

CHAPTER 3

THEORETICAL FRAMEWORK

Human rights and labour violations perpetrated against trafficked persons have been documented in reports issued by numerous NGOs and intergovernmental organizations. The business implications of human trafficking, however, are less clear. In the previous chapter, the section on the Overlap between Upper- and Underworld Activities provided limited insight into the impact that organized criminal activities can have on the legitimate economy. Unfair business practices generate unfair market competition allowing businesses which use trafficked persons or exploitative labour and practices to undercut the cost of legal competitors. Furthermore, corrupt practices by government officials undermine the trust of society in those who are supposed to protect them.¹⁰¹ CFI, the Belgian anti-money laundering task force has gone as far as to state that “[i]t is obvious that such criminal infiltration into the economy poses a threat to the Belgian social and economic system and in time could even disrupt the entire social order.”

If in fact trafficking organizations operate as businesses, with the objective of reducing overhead costs while increasing profits, it is important to understand how these decisions are reached. This chapter draws upon criminological and business theories which allow for an alternative perspective on human traffickers’ motivation and rationale, to explain the decision-making processes of human traffickers.

Explaining Trafficking at the Individual Level

Rational Choice

Rational choice theory became popular in the 1970s and developed from Classical Criminology.¹⁰² According to rational choice theory, criminals are reasoning beings who choose to commit a crime after weighing the costs, benefits and risk of committing these crimes.¹⁰³ These include the immediate need for criminal gain, the risk of apprehension, the severity of punishment if caught and the (potential) value of the criminal enterprise.¹⁰⁴ Rational choice theory has most often been used to explain predatory economic crimes, and in particular, burglaries. It is, however, a useful theory in attempting to understand the crime of human trafficking.

Unlike other criminological theories, rational choice theory is both offender and offence specific and differentiates between crime as an event and criminality as a personal trait.¹⁰⁵ In that sense, the theory explains both the involvement of professional criminals in trafficking enterprises as well as otherwise ‘law-abiding’ citizens exploiting and enslaving a domestic worker.¹⁰⁶ With regard to *offence-specific* acts, the offender reacts to the characteristics of a particular offence. Every criminal act has certain payoffs and risks. In trafficking, this may involve the likelihood that there is a ready supply of potential victims, a market willing to absorb the trafficked victims, high yield profit and a low likelihood of being caught and prosecuted. *Offender-specific* implies that the individual considers whether or not he or she possesses the “prerequisites to commit a successful criminal act, including the proper skills, motives, needs and fears”.¹⁰⁷

Offender and offence characteristics are interactive. This interaction is referred to as *choice structuring*. Each offender has a unique set of skills and needs, while each offence has its own risks and payoffs. The interaction between the

101 This distrust of the police is a weapon used by many traffickers to ensure that their victims will not escape and seek help from the local police.

102 Classical criminology is a utilitarian approach to the study of crime and its control. The premises of Classical criminology argue that people choose behaviour; their choices can be influenced by fear of punishment and that for punishment to act as an adequate deterrent, it must be certain, swift and severe.

103 For more on rational choice theory, see Gary Becker's groundbreaking analysis of crime and rational choice (G. Becker, "Crime and Punishment, an Economic Approach", *Journal of Political Economy*, 76 (1968), pp. 169-217).

104 L. Siegel, *Criminology: Theories, Patterns and Typologies* (8th edn.; Belmont: Wadsworth, 2004).

105 D. Cornish and R. Clarke, "Understanding Crime Displacement: An Application of Rational Choice Theory", *Criminology*, Vol. 25 (1987) and Siegel, Op. Cit.

106 F. Klopott, "State Department adds restrictions to diplomats bringing servants into the U.S.", *Washington Examiner*, 20 November 2009, <http://www.washingtonexaminer.com/local/crime/State-Department-adds-restrictions-to-diplomats-bringing-servants-into-the-U_S_-8559119-70570032.html#ixzz0errpdYpn>, accessed 31 March 2010: At least 42 allegations of diplomats engaged in the trafficking and exploitation of their domestics servants have been documented in the United States since 2000 (Klopott, 2009).

