

The Demand for Victims of Sex Trafficking

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The international slave traffic in human souls (that necessary adjunct of State-organized vice) has prospered in silence and secrecy; but it also is now coming to the light; it has been and is carried on on a larger scale and in more horrible ways than is generally suspected or can be easily conceived. -- Josephine Butler to the Annual Meeting of the Ladies National Association, England, 1880

Female sexual slavery is present in ALL situations where women or girls cannot change the immediate conditions of their existence; where regardless of how they got into those conditions they cannot get out; and where they are subjected to sexual violence and exploitation. – Kathleen Barry, Female Sexual Slavery, 1979

It is impossible to combat trafficking where prostitution is legally sanctioned. As long as prostitution is tolerated, and governments permit it to be practiced as a legal and valid employment alternative, trafficking in and violence against women will continue.” -- Esohe Ahatise, Association IROKO Onlus, Italy 2004

Trafficking is a business. ...We try to destroy the market. -- Thomas Ekman, Detective Chief Inspector, Head of Anti-Trafficking Unit, Criminal Investigation Department, Gothenburg, Sweden, 2005

Everybody, both men and women, has a responsibility for the society we live in, and for what kind of society we want our daughters and sons to grow up in. We want the future daughters to have all possibilities in society, so that they won't have to sell their bodies. And we do not want a society where boys are taught that women can be bought. Sale of the female body is contradictory to an equal society. – Marit Kvamme, Kvinnefronten, Sweden, 2004

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Introduction

Each year, hundreds of thousands of women and children around the world become victims of the global sex trade. They are recruited into prostitution and other forms of sexual exploitation, often using tactics involving force, fraud, or coercion. Criminals working in organized networks treat the victims like commodities, buying and selling them for profit. This modern-day form of slavery is called sex trafficking.

The transnational sex trafficking of women and children is based on a balance between the supply of victims from sending countries and the demand for victims in receiving countries. Sending countries are those from which victims can be relatively easily recruited, usually with false promises of jobs. Receiving or destination countries are those with sex industries that create the demand for victims. Where prostitution is flourishing, pimps cannot recruit enough local women to fill up the brothels, so they have to bring in victims from other places.

Analyzing trafficking and prostitution as parts of an interlocking system reveals how the components are linked, and studying the dynamics of supply and demand for victims reveals what keeps the system working. The trafficking process begins with the demand for women to be used in prostitution.

To date, discussion of the “demand side” of sex trafficking has focused on the men who purchase sex acts.¹ This report will expand the conceptualization of “the demand” to include two additional components: the exploiters – the traffickers and pimps – and the state. The purpose is to bring a better understanding to the factors that lead to the exploitation and sexual enslavement of women and children around the world.

The movement to abolish trafficking and sexual exploitation needs a more comprehensive approach, one that includes analyses of the demand side of trafficking, and develops comprehensive practices to combat the demand in receiving countries.² The goal of this report is to analyze the exploiters’ demand for victims and how states facilitate or suppress the flow of women and children for commercial sexual exploitation. It describes how and why exploiters create a demand for victims by examining sex trafficking as a money-making activity. It examines state policies on immigration and the sex trade that impact the relative ease or difficulty with which traffickers operate in the country. Policies set by some countries are more effective in combating the demand for victims and consequently deter the trafficking of victims.

¹ Hughes, Donna M. “Best Practices to Address the Demand Side of Sex Trafficking,” June 2005.

² Donna M. Hughes, “The 2002 Trafficking in Persons Report: Lost Opportunity for Progress,” Foreign Government Complicity in Human Trafficking: A Review of the State Department’s 2002 Trafficking in Persons Report, House Committee on International Relations, Wednesday, June 19, 2002.

Defining Sex Trafficking

In the U.S. Trafficking Victims Protection Act of 2000, “‘Sex trafficking’ means the recruitment, harboring, transportation, provision, or obtaining of a person for the purpose of a commercial sex act.” A commercial sex act is defined as “any sex act on account of which anything of value is given to or received by any person.” For criminal charges to be brought against perpetrators, their activities must meet the criteria of “severe form of trafficking in persons,” which is “sex trafficking in which a commercial sex act is induced by force, fraud, or coercion, or in which the person induced to perform such act has not attained 18 years of age.”

In the Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children of the United Nations Convention Against Transnational Organized Crime “trafficking in persons” is defined as follows:

(a) ‘Trafficking in persons’ shall mean the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, or abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments of benefits to achieve the consent of a person having control over another person, for the purpose of sexual exploitation.

Exploitation shall include, at a minimum, the exploitation of the prostitution of others or other forms of sexual exploitation, forced labour or services, slavery or practices similar to slavery, servitude or the removal of organs;

(b) The consent of the victim of trafficking in persons to the intended exploitation set forth in subparagraph (a) of this article shall be irrelevant where any of the means set forth in subparagraph (a) have been used.

This protocol is the first international treaty to address the demand side of prostitution and sex trafficking. It calls for states to discourage the demand that creates a need for victims:

... adopt or strengthen legislative or other measures, such as educational, social or cultural measures, including through bilateral and multilateral cooperation, to discourage the demand that fosters all forms of exploitation of persons, especially women and children, that leads to trafficking. -- Article 9, Clause 5

The U.S. had adopted an abolitionist position on sex trafficking. In 2002, President George W. Bush directed the U.S. government to adopt an “abolitionist approach” to combating trafficking in persons. He said: “Prostitution and related activities, which are inherently harmful and dehumanizing, contribute to the phenomenon of trafficking in persons...”³ President Bush has also called attention to the demand side of sex trafficking. In October 2003, at the United Nations, President George W. Bush spoke about the role of the demand in perpetuating the global sex trade: “Those who patronize this industry debase themselves

³ National Security Presidential Directive (NSPD)-22, “Combating Trafficking in Persons,” December 16, 2002.

and deepen the misery of others.” A focus on the demand side of sex trafficking means making men personally responsible and accountable for their behavior that contributes to the sex trade. An expansion of the conceptualization of the demand for victims of sex trafficking calls for accountability from governments and law enforcement agencies to suppress the markets in which women and children are bought and sold for sex acts and curtail the means by which traffickers and pimps recruit, transport, and exploit women and children .

What Is The Demand?

Although trafficking is usually associated with poverty, it is often the wealthier countries that create the demand for victims for their sex industries. To fully understand and combat sex trafficking it is important to identify what is meant by “the demand” and to define and characterize each component so that policies and laws can be created to address it.

There are four components that make-up the demand: 1) the men who buy commercial sex acts, 2) the exploiters who make up the sex industry, 3) the states that are destination countries, and 4) the culture that tolerates or promotes sexual exploitation.

The Men

Typically, when prostitution and sex trafficking are discussed, the focus is on the women and children victims. The men who purchase the sex acts are usually faceless and nameless. The men, the buyers of commercial sex acts, are the ultimate consumers of trafficked and prostituted women and children. They use them for entertainment, sexual gratification, and acts of violence.

Research on men who purchase sex acts has found that many of the assumptions we make about them are myths. Seldom are the men lonely or have sexually unsatisfying relationships. In fact, men who purchase sex acts are more likely to have more sexual partners than those who do not purchase sex acts. They often report that they are satisfied with their wives or partners. They say that they are searching for more – sex acts that their wives will not do or the excitement that comes with the hunt for a woman they can buy for a short time. They are seeking sex without relationship responsibilities. Men who purchase sex acts do not respect women, nor do they want to respect women. They are seeking control and sex in contexts in which they are not required to be polite or nice, and where they can humiliate, degrade, and hurt the woman or child, if they want.

For an in depth look at the demand created by men’s decision to purchase sex acts, and efforts to discourage and punish their behavior see “Best Practices to Address the Demand Side of Sex Trafficking.”⁴

⁴ Hughes, Donna M. “Best Practices to Address the Demand Side of Sex Trafficking,” 2004,
http://www.uri.edu/artsci/wms/hughes/demand_sex_trafficking.pdf

The Exploiters

The exploiters, including traffickers, pimps, and brothel owners make-up what is known as the sex industry. Traffickers and organized crime groups are the perpetrators that have received most of the attention in discussions about the sex trafficking. They operate the business of sexual exploitation. They make money from the sale of sex as a commodity. The exploiters include individual perpetrators, organized crime networks, and corrupt officials. Secondary profiteers include hotels, restaurants, taxi services, and other businesses that provide support services to the sex industry. .

The State

By tolerating or legalizing prostitution, the state, at least passively, is contributing to the demand for victims. The more states regulate prostitution and derive tax revenue from it, the more actively they become part of the demand for victims.

If we consider that the demand is the driving force of trafficking, it is important to analyze the destination countries' laws and policies. Officials in destination countries do not want to admit responsibility for the problem of sex trafficking or be held accountable for creating the demand for victims. In destination countries, strategies are often devised to protect the sex industries that generate millions, even billions, of dollars per year for the economy. When prostitution is legal, governments expect to collect tax revenue. Where prostitution is illegal, criminals, organized crime groups and corrupt officials profit.

In the destination countries, exploiters exert pressure on the lawmakers and officials to create conditions that allow them to operate. They use power and influence to shape laws and policies that maintain the flow of women to their sex industries. They do this through the normalization of prostitution.

The Culture

The culture, particular mass media, is playing a large role in normalizing prostitution by portraying prostitution as glamorous, empowering, or a fast, easy way to make money.⁵

The Internet and other types of new information and communications technologies are increasing the global sexual exploitation of women and children. Sex industry sites on the Internet are popular and highly profitable. The growth and expansion of the sex industry is closely intertwined with new technologies. Although trafficking for prostitution is widely recognized, trafficking of women and children for the production of pornography receives less attention. Increasingly, the pornographers are traveling to poor countries where they can abuse and exploit women and children with fewer risks. They use new information technologies to transmit the live images around the world.

⁵ See July 2005 issue of *Marie Claire*, a magazine for young women and teens in which women claim that being a prostitute is empowering. The women liken themselves to being therapists and social workers for men. (Jillian Blume, "Prostitution gives me power," *Marie Claire*, July 2005).

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This report will focus on two components of the demand - the exploiters and the state. A previous report focused on the men's role in creating a demand for victims. This report aims to define and characterize the how exploiters and states create a demand for victims of sex trafficking. The goal is to bring new awareness of how the business of sex trafficking and state policies contribute to or suppress the trafficking of women and children. More detailed understanding of the components of the demand will enable new strategies for combating this modern form of slavery.

The Exploiters

The Business of Trafficking and Prostitution

In 1998, the International Labor Organization (ILO) released a report entitled *The Sex Sector: The Economic and Social Bases of Prostitution in Southeast Asia*.⁶ Based on research of the sex industries in Malaysia, Indonesia, Thailand, and the Philippines, the ILO gave an overall favorable review of the business of sex:

*The sex sector is a significant source of foreign exchange earnings, with links between the growth of prostitution as a highly structured transnational business and the expansion of the tourist industry in these countries, as well as labour exports from these countries.*⁷

The ILO report called for prostitution and sex industries to be officially recognized as a legitimate economic sector because they are already “integrated into the economic, social and political life” of countries and “contribute in no small measure to employment, national income, and economic growth.”⁸

In contrast to the ILO approach of accepting the profitable and supposedly inevitable exploitation of women, trafficking and exploitation of women and children for the sex trade can be analyzed as money making criminal businesses. It is known that trafficking is a low risk, high profit criminal enterprise. When traffickers are caught, the penalties are relatively low compared to the amount of profit made and the harm done to victims.

To stay in business, pimps and traffickers need a steady supply of victims. A pimp can only use a woman or girl for a limited period of time before she needs to be replaced usually because of poor physical or mental health or addiction. Russian police said that a woman lasts only one year with a pimp before her “quality decreases.”⁹

The cost of doing business is a consideration for traffickers. They make decisions on where to traffic victims and set up business based on profit margins, as well as risk of arrest and prosecution. According to Russian police, because of the high cost of visas, documents and travel, it is not profitable to send victims to the US. Consequently, traffickers more often send victims to other countries. Intelligence gathered by Swedish police indicates that since the new anti-prostitution law came into effect in 1999, it is more difficult and risky to operate in Sweden. Therefore, the traffickers and pimps take victims to other markets where the costs and the risks are lower.

⁶ Lim, Lin Lean. *The Sex Sector: The Economic and Social Bases of Prostitution in Southeast Asia*, International Labor Organization, 1998.

⁷ Lim, *The Sex Sector*, p. 1.

⁸ Lim, *The Sex Sector*, p. 5.

⁹ Personal communication, 2005.

Transnational Business Models of Sex Trafficking

To understand sex trafficking, it can be analyzed from a market perspective in which traffickers use different “business models” to profit from the recruitment and sale of women and children and sex acts. This type of analysis gives insight into different strategies that traffickers use.

Louise Shelley, Director of the Transnational Crime and Corruption Center at American University determined that there were six different business models used by traffickers around the world.¹⁰ The type of model was influenced by geographical origin of the traffickers and victims, the history of the region, and the market forces.

Model 1: Natural Resource Model: Post-Soviet Organized Crime. In this business model, the traffickers make a short term profit by selling women much as if they were a natural resource, such as timber or furs. The business involves recruiting women and selling them to intermediaries who deliver them to their final destinations.

Model 2: Trade and Development Model: Chinese Traffickers. Chinese traffickers organize an integrated trafficking and prostitution business which controls the victims at all times, from recruitment to exploitation in the brothels.

Model 3: Supermarket Model: Low Cost and High Volume: U.S. – Mexican Trade. The traffickers/smugglers make money by charging a relatively small amount to a large number of people who they assist in crossing the border.

Model 4: Violent Entrepreneur Model: Balkan Crime Groups. The traffickers run an integrated trafficking and prostitution business. They buy women from recruiters in former Soviet Union and Eastern Europe and recruit women from the Balkans. They deliver and exploit women in brothels in Western Europe, controlling them the entire time. They aggressively take over existing markets from other organized crime groups in the destination countries. The prostitution markets in Western Europe are very lucrative.

Model 5: Traditional Slavery and Modern Technology: Trafficking out of Nigeria and West Africa. The traffickers combine the tribal custom of voodoo to psychologically control victims and modern forms of transportation to deliver victims to Western European markets, where they exploit victims for profit.

Model 6: Rational Actor Model: Dutch Approach to Regulation. In this model, the business is based on legalized prostitution and brothel keeping in which the state regulates the market. The model assumes that businessmen are rational and will not use trafficked women because the risk is too great compared to continued legal practices.

Models 1 and 3 can be considered supply side business models that exploit a large number of women who are eager to migrate for work. Traffickers or smugglers may have little contact

¹⁰ Shelley, Louise. “Trafficking in women: The business model approach,” *The Brown Journal of World Affairs*, Vol. X, No. 1, Summer/Fall 2003, pp 119-131.

with exploiters in the destination country and just make money on the sale or delivery of the women. Models 2, 4, and 5 maximize their profits by exploiting the women in the destination countries where prostitution is tolerated and very profitable. Model 6 assumes that regulation of the market will discourage trafficking. Strict regulation may discourage the use of trafficking victims in highly visible window brothels, but a large illegal market has sprung up along side the legal, regulated prostitution. In this case, the business dynamics of an illegal market operating along side a legal market is not characterized.

Income from Transnational Sex Trafficking

The exploiters are in business to make money. Manipulating and coercing a woman or girl into prostitution and other forms of sexual exploitation, such as production of pornography and stripping is very profitable.

Human trafficking is frequently said to be to the third largest money maker for organized crime following the trade in drugs and arms. A figure that is commonly cited is \$7 billion, although what this represents and how it was arrived at is not known. This figure may represent the amount of money made by selling trafficked victims to pimps. A much larger amount of money to made by the pimps or brothel owners from the sale of sex acts, the production of pornography, or sex industry entertainment, such as stripping and lap dancing.

According to INTERPOL, depending on the market, a woman can bring in from \$75,000 to \$250,000 per year. The higher the standard of living in the destination country, the more money that can be made from each victim. Although traffickers and pimps can make more money in wealthier countries, buying sex is not less frequent in poorer countries. "Poverty has never prevented men from frequenting prostitutes, whose fees are geared to the purchasing power of their customers."¹¹

A few estimates of the amount of money generated by the sex industry reveals how much profit there is in operating businesses that are often based on the exploitation of victims of trafficking.

