



The Need for a “Whole of Society” Approach to Combatting Fraud

SIP Forum AI Summit 2024

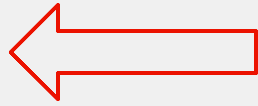
Kathy Stokes, Director, Fraud Prevention Programs
AARP Fraud Watch Network

AARP in three parts

AARP Foundation

AARP Services, Inc.

AARP, Inc.



our social mission work & home of the
AARP Fraud Watch Network



Fraud Watch Network Helpline

- Free to everyone
- Report a scam
- Ask if something is legitimate
- Get help with fraud experience

1-877-908-3360

Mon-Fri

8 am – 8 pm Eastern



Online victim support program

1-hour free, virtual sessions

Empowering and supportive

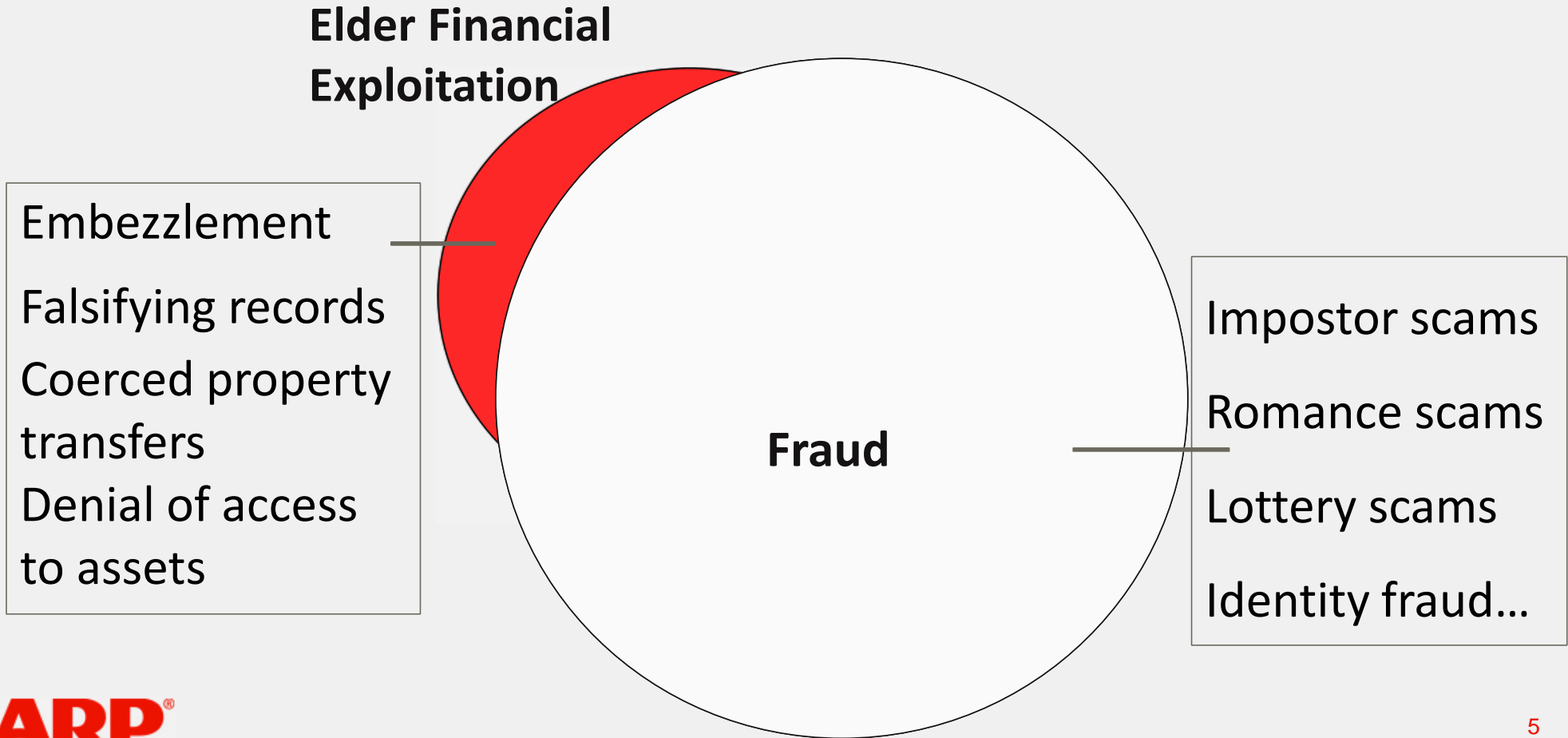
Open to anyone of any age

Safe space to talk