107 L. Siegel, *Criminology: Theories, Patterns and Typologies* (8th edn.; Belmont: Wadsworth, 2004), p. 109.

offender and offence structures the offender's choice of behaviour allowing the offender to choose between alternative courses of action.¹⁰⁸

In the study of their involvement in crime (drug dealing, burglary), criminals have been shown to rationally choose the *type of crime* in which to become involved as well as their target and the time and place of the crime. The type of crime "... may be dictated by a rational analysis of market conditions". In the case of trafficking, traffickers may choose to increase their financial gain by moving victims from rural to urban areas within a country or from transitional to industrialized nations; to move trafficked victims into brothels near army barracks or supply victims to customers during international sporting events; or to traffic victims into the construction industry when large-scale projects have begun.

Criminals have also been known to *select the target* of crime. Traffickers either prey on an economic crisis facing a family – such as a medical emergency or condition requiring cash – or select victims that they think will be most compliant. Traffickers also prey upon families in poverty, families in which parents are alcoholic and administrators of orphanages.¹⁰⁹ Other targets of prey for traffickers are children who are victims of child abuse, who may be runaways or may have been forced into prostitution by a family member. An emerging pattern involves the recruitment of women working in prostitution (in their home cities and countries) before being recruited and exploited in trafficking abroad. This deliberate selection of women already having worked in prostitution before being trafficked ensures that the transition is 'easier' for the trafficked person and proves to be "... a strategic way for traffickers to mitigate some of the resistance of unwilling victims"¹¹⁰.

Rational choice theory also examines criminals' choice of *time and place*¹¹¹ of the crime and target locations. The concept of time is less relevant in trafficking for forced commercial sexual exploitation, but may prove to be more relevant for trafficking in labour exploitation. Crop harvesting and the need for seasonal workers at particular times of the year may generate a demand for cheap labour which can easily be filled with trafficked victims. Target locations are important in the prostitution sector and traffickers can choose to move prostitution from more visible places (the streets, brothels, massage parlours) to locations which are more difficult for authorities to monitor and control (escort services and private apartments). This move can be in reaction to proactive police controls in the more visible prostitution sector.

Individuals must first decide to initially become involved in crime – or that the initial involvement, often for the purpose of generating profit, is acceptable (the *initial involvement model*), and crime may be one alternative to fulfilling their needs. Their previous learning and experience – the values and norms around them, their moral code, their personal and vicarious experience with crime, their view of themselves and the degree to which they are able to plan and exercise foresight – will determine the degree to which individuals are willing and able to become involved in crime.¹¹² The previous learning experiences may be influenced by such things as demographic characteristics, their family upbringing and individual traits.¹¹³

The decision to engage in crime is followed by the decision to commit a particular offence – the *criminal event model*. Once the person has decided to commit the offence, the next step is target selection based on a cost/benefit analysis. "The factors that individuals consider may differ dramatically from one type of crime to another, which is why rational choice theories argue that 'crime specific' models of decision making are necessary for different types of crime."¹¹⁴ Target selection for human trafficking may include purposely targeting street children or runaways knowing that no one will miss the children and notify the authorities. A burglar selects a target, for example, which will provide maximum coverage – a house at the end of a 'cul-de-sac' or burglarizing a home while the occupants are on vacation.

Crime (trafficking) continues to be profitable and this strengthens the determination to continue involvement in these activities. With the successful completion of each new crime,¹¹⁵ the criminal becomes increasingly professional, and changes in lifestyle and values as well as changes in peer group can be identified. *Increased professionalism* is a result of improved skills and knowledge through planning and careful selection of targets, increasing professional contacts (with other traffickers or others who supply services such as document forgery) and developing and maintaining contacts with (and possibly corrupting) migration, law enforcement and other government officials. All of this increases profits while reducing risks. *Changes in lifestyles and values* are a result of the increasing dependency

108 L. Siegel, *Criminology* (St. Paul, Minnesota: West Publishing Company, 1983).

109 Louise Shelley, *Human Trafficking: A Global Perspective* (Cambridge University Press, 2010 forthcoming).

110 R. Surtees, "Traffickers and Trafficking in Southern and Eastern Europe: Considering the Other Side of Human Trafficking", *European Journal of Criminology*, 5 (1) (2008), p. 51.

111 Research has focused on burglars' selection of time and place before committing a burglary – e.g., which time of day and day of the week as well as the location of a house to be burglarized will least likely result in being caught during the burglary.