- The sex industries of Indonesia, Malaysia, Thailand, and the Philippines account for two to 14 percent of these countries Gross Domestic Product.¹²
- In Thailand, the yearly estimated income from prostitution in 1993 to 1995 was \$22.5 billion to \$27 billion.¹³
- In Indonesia, the sex industry is estimated to bring in \$1.2 billion to \$3.3 billion per year, which is between 0.8 and 2.4 percent of the country's Gross Domestic Product. In Jakarta, the sex industry makes \$91 million per year.¹⁴

¹¹ Lim. *The Sex Sector*.

¹² Lim. *The Sex Sector*.

¹³ Lim. *The Sex Sector*.

¹⁴ Lim. *The Sex Sector*.

- In Japan, where prostitution is not legal, but widely tolerated, the sex industry is estimated to make ¥10,000bn (US\$83 billion). There are an estimated 150,000 foreign women in the sex industry; many of them are known to be trafficked from the Philippines, Korea, Russia, and Latin America each year.
- In Germany, where prostitution and brothels are legal, an estimated 400,000 prostitutes serve 1.2 million men a day in an industry with an annual turnover of €14 billion (US\$18 billion).¹⁵ It is known that a significant percentage of the women in prostitution, and probably the majority, is trafficked from Eastern Europe.
- Prostitution in the Philippines is a de facto legal industry that is now the fourth largest source of gross national product (GNP) for the country. The production of child pornography in the Philippines is a \$1 billion industry.¹⁶
- In the Netherlands, the sex industry is estimated to make \$1 billion each year.
- When the Czech Republic was considering a proposal to legalize prostitution, the sex industry was estimated to make 2.7 billion Kc (\$100 million) from approximately 860 brothels around the country.
- In Soho, London, the sex trade is a £12m a year industry. According to Scotland Yard's vice squad, 70 percent of the off-street prostitution in brothels, saunas and massage parlors is run by foreigners, including gang members from Albania. Most of the women are from Eastern Europe and trafficked women are a "predominant feature" of Soho's off-street prostitution trade.¹⁷
- In London suburbs, there are approximately 1000 brothels. According to Scotland Yard's Vice Squad the Eastern European crime gangs that run them make £50 million a year.¹⁸ In London, a pimp can make £300,000 to £400,000 a year from prostituting a 16-year-old girl.¹⁹
- In Brussels, brothel owners on rue d'Aerschot, a street with window prostitution, get income of €25 million each year from the mostly Eastern European women, many of whom are trafficked.²⁰

Police raids of trafficking operations also give a glimpse of how much money traffickers and pimps make from selling sex acts, and in these cases, from known victims of trafficking.

¹⁵ "The license to have sex," *Duetshe Welle*, January 24, 2005.

¹⁶ Trinidad, Arnie C. *Child Pornography in the Philippines*. Psychosocial Trauma and Human Rights Program, UP Center for Integrative and Development Studies and UNICEF, Manila, 2005.

¹⁷ Coward, Ros. "Soho's Sex Slaves," *The Guardian*, March 26, 2003.

¹⁸ Davenport, Justin. "Suburban brothels exposed," *The Evening Standard*, January 16, 2003.

¹⁹ "Were these missing girls sold for sex?" *The Northern Echo*, April 19, 2005.

²⁰ "Sex Trafficking in Belgium," *Expatica.com*, September 15, 2004.

- In Germany, when police arrested 21 suspects suspected of running a trafficking ring, they found €430,000 (US\$563,000) in bank accounts and €43,000 in cash.²¹
- In Britain, a man controlling seven brothels in London and Essex, who exploited trafficked victims from Romania and Russia amassed £4 million (\$7.6 million) before being arrested by police.
- In the U.S., Korean-operated massage parlors that provide commercial sex in urban areas around the United States. The Polaris Project has worked extensively with law enforcement in regard to the Korean networks both in the DC region and around the country. The following statistics represent typical yearly income for a medium-sized massage parlor/brothel, although often the income for a brothel may be significantly higher. A small percentage of this income is often reported by the massage parlor owner to the government, but the majority is usually not reported. \$160/session x 5 customers x 4 women = \$3200/day; \$3200/day x 365 days = \$1,168,000.00/year²²
- Networks of residentially-based brothels primarily operated by and for recent immigrants from Latin America are maintained in many urban areas in the United States. A number of Federal sex trafficking prosecutions have been brought against operations in these networks, including in Florida, New Jersey and Texas. The following statistics represent typical yearly income for a brothel with three women and approximately 25 customers per woman or girl per day. None of this income is reported to the government. \$30/15 min session x 25 customers/day/woman x 3 women or girl = \$2250.00/day; \$2250/day x 365 days/year = \$821,250.00/year²³

These examples show the amount of money that can be made from exploiting women and children by traffickers and pimps. Understanding the financial aspects of sex trafficking can provide new strategies for disrupting the markets and taking the profits out of trafficking. If that happens, the exploiters will lose interest in trafficking.

Domestic Sex Traffickers - The Pimps, Madams, and Mama Sans

Trafficking occurs within the borders of countries, as well as across national borders. Domestic sex trafficking is more commonly known as “pimping,” although that term is often used only to those who profit from street prostitution. The local exploiters are also called “madams,” “mamasans,” and brothel keepers. The money from the sale of commercial sex acts enriches pimps and traffickers at the cost of the freedom, health, and well-being of victims. Victims are often compelled to earn money by force, fraud, and coercion. In addition to physical and sexual abuse, psychological control methods include the

²¹ “Germans bust sex smuggling ring,” *Agence France Press*, February 18, 2005.

²² Polaris Project, Washington, D.C., 2005

²³ Polaris Project, Washington, D.C., 2005

manipulation of emotionally vulnerable teen girls, threats and withholding of identification papers of undocumented immigrants, and the use of debts, drug, and alcohol dependence.

Few women and girls in prostitution are willing to acknowledge that they have or are controlled by a pimp. The pimp has convinced her that he is a boyfriend or someone who cares about and looks after her. Acknowledging that he is a pimp violates the characterization of the relationship that the pimp has worked to create and can be psychologically devastating to the woman or girl to admit what he is really doing to her. Pimps also instruct victims to keep his role a secret because he knows that he is engaging in criminal activity and wants to remain hidden. Also, men who purchase sex like to believe that the woman or girl is acting independently; they don't want to know that she has a pimp. It interferes with their fantasy of their interaction.

In 1998, Barnardos did a study of pimps who “manage” women and girls in prostitution in England and Wales.²⁴ In the UK, it is a criminal offense “to exercise control, direction or influence over a prostitute’s movements” for the purposes of gain.²⁵ The authors identified four stages through which young women and girls are subjected to manipulation and eventual domination by pimps:

- 1) Ensnaring of vulnerable, socially isolated teenagers;
- 2) Establishing victim dependency by displays of affection and generosity;
- 3) Taking control of victims by establishing a sexual relationship and introducing the idea of sex work; and
- 4) Total dominance of victims sustained by physical coercion

The researchers identified the following characteristics of pimps:

- Pimps running street workers tended to be men with diverse offending styles.
- They had long criminal histories and did not necessarily define themselves as pimps. Many of them had started criminal activity in their teens and all of them had spent time in the Young Offenders Institutions.
- The majority had pimped juveniles at some time.
- Pimps routinely used violence, often using or threatening the use of guns. In interviews, they admitted using a considerable degree of control over the lives of victims, deciding almost every aspect of their lives and work. In the previous six months, two-thirds were in possession of illegal firearms; three-quarters were

²⁴ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

²⁵ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

dealing drugs; two-thirds had committed one robbery; two-thirds had committed assaults with actual bodily harm, and half had committed assaults with grievous bodily harm.

- Many pimps were heavily involved in drug dealing, and most had significant drug habits.
- Drug dependence often substituted for violence as the means of coercing compliance from victims.
- Even though pimps had extensive contact with the criminal justice system, only a very small proportion of their offending came to police attention.
- Pimps (or managers, as they were referred to in this study) of off-street prostitution establishments, such as massage parlors or escort services, tended to be women, without significant involvement in other forms of crime.
- The off-street “managers” relationships with women and girls were contractual rather than coercive. According to the findings of the report: “Functionally their work differs little from that of the coercive pimp – though their style of operation obviously does.”
- There were pressures on off-street exploiters to avoid working with juveniles and to minimize drug use on their premises.²⁶

Exploiters who control women and girls in prostitution are viewed differently depending on the venue in which sex acts are sold and the supposed personal or working relationship of the exploiter to the victim. In the Barnardos study, pimps who exploited victims on the street and used more violence were more easily identified as perpetrators. Massage parlor exploiters had a lower incidence of criminal convictions than the street pimps, although half of them had been convicted of a criminal offense, most for possession of illegal drugs.²⁷ Exploiters in off-street venues, such as massage parlors, who relied on debt bondage to control victims, were referred to by the more normalized term of “manager.” The exploiters in the massage parlors considered their work to be a “legitimate and unfairly stigmatized occupation.”²⁸

²⁶ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

²⁷ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

²⁸ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

In addition, the Barnardos study identified men who lived off the earnings of women and girls in prostitution, which is an offense in the UK, but did not label them as pimps because they were the domestic partners of the victims.²⁹

In interviews, these exploiters claimed they played “supportive roles” in helping their partners to work, such as playing a protector’s role by watching the women while they were on the street, writing down license plate numbers of men’s cars, and maintaining contact by cell phone. They believed the women felt “safer” when they were around, although only a minority of the women interviewed said they felt safer. Like the men identified as pimps, these men also tended to have previous criminal activity and be drug addicted. The victims earned money from prostitution to support these exploiters’ drug habits and enabled them to reduce their other criminal activity.³⁰ These men routinely abused and battered the women and girls. In some cases, the women sustained broken bones and injuries that required hospitalization. In these cases, the assaults were labeled as domestic violence and not connected to sexual exploitation or pimping. In fact, a number of law enforcement officials interviewed for the Barnardos report thought that “living off the earnings of prostitution” should no longer be a criminal offense.

These distinctions among types of exploiters are common around the world. Perpetrators who abuse and exploit women and children in prostitution should be labeled and criminalized according to the offense – sex trafficking – they commit and not the location in which the sex act is sold or the personal relationship to the victim.

Prosecution of Domestic Sex Trafficking

Throughout the world, most prostitution-related arrests are of the women and girls, who are most likely to be victims, followed by the purchasers of sex acts, and finally, the exploiters. Although they are the profiteers and most serious perpetrators of harm to victims, they are the least arrested and prosecuted.

The Barnardos report on pimping in the UK notes: “‘Pimping’ is an offence which rarely attracts the attention of the criminal justice system... [although pimps] do...play a large part in locking sex workers into sex work.”³¹ In interviews, the police said that they rarely charge an individual with pimping unless the woman or girl files a complaint. Consequently, the

²⁹ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

³⁰ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

³¹ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

arrest and prosecution of pimps is dependent on the victim taking the initiative against the perpetrator.³²

In the U.S. as well, pimps feel almost untouchable by law enforcement because the majority of those arrested are often the victims, not the perpetrators. In most cities in the U.S., less than one percent of the prostitution-related arrests are of pimps or exploiters. According to statistics obtained from the Chicago police, in District 14, which had 21 percent (the highest percent) of the prostitution related arrests in Chicago, over a two year period (2001 and 2002), 89 percent of the arrests were female victims of commercial sex acts, 9.6 percent were male purchasers of commercial sex acts, and .6 percent were pimps.³³

The Barnardos report found that although it is illegal to run an establishment that offers commercial sex acts none of the massage parlors located in the UK cities where the research took place had ever been raided. Police intervened in the running of a massage parlor only as a result of a public complaint. In one case, a judge threw out pimping charges against several massage parlor operators because there was an “unwritten rule” that they would be prosecuted only if a complaint had been made against them.³⁴

In the UK, exploiters in massage parlors believed that if they followed two basic rules the police would not interfere with their brothels: 1) they had no juveniles in prostitution and 2) no drugs were used or sold on the premises. Yet half of the exploiters in massage parlors admitted that they had juveniles work for them previously.

In the UK, vice police gave the following reasons for the low number of arrests and convictions of pimps:

- 1) Evidential problems of proving living off immoral earnings;
- 2) A lack of resources and manpower needed to secure successful prosecutions;
- 3) Inadequate court sentences;
- 4) Witnesses are fearful and unprotected by the criminal justice system;
- 5) Variations in police practice across areas.³⁵

³² May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

³³ Chicago Coalition for the Homeless. “Total prostitution arrests in Chicago,” 2004 (Unpublished fact sheet.)

³⁴ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

³⁵ Benson, C. and Matthews, R. (1995) *National Vice Squad Survey*. Enfield: Middlesex University, as cited in May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

Prosecution of exploiters usually rests heavily on the testimony of the victim, which puts fearful, traumatized women and girls at risk: “At the moment the main way to get a conviction is the word of a working girl. In most cases women won’t assist through fear of reprisals.”³⁶

When women and girls in prostitution were asked about filing complaints or testifying against pimps, nearly all said they had been asked for information by police on either drug dealers or pimps, and nearly all said they had refused to give information. When asked why, they said: “Why would I? I value my life and the lives of my kids.”³⁷ Yet one third of the women interviewed said that they had at one time reported a pimp to the police. A fourth of them said they dropped the complaint due to fear of reprisals from the pimp. They said that they did not have enough protection from pimps.³⁸

In the Barnardos study, officers thought the sentences for pimps were too lenient. In the cities included in the study, no convicted pimp had received a sentence over four and a half years. As a result, many officers were disillusioned with the court system and felt there was little to deter pimps from re-offending.³⁹

Because of victims’ vulnerability and their sometime limited credibility in the court system, police thought there should be some other way to get convictions without victims’ testimony.⁴⁰

In some cities in the UK, vice units have been disbanded, leaving policing of prostitution to the general police force. All of the sergeants and constables who were interviewed said that specialized units were helpful in the policing of sex markets and essential in investigating and prosecuting offences against victims. Officers who specialized in prostitution-related offenses were able to develop specialized knowledge and also build trust with victims.⁴¹

In the U.S. over the past 10 to 15 years, there have been considerable reductions in the size of vice units. As prostitution has been increasingly tolerated or seen as a victimless crime, police departments have allowed vice units to shrink. Officers often say they don’t have enough personnel or resources to carry out many investigations and only take action against an establishment when there is a complaint.

Income from Domestic Sex Trafficking

Most descriptions and analyses of exploiters focus on the harm to victims. There is less focus on the business or profit-making aspect of their criminal activity. Trafficking creates a “net of profiteers,” not just isolated exploiters. In some countries, exploiters include families who

³⁶ May, Harocopos and Hough. “For Love or Money,” 2000.

³⁷ May, Harocopos and Hough. “For Love or Money,” 2000.

³⁸ May, Harocopos and Hough. “For Love or Money,” 2000.

³⁹ May, Harocopos and Hough. “For Love or Money,” 2000.

⁴⁰ May, Harocopos and Hough. “For Love or Money,” 2000.

⁴¹ May, Harocopos and Hough. “For Love or Money,” 2000.

sell their children, and in many cases families live from the victim's earnings.⁴² In these cases, the trafficking is more likely to be discounted because it is attributed to poverty.

The following are a few examples of the amount of money made by exploiters or domestic traffickers in the U.S.

- In 2002, Oakland police identified 218 minors actively being prostituted by 155 pimps. The girls were 11-15 years old. Each girl had a quota of approximately \$500 a day, which was turned over to the pimp.⁴³ A calculation of the amount of money made by the pimps: 218 girls multiplied by 300 days a year at \$500/day amounts to revenue of approximately \$32,700,000 a year.
- A woman-operated Internet-based escort service in New York City earned \$3 million a year for a decade before it was busted in January 2005. At the time of the raid, the madam was exploiting a 15 year old runaway girl.⁴⁴
- A Dutch man, known as "Big Pimpin' Pappy" ran what police said was the largest call-girl ring in South Florida history. Fort Lauderdale police documented his gross earnings conservatively at \$6 million a year. In 2003, he was featured in Forbes magazine in an article entitled "Wages of Sin."⁴⁵
- In 2004, 18 men and women were arrested for running prostitution escort services in New York. The operation had a multi-tiered management structure and brought in \$1.6 million in nine months. Sixteen people were charged enterprise corruption, falsifying business records, promoting prostitution, and money laundering.⁴⁶
- Polaris Project, a Washington, DC-based nonprofit working with victims of human trafficking recently conducted an informal analysis of a pimp's wages, based on client's direct accounts. One teenage girl was forced to meet quotas of \$500/night, seven days a week and gave the money to her trafficker each night. This particular pimp controlled three other women. Based on these numbers, Polaris Project estimates that the pimp made \$632,000 in one year from four young women and girls.
- A prostitution ring that operated as an outcall escort service in San Diego from 2001 to 2003 brought in hundreds of thousands of dollars. One woman said that in a six month period she earned \$50,000 which was turned over to the pimp. According to

⁴² Dagmar Oberlies, GTZ – Promotion of Women's Rights, Cambodia, 2004 Expert Group Meeting on Prevention of International Trafficking and Promotion of Public Awareness Campaign, September 21-23, 2003, Accessed at <http://www.moge.go.kr/eng/trafficking/intro.html>

⁴³ "Oakland fights to turn tide of rising child prostitution," *Oakland Tribune*, July 31, 2004.