www.aarp.org/fraudsupport



Fraud vs. elder financial exploitation



The fraud crisis

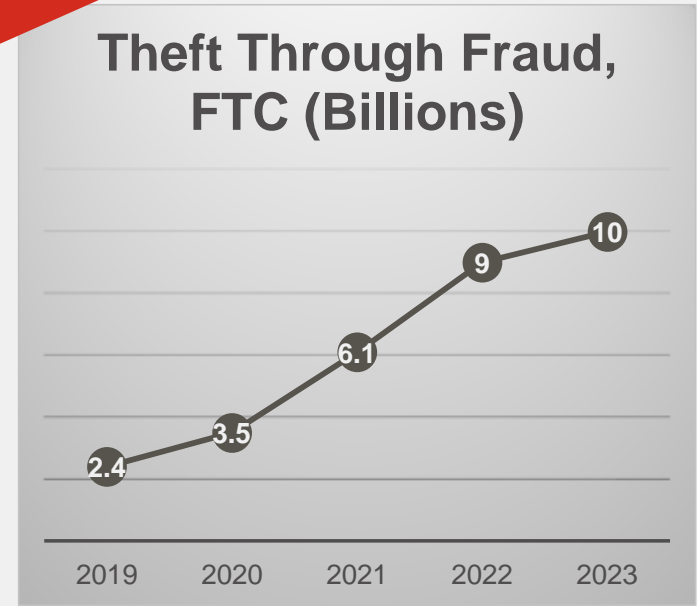
FTC: \$10 billion (2023)

FBI: \$12.5 billion (2023)

Javelin: \$137.4 billion (ID fraud, 2023)

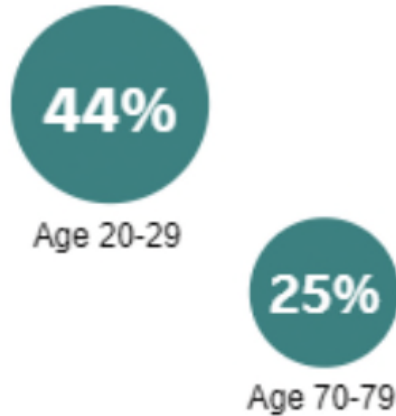
FinCEN: \$21.6 billion (SAR, 2023)

\$137.4 billion

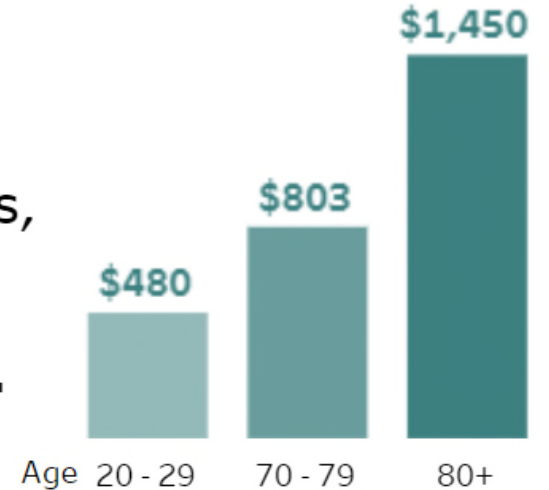


Fraud and older adults

Younger people reported losing money to fraud **more often than older people.**



But when people aged 70+ had a loss, **the median loss was much higher.**



Younger people report theft through fraud more often.
Older people lose so much more.



Fraud Trends



Generative AI: The industrial revolution for fraud criminals?