112 In countries where corruption is prevalent, many children learn that it does not pay to be honest, but that corruption pays. They have experienced corruption ranging from payment for grades at school to judges being paid off at modeling contests or sports games. The well-off children of corrupt (government) officials only strengthen the belief that being honest does not pay. This leads to an erosion of trust in institutions and may be the first step towards making the decision to becoming involved in crime.

113 D. Cornish and R.V. Clarke, "Crime as Rational Choice", in F. T. Cullen and R. Agnew, *Criminological Theory* (Los Angeles: Roxbury Publishing Company, 2003).

114 *Ibid.*, p. 278.

115 *Ibid.*, Figure 26-3: provides a model of continuing involvement in crime using residential burglary in a middle-class suburb as an example.

upon crime as an income-generating activity. The criminal may enjoy life “in the fast lane” and begins justifying his/her involvement in crime.¹¹⁶ Neutralization techniques, described later in this chapter, explain the mechanisms and rationalizations that individuals use to justify their involvement in crime. As a result of their involvement in crime, criminals *change peer groups*, becoming friendly with other criminals or those who share the same values. This may also be the result of the need for services that will facilitate the trafficking organization (the production of false documents or corruption of officials) or to increase profits (buying and selling victims), which will be further examined in relation to *process analysis*.

According to the tenets of rational choice theory, criminals will desist from crime if they believe that their criminal activities will no longer generate a profit and that legal and attractive income-generating opportunities are available.¹¹⁷ A further incentive to quit is that risks have outweighed profits and that there is a high probability of arrest, prosecution and punishment.

Neutralization Theory

According to neutralization theory, individuals – otherwise law-abiding individuals – are able to engage in criminal activities by using techniques of neutralization. They believe that their acts are justified based upon a number of arguments, and research has shown that the more neutralization techniques are accepted by individuals, the more likely they are to engage in crime.¹¹⁸ These arguments can be divided into five major types:

- 1) *Denial of responsibility* is used to place blame for a criminal act outside of the responsibility and beyond the forces of the actor. The actor argues that unemployment or poor upbringing was responsible for his involvement in crime;
- 2) *Denial of injury* is a technique used to minimize the criminal act by implying no one has been harmed by the act. This technique can easily be used – in particular by recruiters and transporters involved in trafficking – to argue that individuals want to leave a particular country and that the recruiters and transporters are only helping them to realize their dreams. The trafficking of domestic workers from poor countries into richer ones may be justified by arguing that their living conditions have been improved by taking them out of poverty in their own countries – and that they are now living (albeit in horrendous conditions) in a beautiful home rather than in a slum area. Closely related to this is the denial of victim;
- 3) *Denial of victim* may be used to argue that “injury is not wrong in light of the circumstances” – perhaps arguing that a victim is receiving more money than he or she would if performing the same services at home.¹¹⁹ The offender may recognize the difference between appropriate and inappropriate targets. The fact that traffickers recruit women working in prostitution in their home countries, or tell women that they will be working in prostitution when they are recruited and brought into another country, may allow traffickers to falsely believe that the women trafficked are not victims;
- 4) *Condemnation of the condemners* refers to the attitude that those who condemn (in this case, the criminal justice system) are unjust, corrupt or deviant. This neutralization technique is an attack on the “condemners” and is perhaps the least important in relationship to human trafficking in countries where corruption is low or non-existent. In countries where corruption is widespread in the government and private sector, cynicism is widespread and condemnation of the condemners would play a more important role;
- 5) *Appeal to higher loyalties* proves to be an interesting neutralization technique. Originally used to explain delinquents’ appeal to the loyalties of friends, these loyalties among traffickers may be influenced more by threats of violence and harm, rather than friendships. Betrayal and violence are commonly found in relationships between traffickers. In the case of trafficking networks organized predominantly around family or friendship ties, this technique of neutralization may be used to justify participation in the trafficking operations. It may also explain how women – former trafficked victims – who have established a relationship with their trafficker, return to their hometown or village and recruit other victims. Research has found that “[r]ecruitment is particularly effective when traffickers rely on victims whom they have turned into loyal enforcers or recruiters”.¹²⁰

116 This is true of some, but not all offenders involved in human trafficking. Shelley (forthcoming, 2010) reports that this pattern does not reflect the habits of the Chinese business type of offender.