⁴⁴ "\$30M prostitution ring busted," Nicole Bode, Kerry Burke and Robert F. Moore, *New York Daily News*, January 28, 2005.

⁴⁵ "Big Pimpin' Pappy finally takes a fall," *Miami Herald*, July 30, 2004.

⁴⁶ "18 arrested in lucrative prostitution ring run out of Staten Island," William K. Rashbaum, *The New York Times*, April 8, 2004.

bank records, the ringleader of the operation deposited about \$300,000 into a bank account in one year while having no legitimate source of income.⁴⁷

Markets for Victims

The demand for victims of sex trafficking is comprised of “niche markets.” Women and children of different ages, races, and ethnicities are recruited for particular markets. There are also different markets based on different types of sexual exploitation. And each culture has different types of venues for sexual exploitation. Each one of these markets needs to be analyzed in order to devise special strategies to combat each one of them.

Liberalization of Markets for Commercial Sex Acts and Sexually Explicit Performances

Increasingly, the various markets for commercial sex acts and sexually explicit performances are more openly advertised. Euphemisms and coded terms are used to openly advertise illegal activity. This has the effect of normalizing the acts and increasing the demand for them among men. As these commercial sex acts and performances become visible, they become more accepted.

- In Las Vegas, there are 120 pages of advertisements for sexual services under the heading of “entertainment services” in the yellow pages phone book (In contrast, fifteen years ago in 1989, there were 30 pages of advertisements for “escort services”).

Other common venues for advertisement include local alternative press publications, flyers distributed in adult bookstores, and online forums where men exchange details of commercial sex locations.⁴⁸ Even some mainstream newspaper accept advertisements from “escort services,” massage parlors, and “spas.” A study in Canada reported that:

*“For decades, Toronto’s newspapers and citizens have seemingly tolerated escort agencies and call girls, and now appear to accept “spas” and “massage parlors” which effectively function as brothels with a thinly veiled cover.”*⁴⁹

With the proliferation of public advertising, people are less likely to suspect that women and girls are being coerced into the activity. In the U.S., two women trafficked from Asia to the Washington, DC area were forced into prostitution in a brothel that advertised in a local newspaper.⁵⁰

Exploiters have been allowed to openly advertise illegal activity as long as they use euphemisms for prostitution. One cannot imagine the open advertising of illegal drugs as

⁴⁷ “Man sentenced in elaborate prostitution ring,” *10News.com* (San Diego), June 10, 2005.

⁴⁸ Polaris Project, Washington D.C., 2005.

⁴⁹ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

⁵⁰ “Sex trade stains image of Las Vegas at 100,” *Zee News*, May 15, 2005.

long as slang terms for the drugs were used. As commercial sexual activity is more openly advertised and laws against illegal activity are not enforced, the standards become unclear. A report on strip clubs in Canada concluded that: “There is no clear idea in Canada between judges, police officers, politicians, strip-club owners, strippers and patrons about what is and is not illegal...”⁵¹ The sex industry has become so liberal, “[t]he question of legalizing prostitution in Toronto may already be moot.”⁵²

In this kind of environment, the trafficking of women and girls is likely increase and to escape everyone’s attention.

Sexually Explicit Performances

Women and girls are trafficked for sexually explicit performances, such as stripping and lap dancing. A study of strip clubs in Canada found that as soon as a new, more sexually explicit activity is introduced at a club, customers patronize that club. If other clubs don’t do the same thing to compete, they are left out of the market. The sex industry constantly pushes the limit and creates new scenarios and presentations for forms of sexual exploitation. Recruiting women for stripping and lap dancing is often not that difficult because women assume they will just be “dancing,” and are often given assurances that they don’t have to take off all their clothes. But after the women arrive, the exploiter’s expectations are imposed on the victims.

Since 1998 in the U.S., there have been six federal cases of trafficking involving victims being coerced into stripping and the amount of coercion and force used against victims is no less than that used to coerce victims into prostitution. These markets have become attractive to some criminals because they assume that since stripping is legal they will be less likely to be caught trafficking women into these markets.⁵³

The standards for what is considering “dancing” have changed over the past decade and now involve physical contact. Previously, many strip clubs had “no contact” rules, which meant that men were not allowed to touch the women. But increased demand from male clients has led to more tolerance for physical touching. Lap dancing involves a naked or scantily clothed woman dancing around and eventually sitting on a man’s lap and rubbing until he ejaculates. The introduction of “lap dancing” has almost eliminated the distinction between dancing and prostitution.

In Canada, Supreme Court ruled that fondling and kissing a woman’s breasts in a strip club was not an indecent act.⁵⁴ In another Canadian Supreme Court decision, the court ruled that mutual masturbation between a nude customer and a performer in a Quebec club was

⁵¹ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

⁵² The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

⁵³ Lou DeBaca, U.S. Department of Justice, 2005

⁵⁴ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

allowable.⁵⁵ The exploiters push women to go to at least the legal limit in order to compete with other clubs.

A Canadian report found that men are frequently “aggressive or obnoxious” and some men regularly masturbated in front of women.⁵⁶ A report by the Law Commission of Canada documented the abusive behavior of men in strip clubs:

*“Patrons will pinch, poke and grab dancers. Dancers will attempt to impose limits on what is and is not acceptable. However, this is something difficult to do without alienating customers. In addition, dancers are often harassed and propositioned by club staff members and owners.”*⁵⁷

Once lap dancing is introduced into a club in an area, the demand from men causes other clubs to provide this form of sex act as well or lose business. In the sex industry, the more extreme the acts, the more men are attracted. Increasingly, strippers are expected to tolerate physical touching as part of their performance. As a fee is charged for each lap dance, exploiters press women to perform them. As “dancing” has become closer to a physical sex act, private booths were set up for “private dances” for men. Each more extreme sexual performances or acts have become the greatest money makers.⁵⁸

A report by the Law Commission in Canada found that conditions under which women “danced” were “barely tolerable”:⁵⁹

*“In addition to the various fees dancers pay, many clubs fine dancers (usually \$10 to \$20 per ‘offense’) for just about everything, including loitering in the change room, leaving the club during the shift, bringing in outside food, using drugs and refusing to perform a ‘super-special’ or free dance. If the fine is not paid, the dancer is not allowed to work in that club.”*⁶⁰

Traffickers use fines as form of control, and when women are indebted to traffickers, fines are ways of continually increasing the debt or ensuring that it is slowly or never paid off. These are coercive conditions that may meet criteria to be trafficking.

⁵⁵ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

⁵⁶ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

⁵⁷ Law Commission of Canada. *Is Work Working? Work Laws that Do a Better Job*. Law Commission of Canada, December 2004.

⁵⁸ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

⁵⁹ Law Commission of Canada. *Is Work Working? Work Laws that Do a Better Job*. Law Commission of Canada, December 2004.

⁶⁰ Law Commission of Canada. *Is Work Working? Work Laws that Do a Better Job*. Law Commission of Canada, December 2004.

Market for Specific Racial, Ethnic Groups and Language Capabilities

In the United States, many brothels and clubs restrict entry to men from specific ethnic groups. Some clubs or prostitution rings are exclusive to men from particular racial, national, and ethnic backgrounds. These types of establishments often recruit and traffic women and girls from the same ethnic and racial background as the buyers of sex acts. There are markets for Chinese, and Spanish- and Russian-speaking women.

In Liberia, there is a market for white and/or Arabic speaking women. In this country, conditions such as aggravated poverty, high unemployment, civil war, and tens of thousands of internally displaced persons have created a large pool of potential victims. Yet, women were trafficked into Monrovia from Morocco and Ukraine for nightclubs owned by Lebanese businessmen.

“There has been a big demand for white women in Liberia long before the United Nations came to Liberia that was created by the Lebanese, Syrian, and Egyptian men. These men are normally business men working in Liberia and have the capital to buy women for their sexual pleasure. The Trafficking Protection Unit in Liberia feels that this country is a niche market for trafficking due to the large demand that has been created here by corrupt politicians and the large number of international business men that continues to work in Liberia. The insurgence of the aid workers has brought thousands of dollars to the economy and has contributed slightly to the growing problem. We find that in some cultures and religions men will not sleep with black women therefore it has helped to create a demand for white women for these particular men in order for them to have sex with while working in Liberia away from their homes.”⁶¹

Women from particular regions or cultures are also marketed for specific sex acts. Women from countries where female genital mutilation is practiced, particularly infibulation, are not capable of sexual intercourse. These women are used only for oral sex acts. This is the case in Sweden, where Somali women refugees who have been infibulated are used in prostitution.⁶²

Migrant Workers Market

Traffickers recruit and traffic women and children for specific markets. Groups of single or isolated men, such as migrant workers, create a demand for women and girls to be used for sexual purposes. Exploiters target these groups by making commercial sex acts available to them.

A study of Hispanic (from Mexico and Central America) male migrant workers in North Carolina, USA, found that 46 percent of unmarried and 40 percent of married men living

⁶¹ Celhia de Lavarene and Scotty Cummins, United Nations Mission to Liberia Trafficking in Persons Unit, “Facts about Trafficking in Liberia,” September 17, 2004.

⁶² Thomas Ekman, Sweden, 2005.

apart from their lives, purchased sex acts during the previous year.⁶³ Those who purchased sex did so almost eight times per year.⁶⁴ Another study found that 30 percent of Mexican male migrant farm workers in Northern California purchased sex acts, while 18 percent of workers from the same group purchased sex acts on the East Coast.⁶⁵ A study of 342 male migrants who returned to Mexico following work in the U.S. found that 44 percent said they had purchased sex acts while in the U.S.⁶⁶

Exploiters creation of a market for commercial sex acts may change men's attitudes and behavior towards purchasing sex act. Previous studies find that only 5 percent of men in Mexico purchase sex acts.⁶⁷ These studies indicate that men's behavior is changing once they become migrant workers. Their behavior may be influenced by other men's behavior, the culture created among migrant workers, and the exploiters' creation of a market that offers women and girls for commercial sex acts.

Markets for Virgins and Young Girls

In some regions of the world, particularly in Asia, there is a market for virgins or young girls. Virgins are an elite commodity sought by high ranking or wealthy individuals who can afford to buy a rare human commodity that is forever changed after the man is finished with her. In Cambodia, a virgin is considered the most expensive commodity. In the late 1990s, the average price for a virgin girl was US\$300 to \$700.⁶⁸ Being sold as a virgin is often a girl's entry into prostitution. She may be resold as a virgin or girl with little experience a few times, but then her value falls and she joins the other thousands of girls in prostitution.

In some cultures the beliefs that having sex with a young girl will cure men of sexually transmitted diseases or restore youth creates a demand for young women or girls. Men's fear of contracting HIV also creates a market for younger women or girls because they think a younger victim is less likely to be already infected with HIV.

⁶³ Parrado, Emilio, Chenoa A. Flippen, and Chris McQuiston. "Use of commercial sex workers among Hispanic migrants in North Carolina: Implications for the spread of HIV," *Perspectives on Sexual and Reproductive Health*, Vol. 36, No. 4, July/August 2004.

⁶⁴ Parrado, Emilio, Chenoa A. Flippen, and Chris McQuiston. "Use of commercial sex workers among Hispanic migrants in North Carolina: Implications for the spread of HIV," *Perspectives on Sexual and Reproductive Health*, Vol. 36, No. 4, July/August 2004.

⁶⁵ Organista, K..C. and P.B. Organista. "Migrant laborers and AIDS in the United States: A review of the literature. *AIDS Education and Prevention*, 1997, 9(1): 83-93.

⁶⁶ Organista, K.C., Survey of condom-related beliefs, behavior and perceived social norms in Mexican migrant laborers, *Journal of Community Health*, 1997, 22(3):185-198.

⁶⁷ Pulerwitz, J., J.A. Isasola-Licea and S.L. Gortmaker. "Extrarelational sex among Mexican men and their partner's risk of HIV and other sexually transmitted diseases." *American Journal of Public Health*, 2001, 91(10):1650-1652.

⁶⁸ "Child prostitutes make tearful plea, *Hong Kong Standard*, 30 November 1998.

Production of Pornography and Live Internet Sexually Explicit Performances

Production of pornography and Internet sex shows are markets which often rely on trafficked victims. Some pornography is produced for private consumption or it is traded among trusted offenders, but a large amount of adult and child pornography is produced for commercial distribution. The value of it depends on if it is illegal and the extremeness of the abuse to the victim.

The pornography markets for victims of trafficking have not received the attention that prostitution has. Yet, approximately one third of the victims of prostitution at Breaking Free in St. Paul Minnesota has been used in the production of pornography.

In some parts of the world, centers of trafficking are also centers for the production of pornography. An example is St. Petersburg, where representatives from NGOs report that they have heard of many cases of women being forced to make pornography. Many of the women in prostitution in St. Petersburg have also been used to make pornography. They say the police will take complaints about the production of pornography only if children are used.⁶⁹

Budapest, Hungary is a destination and transit city for women trafficked from central and eastern Europe. Budapest has also become the pornography production capital of Europe. American and European pornography producers moved to Budapest because of the cheap, available victims. Budapest provides low production costs and lax government regulations and attitudes. There are hundreds of pornography films produced each year in Budapest. In only eight years, Budapest has become probably the biggest center for pornography production in Europe, even greater than Amsterdam and Copenhagen.⁷⁰ Most West European producers of pornography use East European actors wherever possible. "They cost less and do more," an executive at Germany's Silwa production company explains.⁷¹ It is likely that at least some of the women used in the production of these videos are victims of trafficking, yet few people think of production of pornography as a way that victims of trafficking are exploited. There have been reports of young children--usually homeless or neglected teenagers--being recruited for pornography with promises of glamorous careers in modeling.^{72 73}

The distribution of child pornography on the Internet is described as an epidemic to which law enforcement agencies around the world dedicate increasing resources.

⁶⁹ Interview, St. Petersburg Psychological Crisis Center for Women, 18 August 2001.

⁷⁰ --- "To its buyers and sellers, the sex trade is just another business," < <http://www.pirko.de/lustig/Sex.html> > Accessed 25 February 2001.

⁷¹ --- "To its buyers and sellers, the sex trade is just another business," < <http://www.pirko.de/lustig/Sex.html> > Accessed 25 February 2001.

⁷² James Geary, "Sex, Lies and Budapest – As producers of sex films flock there, Hungary's capital is becoming Europe's porn capital as well," *Time*, 24 March 1997, Vol 149, No. 12.

⁷³ Natasha Singer, "Blue Danube – The story of Budapest's booming export: The skin flick," <http://www.nerve.com/Photography/Plachy/BlueDanube/>, Accessed 25 February 2001.

The production pornography is often, and when children are used, always, an act of sexual abuse and exploitation. Experts agree that each time that image is viewed, the victim is re-victimized. Once an offender uploads an image to the Internet it quickly spreads all over the world. As a result of the development of new software that can trace the distribution of material on the Internet, a video of a four-year-old being abused was traced around the Internet. The video was found to have been downloaded to thousands of personal computers worldwide, and it just a few months time, was offered 40,000 times to offenders seeking child pornography. When images are made of victims of sex trafficking and distributed on the Internet the abuse never ends because all of the images or videos can never be traced or destroyed. Someone can forever be viewing that act of sexual abuse.

