

CHAPTER 1

PURPOSE OF THE STUDY

Introduction and Problem Analysis

The business of human trafficking cannot be regarded in isolation from its root causes and the individual actors or organizations with whom and with which it interfaces. Offenders are most often opportunistic, abuse their position of power, are motivated by profits, and participate in various illegal activities and markets to further their financial gain. Within the course of their activities, traffickers often interact with both legal and illegal individuals and entities, who and which willingly or unknowingly benefit from or support this illicit business. Understanding market factors and focusing on the business aspects of trafficking organizations and interactions between formal and informal economic activities will allow measures to be taken to disrupt the market forces which allow trafficking to thrive.

At the local, national and international levels, it is necessary to understand and address the environment and market factors that cause vulnerabilities to human trafficking, make it profitable or play a facilitative role. Additionally, it is necessary to bring into the analysis the ways in which legal and illegal market participants, economic conditions and the political environment and cultural context combine to facilitate, enhance or generate vulnerabilities and demand for the services provided by victims of human trafficking. To fully understand the mechanisms of human trafficking, it is necessary to focus not only on the environment or situations which make potential victims more vulnerable to trafficking, but also on those factors that facilitate the traffickers and those who participate or aid in the crime of trafficking,¹ to include customers and clients who purchase the services or goods produced by trafficked persons.² This is especially important as most of the focus of research on human trafficking has traditionally been on the victims and not the perpetrators or others who form a part of the trafficking chain.

Objectives

The purpose of this Expert Group Initiative project is to assist the OSCE Office of the Special Representative and Co-ordinator for Combating Trafficking in Human Beings to identify theoretical underpinnings which may explain the business organization factors contributing to human trafficking in a wider context. This will facilitate the implementation of a holistic preventive strategy and help identify knowledge gaps that will need to be addressed in the very near future. In keeping with the OSCE Action Plan to Combat Trafficking in Human Beings and the United Nations Global Initiative to Fight Human Trafficking, it is anticipated that this exploratory research will pave the ground for a well informed debate and assist in the further development of a comprehensive counter-trafficking policy.

A second major objective is to provide recommendations, next steps and guidelines for decision makers, civil society and other concerned actors on the effective prevention of human trafficking.

This study aims to assist policy makers in better appreciating the market and business variables as well as the interconnections between human trafficking and other illegal enterprises and legal actors, so that they can fine-tune prevention efforts by focusing more on the economic, social, cultural and criminal aspects in order to disrupt the traffickers and to undermine this market. An objective of these counter-trafficking recommendations will be to pave the ground for future efforts to maximize synergies with other security, development and crime control policies currently contemplated or implemented (especially with respect to cross-border organized crime and corruption).

This study was implemented as part of the UN.GIFT Expert Group Initiative, as it seeks to produce guidance toward both short- and long-term results that will contribute to more effective prevention of human trafficking.

Scope and Analytical Framework

This exploratory study involved a critical and focused literature review combined with field research in Austria, the Russian Federation, the Netherlands and the United Kingdom over a period of three months. The study analyses

¹ Included in this group are those legal and illicit actors who facilitate the crime by providing visas, false documentation, turning a blind eye or accepting/demanding bribes.

² For more information, see the IOM campaign "Buy Responsibly".

cases³, expert interviews and other material in order to identify the most important contextual and contributing factors. Cases used for the analysis were obtained through criminal justice experts in the participating countries or through governmental and non-governmental reports, or from the press.

The objective of the research is to identify *the factors that make human trafficking thrive*. In order to accomplish this goal, the project focuses upon trafficking at both the individual and organizational level. For each of these levels of assessment, a theoretical framework was selected to help understand the process of human trafficking.

At the individual level, traffickers or their cohorts make a decision to become involved in the trade. Rational Choice Theory seeks to explain decisions individuals take while conducting a cost-benefit analysis. This theory sees criminals as reasoning beings who choose to commit a crime after weighing its costs, benefits and risk of identification and prosecution. This includes the immediate need for criminal gain, the risk of apprehension, the severity of punishment if caught and the (potential) value of the criminal enterprise. Additionally, Neutralization Theory may serve to further our understanding of the justifications or rationalizations traffickers use to explain their participation in human trafficking.

At the mezzo-level, the unit of analysis will be the individuals working together to form the trafficking organization. The study focuses on a comprehensive description of the economic and social organization of human trafficking, its modus operandi, aspects of its business model, components and the ways in which it interfaces with other criminal enterprises, other types of crimes and the nexus between human trafficking and legal enterprises and professionals. The theoretical frameworks used to understand trafficking at this level are Routine Activities Theory, as well as principles of business, in particular, examining market variables and process and strategy analysis. Routine Activities Theory concentrates on individual actors and their motivations as well as situations or criminal settings – in other words, the environments conducive to organized criminal activity – that contribute to crime. Process analysis looks at the links in the supply chain with an eye toward possible interventions to disrupt the human trafficking supply chain. Strategy analysis, examining the environmental influences on the organizational strategy by examining the external constraints, tries to understand the multitude of factors that influence an organization's choices, always presupposing that they are based on rationality as is necessary for the application of all business theory.

It is important to understand what makes this illegal market profitable, considering the demand, costs, risks, revenues, and profit margins with an aim toward understanding how to remove a powerful incentive and disrupt the trade. This will allow governmental and non-governmental stakeholders as well as those from private industry to prevent and interrupt trafficking practices and assist victims in their recovery.

Data and Analysis

This study is based upon the analysis of 25 cases obtained from various sources to include published reports by the police, courts and government agencies as well as the press. All countries included in the study are participating States of the OSCE. Trafficking cases within, into or from Belgium, Germany, France/Italy, the Netherlands, the Russian Federation, Tajikistan, the United Kingdom, the United States and Uzbekistan have been included in the study. Additionally, extensive interviews were held with experts in Austria.⁴

Policy Implications and Recommendations

The collected data on the business model of human trafficking and contextual analysis offers the empirical basis and conceptual tools necessary for a detailed discussion of policy implications and recommendations with a view to provide elements of a prevention strategy and make recommendations for policy makers and practitioners. These are recommendations for state and non-state actions that could not only reduce victim vulnerability but also the business profitability of human trafficking, ease of its illicit operations, vulnerability to corruption, and disrupt as many illicit markets as possible.

Further, recognizing that data are not always available or reliable, the study aims at identifying critical knowledge gaps that will need to be filled in the near future. The study clarifies what we do not know about the problem, what we need to find out and what next steps are necessary for a more effective and fully informed preventive strategy. This comprehensive strategy must reach further than governmental agencies and must involve the commitment from the inter-governmental and non-governmental sector as well as civil society and private industry. While this study has focused on cases in participating States of the OSCE, recommendations are clearly applicable to anti-trafficking stakeholders in States outside of this region.

3 Cases from countries other than those listed above were also included in the study. See Appendix 1 for a description of the cases included in this study.

4 For more detail on the selection of countries and methodology, see Chapter 4.