117 L. Siegel (2004), citing Liliana Pezzine, “Earnings, Prospects, Matching Effects and the Decision to Terminate a Criminal Career”, *Journal of Quantitative Criminology*, 11 (1995), pp. 29-50.

118 G. Sykes and D. Matza, “Techniques of Neutralizations”, in F. T. Cullen and R. Agnew, *Criminological Theory* (Los Angeles: Roxbury Publishing Company, 2003).

119 This technique of neutralization is often used to argue that the victim got what he or she deserved. G. Sykes and D. Matza, *Op. Cit.*, p. 139: However, the techniques of neutralization put forth may be used differently in justifying human trafficking.

120 K. Bales and S. Lize, *Trafficking in Persons in the United States* (U. S. Department of Justice: Washington D.C, 2005), p. 26, <<http://www.ncjrs.gov/pdffiles1/nij/grants/211980.pdf>>, accessed 31 March 2010: It is not clear whether the relationship between the victim and the trafficker is an example of the “Stockholm Syndrome” in which the hostage (in this case the trafficked victim) becomes strongly attached to the hostage taker (trafficker) or whether these victim-traffickers have been socialized into this lifestyle.

Explaining Trafficking at an Organizational Level: Business Models and Market Selection

Attempting to understand human trafficking from the perspective of a business requires an examination of business principles and an understanding of routine activities theory.

Routine Activities Theory

Routine activities theory concentrates not on individual actors and their motivations, but on situations or criminal settings – in other words, the environments conducive to organized criminal activity.¹²¹ Routine activities theory puts forth the idea that “... in order for a crime to occur, motivated offenders must converge with suitable targets in the absence of capable guardians”.¹²² The likelihood that there is such a convergence is heightened by our routine activities including work, leisure time, friends and family. This theory takes the motivation of the offender as a given and studies the spatial and temporal organization of social activities to explain crime. Having capable guardians is instrumental in controlling or eradicating criminal activities.

According to this theory, crime can increase if there are more suitable targets and fewer capable guardians present.¹²³ This theory would call for awareness among suitable targets (victims or potential victims) and increased controls (by capable guardians)¹²⁴ to reduce the likelihood of motivated offenders coming into contact with the suitable target. Awareness-raising programmes – and particularly those targeted at high risk groups or potential victims – are examples of measures taken to reduce the likelihood that victims will come into contact with motivated offenders.

Market Variables

A further attempt to understand human trafficking as a business requires one to understand market variables. The study of organized crime’s involvement in illicit markets has yielded the following market variables which are crucial to determining the markets at risk of infiltration by (organized) criminal groups: supply, demand, regulators and competition.¹²⁵ These market variables interact to increase the risk and likelihood of organized crime involvement in a particular market.

Supply refers to the source or objective availability of services. The supply of individuals willing to migrate and work is almost endless. Supply also includes the ease of movement of goods or persons. In regions where borders are porous, or where, for instance, the external borders of the European Union or the Commonwealth of Independent States have expanded and Member States’ citizens are allowed to travel legally and visa-free between countries, the ease with which victims can be moved around and brought into these areas has increased.

Demand refers to the level of demand for a service (prostitution or cheap labour) and whether or not it is elastic or inelastic. Elastic demand for a service rises or falls depending on the price of the good or service. Inelastic demand for a product or service means that consumers will pay almost any price because the object or service is in demand.¹²⁶ In the case of sex trafficking, the demand is highly elastic. A price increase will lead to a reduction in demand.¹²⁶ Conversely, greater availability of individuals providing services at lower prices will result in more customers, hence, greater demand. Demand can also be for a particular product. In business, this is referred to as the *unique selling point*. This is a specific feature that differentiates a product from similar products. In terms of trafficking, this might be the demand for women of a certain nationality (Russian), ethnic group (Asian) or age (particularly young children). Demand can be artificially created.

Regulators refer to the existing regulation, the effectiveness and capacity of law enforcement in a particular jurisdiction and government corruption levels. All of these combined will influence the ease with which an organization enters the market.

Competition refers to competition from other groups in the market, profitability and the impact of harm suffered.¹²⁷ Unlike in the drugs market, in the case of human trafficking, groups are not always in competition with one another, but may collaborate when such a relationship proves profitable to both sides.