In the Philippines, trafficking is one of the three biggest threats to the well being of children (the others being malnutrition and lack of education). Children are being trafficked domestically, from rural areas to cities, and internationally, from cities to overseas.⁷⁴ Domestic trafficking is a serious problem in the Philippines as a result of sex tourism, especially child sex tourism. Perpetrators often photograph their victims for personal or commercial use. As a result, the Philippines is the fourth largest producer of child pornography in the world. The market is estimated to be worth C764.5 million (\$1 billion).⁷⁵

Only a few cases of the use of children for the production of pornography have been reported. For example in 2003 there were 13 cases reported to the police (During the same year, there were 247 cases of children being used for prostitution reported). And in 2004, 100 teenage girls were rescued from organized crime rings that produced child pornography.⁷⁶ The criminal groups pay girls 1,000 pesos (US\$17.85) to 3,000 pesos (US\$53.57) a week.⁷⁷

In the last five years, a new form of child sexual exploitation has arisen in the Philippines. Children, some as young as 10, are paid to perform sex acts before web cameras linked to the Internet. Viewers are charged a fee to watch.⁷⁸ There are an estimated 50 to 75 of these so called “cyber sex dens” in the Philippines. The larger cyber sex dens are in brothels with smaller ones in “go-go” or karaoke bars.⁷⁹

Parents are paid by exploiters for allowing their children to be used for live Internet sex shows. They rationalize the pimping of their own children by saying that the since the children are not touched, they are not being harmed. According to Eduardo Manzano, chairman of Optical Media Board:

“Some parents even escort their children to the dens... For them, their children are not violated because they are not actually being touched while doing lewd acts because the child dances in front of the camera, performs sexual acts with toys.”⁸⁰

⁷⁴ Tandoc, Jr., Edson C., “UNICEF raps child-trafficking in RP,” *The Philippine Daily Inquirer*, May 16, 2005.

⁷⁵ “Senator says Philippine child porn is US\$1 billion,” *Associated Press WorldStream*, January 19, 2005.

⁷⁶ “Senator says Philippine child porn is US\$1 billion,” *Associated Press WorldStream*, January 19, 2005.

⁷⁷ “Senator says Philippine child porn is US\$1 billion,” *Associated Press WorldStream*, January 19, 2005.

⁷⁸ “E-sex industry in the Philippines preys on children,” *Japan Economic News*, January 26, 2005.

⁷⁹ “E-sex industry in the Philippines preys on children,” *Japan Economic News*, January 26, 2005.

⁸⁰ “E-sex industry in the Philippines preys on children,” *Japan Economic News*, January 26, 2005.

UNICEF Senior Program Officer Colin Davis found the same attitude:

“Parents think that by taking photographs of their children naked, they are not harming them. But they are taking away their childhood”⁸¹

In the U.S. one case revealed how much money can be made by brokering access to child pornography Internet sites. In 2000, a couple in Fort Worth, Texas was arrested for providing access to several child pornography sites. The Reedy's ran an online adult verification service for pornography sites on the Web. After verifying a person's credit card and their age, they gave the users access to other pornography sites, including child pornography sites. Each site charged a monthly subscription fee ranging from US\$14.95 to US\$29.95. Reedy's company, Landslide, provided more than 300,000 users access to 5,700 sites.⁸² About 30 to 40 percent of their income came from web sites with child pornography. The Reedy's kept 40 percent of the money from the subscription fees, netting them more than US\$1,000,000 between 1997 and 1999.⁸³ Subscribers also got access to bulletin boards where pedophiles traded passwords for access to other child pornography sites where people offered or sought children for purposes of sexual abuse.⁸⁴ The Reedy's were found guilty of 87 counts of sexually exploiting minors, distributing child pornography and conspiracy.⁸⁵

Older Women

A recent trafficking case in Russia, in which a woman in her 50s was trafficked to Greece, indicates that a market exists for middle-aged women. Older men are seeking housekeepers, as well as someone for sex acts, and have a preference for older women instead of young women or teens who are seen as too difficult to control.

In the U.S., there appears to a market for older Asian women to be used in massage parlors. These women are expected to perform masturbation massage. In Nassau County, New York, in 2004, police raided almost 70 massage parlors. According to police, one hundred percent of the women were Asian, mostly Chinese or Korean. In one officer's experience, during the time he had worked in this unit, he had never found a U.S. citizen in a massage parlor. All the Asian women were in their late 30s to 40s. They had been brought into the U.S. from Canada. They spoke little or no English.⁸⁶

Putting Exploiters Out of Business

Efforts to put exploiters out of business range from targeting a neighborhood sex trade to shutting down the red light districts in entire countries. A number of strategies have proven

⁸¹ Tandoc, Jr., Edson C., “UNICEF raps child-trafficking in RP,” *The Philippine Daily Inquirer*, May 16, 2005.

⁸² Angela K. Brown, “Jury convicts Fort Worth couple on nearly 90 counts of child porn. *Associated Press*, 1 December 2000.

⁸³ Toni Heinzl, “Jurors selected to hear Internet child porn case,” *Forth Worth Star-Telegram*, 28 November 2000.

⁸⁴ Heinzl, 29 November 2000.

⁸⁵ Brown, 1 December 2000.

⁸⁶ Interview, Captain Rick Capece, Vice Squad, Nassau County, New York, 2004.

temporarily effective, but few of the efforts have been sustained beyond a limited period of time, which has allowed the markets to reemerge.

Shutting Down the Sex Markets – Republic of Korea

There are a couple of recent developments in supporting the abolition of the global sex trade that go beyond focusing on the primary level of demand that are worthy of mention. The Republic of Korea (ROK or South Korea) has announced a plan to close 70 red-light districts by 2007. Prostitution is illegal in ROK, but as in many places, has been tolerated for years. In 2002, there were an estimated 330,000 women in 80,000 sex industry establishments. The illegal and legal sex industry combined brings in \$20 to \$24 billion each year. In 2001, South Korea was placed on Tier 3 in the 2001 Trafficking in Persons Report.

In September 2003, two new laws were passed: 1) Act on the Punishment of Procuring Prostitution and Associated Acts, and 2) Act on the Prevention of Prostitution and Protection of Victims Thereof. The purpose of the Acts is to:

“[E]liminate prostitution, procuring prostitution and associated acts, and human trafficking for the purpose of prostitution, and to protect the human rights of victims of prostitution.”⁸⁷

Women’s non-governmental organizations and women legislators in the National Assembly strongly supported the new laws. The Korean public supported the new laws after fires in brothels had killed women who were locked in the buildings.

In September 2000 and January 2002, fires in brothels in Kunsan killed five and 14 women. Following these deaths, women organized to lobby for a new law. They supported an abolitionist approach based on the Swedish law. They launched a campaign to collect 1,000,000 signatures in support of a new law. The opening ceremony was also a memorial for the women who died in the fires. The campaign collected approximately 300,000 names.⁸⁸

Cho Bae-sook, National Assemblywoman said these “tragic incidents served as a wake-up call.”⁸⁹ Cho said that the

“subsequent introspection made Korea pay more attention to the rights of women in sex trade, finally shedding light on the fact that there have been no efforts at the national level to protect their rights, leaving them behind in the most atrocious ‘no-human-rights-zone’ in our society.”⁹⁰

⁸⁷ Ministry of Justice and Ministry of Gender Equality. Act on the Punishment of Procuring Prostitution and Associated Acts, Act on the Prevention of Prostitution and Protection of Victims Thereof, 2004.

⁸⁸ Interview, Ministry of Gender Equality, 2005.

⁸⁹ Cho, Bae-sook. “Role of the Legislature in Preventing Trafficking in Persons,” September, 2003, Accessed at http://www.moge.go.kr/broad/eng_foreign_report/data/cho_bae_sook.pdf

⁹⁰ Cho, September, 2003.

The laws passed unanimously because of widespread public support and the “pang of consciousness” the deaths of the women had raised among male legislators. Women legislators said that although some male legislators didn’t like the new laws they were unable to vote against them because of strong public sentiment favoring them.

Starting in September 2004, all profits from brothels were supposed to be seized. The government planned to create 14 “self-support” centers to retrain workers for other jobs. The Gender Equality Ministry, the Justice Ministry, and the Korean National Policy Agency support the new policy. The Prime Minister announced the plan saying that ROK would no longer tolerate the trafficking in women’s bodies. The government said that it will enact a new law in 2005 that will empower police to close brothels and beginning in 2006, it will be carried out gradually in phases. The widespread closures will begin in 2007.⁹¹

When the law went into effect in September 2004, police organized raid against brothels. At this time there were an estimated 330,000 women in prostitution in various venues in Korea. There were 35 red light districts with 2,000 establishments considered to be brothels with 10,000 women housed in them. A special unit operated for a month to close the brothels. By December 2004, there were an estimated 5,000 women in brothels.

A backlash is building against the new law. A number of people are attributing the economic recession to the closure of the brothels. Pro-prostitution activists from outside ROK have joined with some feminist scholars and pimps to organize “sex worker” protests outside the National Assembly. Several legislators said that pimps are the ones organizing the demonstrations and the women who are publicly protest are the “real victims” because pimps are behind them. They said that women who do voluntarily engage in prostitution are not likely to come out into the public.⁹²

Generally the media has been against the new laws. Stories have appeared that blamed the new laws for the economic recession. According to legislators who support the new laws, these stories have had little effect in changing public opinion and these types of stories are disappearing.

Among the women legislators and women’s NGOs, there is strong support for the new laws and the political will to have them enforced.

Following the initial crackdown, the number of arrests and closures has decreased. A number of brothels have reopened. Some pimps have assumed a wait-and-see attitude about the new laws. There is still window prostitution in downtown Seoul and pimps’ assistants can be observed keeping watch over the women. Some of the establishments have changed their way of doing business to offer men more protection from the police. Policemen are posted right outside the entrances to red light areas. In red light districts of Seoul there are whole

⁹¹ Joseph Giordano and Choe Song-won, “South Korea plans to shut down red-light districts,” *Stars and Stripes*, April 3, 2004

⁹² Interviews, National Assemblywomen, 2005.

block areas for brothels. In one block area there are 200 brothels. NGO workers claim that women live there 24 hours per day and are not allowed to leave. In March 2005, another fire in a brothel in Seoul killed five women who were locked in.⁹³

According to NGO workers, nine months after the implementation of the new laws, pimps are only receiving fines. They then tell the women in their establishments that they have to work harder to pay the fines. There is also evidence that Korean men are going abroad to China, the Philippines, and Thailand to purchase sex acts.

Although prostitution has been illegal in ROK, it was socially accepted, especially among men. Legislators and officials acknowledge that it will take a long time to permanently change these cultural attitudes.⁹⁴ Legislators, government officials, and non-governmental organization representatives all said the biggest impact of the law so far is that now people, particularly men, know that prostitution is illegal and men are breaking the law if they purchase sex acts. According to officials, the new laws were a “big shock” to men. In September 2004, when the news laws went into effect, 30 percent of the public was aware of the laws; by December 2004, 90 percent of the public knew about the new laws and 70 percent of the public agreed that the new laws were necessary.⁹⁵

The United States Forces in Korea has adopted a zero tolerance policy towards prostitution and sex trafficking in compliance with the new Department of Defense policies. Bars or clubs where prostitution or sex trafficking were suspected were placed off limits to U.S. military personnel. Currently, there are 900 establishments on the off-limits list.

The USFK planned to economic pressure on bars and clubs to make stop offering women for prostitution.

“We have validated in Korea that the economic impact of an “off-limits” designation can and has been used as an incentive for businesses to cease engaging in human trafficking. After one Commander formally threatened to place a number of establishments near his base “off limits,” some-but not all – off the establishment owners modified their businesses. At least one such business simply shut down. Another commander asked club owners near his base to ban so called “bar fines,” a common revenue source to establishment owners for use of their so-called “employees.” When one club owner refused to band “bar fines,” the Commander put that club “off-limits.”⁹⁶

⁹³ “Five die in bordello blaze,” March 27, 2005.

⁹⁴ Interview, Chin Soo-hee, National Assembly, 2005.

⁹⁵ Interview, Ministry of Gender Equality, 2005.

⁹⁶ “Suppressing Slavery in the 21st Century: From Legislation to Enforcement.” Remarks as delivered to the OSCE Forum on Security, Cooperation by Inspector General Joseph E. Schmitz, Vienna, Austria, Wednesday, November 17, 2004.

In March 2005, two bar owner associations (the Korean Special Tourist Association and the Anjung-ni Entertainment Establishments Association) representing 50 establishments signed memorandums of understanding with U.S. Forces in Korea at Camp Humphreys in the Pyongtaek region. The agreements state that Camp Humphreys officials can make periodic visits to bars to check their compliance, investigate reports on illicit activity, contact South Korean police with information on prostitution and trafficking, and place offending establishments off-limits to U.S. servicemembers. Inspections will be carried out by Army military police and the Army's Criminal Investigation Division.

The bar owners agreed, among other provisions, to:

- ¶ Specifically identify “businesses that support, harbor or sanction prostitution or human trafficking.”
- ¶ Ban “limitations placed on” employees’ “personal freedoms.”
- ¶ Ban keeping of employees’ passports from them: “No employee shall have her passport seized or kept from her, but shall keep her passport in her own possession.”
- ¶ Ban coercing employees “into engaging in activities resembling prostitution.”
- ¶ Ban employees from “soliciting or propositioning patrons for sex.”
- ¶ Ban use of private rooms “for one-on-one services between employees and patrons.”
- ¶ Ban the paying of money “to obtain the company or companionship of an employee.” The payments are widely known as “bar fines” or “special fees.”⁹⁷

Destroy the Market-Sweden

In Sweden, prevention of trafficking means combating the demand for commercial sex acts.⁹⁸ Sweden has no red light districts. Sweden does this through criminalizing the buying of sexual services and shutting down the prostitution markets.⁹⁹ Making the buying of sex more difficult for men makes the Swedish market less attractive to traffickers.¹⁰⁰ Programs are underway in schools to combat the sexualization of society by changing attitudes.

The Swedish law has been in effect since January 1999, so the public, and in particular men, have become familiar with it. The implementation of the law is now focused on investigations and prosecutions. The goal of the police in Sweden is to “destroy the market.” Their goal is to make it difficult to be a pimp in Sweden. Police officers in Sweden had to

⁹⁷ Fisher, Franklin, “Bars in South Korea pledge to fight prostitution, human trafficking,” *Stars and Stripes (Pacific Edition)*, March 20, 2005.

⁹⁸ Interview, Per Larson, Kvinnoforum, Sweden, 2005.

⁹⁹ Interview, Thomas Ekman, Sweden, 2005.

¹⁰⁰ Interview, Lisa Thomm, District Prosecutor, Special Unit on Organized and Transnational Crime, Sweden, 2005.

learn how to investigate pimping. When detectives started to investigate pimping after the new anti-prostitution law went into effect, they did not know what to look for. They went to the street and “did not see anything at first.” Now they have produced guidelines and have done profiling of pimps and traffickers so that officers know what signs to look for. They have learned to identify what they see. A Swedish manual on identifying and investigating pimps and traffickers has been written.

Officers have learned how pimps advertise. Police have learned that suspicious activity must be investigated and acted on quickly, because pimps may have victims in one location for only two weeks. They have had cases in which they have seen likely victims, but by the next day, they are gone.

In prosecuting cases of trafficking, the prosecutor tries to keep the suspect in custody during the entire investigation to ensure that the suspect does not contact the victim or other perpetrators. In addition to the victim’s testimony, they collect evidence using secret wiretapping, surveillance, call tracing. Once phone tapping is in place, they call the suspected pimp/trafficker and pretend to be a man looking to buy sex. To identify the pimp, they make an appointment for sex through an escort service. When the woman comes, but doesn’t find a man, she returns to the pimp. The police follow her to the pimp.

Material that is seized during an arrest provides a lot of evidence for the trial, including photographs in which victims are placed with the perpetrators, pornography made using victims, computers which have email messages, lists of contacts, designs of advertisements for sexual services that appeared on the Internet, victims’ diaries in which they describe how they feel about what is happening to them.¹⁰¹

Sweden seizes the assets of traffickers. According to one prosecutor:

“Money is very important. It is what it is all about. Taking their cars and gold. That hurts them more than prison.”¹⁰²

Victims of trafficking and prostitution in Sweden are usually afraid to talk, so the police have developed a strategy of finding evidence, and then they talk to the victims about what they have seen or found and offer to help them. That way they don’t have to pressure the victims to talk.

The strategy of destroying the markets focuses on trafficking and prostitution as businesses. According to investigators, *“Trafficking is a business. They make as much money as possible.”¹⁰³* A successful strategy is to disrupt the market and make it as difficult and expensive for pimps to stay in business.

¹⁰¹ Interview, Lisa Thomm, District Prosecutor, Special Unit on Organized and Transnational Crime, Sweden, 2005.

¹⁰² Interview, Lisa Thomm, District Prosecutor, Special Unit on Organized and Transnational Crime, Sweden, 2005.

¹⁰³ Interview, Thomas Ekman, Sweden, 2005.

Closing Establishments – Nassau County, New York

Nassau County police in New York devised a strategy to close down massage parlors by targeting the owners of the buildings. Most sex industry establishments are not owned by the pimps or traffickers—the exploiters. Although the owners of the buildings may not have been aware of the prostitution going on in the establishments, they were profiting from it.