- Voice cloning
- Texts, emails written perfectly
- Animating still images
- Fake videos
- New, fake websites in an instant

Bank impersonators

- Text: confirm transaction, Y or N
- No = immediate call from 'your bank'
- Has personal information
- Claims suspicious activity...need to transfer funds



- Don't trust communications from your bank
- Call number you know to be legitimate
- Don't "google" contact info

Business impersonators

- Big retailers
- Big tech
- Shippers
- Utilities



- Won't contact out of the blue
- Don't engage – or disengage
- Concerned? Contact through verified channel

Financial grooming

- Errant text
- Relationship develops
- Shares crypto-investing success
- Set up account...big gains
- Can't get money out



- Be wary of unsolicited messages
- Research investments
- Contact bank, police/FBI quickly

Personal relationships

- Grandchild/family in trouble
- Employer, community leader
- Online friend, love interest



- Disengage, contact via trusted method
- Be wary of new online connections



**Our words matter
when it comes to
fraud.**

The victim didn't "fall for it."
It was a crime.

**Changing the narrative of
blaming victims**



2022 study

Blame and Shame in the Context of Financial Fraud

A Movement to Change Our Societal Response to a
Rampant and Growing Crime

JUNE 2022

FINRA
Investor Education
FOUNDATION

**HEART
& MIND**
STRATEGIES

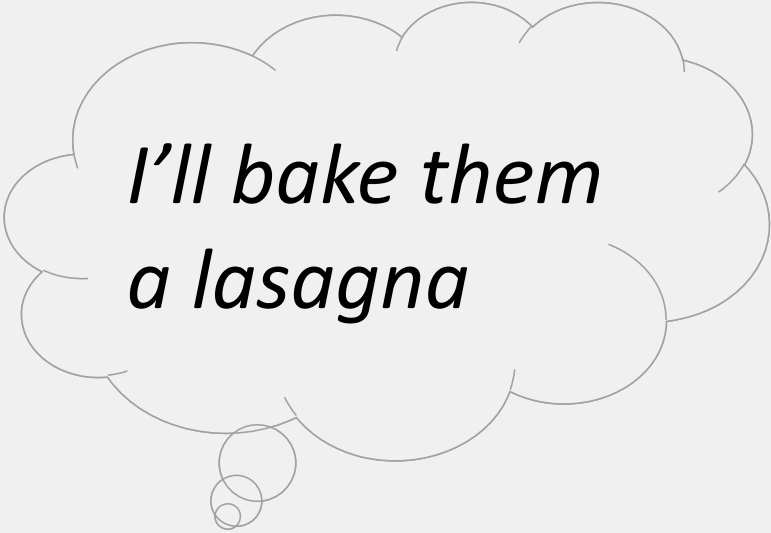
AARP

- Lit review, media/entertainment scan, social media scrape, review of narrative change case studies
- Deep session with 30 experts
- Qualitative interviews, quantitative survey

Violent and property crimes: how we react



*Oh, that poor
family*



*I'll bake them
a lasagna*

Financial crimes: how we react

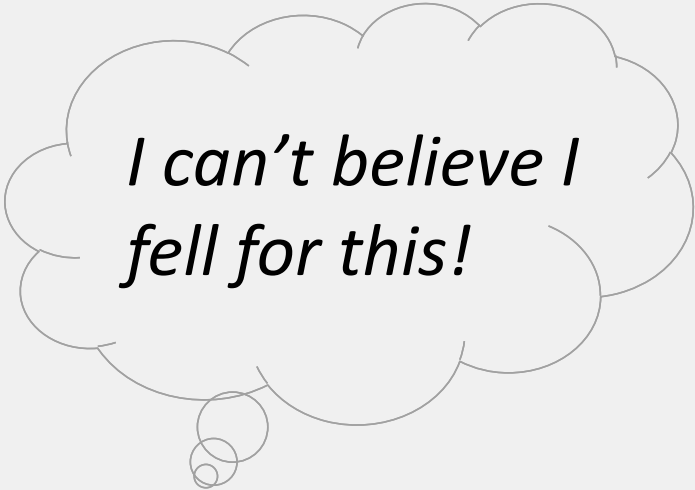
You got duped by that?? It's the oldest trick in the book!

You'd have to be an idiot...