Market systems “are complex, adaptive, social networks in which both structure and function are important and which purpose derives from a dynamic matching of goods and needs”.¹²⁸ This assessment can be clearly applied

121 J. Albanese, “Risk Assessment in Organized Crime”, *Journal of Contemporary Criminal Justice*, Vol. 24 Number 3 (2008).

122 L. Cohen and M. Felson, “Routine Activity Theory”, in F. T. Cullen and R. Agnew, *Criminological Theory* (Los Angeles: Roxbury Publishing Company, 2003), p. 284.

123 M. Felson and R. V. Clarke, *Opportunity Makes the Thief* (United Kingdom: Home Office, 1998), <<http://www.homeoffice.gov.uk/rds/prgpdfs/fprs98.pdf>>, accessed 31 March 2010.

124 Examples of capable guardians would include parents, teachers at school, but also more formal guardians such as immigration officials and border guards.

125 J. Albanese, “Risk Assessment in Organized Crime”, *Journal of Contemporary Criminal Justice*, Vol. 24 Number 3 (2008): citing other research.

126 S. Kara, *Sex Trafficking: Inside the Business of Modern Slavery*, (New York: Columbia University Press, 2009).

127 Albanese, Op. Cit.

128 R. Layton, “Marketing Systems: A Core Macromarketing Concept”, *Journal of Macromarketing*, Vol. 27 (2007), p. 228.

to trafficking where the goods are trafficked victims, the needs are the demand for cheap labour and commercial prostitution, the goods and needs are 'dynamically matched' and "... there is a complex social network operating to make this happen".¹²⁹

Process Analysis

Viewing the crime of trafficking in human beings from a business perspective allows for the visualization of its processes. While an analysis can be drawn between traffickers and service providers, the actual trafficking process can be compared to an international or national trade process, as is the case of any common transaction involving goods. The term 'goods' here refers to the reality of trafficking victims, as they are often bought, sold and used as commodities. Usage of this term is in no way meant to degrade the individual who finds him- or herself a victim of trafficking.

Unlike cargo, trafficking in human beings is more complex. They need to be cared for during 'shipment' and their travel is not always legal. They are forced to function in a certain way while being denied any kind of choice as to location and mode of performing that function¹³⁰. Based on that assumption, the following will demonstrate how trafficking could be modelled from a business point of view. Further arguments are being presented as to why the business perspective not only helps to illustrate and understand trafficking but also how it can contribute valuable insights into combating this insidious crime.

In the classical *supply chain*, there are four major links: (1) Supplier; (2) Assembly/ Manufacturing; (3) Retailer/ Service Provider; (4) Customer.¹³¹ The first link of the traditional supply chain – *the supplier* – is concerned with the issues of sourcing and transport and bringing the products to the market. Similar to the sourcing of raw materials, victims also have to be located and extracted from their original location. Per definition, this involves some kind of deception or coercion.¹³² There are a number of different methods traffickers use to source or recruit their victims. They employ agencies (recruitment, marriage, travel), family members, friends, or so called 'loverboys' traffickers/pimps. Travel documents will be prepared and provided and victims are then transported willingly or unwillingly via legal or illicit means (such as smuggling). The transport can happen by various means and involve both additional actors like corrupt border officials as well as peripheral crimes like smuggling of irregular migrants and document fraud.¹³³

At the second stage – *assembly/manufacturing* – goods are prepared for their intended commercial purpose. Similar to raw materials, the victims of trafficking need to be manipulated in order to make them function as intended. This process attempts to guarantee the following: (1) the victims need to be able to perform their tasks; (2) victims must understand that they must obey; (3) their will to object or refuse the traffickers' commands must be broken to the highest degree possible. During this stage, traffickers use an assortment of threats, physical punishments and psychological pressure to break and dehumanize victims and keep them in line. In order to ensure the satisfaction of their clients – be they other traffickers, businesses, or private customers – traffickers are likely to employ different mechanisms to test their products and victims. A trafficker who intends to sell a victim might, for example, exploit the victim him- or herself for a while in the same way that his or her client would be likely to do. The analysis of concrete cases can reveal the various mechanisms at work here.