In 1994, massage parlors, which were fronts for prostitution, had proliferated. Police knew that the lease agreements with the operators of the massage parlors were executed under false representation by the parlor operators who said they were running physical therapy centers or other legitimate sounding services. Police found that the people who originally signed the leases were usually difficult to find. Massage parlor operators also frequently altered the buildings' physical structures resulting in violations of building and fire codes. The property owners usually ignored the violations.

There were a number of official departments, such as the attorney general's office, the health department, and state education department that had regulatory enforcement over the massage parlors, but efforts to regulate the businesses were “stalled” in court or bureaucracies. Consequently, the police decided to target the owners of the buildings, and force them to shut down the businesses. They notified the owners of code violations and fraudulent lease agreements, and told them that they were going to be charged. When the property owners did not cooperate, the police, fire marshals, and building inspectors cited the owners. Fines for building code violations ranged from \$200 to \$1000 a day; fire code violations were \$5000.

The fines put pressure on the property owners to evict the unlawful tenants. The district attorney was asked to file criminal charges for permitting prostitution and criminal nuisance against owners who refused to evict the exploiters. In addition, the police notified the property owners' mortgage holders of the illegal activity taking place on the premises.

The police also targeted the men who purchased sex acts at the massage parlors by stopping them for interviews and traffic violations. The police department asked the major regional newspaper to stop running ads from the massage parlors. The newspaper complied after several requests. They also got local gym owner to remove business cards from bulletin boards. They did interviews about the problem on local radio stations.

In addition, the Internal Revenue Service opened a criminal investigation for income tax evasion on one person.

As a result of this pressure on property owners, **all** known illegal county massage parlors were closed or vacated.¹⁰⁴

¹⁰⁴ Sampson, R. and M. Scott (eds.) (2000). “A Prostitution Problem in National City, California.” *Tackling Crime and Other Public Safety Problems: Case Studies in Problems Solving*. Washington, D.C.: U.S. Department of Justice.

*This project [was] notable for the way officers used official influence on the property owners, compelling them to address the problem. While the owners may not have been directly responsible for the unlawful activity, they profited indirectly. The officers effectively shifted some of the costs of the parlors to the property owners, reducing their profits.*¹⁰⁵

This successful effort in closing down the prostitution trade that operated out of massage parlors was a semifinalist for the 1995 Webber-Seavey Award, sponsored by the International Association of Chiefs of Police and Motorola.

Ten years later, there are dozens of massage parlors operating in this county. When asked about the program used ten years ago, the police officer said, “It was a successful program, but it’s over now.” Police only investigate and raid a massage parlor if there’s a complaint from “a politician.” In 2004, the vice squad raided almost 70 massage parlors. On the advice of the district attorney, they only arrested the women and never the managers. One hundred percent of the women were Asian – Chinese and Korean – most of whom had recently entered the U.S. from Canada. They spoke little or no English.

Stopping the Street Trade

In the early 1980s in Finsbury Park area of North London an increased problem of prostitution resulted in police designing a new scheme to reduce prostitution. Prior to this police has used the method of “sweeps,” meaning that for an intense period of time the area would have increased police visibility and increased warnings or arrests of women. This resulted in a temporary reduction in the presence of prostitution in the neighborhood, but the problem soon returned, requiring a permanent cycle of sweeps. In 1982, 181 women were charged with soliciting, but by 1993, 666 women were charged, some of them repeatedly. Police and local authorities designed a multi-pronged approach that targeted soliciting, curbing, crawling, pimps and brothel keepers. At the beginning of the new scheme in 1984, 12 pimps and five brothel keepers were arrested. Although a small number, the arrests and prosecutions of these criminals significantly reduced the problem of prostitution in the area. An estimated 200 to 300 women commuted to this area for prostitution from outside London. They were dependent on landlords that offered cheap short term accommodation. When this was eliminated, they had no where to have sex.

The closing of the houses where acts of prostitution took place eliminated the market in the area. In addition, police designed a road-closure scheme that prevented men from easily driving into and around the neighborhood. The removal of the pimps and brothel keepers and the prevention of johns from cruising the neighborhood helped transform the neighborhood:

¹⁰⁵ Sampson, R. and M. Scott (eds.) (2000). “A Prostitution Problem in National City, California.” *Tackling Crime and Other Public Safety Problems: Case Studies in Problems Solving*. Washington, D.C.: U.S. Department of Justice.

“Soliciting and curb-crawling [the British term for john driving around and soliciting from their cars] virtually disappeared, and the area was transformed from a noisy and hazardous ‘red-light’ district into a relatively tranquil area.”¹⁰⁶

Displacement of prostitutes and johns was expected. In this scheme, displacement did not occur. Few of the women in prostitution moved to new locations.

“The belief in the inevitability of displacement, however, seems to be bound up with a conception of motivation of the prostitutes and the clients that may be unrealistic. ... [T]hey exhibited a much lower level of commitment than was expected.”¹⁰⁷

When men were cautioned by police they did not return to the neighborhood. UK study concluded that “effective police action against pimps is helped by specialization.”¹⁰⁸

¹⁰⁶ Matthews, Roger. “Developing more effective strategies for curbing prostitution,” *Security Journal*, 1990.

¹⁰⁷ Matthews, Roger. “Developing more effective strategies for curbing prostitution,” *Security Journal*, 1990.

¹⁰⁸ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

The State

State Approaches to Prostitution

Prostitution is universally considered a phenomenon that society has to address. How societies and governments decide to deal with prostitution varies widely. There are four general approaches to prostitution: prohibition, regulation, abolition, and decriminalization.

Prohibitionist Approach to Prostitution

With the prohibition approach, prostitution is defined as criminal activity, and all activities relating to prostitution are criminalized: soliciting, procuring, pimping, and brothel keeping. All persons engaged in these activities are considered criminals. No distinction is made between those who sell sex, those who buy sex, those who facilitate the buying and selling or who manage establishments where prostitution takes place. In the U.S., with the exception of a few counties in Nevada, we have a prohibition approach to prostitution.

Regulationist Approach to Prostitution

Under the regulationist approach, prostitution is legalized and redefined as a form of service work, i.e. sexual services. Regulations are set up that control when, where, and under what circumstances prostitution can be engaged in. Under the legalization approach, prostitutes become sex workers; men become clients; pimps become managers; brothel owners are business people; and traffickers are employment agents who assist migrant sex workers to travel to destination countries and find jobs. Selling sex is illegal only if the regulations are violated. The state expects to collect tax revenue from the industry and income earners. This is the state approach in the Netherlands, Germany, and some states of Australia.

Abolitionist Approach to Prostitution

Under an abolitionist approach, prostitution is viewed as a harmful activity and all laws and policies aim to eradicate it. A distinction is made between victims and perpetrators and they are treated accordingly. Women and children used in prostitution are considered victims and offered services, johns – the men who buy sex acts, pimps, brothel keepers and traffickers are all criminalized. The approach is similar to how to treat domestic violence – distinguishing between victims and perpetrators and treating them accordingly.

Two states that take an abolitionist approaches are Sweden and the U.S. at the federal level. In Sweden, prostitution is seen as a form of violence against women. Its law decriminalizes all of those who sell sex acts, and criminalizes male buyers, pimps, brothel keepers, and traffickers. In the U.S. at the federal level, prostitution resulting from force, fraud, or coercion is considered a form of slavery. The U.S. federal law the Trafficking Victims Protection Act, criminalizes all people who recruit, transport, harbor victims using force,

fraud or coercion. Victims, even if they are in the country illegally or have engaged in activities that are criminal according to local law, are exempt from prosecution and entitled to emergency services. (The extent of the services made available is determined by whether the victim is willing to assist the police in prosecuting the case). It is a federal crime to transport a person across state lines for purposes of prostitution, even if the victim consents.

Decriminalization Approach to Prostitution

Decriminalization means removing criminal penalties for any prostitution-related activity. Advocates of this approach usually exempt activity that involves underage children. Decriminalization is best understood as a means rather than an end. In New Zealand, prostitution was decriminalized at the national level, meaning they removed all law criminalizing prostitution, brothel keeping, etc. The national parliament then required local authorities to come up with rules by which to regulate prostitution. Municipalities cannot refuse to set up conditions for the operation of brothels in their cities and towns. In New Zealand, decriminalization was the first step towards regulation which of course means legalization. In Sweden, those who sell sex are decriminalized, but the buyers, pimps, and traffickers are criminalized. In this case decriminalization was part of an abolitionist approach. So decriminalization is best understood as a transition phase or part of the process towards either legalization or abolition, but it is not an end point in itself.

Enforcement of Laws on Prostitution

Enforcement of laws where there is a prohibitionist approach is often carried out through “sweeps” of areas known for prostitution. When the level of prostitution reaches a certain threshold or there are enough complaints from the community, periodic crackdowns on street prostitution temporarily suppress prostitution in particular areas.

The prohibitionist approach often results in discrimination against victims of prostitution and trafficking when laws are more vigorously enforced against women instead of men who purchase sex acts and exploiters who market sex acts.

In 2001 and 2002, the City of Chicago spent between \$8 million to \$9 million each year in the arrest, prosecution and detention of persons for engaging in prostitution. Seventy-one percent of the prostitution-related arrests were for prostitutes (66 percent women, 5 percent men), 27 percent of arrests were for men soliciting sex acts, and less than one percent of arrests were of exploiters for pimping and pandering.¹⁰⁹

Arrest statistics for prostitution related offenses show a discriminatory pattern in Boston, Massachusetts also. There were 11 women arrested for every one male purchaser.¹¹⁰ Although there has been a significant decrease in the number of prostitution related arrests from 2001 to 2003, the discriminatory pattern of arrests worsened: there was a 432 percent decrease in arrests of purchasers of commercial sex acts, compared to a 143 percent decrease in arrests of female victims of commercial sex acts.

¹⁰⁹ The Sentencing Project. “The Costly Business of Prostitution: An Examination of the Cost of Prostitution Control in Chicago.” Chicago Coalition for the Homeless, 2002.

¹¹⁰ Allison Rupp, “City council to crack down on prostitution,” *The Daily Free Press*, December 11, 2003.

Prostitution-Related Arrests in Boston

	2001	2002	2003	Total
Female victims	607	392	250	1249
Male purchasers	197	32	37	265
Exploiters (pimps)	3	1	3	6

As prostitution increases, prohibitionist approaches usually involve increasing the arrests of women and increasing the penalties against them. In Chicago, to crackdown on prostitution, felony charges were made against repeat offenders. From 2001 to 2002, the number of felony arrests for women in the City of Chicago more than doubled (127% increase). This had a discriminatory effect because female victims of commercial sex acts were charged most of the time and not the male purchasers of commercial sex acts. For example, in District 14 in Chicago, women were charged with 86 of the 89 prostitution-related felony charges. The number of women admitted to an Illinois Department of Corrections facility increased by 182 percent from 2001 to 2002. All of these incarcerations were the result of felony prostitution charges. During the same period, no male exploiters or purchasers of commercial sex acts entered prison for soliciting or pimping.

Charging female victims of commercial sex acts with felonies has a long-term harmful and discriminatory effect because a felony conviction reduces the women's ability to access good paying jobs or educational benefits. She will most likely have to remain in prostitution.

Even case studies of successful reduction of prostitution often describe strategies that target women. For example, in the late 1980s, prostitution was a problem in downtown Champaign, Illinois. Police officers were frustrated with the high rate of recidivism among prostitutes. The police conducted stings to arrest men who solicited decoy officers, but the Illinois state attorney's office dismissed cases claiming that entrapment defenses were too difficult to refute. The police were left to find other ways to penalize the women in order to reduce prostitution.^{111 112}

¹¹¹ Sampson, R. and M. Scott (eds.) (2000). "A Prostitution Problem in National City, California." *Tackling Crime and Other Public Safety Problems: Case Studies in Problems Solving*. Washington, D.C.: U.S. Department of Justice.

¹¹² In this case, the police were successful in imposing travel restrictions on the women to prevent them from entering a 12-block area known for prostitution. By arresting repeat offenders if they entered this area once they were banned, the police successfully disrupted the street prostitution market in this city.

In the UK, police have traditionally focused on arresting women for soliciting.¹¹³ A study of pimping in four cities found that 86 percent of prostitution related arrests were for women loitering or soliciting, 12 percent of arrests were of men soliciting a woman, and only a little over 2 percent of arrests were of pimps.¹¹⁴

Too often under the prohibitionist approach, women who are victims of trafficking and prostitution are more often targeted for arrest than men who purchase sex acts or the exploiters who coerce them and profit from their exploitation.

Governments often send mixed messages about prostitution, as in Italy where the government wants to ban street prostitution because it contributes to the “moral degradation of society,” but at the same time, proposals were made to re-open brothels. About 65 percent of prostitutes work on the streets, 30 percent in hotels or nightclubs and about one percent out of their own homes. Of the estimated 50,000 prostitutes in Italy, 95 percent of women in street prostitution are foreign women and girls, mostly from Nigeria, and the majority of them are trafficked.¹¹⁵ According to the Italian government, more than more than half of Italy's prostitutes are immigrants -- 60 percent of those from Nigeria and 25 percent from Albania.”¹¹⁶

The regulation of prostitution makes no attempt to reduce prostitution and ensures that it continues. “Tolerance zones” or designated area for sex markets have been set up in a number of cities. In Antwerp, Belgium, the city council has set up a “tolerance zone” for regulated prostitution in 2001. In the UK, Hungary, and other countries, there are proposals for tolerance zones as a solution to the escalating problem of prostitution and trafficking.

Even in some countries where the laws are prohibitionist, there have been calls for a *de facto* regulationist approach.” In the UK, some experts have called for management instead of abolition of the sex trade. The pragmatic approach of *de facto* regulation would allow the sex trade to operate by unwritten arbitrary rules.

“The police monitored the[massage] parlours to ensure that unwritten rules were being observed. We support this sort of pragmatism. Ensuring that sex markets take the least unacceptable form is a more realistic policy goal than eradicating them. ... We also think that if well-managed off-street establishments are stringently monitored there is a good chance of preventing their colonization by highly criminal operators who manage sex workers through coercive violence.”¹¹⁷

¹¹³ May, Tiggey, Alex Harocopos and Michael Hough. “For Love or Money: Pimps and the Management of Sex Work,” Police Research Series, Paper 134, Research, Development and Statistics Directorate, Policing and Reducing Crime Unit, Home Office, London, 2000.

¹¹⁴ Fisher, Franklin, “Bars in South Korea pledge to fight prostitution, human trafficking,” *Stars and Stripes (Pacific Edition)*, March 20, 2005.

¹¹⁵ Aghatise, Esohe. Trafficking for prostitution in Italy: Possible effects of government proposals for legalization of brothels. *Violence Against Women*, Vol. 10, No. 10, October 2004, pp 1126-1155.

¹¹⁶ “Italy poised to sweep away street prostitution,” *Agence France Presse*, December 21, 2002.

¹¹⁷ Fisher, Franklin, “Bars in South Korea pledge to fight prostitution, human trafficking,” *Stars and Stripes (Pacific Edition)*, March 20, 2005.

In 1999, the International Labor Organization called for the recognition of the “sex sector” as part of the economy. Although the ILO stopped short of calling for legalization of prostitution, it did say that formal recognition of the sex industry would ensure “labor rights and benefits to sex workers,” improve “working conditions,” and “extend the taxation to cover many of the lucrative activities connected with it.” The ILO was acquiescing to economic determinism – if the sex industry is large and makes a lot of money, then it should be recognized and regulated. One critic of the ILO report suggested that recognizing the sex industry as a formal economic sector would be used to justify increasing the entry of women into prostitution in order to lower employment and tax women’s earning. When the state officially accepts prostitution, then “governments can abdicate responsibility for making decent and sustainable employment available to women.”¹¹⁸

Impact of State Policies

There are a number of ways that the state either suppresses or accommodates the demand for victims. Officials in destination countries do not want to admit responsibility for the problem of sex trafficking or be held accountable for creating the demand. It is easier to blame the victims or circumstances in the sending countries.

In the destination countries, exploiters exert pressure on the lawmakers and officials to create conditions that allow them to operate. They use power and influence to shape laws and policies that maintain the flow of women to their sex industries.

The ways in which states regulate and monitor the flow of visitors, workers, and asylum seekers influence exploiters’ ability to use legal means of bringing victims into a destination country.

Visa Policies

Governments’ visa policies can create opportunities for traffickers to bring victims into a country. In the last year, two countries – Canada and Germany – have had high level political scandals involving visa schemes that facilitated the entry of women into the country who were used subsequently in prostitution or were suspected of being sexually exploited. As a result of the scandal, high ranking officials in both countries were forced to resign. Also, in the last year, traffickers’ use of entertainer visas to bring women into the country for the sex trade has come to light in Japan.