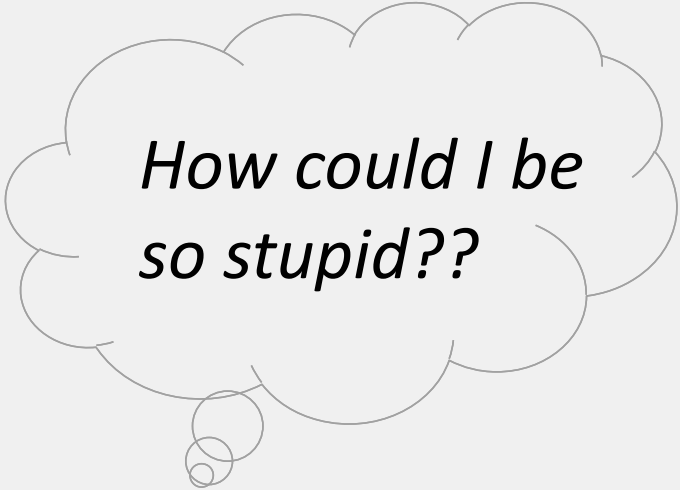
How could he fall for that??

How much money did you give them?

How scam victims talk about themselves



*I can't believe I
fell for this!*



*How could I be
so stupid??*

Ripped from the headlines

Vermont woman duped out of life savings

“I feel so stupid”: senior scammed out of her life savings through government impersonation

Elderly North Hills woman duped of \$49,000 in phone scam...

Why scams are successful

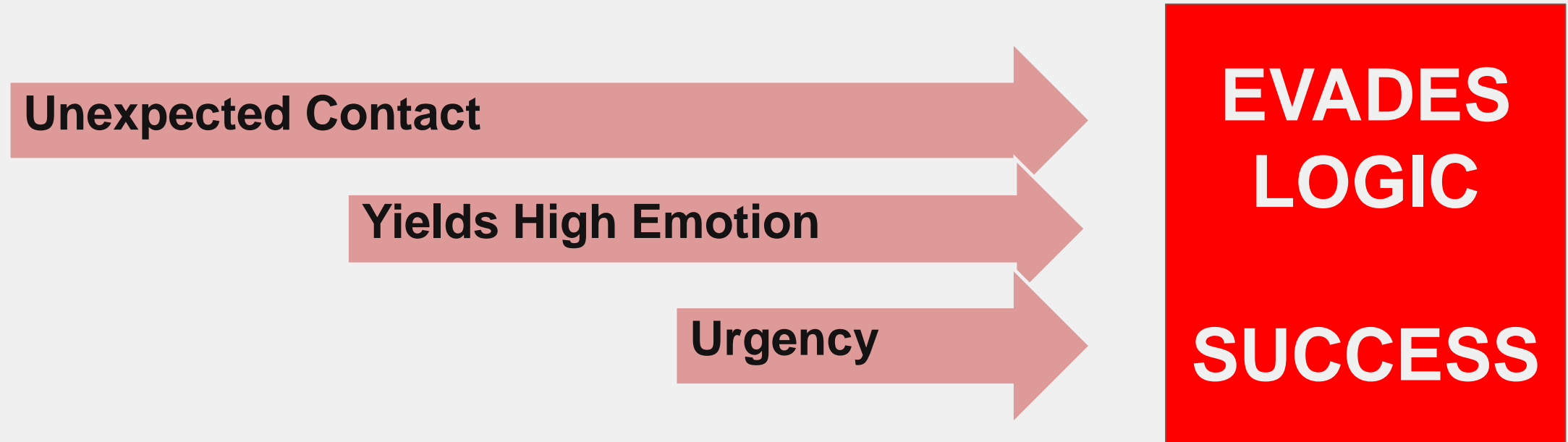
THE ETHER

The Criminals' Playbook

Heightened emotions block logical thinking

fear, excitement, panic, new love...

The criminal's playbook



(It's not the victim's fault)

Drivers of blame

→ Attribution bias

→ Just world theory

→ Rugged individualism

Yes, we blame. (But we don't really mean it.)

- Less about true sentiment than the words we use and practices we embrace
- Rooted in cultural values, driven by issues we can address – but how?

Reframe with our words

Instead of this:

You got scammed.

How could you fall for that?

Duped, swindled, tricked...

Implies blame;
Inspires shame

Say this:

It's not your fault.

Scammers are good at what they do;
you experienced a crime.