At the following stage – the *retailer/service provider* – the victims of trafficking are offered up for exploitation. The retailer/service provider in legal business interactions presents goods or offers a service for customers to buy. Making their offers known to prospective customers necessitates a certain amount of marketing. They must decide how and to whom to market their product and how to make contact with customers. This could involve marketing trafficked victims to licit or illicit businesses which employ domestic servants, farm labourers or construction workers. Alternatively, the trafficker must decide how to market trafficked victims to clients who use the services of prostitutes. This can be done through newspaper advertisements, the Internet or informal channels.

It is these marketing activities that require traffickers to compromise one of their key aims, which is to cover their illegal actions in order to avoid identification, arrest and prosecution, as explained in more detail in the discussion of the rational choice approach. It is during the marketing phase and at this point of exploitation that the criminal agents

129 J. Pennington et al., "The Cross-National Market in Human Beings", *Journal of Macromarketing*, Volume 29 Number 2 (2009), p. 120: This is not always the case, however. In the context of the global economic downturn, foreign workers in UAE left on their own volition whereas in the Czech Republic the government repatriated them.

130 W. Chapkis, "Trafficking, Migration, and the Law", *Gender & Society*, Vol. 17 No. 6.

131 T. Skjøtt-Larsen et al., *Managing the Global Supply Chain* (3rd edn.; Copenhagen: Copenhagen Business School Press, 2007).

132 United Nations, *United Nations Protocol to Prevent, Suppress and Punish Trafficking in Persons, especially Women and Children, Supplementing the United Nations Convention against Transnational Organized Crime*, Article 3, <http://www.uncjin.org/Documents/Conventions/dcatoc/final_documents_2/convention_%20traff_eng.pdf>, accessed 31 March 2010: While it is generally true that some form of deception or coercion is used in the recruitment stage, this is not always the case. In Belgium, for example, the Centre for Equal Opportunity and Opposition to Racism (CEOOR) reports that EU members from Bulgaria and Romania have been transported by buses on a voluntary base. The chauffeurs of these buses are the recruiters of the potential victims. The drivers of these minibuses are also the proprietors of their own travel businesses. In Bulgarian cities like Plovdiv, they recruit workers for the construction business by spreading the rumour that one can become rich in Belgium. According to the police, the Bulgarian men who are transported from Plovdiv are accompanied by their wives who want to come and work in Belgium as prostitutes (written communication from S. Janssens, CEOOR).

133 A. O. Richard, *International Trafficking in Women to the United States: A Contemporary Manifestation of Slavery and Organized Crime* (Center for the Study of Intelligence, State Department Bureau of Intelligence, U.S. State Department, 1999); K. Bales and S. Lize, *Trafficking in Persons in the United States* (Washington D.C.: U. S. Department of Justice, 2005), <<http://www.ncjrs.gov/pdffiles1/nij/grants/211980.pdf>>, accessed 31 March 2010.

are forced to interact with agents who are outside their own organization. This point within the trafficking supply chain provides for an opportunity to uncover the criminal activity as those who combat trafficking arguably have the same opportunity as any prospective customer to access the traffickers' marketing information and services.

It is also at this stage that the revenues are generated and therefore payments are received and financial transactions occur. These payments need to be stored, transferred or spent. The analysis of this aspect will help to understand better the behaviour of traffickers and also cast light on the financial transactions and structures of trafficking organizations.

The remaining stage of the classical supply chain can be translated almost directly into the supply chain of trafficking. *The customer* is the purchaser of sex or products provided or produced by the trafficked victim. Customers may or may not actually be aware of the fact that the services or goods they purchase are provided or produced by illegal means. If they are aware of this, then the customers become part of the criminal process themselves.¹³⁴ This is however arguably more often the case when it involves sexual exploitation than would be the case for labour exploitation.¹³⁵ Unchanged are the usual dynamics ruling customer behaviour like demand for a certain product or service, including variety, and motives like trying to obtain the highest possible quality at the lowest possible price. Based on these universal aspects that are also in effect for customers of trafficked victims or their labour, it is possible to analyse their prospective behaviour and it will possibly provide the grounds also for policy advice as customers might react predictably to the use of targeted disincentives.