Canada

While the origins of this visa initiative are still cloudy, on April 28, 1998 Canadian Human Resources Minister Pierre Pettigrew responded to strip club owners’ demand for “exotic dancers” by creating a special category for “exotic dancers” in the National Occupational

¹¹⁸ Raymond, Janice G. “Legitimizing Prostitution as Sex Work: UN Labor Organization (ILO) Calls for Recognition of the Sex Industry,” The Coalition Against Trafficking in Women, December 1998.

Classification list. This action gave blanket approval for visa permits to any foreign women who met minimum requirements and wanted to enter Canada to work as strippers.¹¹⁹

Prior to the creation of this visa, Human Resources Development Canada conducted a survey on whether there was a need for foreign exotic dancers in Canada, and found that bar owners in eastern Canada were unable to find enough strippers. Some people claimed that the shortage of strippers was so great that Toronto club owners were going out of business because of the lack of available dancers.¹²⁰ A labor market impact study found that allowing foreign strippers into Canada would not put Canadian women out of work because not enough Canadian women wanted the job.¹²¹

A number of news accounts quoted immigration attorneys attesting to the shortage of strippers in Canada:

*“Clubs are advertising but still can’t get enough girls. There is a real shortage. ... If you can get 500 girls here, they’ll all be booked. ... There’s an absolute shortage of dancers for the clubs in Toronto.”*¹²²

And according to a Toronto lawyer: “Canadian girls don’t want to pursue this occupation. This is a major shortage of dancers at most clubs.”¹²³

One bar owner in Edmonton said that importing strippers from abroad would make his club more attractive to men:

*“It’ll bring some interest into the business from the customers’ point of view. ... Having foreign girls makes the customers think ‘Hey, let’s go check out that girl from Russia, or Israel, or Germany or wherever,’ and that brings in a little more money.”*¹²⁴

If there was in fact a shortage of Canadian women willing to be strippers it may have been because “stripping” had become rougher and more exploitative. In the 1990s, lap dancing became popular with men and strip clubs needed to offer lap dancing in order to attract customers. Although the Law Commission of Canada had banned lap dancing in all municipalities, it was still common in many clubs and was a sexually explicit performance that drew men to the clubs.¹²⁵ If women had options, as many Canadian women had, and

¹¹⁹ Godfrey, Tom. “Stripper shortage has bureaucrats ruffled,” *Toronto Sun*, July 10, 1998.

¹²⁰ Bradley, Kim. “Strip biz needs foreign va-va-voom: Bar owner; But city women’s group glad flesh trade’s gone limp from lack of girls,” *Edmonton Sun*, July 12, 1998.

¹²¹ Godfrey, Tom. “Stripper shortage has bureaucrats ruffled,” *Toronto Sun*, July 10, 1998.

¹²² Godfrey, Tom. “Stripper shortage has bureaucrats ruffled,” *Toronto Sun*, July 10, 1998.

¹²³ “Canadian government insists immigrant strippers bare all for officials,” *LifeSiteNews.com*, July 27, 2005.

¹²⁴ Bradley, Kim. “Strip biz needs foreign va-va-voom: Bar owner; But city women’s group glad flesh trade’s gone limp from lack of girls,” *Edmonton Sun*, July 12, 1998.

¹²⁵ Law Commission of Canada. *Is Work Working? Work Laws that Do a Better Job*. Law Commission of Canada, December 2004.

were not being coerced, few women chose to work in strip clubs where lap dancing was expected.

The liberalization of standards for what was called “dancing,” and men’s growing expectations that their touching, grabbing and poking would be tolerated may have discouraged many Canadian women from working in the strip clubs, if they had other options.

The changes in visa policy required the Labor Department to monitor clubs for shortages of strippers in order to facilitate hiring from abroad. The government also assisted the club owners to find women.¹²⁶ At that time, there were about 500 work permit applications each year from foreign strippers.¹²⁷ To get a work permit as a stripper, women were required to have a letter offering them a job and evidence that they were a stripper.¹²⁸

Six years later, in 2004, a high level political scandal arose when it was discovered that a Romanian exotic dancer, who was in Canada as a result of the special visa, had worked for the Immigration Minister Judy Sgro’s reelection campaign.¹²⁹ Sgro had arranged for her to get an extension on her visa to remain in the country.¹³⁰ Also one of Sgro’s aids had met with a strip club owner to review a list of women the club owner wanted to bring to Canada.^{131 132}

“Strippergate,” as the scandal became known, resulted in the cancellation of the special visa program and the resignation of Minister Sgro. In December 2004, Human Resources Minister Joe Volpe cancelled the special visa program for “exotic dancers.”

Examination of the program led critics to claim that women who entered Canada with this visa were exploited in situations that sounded like trafficking.¹³³ New Democratic Party leader Jack Layton said the government was “pimping for the sex industry.”¹³⁴ Immigration Minister Sgro defended the program, saying that although she did not like the program, it

¹²⁶ “Embattled minister promises changes to exotic dancer rules,” *CBC News*, November 25, 2004.

¹²⁷ Bradley, Kim. “Strip biz needs foreign va-va-voom: Bar owner; But city women’s group glad flesh trade’s gone limp from lack of girls,” *Edmonton Sun*, July 12, 1998.

¹²⁸ “Ottawa shuts loophole for exotic dancers,” *CBC News*, December 2, 2004.

¹²⁹ Steel, Kevin, “Strippergate gets ugly,” *Western Standard*, January 31, 2005.

¹³⁰ “Embattled minister promises changes to exotic dancer rules,” *CBC News*, November 25, 2004.

¹³¹ “Embattled minister promises changes to exotic dancer rules,” *CBC News*, November 25, 2004.

¹³² Struck, Doug, “Canada invites strippers and gets scrutiny,” *The Washington Post*, December 5, 2004.

¹³³ Jiménez, Marina and Campbell Clark, “Volpe ends exotic-dancer program,” *Globe and Mail* (Canada), December 2, 2004, p. A4.

¹³⁴ Jiménez, Marina and Campbell Clark, “Volpe ends exotic-dancer program,” *Globe and Mail* (Canada), December 2, 2004, p. A4.

filled a “labor market need” and that without it, “you’d have to wipe out the whole industry.”¹³⁵

Even before the Canadian government created the exotic dancer visa, there was evidence that women being brought into Canada as strippers were being forced into prostitution. In 1996, a 25-year old Romanian woman was recruited in Bucharest by a Toronto-based agent. When she arrived at the airport her passport was taken away. From March 1996 to October 1997, she was coerced into performing lap dances and prostitution under the threat of deportation or harm to her family in Romania.¹³⁶ In the resulting criminal case, the agent was charged with procuring a person to enter Canada for the purpose of prostitution, exercising control for the purpose of prostitution, and living off the avails of prostitution.¹³⁷

Two years before the stripper visa was introduced, the Canadian government prepared a report on trafficking in Canada that documented that women who entered the country to be “exotic dancers” were being exploited and trafficked. In paper presented at a European Union conference on trafficking, the government stated that each year 1000 employment authorizations are issued for foreign exotic dancers. These women were vulnerable to sexual and economic exploitation, deprivation of freedom, and coercion into criminal activities, and that there had been reports of extortion, coercion, rape and prostitution of foreign exotic dancers. The women were recruited in their home countries by “talent agencies,” which paid all costs of travel and initial accommodations. These loans then became debt bondage for the women. Many of the women did not speak English or French and were unaware of rights they had under Canadian law.¹³⁸

The Canadian government’s trafficking report also stated that strip clubs in Toronto and Montreal were suspected of sexually exploiting Asian women. Their passports had been taken away and they were kept in isolation. Many of the women were forced into prostitution and some had been coerced into having abortions. In one prostitution case, criminal charges were made against the women, but not the perpetrators.¹³⁹

A year after the “exotic dancer” visa was in effect, police reported that they were unable to locate 40 out of 150 women recruited to dance from Hungary, Romania and South America. They had disappeared from the clubs where they supposed to be working.¹⁴⁰ A later investigation into the exotic dancer visa uncovered Immigration Department documents that

¹³⁵ Struck, Doug, “Canada invites strippers and gets scrutiny – Scandal renews debate on program to import ‘exotic dancers.’” *Washington Post*,

¹³⁶ Godfrey, Tom. “Woman was sex slave,” *Toronto Sun*, July 16, 1998.

¹³⁷ Godfrey, Tom. “Woman was sex slave,” *Toronto Sun*, July 16, 1998.

¹³⁸ “Canada’s paper for European Union conference on trafficking in women for sexual exploitation,” June 10-11, 1996.

¹³⁹ “Canada’s paper for European Union conference on trafficking in women for sexual exploitation,” June 10-11, 1996.

¹⁴⁰ Godfrey, Tom. “Cops fear for 40 missing strippers,” *Toronto Sun*, September 14, 1999.

showed that officials knew about the dangers the foreign women faced, with one memo stating that the foreign dancers were “little more than indentured servants.”¹⁴¹

In one documented case, a Mexican woman responded to a job offer over the Internet, and was granted a work visa as an “exotic dancer.” By her account, as soon as she began to dance in a club, the situation deteriorated:

*“They gave me a room and I was locked there until the late evening. ... Before they locked me in the room, they made me sign papers. ... They said basically that I owed already \$1000 to the club... He said, ‘Either you sign or I’ll take you back to the airport.’ I was very scared so I signed the documents.”*¹⁴²

Her passport, airline ticket and documents were taken away.¹⁴³ She was required to perform lap dances, and only earned only \$2 (Canadian) per dance. She described lap dancing this way: “It’s actually sitting on a customer’s lap, gyrating until such time as they either come to orgasm or the customer runs out of money.” An investigation into the club where she was held found that a lap dance cost \$10 and men could choose which dancer they wanted from a printed catalog. To make the promised \$1000 per month, the woman would have had to perform 500 lap dances.¹⁴⁴ After two weeks, she knew she was going to be forced into prostitution. She escaped by asking a Spanish-speaking man for help and he drove her to a friend’s house. She later found out that the “agent” that recruited her had sent out an email, with her picture, asking for people’s assistance in tracking her down.¹⁴⁵ She later received other threats, including death threats from the “agent.”¹⁴⁶

In 2000, a MacKenzie Institute report on the strip clubs in Toronto stated that “a third to half of all dancers now employed in the country are ‘imports’ from other nations. Some of these have had their travel to Canada facilitated by organized crime...”¹⁴⁷

In July 2004, the scandal started to take form when an internal memo from Canadian visa officers revealed that the immigration department was requiring photographic evidence that visa applicants were strippers or exotic dancers, which often meant that applicants sent nude or pornographic photographs.^{148 149 150} News reports said that immigration officials in

¹⁴¹ “Naked truth,” CTV.ca, March 5, 2005.

¹⁴² “Naked truth,” CTV.ca, March 5, 2005.

¹⁴³ “Naked truth,” CTV.ca, March 5, 2005.

¹⁴⁴ “Naked truth,” CTV.ca, March 5, 2005.

¹⁴⁵ “Naked truth,” CTV.ca, March 5, 2005.

¹⁴⁶ “Naked truth,” CTV.ca, March 5, 2005.

¹⁴⁷ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

¹⁴⁸ “Canadian government insists immigrant strippers bare all for officials,” *LifeSiteNews.com*, July 27, 2004.

¹⁴⁹ “Canada denies foreign strippers must bare all to get visas,” *Agence France Presse*, July 28, 2004.

Mexico were looking at hundreds of photographs of naked strippers in order to make sure they were “bona fide” visa applicants. The photographs were described as “photo-spreads from second-level adult magazines and/or high level finishers in contests such as “Miss Nude North America,’ or ‘Miss Nude Europe.’”^{151 152}

Eight hundred and fifty “exotic dancer” visas were issued during the special visa program. Eighty percent of them were issued from the Canadian embassy in Bucharest, Romania.¹⁵³ Twenty five stripper work permits were granted in 2001, 216 in 2002, 552 in 2003,¹⁵⁴ and 366 in 2004.¹⁵⁵ The extraordinary percentage of visas issued from one embassy in Eastern Europe raised questions about why so many women were coming from one country and who was recruiting and facilitating the visa process. In addition, almost all the women came to Toronto to work.¹⁵⁶

According to Joe Bisset, former executive director of Immigration Canada:

*“In most countries, these girls from Eastern Europe and elsewhere are smuggled into the country illicitly by false visas or cross border. In Canada, they don’t have to do that because our government is facilitating the movement of these girls.”*¹⁵⁷

Research into the strip clubs in Toronto at the mid-point of the “exotic dancer” visa scheme found that:

*“Women are recruited in Eastern Europe, Central America and Asia by gangs to work in Toronto. The city is also a jump off point for the sex trade in the rest of North America. Several women in the Toronto strip-clubs were expected to turn tricks as prostitutes, and might be raped or beaten by the agents who brought them if they refused. ... The degree of involvement by organized crime in bringing strippers to Canada can vary to extremes from no criminal involvement whatsoever to virtual ‘white slavery’”*¹⁵⁸

¹⁵⁰ “Visa stripper scandal opens can of worms on Canada’s involvement in trafficking of women,” *LifeSiteNews.com*, August 5, 2004.

¹⁵¹ “Canada denies foreign strippers must bare all to get visas,” *Agence France Presse*, July 28, 2004.

¹⁵² “Canadian government insists immigrant strippers bare all to officials,” *LifeSiteNews.com*, July 27, 2004.

¹⁵³ “Canada denies foreign strippers must bare all to get visas,” *Agence France Presse*, July 28, 2004.

¹⁵⁴ Freeze, Colin, “Romanian strippers find Canada ideal gig,” *The Globe and Mail*, November 23, 2004, citing research by Richard Kurland..

¹⁵⁵ Interview, Immigration Department, Toronto, Canada, May 14, 2005.

¹⁵⁶ Interview, Immigration Department, Toronto, Canada, May 14, 2005.

¹⁵⁷ “Naked truth,” CTV.ca, March 5, 2005.

¹⁵⁸ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

More alarming, the report found that “a network had been created to bring girls to Toronto, and that police at the airport, Immigration officials and members of the Metro Licensing Commission has been induced to cooperate with the network.”¹⁵⁹ And there were allegations that through the exotic dancer visa the Canadian government was assisting organized crime to traffic women to Canada.¹⁶⁰ Using these visas, traffickers may have brought girls as young as 14 to work as strippers and prostitutes.¹⁶¹

After the scandal broke in 2004, a senior government official anonymously reported that intimidation by organized crime groups had led Human Resources Development Canada to create the fast-track visa for foreign strippers. The official said Human Resources Minister Joe Volpe had to battle senior officials in his own department to end the visa. They objected to ending the program because they were afraid of retaliation from organized crime groups.¹⁶²

“Exotic dancers” have been removed from the special occupation list that allows blanket approval for all applicants who meet minimum requirements, but women can still apply for work visas to be exotic dancers, and the applications will be reviewed on a case by case basis.¹⁶³

On December 1, 2005, the special exotic dancer visa was cancelled. Strip club owners can still bring women into Canada by proving that they can’t find Canadians to fill the positions.¹⁶⁴ In addition the Human Resources department cancelled its practice of assessing whether there are enough Canadian women to fill jobs as exotic dancers.¹⁶⁵

In March 2005, there was a report that strip club owners had met to discuss how to continue to bring foreign women into Canada to strip.¹⁶⁶

In June, the government refused to issue temporary work permits for American gay strippers who wished to enter Canada to perform a Lesbian and Gay Pride Week event. The strippers have filed suit against the Canadian government to challenge the suspension of the exotic dancer visa.¹⁶⁷

¹⁵⁹ The Mackenzie Institute. “Veiled Arguments: Toronto’s Debates over Strip Clubs,” May 2000, http://www.mackenzieinstitute.com/2000/2000_05_Sex_Clubs.html

¹⁶⁰ Steel, Kevin, “Strippergate gets ugly,” *Western Standard*, January 31, 2005.

¹⁶¹ Steel, Kevin, “Strippergate gets ugly,” *Western Standard*, January 31, 2005.

¹⁶² “Organized crime intimidated bureaucrats, inside official says,” *CanWest News*, December 18, 2004.

¹⁶³ Interview, Immigration Department, Toronto, Canada, May 14, 2005.

¹⁶⁴ Struck, Doug, “Canada invites strippers and gets scrutiny,” *The Washington Post*, December 5, 2004.