Shows empathy;
Empowers victim

Focus on the criminal and the crime

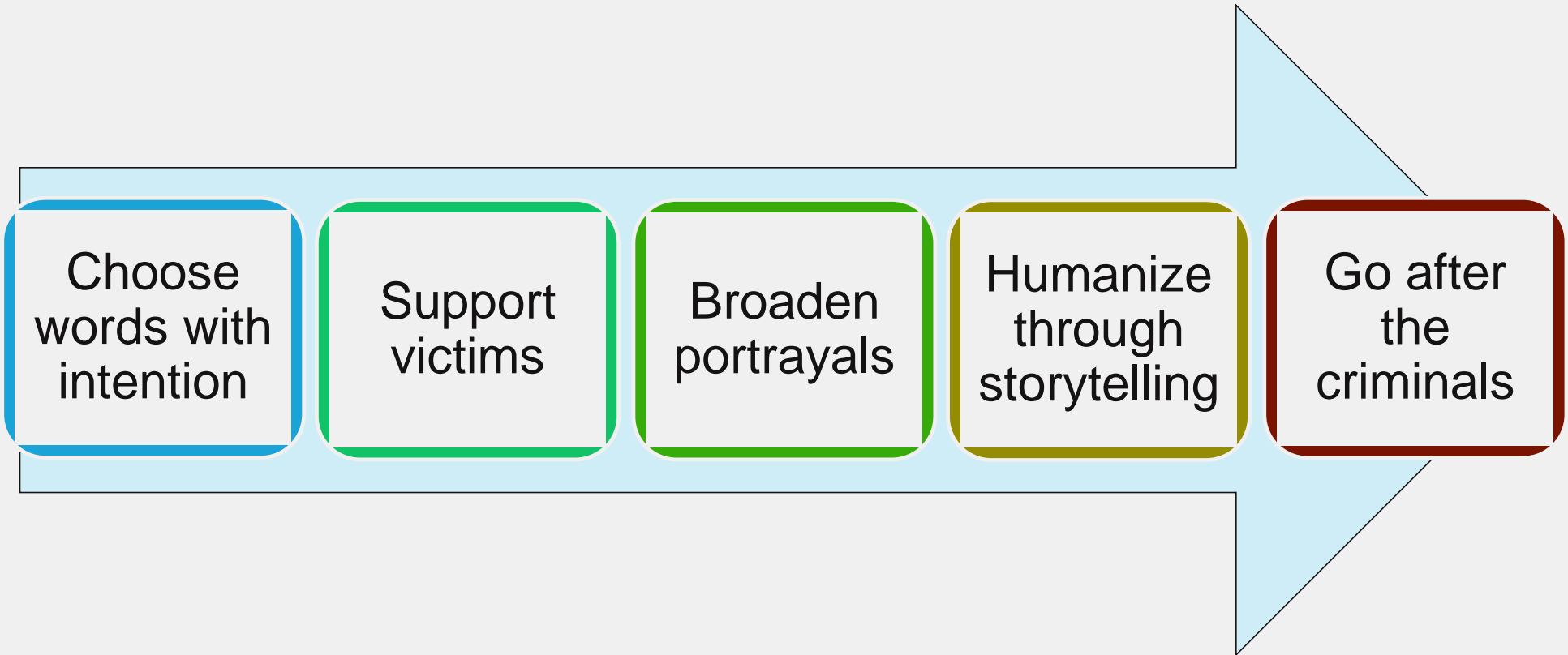
- Fraudster
- Scammer
- Con artist

Criminal
Perpetrator

- She gave him her money.

A criminal stole her money.

The path forward



Potential real-world outcomes

- More reporting
- Family relationships protected
- Police take it seriously
- Prosecutors take more cases
- Policymakers act
- Billions stay in our economy

Real-world outcome: “whole of society” approach coming soon

National Elder Fraud Coordination Center (NEFCC)

- 501c3 nonprofit
- Public/private partnership
- Tie elder fraud cases together to exceed thresholds for action by law enforcement, prosecutors
- Disrupt the fraud business model

Be the change

- It begins with each of us
- Encourage different word choices
- Use words that acknowledge the crime and the sophistication of the criminal
- Respond to victims with empathy and concern
- Report



aarp.org/wordsmatter