to it. And I think that that's one of the things that, for me, was really important with the book is that, you know, these technology companies that have this libertarian ideology don't take into account the humanity of these things, and the people. And he didn't realize that -- maybe he did, I don't know, but, it appeared that he didn't realize that kids were dying from overdoses as a result of the website and they were getting access to drugs they never would have been able to get access to.

Preston Bridges, who got a synthetic drug that was made in China and freaked out in Australia. He was a kid, was his 16th birthday and, 16 years old and jumped out the window and died. There were other children and, kids and teenagers and college students you know, that it died as a result of it. And, and I think that, you know, there's an argument to be made... I was recently at an event giving a talk, and someone from the FBI had mentioned that, you know, when you start to look at the statistics, fentanyl kills more people in the United States than anything right now. Literally, it's the number one killer in the United States.

And there is an argument to be made the Silk Road was the thing that started that. Because before that, there was no way to get those drugs into the United States. And, he figured out, oh, you can just mail them. And now it's... people are more reliant on those drugs than they are on other drugs, and the synthetic drugs have taken over and, and here we are.

Adams: Well, as we come to a close today, Nick, you know, it begs the question: What's the next Silk Road? What's the next major area of internet crime that we're going to see? I don't think we've seen the last of Silk Road-type of endeavors. In fact, I know we're not seeing the last of them because I, I see them in my day-to-day.

I have represented clients in connection with investigations where there is alleged to be these nefarious online marketplaces. I beg to say that every day, another one pops up on the dark web. So, I think the concept is here to stay. But I started the episode talking about 20 years ago, what I was learning at sort of the primitive days of this internet law class in law school, right? And I couldn't imagine the Amazon of drug marketplaces popping up on the dark web. As I think about it, with AI, it's almost terrifying that could be harnessed in some criminal way. And what do you think's next?

Bilton: I think the next Silk Road is a little more terrifying, quite honestly, because I don't think it's drugs and guns and murder for hire. I think that it's identity. And I think what you're going to start to see is not -- I just wrote an article for *Vanity Fair* about this, about how we currently live in world where we have a couple of million people in America every year that have identity theft experiences that lead to $10 billion in damages. What is about to happen with deep fakes and AI and all the AI voice stuff and so on and so forth is identity takeovers, where people become you and destroy your life as a result of it. And you can have that at a massive, massive scale where AI is doing that for massive nefarious purposes. You're not going to know what's real and what's not. And I think the repercussions are going to be for institutions, for privacy, for everything, of what can go wrong. And

there will be a case, I guarantee there will be a case, in the next several years where someone is arrested and goes to jail for a crime they didn't commit that they were framed using some really advanced deep fake technology or something like that.

And I think that, you know, what we've seen happen in the last 20 years as a result of social media, where the erosion of news and trust and so on has happened online, I think we're about to start to see that happen in real life.

Adams: Will those same fingerprints that you talk about in your "Notes on Reporting" exist in this AI-driven model that we're fearing?

Bilton: Well, I think that they won't matter, you know, because you can create them. I think that's what AI can do, is it will be able to create things and it will be able to do things that we can't conceive of. You know, when they created ChatGPT, they didn't think people would use it for the things that they use it for. And this is just a very rudimentary version of AI. What is coming is honestly quite terrifying. Because whatever you do, whatever technology you build, it will be used for good and it will be used for bad. And we can always think of the good, but we have a really hard time thinking of the bad.

Adams: And then the technology covers up the fingerprints.

Bilton: Yeah, or replaces them with other people's.

Adams: Wow. Well, that's a terrifying stopping place, Nick, but it has been an absolute pleasure to speak with you today on "The Presumption of Innocence." Again, we're talking with Nick Bilton the author of "American Kingpin: The Epic Hunt for the Criminal Mastermind Behind the Silk Road." Nick, the book was fantastic. I'm sorry it took me this long to read it. I know it's been out for a while, but it is absolutely amazing.

Bilton: Thank you for having me. Thank you for reading it. And, I'm looking for a new book idea. So, if you or any of your listeners have one, I'm all ears. It's hard to compete with the story of the Silk Road, but if anything comes to mind.

Adams: Thank you, Nick. Until next time. That's all we have on "The Presumption of Innocence." I'm Matt Adams. We'll see you then. Take care.