¹⁶⁵ “Canadians 'not ready' to spend cash on stripper-job analysis,” *CanWest News Service*, December 02, 2004

¹⁶⁶ “Naked truth,” *CTV.ca*, March 5, 2005.

¹⁶⁷ Jimenez, Marina. “Barred from performing at Pride Week,” *The Globe and Mail*, June 18, 2005.

Germany

In Germany a political scandal, known as the “Visa Affair,” arose over a fast track visa scheme that allowed hundreds of thousands of Eastern Europeans into the country, some of whom were likely pimps and victims coerced into prostitution. The “Visa Affair” scandal resulted in the resignation of one deputy minister and Joschka Fischer, the Minister of Foreign Affairs, had to undergo a grueling publicly televised hearing as part of a Bundestag inquiry into allegations that he knew that hundreds of thousands of Ukrainians and others from Eastern Europe were entering Germany on the new “fast track” visas.¹⁶⁸

In 2000 a visa regulation directive, called the “Volmer Decree” eased requirements for visas to Germany. The liberalization of visa regulations enabled hundreds of thousands of eastern Europeans to enter Germany as tourists. Many of them are assumed to have worked illegally and some may have been trafficked.

Under the new visa regulations, citizens of Eastern European countries, such as Ukraine and Russia, could get a tourist visa if they had a letter of invitation and a guarantee for their subsistence from someone in Germany. The “fast track” tourist visa regulations also eliminated the need to apply in person at the German consulate. Citizens from Ukraine, Russia, and Albania were allowed to purchase a commercial travel insurance document which then guaranteed them a tourist visa for Germany.¹⁶⁹

The visas quickly became very popular. At one point, officials in embassies in Kiev, Ukraine were issuing 2000 visas a day. Following a visit to Kiev in which Josckha Fischer saw first hand the long lines of people waiting outside the embassy, he ordered an increase in the number of staff people processing visas.¹⁷⁰ At the end of 2001, the embassy had issued 300,000 visas, compared to 150,000 in previous years.^{171 172} According to the daily newspaper *Bild*, visas were still being issued liberally so that consulates in Moscow, Kiev and Belarus had issued 467,976 visas in 2004.¹⁷³ The liberalized visa policy resulted in so many visa applications to German embassies in Russia and Ukraine that the staff was unable to check the background of the applicants or whether the support letter signers were financially able to support the visa applicants if necessary.

The misuse of the “fast track” visas came to light in 2003 when Ukrainian Anatoly Barg was arrested for smuggling/trafficking. The prosecutor in the case claimed that hundreds of

¹⁶⁸ “Intelligence agents warn visas still being abused,” *Expatica*, April 4, 2005.

¹⁶⁹ “Fischer’s ex-deputy denies role in visa scandal,” *Expatica*, April 21, 2005.

¹⁷⁰ “Visa scandal witness deals blow to government,” *Deutsche Welle*, March 17, 2005.

¹⁷¹ Lohse, Eckart and Markus Wehner. “‘Open wound’ afflicts ministry, Employees tormented by visa dispute.” *Frankfurter Allgemeine Zeitung* (<http://www.faz.net>) April 1, 2005.

¹⁷² Kirk, Lisbeth, “German visa scandal moves to EU level,” May 2, 2005.

¹⁷³ “Intelligence agents warn visas still being abused,” *Expatica*, April 4, 2005.

thousands of people, including criminals and prostitutes were allowed into the country “with the help of government ministries, who were aware of the situation.”¹⁷⁴

Evidence at the trial of Barg revealed that the liberalized visa rules had been abused. Barg, and his mafia partners, paid €15 to €45 to homeless and drug-dependent people from Cologne to sign the visa invitations. Barg’s criminal accomplices in Kiev, Ukraine, then sold the invitations for approximately €1500 to Ukrainians, who were then able to obtain tourist visas at the embassy. Barg conspired with 35 fraudulent travel agencies employing 120 employees, to put together the visa applications.¹⁷⁵

In February 2004, Anatoly Barg was convicted, but received lighter than expected prison sentence - five-years. The judge said he had to issue a lenient sentence because Barg “acted under the gaze of the state,” meaning that the judge accepted the defendant’s argument that his crimes had been facilitated by the “fast track” visa rules.¹⁷⁶

Many victims of trafficking in Germany are from the countries with “fast-track” visas. In 2002, German police freed 811 women, 708 of them from eastern European countries, such as Russia, Lithuania, Bulgaria, and Ukraine, from prostitution slavery. Of this group, 40 were minor and about half of the others were between ages 18 and 24. About two-thirds of the women were forced into prostitution, while one-quarter of them knew they would be involved in prostitution before they left their home countries, but did not anticipate they would be kept in slavery like conditions.¹⁷⁷

In February 2005, a trafficking case against seven defendants who are part of a large multi-national sex trafficking ring involving a total of 73 defendants opened in the Eastern German city of Halle. According to the prosecution, the organized crime ring initially smuggled victims across the border into Germany, but after the visa rule changes, bringing victims into Germany from Ukraine, Bulgaria, Poland, Belarus, and the Czech Republic became much easier and cheaper.¹⁷⁸

German opposition parties, such as the Christian Democrats, claim that the liberalization resulted in smugglers and traffickers bringing women into Germany for prostitution and others for criminal activity, such as drug dealers, those seeking illegal employment and even suspected terrorists.”¹⁷⁹

¹⁷⁴ “Visa scandal witness deals blow to government,” *Deutsche Welle*, March 17, 2005.

¹⁷⁵ Ley, Josef and Dieter Schlueter, “Thus ran the business of the people smugglers,” www.bild.t-online.de, February 19, 2005 (Translated from “So life das Geschäft der Menschenschleuser.”)

¹⁷⁶ “Visa scandal witness deals blow to government,” *Deutsche Welle*, March 17, 2005.

¹⁷⁷ Novial, Fabien, “Germany, a gateway to the west for eastern Europe’s trafficked women,” *Agence France-Presse*, January 26, 2004.

¹⁷⁸ “Battling human trafficking in Germany,” *Spiegel Online*, February 22, 2005.

¹⁷⁹ “Fischer’s moment of truth,” April 25, 2005.

Although the “fast track” visa was cancelled in 2003 after the Barg criminal case brought its association with smuggling and trafficking to the public attention, there are still German visa regulations that may be used by traffickers. For example, Chinese nationals have been eligible for group travel visas if they bought a package tour to Europe. According to German foreign and domestic intelligence agencies, the “fast track” visas caused an increase in illegal immigrants from China and, as of March 2005, were still being used by private Chinese travel agents.¹⁸⁰ Some people fear that some of the Chinese travel agencies are fronts for Chinese “snakeheads” who are known for smuggling and trafficking activities.¹⁸¹ The new “fast track” visas also liberalized the regulations for Bahrain, Qatar, Kuwait, and Oman, by dropping the one week wait period to obtain a visa. Intelligence agencies were concerned that this may have assisted Islamic terrorists.¹⁸²

Liberal visa regulations favor brothel owners because foreign national women cannot legally enter Germany to work in prostitution unless they have proof of “a stable, guaranteed income” or a signed job contract. Therefore, women cannot enter Germany and work as prostitutes independently. In 2004, two Romanian women applied for visas to enter Germany and work as “professional freelancers,” but were turned down.¹⁸³ Whether the visas are legitimate or not, the control of the women in prostitution is in the hands of the brothel owners.

The “Visa Affair” has moved to the European Union level with questions over whether the “fast track” visa violated Schengen rules. The Schengen agreement allows citizens of member countries to cross their internal borders at any point without checks.¹⁸⁴ (Schengen countries include Austria, Belgium, Denmark, Finland, France, Germany, Greece, Italy, Luxembourg, the Netherlands, Portugal, Spain, Sweden, Iceland and Norway.)¹⁸⁵ ¹⁸⁶ Once visa holders arrived in Germany they could freely pass into other European Union Schengen bloc countries. Consequently, traffickers may have used the “fast track” visa to bring victims into many Western European countries.

Japan

Visas have provided legal cover for traffickers to bring women into Japan for the sex industry. There from 130,000 to 150,000 foreign women in Japan’s \$83 billion sex

¹⁸⁰ “Intelligence agents warn visas still being abused,” *Expatica*, April 4, 2005.

¹⁸¹ “Intelligence agents warn visas still being abused,” *Expatica*, April 4, 2005.

¹⁸² “Intelligence agents warn visas still being abused,” *Expatica*, April 4, 2005.

¹⁸³ “Germany denies visas to prostitutes,” *Expatica*, December 8, 2004.

¹⁸⁴ Kirk, Lisbeth, “German visa scandal moves to EU level,” May 2, 2005.

¹⁸⁵ “Fischer’s moment of truth,” April 25, 2005.

¹⁸⁶ Lohse, Eckart and Markus Wehner. “‘Open wound’ afflicts ministry, Employees tormented by visa dispute.” *Frankfurter Allgemeine Zeitung* (<http://www.faz.net>) April 1, 2005.

industry.^{187 188} According to the Japanese Ministry of Justice, 130,000 of them are documented foreign entertainers, with approximately 80,000 from the Philippines, and 6,000 to 7,000 from Russia, Romania, Ukraine, China, Korea, and Indonesia each.^{189 190 191}

About 2,000 Latin American and Caribbean women enter Japan each year on entertainer visas.¹⁹² Since 1980, approximately 40,000 Latin American and Caribbean nationals entered Japan on entertainer visas. Since 1995, there has been a large increase in the number of women entering Japan on marriage visas, coinciding with the increase in the number of web based mail-order-bride or marriage introduction agencies.

According to a recent report by OAS, twenty percent of Latin American and Caribbean entertainer visas holders are potential trafficking victims. The report estimated that there are 1,700 women from Latin American and Caribbean region trafficked to Japan each year. Most of the victims legally entered Japan on temporary visitor (tourist), spouse of child of Japanese national or entertainer visas. Most of the women from this region were from Colombia, Bolivia, Brazil, Mexico and Peru, with Argentina, Chile, the Dominican Republic, Ecuador, and Paraguay also sending significant numbers.¹⁹³

A lawyer that works with victims of trafficking in Japan estimates that there are several tens of thousands of women in the sex industry in Japan who have overstayed their visas.¹⁹⁴

The Batis Center for Women in Manila, a support group for Filipino migrant workers, documented cases of abuse of Filipinos while they were working in Japan. In 2001, they found 351 cases of abuse, 170 of which were the abandonment of Filipino wives and Filipino-Japanese children, but also included cases of trafficking.¹⁹⁵

¹⁸⁷ "Tokyo under fire for turning blind eye to trafficking in women," *Financial Times*, February 7, 2003.

¹⁸⁸ International Organization for Migration. *To Japan and Back: Thai Women Recount Their Experiences*. Geneva, Switzerland: International Organization for Migration, 1999.

¹⁸⁹ "30,000 Japayuki face deportation," *Manila Standard*, December 23, 2004.

¹⁹⁰ Tsutsum, Kaname, Sumiko Honda, "OAS Rapid Assessment Report: Trafficking in Persons from the Latin American and Caribbean (LAC) Region to Japan," Organization of American States, April 7, 2005.

¹⁹¹ "Japan plans to slash visas to Filipinos to curb sex trade," November 24, 2004, <http://www.channelnewsasia.com>

¹⁹² Tsutsum, Kaname, Sumiko Honda, "OAS Rapid Assessment Report: Trafficking in Persons from the Latin American and Caribbean (LAC) Region to Japan," Organization of American States, April 7, 2005.

¹⁹³ Tsutsum, Kaname, Sumiko Honda, "OAS Rapid Assessment Report: Trafficking in Persons from the Latin American and Caribbean (LAC) Region to Japan," Organization of American States, April 7, 2005.

¹⁹⁴ "Tokyo under fire for turning blind eye to trafficking in women," *Financial Times*, February 7, 2003.

¹⁹⁵ "More Pinays leave RP for Japan," *Philippine Daily Inquirer*, February 11, 2005.

Organized crime group, such as the Yakuza, play a large role in trafficking and control of the sex industry in Japan. Because the visa process is complicated, visitors have to rely on agents for assistance; a role taken on by organized crime networks.¹⁹⁶

One broker for organized crime in 2002 earned almost \$100,000 per month for placing 400 Colombian women at strip clubs in Japan. According to victim advocates, the Yakuza's main sources of revenue are trafficking women and drugs.¹⁹⁷

In an attempt to reduce the trafficking of women for the sex industry, Japan passed a new immigration law in January 2005 that reduced the number of entertainer visas for foreign citizens from 80,000 to 9,000. In addition, the Japanese government voided the Philippines government's certification of performers' professional talents. As of March 2005, Japan started the new stricter program. Now, applicants for an entertainer visa will be required to prove that they have at least two years experience as a performer or a diploma in singing or dance.^{198 199}

Political support for combating the demand side of sex trafficking is growing in Japan. For example, Kazuo Inoue, an opposition politician and anti-trafficking activist has stated that a crackdown on trafficking needs to address the root causes of trafficking, which are the demand and the lack of policing of the sex industry: "The Japanese human trafficking problem is the sex industry."²⁰⁰

Considering the high numbers of women in Japan on entertainer visas and the large reduction in the number of such visas that Japan has enacted, this will have a dramatic impact on the number of women available for the sex industry. It will be interesting to see if the demand for victims drops or if the sex industry managers and organized crime groups look for other sources of victims and means of bringing them into the country.

Source Country Policy – the Philippines

Japanese companies wanting to hire Filipino "entertainers," or those entering the country on entertainer visas, had to pay the Philippines Embassy in Tokyo \$20,000 (¥2.1 million) to register at the embassy. This fee enabled the companies to hire workers with a Philippine government-issued performing artist certificate and an entertainer visa. In addition a ¥7,350 fee for each entertainer brought into the country was charged. The registration fee required by the Philippines Embassy was unique to Japan. The fee went into effect in the early 1990s, and around 800 Japanese recruiters paid the fee. (In 2003, 80,000 Filipino women entered

¹⁹⁶ Tsutsum, Kaname, Sumiko Honda, "OAS Rapid Assessment Report: Trafficking in Persons from the Latin American and Caribbean (LAC) Region to Japan," Organization of American States, April 7, 2005.

¹⁹⁷ "Tokyo under fire for turning blind eye to trafficking in women," *Financial Times*, February 7, 2003.

¹⁹⁸ "New Japanese visa restrictions hit nearly 80,000 Filipino entertainers," *channelnewsasia.com*, March 15, 2005.

¹⁹⁹ Head, Jonathan. "Japan curbs 'entertainment visas,'" *BBC News*, March 15, 2005.

²⁰⁰ "Japan cracks down on human trafficking, but sprawling sex industry is a tough target," CJAD (Radio), May 1, 2005.

Japan on entertainer visas, giving the Philippines embassy about ¥600 million in fees.)²⁰¹ Earlier this year, in addition to drastically cutting the number of entertainer visas, Japan told the Philippines that they can no longer charge this fee.²⁰²

According to the Philippine Overseas Employment Administration there are 7.3 million Filipino workers in 187 countries around the world. Throughout the 1990s, increasing numbers of women migrated to work in what has become known as the “feminization of migration.”²⁰³

Filipino workers in Japan send \$400 million home each year.²⁰⁴ How much of that is from the sex industry is not known, but Filipinos make-up the majority of women in the sex industry. Consequently, a dramatic reduction in the number of entertainer visas issued by Japan, although beneficial in stopping trafficking, will also significantly reduce the amount of money sent home to the Philippines.

When Japan reduced the number of entertainer visas, the Philippine government immediately protested. The Philippine government’s first concern was for their economic loss. This response reveals the supply side government’s interest in maintaining the flow of women to the sex industry in Japan. In an attempt to soften the economic blow, the Philippine’s government sent a representative to Tokyo to persuade the Japanese to delay the new policy for five years.²⁰⁵

Cyprus

Many women from Eastern Europe, particularly Russia are trafficked to Cyprus for the sex industry. This criminal activity is facilitated by the “artist visa,” issued by the government. Each year, 4,000 work visas are issued by the Immigration Office to foreign women who claim to be artists. A special separate office within Immigration is set up to process these visas. Such an arrangement creates conditions under which corruption can occur.

A recent editorial in the *Cyprus Mail* criticized the government for allowing the sex industry and trafficking to flourish:

“Let’s not kid ourselves: the cabaret industry is a sex industry, and the women we are importing as “artistes” are not working as prostitutes because they enjoy it... The vast majority are deceived or forced into prostitution, they are being abused on a

²⁰¹ Nojima, Tsuyoshi. “Overstepping the mark: Japan to ask Manila to end recruit fees,” *The Asahi Shimbun*, February 18, 2005.