Similar to viewing trafficking as a process during which crimes occur (Diagram 1 – Chapter 2), trafficking can be viewed from the perspective of a supply chain. Each phase or link in the supply chain allows for intervention and disruption through a number of means. At the supply and customer phases in the process, awareness-raising by government and civil society stakeholders could interrupt the supply of willing victims and alert customers purchasing sex from, or goods produced by, trafficked victims. Proactive, intelligence-led investigations by police and labour inspectorates (aimed at, among others, advertising and marketing) could uncover trafficking practices during the assembly/manufacturing and the retailer/service provider links of the trafficking business chain. Intervention, disruption and asset seizure and confiscation will make the business of human trafficking unprofitable.

The supply chain of trafficking in human beings is portrayed in Diagram 2 below.

Diagram 2: A Basic Supply Chain Model of Trafficking in Human Beings



134 This is not always the case. There have been cases of customers falling in love with a prostitute who is a victim of trafficking and helping her to escape or buy her freedom. Alternatively customers may become aware of the fact that a person working in prostitution is a trafficked victim and may aid in her rescue by alerting a shelter that works with trafficked victims (written communication from S. Janssens, CEOOR, Belgium).

135 In the case of sexual exploitation, the customer comes into direct contact with the trafficked victim and is thus more likely to realize that his or her participation in prostitution is unwilling. In the case of labour exploitation, customers may be unknowingly purchasing goods produced by trafficked persons. The customer in this case is so far removed from the production process that he or she may be unaware of the fact that slave labour was used in the production of the goods being purchased. Most buyers are interested in purchasing quality goods as cheaply as possible but would not do so if they realized slave or trafficked labour was involved. Fair Trade movements and IOM's Responsible Buyers programme encourage buyers to purchase goods that are guaranteed "slave-free" and for which farmers and labourers are paid fair prices for their services.

Business Components

Another way of examining the business side of trafficking is to draw parallels between individuals within the trafficking process and business components. Trafficking, like any other business, has different components. These are (1) a wholesaler – the trafficker; (2) a retailer – the exploiter (pimp, brothel or factory owner); (3) a product – in this case, the trafficked victim; and (4) a customer – the consumer of the services of, or a product produced by a trafficked victim through exploited labour.¹³⁶ As in any business, consumers want quality for minimal price. In order to damage the business of trafficking, there must be a price increase in the product or service to offset the quality-price equilibrium. This can be done by reducing the supply, or number of available victims by increasing efforts to proactively locate, identify and remove victims of trafficking – whether from prostitution or forced labour in agriculture, fishing, domestic service, construction or other markets. Additionally, by reducing the supply of victims and increasing and successfully prosecuting, imprisoning and seizing the assets of traffickers, governments can increase the costs to traffickers while at the same time reducing the demand of clients. Asset seizure and confiscation, thus depriving traffickers of their ‘working capital’, can help prevent their ability to become once again involved in trafficking.

Strategy Analysis: An Analysis of the Feasibility and Sensitivity on an Organization’s Operations

It is important to understand not only current processes of trafficking in order to interfere with them effectively but also to get an insight into traffickers’ strategies. This, if achieved to a sufficient degree, will enable the design of counter trafficking mechanisms that are able to anticipate and to a certain degree affect or control future actions and reactions of traffickers. For this study, two major types of strategy analysis, *feasibility* and *sensitivity analysis*, have been chosen to illustrate a possible application of the existing research in the field of business strategy for the purpose of gaining a more profound and applicable understanding of trafficking in human beings.

Generally *feasibility analysis* deals with the internal and external constraints of an organization. Internally an organization is constrained by: (1) Knowledge; (2) Organizational design; (3) Finances; (4) Fixed assets.¹³⁷ Any of these factors may influence the ability of the business to operate with certain objectives and react to environmental changes.¹³⁸

There has, for example, been a documented change from open prostitution towards more hidden types in many countries. Using the concept of internal constraints, which are the operational constraints of an organization in terms of its limited material and knowledge-related resources like finances or specific know-how,¹³⁹ will provide an understanding of what it means for a trafficking organization to make such a strategic change and also the reasoning behind its initiation. As an example one could ask a number of questions like whether the organization had the expertise to switch its modus operandi or whether they consulted any kind of expert as facilitator. Further it would be important to determine how many people are needed to implement a certain strategy and whether certain material resources are required. The list of possible questions one could articulate is virtually unlimited and can be adjusted to the respective cases under observation.

Feasibility analysis incorporates also the environmental influences on the organizational strategy by examining the external constraints. These include customer acceptance, competitive reaction, supplier acceptance and ‘approval’ or lack of sufficient counter measures of government and other regulatory bodies. The same kind of questions as suggested for the internal constraints can be used to understand how various external factors affect strategic choices.

Similar to *feasibility analysis*, *sensitivity analysis* tries to understand first of all 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. These factors can be related to economic aspects but need not be constrained to that. It is the case that the more diverse the factors are that can be identified and incorporated into the sensitivity analysis, the more complex is the possible understanding of the respective strategy in question.

In order to obtain possible factors, one could use the results of a prior process analysis or examine various trafficking cases. There are generally a number of factors that can be immediately identified like the legal constraints that are in effect in a given country where exploitation takes place. After identifying a factor like this, one would now arbitrarily make theoretical changes to the respective factor to evaluate the prospective outcomes of such a change, one would ask the so-called *What if-Questions*. This method, while being formally arbitrary, has proven to provide valuable insights into the future actions of a multitude of organizations.¹⁴⁰ It is true, however, that the more informed the guesses are, the more reliable and useful they become. So, for example, incorporation of insights provided by

136 S. Kara, *Sex Trafficking: Inside the Business of Modern Slavery* (New York: Columbia University Press, 2009).

137 While directly related to business principles, other constraints with respect to human trafficking include unclear or confusing definitions of human trafficking in legislation, the capacity, financial and political will to implement and enforce policies, laws and measures, corruption or a lack of awareness of the problem.

138 R. Lynch, *Corporate Strategy*, Third Edition, Financial Times (Prentice Hall, 2003).

139 Ibid.

140 W. Stein, *Decision Making under Uncertainty: Is Sensitivity Analysis of Any Use?*, Operations Research, Vol. 48 No.1 (January-February 2000), p. 20.

organizational behaviour, a field of business research that tries to understand the way organizations and their individual agents interact, is certain to increase the value of an analysis.¹⁴¹

Concluding Remarks

This chapter has introduced a number of theoretical frameworks and concepts in the field of criminology, business and marketing against which to analyse human trafficking. A number of individual theories attempt to explain the decisions people make in order to become involved in trafficking, and the rationalizations they may utilize to justify this behaviour.

Rational choice theory holds that criminals are reasoning beings who choose to commit a crime after weighing the costs, benefits and risk of committing these crimes. These include the immediate need for criminal gain, the risk of apprehension, the severity of punishment if caught and the (potential) value of the criminal enterprise. It is a useful theory in attempting to understand the crime of human trafficking. Rational choice theory is both offender and offence specific and focuses upon the offender's choice of time, place, target and target location. By understanding the decisions that traffickers make regarding their specific targets (victims), the places that they are recruited and exploited, and when this recruitment and exploitation take place, we are better able to design effective prevention programmes and introduce investigation measures to target (potential) victims and disrupt criminal activities.

Neutralization theory attempts to explain how (otherwise law-abiding) individuals are able to engage in criminal activities by using techniques of neutralization. They believe that their acts are justified based upon a number of arguments, and research has shown that the more neutralization techniques are accepted by individuals, the more likely they are to engage in crime. In order to test this theory, it would be necessary to interview individual traffickers and how they regard their active role in the crime.

Trafficking can also be viewed from the perspective of a supply chain, involving the supplier (recruiter, transporter), the assembly/manufacturing phase (trafficker), the retailer/service provider (brothel, factory or business owner) and the customer. It is important to understand each phase of the supply chain as these may provide opportunities for intervention and disruption of the business of human trafficking. Activities on the part of government and civil society stakeholders include awareness-raising to interrupt the supply and customer links. Further, proactive, intelligence-led investigations by police and labour inspectorates (aimed at, among others, the marketing and advertising practices of the trade) to uncover the assembly/manufacturing and the retailer/service provider links of the chain could prevent or disrupt human trafficking. These measures, in addition to asset seizure and confiscation will make the business of human trafficking unprofitable.

At the organizational level, business and market theories form the basis of our understanding of the human trafficking process. While these theories and frameworks will be used to analyse the data, a link will be made in Chapter 6 to the recommendations for combating human trafficking as a criminal business.

141 D. Hellriegel et al., *Organizational Behaviour*, Seventh edition (West Publishing Company, 1995).