²⁰² Nojima, Tsuyoshi. “Overstepping the mark: Japan to ask Manila to end recruit fees,” *The Asahi Shimbun*, February 18, 2005.

²⁰³ “More Pinays leave RP for Japan,” *Philippine Daily Inquirer*, February 11, 2005.

²⁰⁴ “Japan cracks down on human trafficking, but sprawling sex industry is a tough target,” *Associated Press*, May 1, 2005.

²⁰⁵ “30,000 Japayuki face deportation,” *Manila Standard*, December 23, 2004.

daily bases and, should they seek to escape from their predicament, the system is massively weighted in favour of their employers.”

Taiwan

In Taiwan in 2004, 130,000 Vietnamese had foreign residence certificates, 80,000 of them came to marry a Taiwanese man. There are from 100 to 300 marriage agencies in Taiwan to offer services to Taiwanese men to meet and marry a Vietnamese woman. Police say some of these women were pressed into the sex industry after arriving in Taiwan. This year, the government set new rules for foreign brides. This policy is called the “20 policy” because brides must be at least 20 years old and can’t be more than 20 years younger than the man. Since these new regulations, the number of weddings has dropped by 40 percent.²⁰⁶

Asylum Procedures

There is evidence from several countries that the asylum process is being used by traffickers to bring victims, especially minors, into destination countries.

Six hundred children enter Sweden each year without a parent or guardian. In 2004, authorities lost contact with 100 children seeking asylum, meaning they do not know where they are. See children being exploited by begging and shoplifting.²⁰⁷

In one case that drew media attention in the UK, three Chinese girls (ages 15 and 16) arrived in Newcastle airport from Paris using false Japanese passports. At immigration control they said they wanted to apply for asylum. They were taken in by social services, but disappeared three days later.²⁰⁸

A UK official expressed concern that the asylum process was being used by traffickers to bring children into the UK for the sex trade. In 1997, approximately 1,600 under-age children arrived in the UK and applied for asylum. By 2002, the number has risen to 13,000.²⁰⁹

In the Netherlands, underage girls are recruited by pimps referred to as “loverboys,” who use emotional manipulation, intimidation and abuse to coerce girls into prostitution. When a number of cases were analyzed, social services found that the perpetrators were frequently of Moroccan or Turkish descent. One third of the victims was from Moroccan and Turkish descent and one third were recruited from centers for underage asylum seekers.²¹⁰

Up to 130 unaccompanied minors arrive at Heathrow Airport each week. Many of them don’t know what country they are in or speak English. They have been coached to remain silent or

²⁰⁶ Nagamochi, Hiroki. “Taiwan’s ‘20’ policy thwarts bride hunt,” *The Asahi Shimbun*, May 7, 2005.

²⁰⁷ Per Larson, Kvinnoforum, Interview, 2005

²⁰⁸ “Were these missing girls sold for sex?” *The Northern Echo*, April 19, 2005.

²⁰⁹ “Child sex refugees,” *Financial Times*, March 12, 2003.

²¹⁰ “Courtship with loverboys ends in prostitution,” *De Volkskrant*, September 19, 2003.

say the word “asylum.” The children are turned over to social services, but many of them later disappear.²¹¹

In London, Scotland Yard’s Vice Squad reported that most of the women in prostitution in off-street venues, such as saunas, were asylum seekers or illegal immigrants.²¹²

In Wales, children of asylum seekers are recruited and trafficked into massage parlors in South Wales.²¹³

According to Child Focus, a child protection agency in Belgium, hundreds of child migrants and asylum seekers disappear each year. The agency suspects that many of them become victims of prostitution.²¹⁴

Unaccompanied minors are granted asylum more easily than adults. Officials fear that this is a way traffickers are using to get teenage girls into western European countries. The number of unaccompanied teens from Eastern Europe, Africa, and Asia arriving in western European airports and requesting asylum or claiming they are homeless has increased dramatically. In the Netherlands, from 1996 to 2001, the number doubled to more than 4,835. China was the largest source country for minors coming to the Netherlands. In Germany, over a 15 year period, the number rose to 10,000.²¹⁵

Pimps and traffickers are operating in western European countries after applying for asylum. In one case in the UK, three Albanian asylum seekers were arrested and imprisoned for trafficking a Lithuanian young woman. They were the first men to be charged under the UK’s new anti-trafficking law.²¹⁶ In the UK, a Lithuanian asylum seeker was convicted of forcing hundreds of Eastern European women and girls into prostitution in London.²¹⁷

A scheme was uncovered to bring Indonesian women and teens into the U.S. by having them apply for asylum on false applications. The women were destined to be used as prostitutes and nude dancers.²¹⁸

In the Netherlands, three men were accused of kidnapping, raping and forcing three young asylum seekers from North Africa. The women were kidnapped in Belgium and taken to the Netherlands. The men made pornography of the women being forced to have sex with

²¹¹ “Welcome to Heathrow, would all child slaves please go to Customs now...,” *Express on Sunday*, July 6, 2004.

²¹² Davenport, Justin. “Suburban brothels exposed,” *The Evening Standard*, January 16, 2003.

²¹³ Brindley, Madeleine. “Children groomed for sex trafficking,” *icWales.co.uk*, November 9, 2004.

²¹⁴ “Sex trafficking in Belgium,” *Expatica.com*, September 15, 2004.

²¹⁵ “More trafficking in teenagers to feed sex industry in Europe,” *Reuters*, June 13, 2001.

²¹⁶ Bunyan, Nigel, “I’ve run out of tears, says girl sold around Britain as a sex slave at the age of 15,” *The Telegraph*, May 9, 2005.

²¹⁷ “Pay £1 million, madam is ordered,” *Sunday Mirror*, February 20, 2005.

²¹⁸ Frieden, Terry. “Two guilty over Jakarta sex trade,” *CNN*, April 26, 2005.

animals. At a pre-trial hearing, prosecutor said that the perpetrators may have been planning to film the murder of the women to produce a “snuff” film.²¹⁹

Norway – Prohibition on Purchasing Sex Acts while Abroad

Norway passed a law to prevent government employees from purchasing sex acts while they are abroad. Civil servants and employees of the Norwegian Department of Defense are prohibited from purchasing sexual services while abroad or on official business.²²⁰

*All civil servants who are on official business or other assignment at the Government’s expense, either in Norway or abroad, shall therefore refrain from purchasing, etc., sexual services. This also applies during the civil servant’s free time when he or she is on such business or assignment.*²²¹

*“Norwegian personnel doing service abroad is obliged to withdraw from the purchase of sexual services.”*²²²

Tax Revenue from Prostitution

States become complicit in creating a demand for victims of trafficking when they derive revenue from taxing the sex industry. Often when there is a debate about legalization of prostitution, the amount of money that cities or states will make is held up as one of the positive aspects of legalization. For example, when the Czech Republic considered legalizing prostitution, media stories repeatedly reported that the government would get tens of millions of dollars in tax revenue from the estimated \$200 million sex industry.

Germany legalized prostitution in 2002, and since then various ways in which the state and its bureaucracy become complicit in creating a demand have become apparent. In Germany there are an estimated 400,000 prostitutes with 1.2 million men using their services daily, generating 6 billion euros every year.²²³ At least 60 percent of the women in prostitution are foreign national who live and work illegally in Germany.²²⁴

After legalization, tax authorities expected to get tens of millions of euros from legalized brothels. But two years after legalization, the Federal Audit Office said that the government had lost two billion euros in anticipated tax revenue. German lawmakers set up a Bundestag committee to propose new measures to improve tax collection from the prostitution business.

²¹⁹ “Kidnap, rape, and animal sex porn trial starts, January 10, 2005.

²²⁰ Kvamme, Marit. “Prostitution and trafficking in women,” *Network against Prostitution and Trafficking in Women*, 2004.

²²¹ Ethical Guidelines. <http://odin.dep.no/jd/engelsk/publ.veiledninger/012101-230004/index-dok000-b-n-a.html>

²²² “Guidelines of Conduct for Personnel Doing Service Abroad.” As cited in Kvamme, Marit. “Prostitution and trafficking in women,” *Network against Prostitution and Trafficking in Women*, 2004.

²²³ de Pommereau, Isabelle, “Rethinking a legal sex trade,” *Christian Science Monitor*, May 11, 2005.

²²⁴ de Pommereau, Isabelle, “Rethinking a legal sex trade,” *Christian Science Monitor*, May 11, 2005.

There was a discussion of how collecting taxes from prostitution businesses could help alleviate the deficit.²²⁵

According to some reports, German cities, such as Stuttgart and Dortmund, have become “dependent” on tax revenue from local brothels.²²⁶ In Stuttgart, where 2,700 prostitutes are registered, brothels now pay €15 or €25 per day, per prostitute, to financial authorities. The city of Cologne receives roughly €700,000 per month from the brothels.²²⁷

Under German law, cities must eliminate budget deficits within a prescribed time limit. Under conditions of high unemployment and recession, German cities have turned to taxing the sex trade as a way to increase revenue. Cologne aims to raise almost a million dollars a year from a tax on brothels, massage parlors, and table dancing clubs.²²⁸ Starting January 1, 2004, the city of Cologne levied a tax of €150 per woman in prostitution, with the aim of bringing in €700,000 in tax revenue.²²⁹

In Germany, the exploiters used legalization of prostitution as a way to reduce the amount of money they gave women. They kept a higher percentage of the income, claiming they had to give it to the government.²³⁰

When cities or states derive tax revenue from the sex industry they develop a vested interest in the continuing success and profitability of commercial sexual exploitation. They are unlikely to take action to curb these businesses that usually exploit victims of trafficking.

Prostitution As Work

Legalizing prostitution and redefining it as a form of work, a job like any other, raises many questions about recruitment, benefits, and ease of escaping exploitation. Policies concerning these secondary issues determine how committed municipalities and states are to facilitating exploiters’ recruitment and retention of women.

In Germany, since prostitution and brothels were legalized at the beginning of 2002, prostitution is officially viewed as work. Prostitutes are entitled to employment benefits and expected to pay taxes. Since prostitution is officially a legal job, brothel owners assumed they have a right to recruit new women by advertising their job opening in the German job advertising centers, and the right to access job seekers’ databases to look for suitable women. The Federal Labor Office made a decision not to display brothel vacancies in the job centers,

²²⁵ Goodwin, Sarah, “Prostitute says government ruining trade,” *Reuters*, May 7, 2004.

²²⁶ “German told to turn tricks or lose welfare,” *UPI*, May 13, 2005.

²²⁷ de Pommereau, Isabelle, “Rethinking a legal sex trade,” *Christian Science Monitor*, May 11, 2005.

²²⁸ Landler, Mark, “Germany’s ‘Fun City’ wants its share, taxing even sex,” *New York Times*, February 20, 2004.

²²⁹ “Applying German sex tax more ticklish than thoughts,” *Onasa News Agency*, February 11, 2004.

²³⁰ *Der Spiegel*, as cited in “German prostitutes laugh off pension plan,” *Reuters*, May 2, 2002.

and the job centers would not assist exploiters to find women for prostitution. The office also said that it would not offer prostitution or stripping jobs to women who hadn't specifically mentioned them as a type of job they were willing to do.²³¹

A brothel owner challenged this decision saying:

“Why shouldn't they send the unemployed to work in the sex industry? ...I was always looking for workers... ...now employees are insured and receive benefits. People would no longer be unemployed and could earn themselves a living.”²³²

In 2003, the owner of a newly opened brothel in Goerlitz, Germany, tried to place job advertisements for “hostesses for erotic services.” The German Federal Labor Office rejected the ads.²³³ The brothel owner said: “If the state says the women can work, I expect the authorities to do their part for me in return.”²³⁴ He said his efforts to recruit women by placing ads in the newspapers had failed.²³⁵ He claimed that he had men offering to help him staff his brothel by “selling” him women. Yet, he thought it was wrong for the Labor Office to refuse his advertisements on “moral” grounds, especially since there was high unemployment and the government had a budget deficit.²³⁶ A member of the Bundestag from the liberal Free Democrats, Marita Sehn, supported the advertisements saying that the government was hurting unemployed women in the depressed areas in the east of the country by not printing the ads.²³⁷

This debate about whether brothel keepers can recruit women through official employment agencies focuses on how involved the government should be in assisting exploiters to recruit women for their establishments.

In other area of labor policy in which the government is trying to reduce unemployment and promote job training, the Bundestag passed a law that will fine companies that fail to hire at least one apprentice for each 15 workers. No provision was made to exempt brothels from financial penalties if they too didn't hire “apprentices.”²³⁸

The legalization of prostitution and brothels in Germany has resulted in increased competition among brothels. In Munich, brothel owners are reported to be forcing women to engage in riskier sex acts and sex without condoms in order to attract men. Code terms and euphemisms for sex without condoms appear in advertisements. Representatives from NGOs that work with women in prostitution say those who are “drug-addicts” and “abused by their

²³¹ “Prostitute sees sex trade hope for jobless,” *Reuters*, February 1, 2005.

²³² “Prostitute sees sex trade hope for jobless,” *Reuters*, February 1, 2005.

²³³ Graham, Dave, “German brothel’s recruitment conundrum,” *Reuters*, August 17, 2003.

²³⁴ Graham, Dave, “German brothel’s recruitment conundrum,” *Reuters*, August 17, 2003.

²³⁵ Graham, Dave, “German brothel’s recruitment conundrum,” *Reuters*, August 17, 2003.

²³⁶ Graham, Dave, “German brothel’s recruitment conundrum,” *Reuters*, August 17, 2003.

²³⁷ Graham, Dave, “German brothel’s recruitment conundrum,” *Reuters*, August 17, 2003.

²³⁸ Goodwin, Sarah, “Prostitute says government ruining trade,” *Reuters*, May 7, 2004

pimps,” are at highest risk.²³⁹ By definition, a woman who is abused by a pimp and forced to have sex without a condom is a victim trafficking. These conditions may indicate a demand for trafficked women who can be controlled and forced to comply with demands for sex without a condom for which pimps and brothel owner get more money.

When prostitution is considered a form of work, states and municipalities have a vested interest in the industry’s success, just as they would for other high-profit businesses in their community. Recently in Germany, officials in two cities-Dortmund and Cologne-announced they anticipated a large surge in the demand for commercial sex acts to coincide with the World Cup soccer games to be played in their cities in 2006. They estimated that 40,000 women would travel to Germany to sell sex acts. (They didn’t indicate how many of these women might be victims of trafficking.) The current brothels cannot accommodate that increased volume in purchasers of sex acts. Nor are there enough parking spaces for the increased number of men driving to brothels. City officials fearing that they sex trade will spill over into the streets, parks, and other public places, have plans to build drive in “sex huts” to accommodate the increased trade. Officials believe the drive in huts will be popular because they will help protect the men’s anonymity. The huts were designed by the Dutch to accommodate their sex trade.²⁴⁰

In both the Netherlands and Germany, the question has been raised whether an unemployed woman must take a job in a brothel or strip club or lose her unemployment benefits. Governments in both countries say they would never force such a choice onto an unemployed woman, and yet there is nothing in the law to prevent them from doing so.

There are many areas of employment law and policy that when applied to legalized prostitution reveal that prostitution is still not a “job like any other.” The extent to which governments decide to treat prostitution as a regular job also determines who much they are facilitating the demand for victims.

China’s One Child Policy

In 1980, China implemented the one child policy which limits parents to having one child. The purpose was to halt population growth in the most populous country in the world. In China boys are more valued than girls, so parents want their one precious child to be a boy.

Selective abortions of female fetuses following an ultrasound test have led to a skewed sex ratio. The birth sex ratio has shifted from the biologically natural 107 boys for every 100 girls to 117 boys for every 100 girls. In Hainan and Guangdong Provinces the unequal sex ratio has grown to 130 boys for every 100 girls.²⁴¹ Because of the preference for boys, if a couple has a girl first, they are permitted to have another baby to get a boy. If a second girl baby is born, the couple often finds a way to get rid of the baby in order to try again. Girl babies are being disposed of through infanticide and neglect which further contributes to the

²³⁹ Phalnikar, Sonia, “The license to have sex,” *Deutsche Welle*, January 24, 2005.

²⁴⁰ “German city builds ‘sex huts’ for World Cup,” *Reuters*, June 8, 2005.

²⁴¹ “Rising sex disproportion sparks concerns,” *The People*

skewed sex ratio as boys and girls grow up. By 2020, an estimated fifteen percent of men -- 30 to 40 million men -- will be without a female partner.^{242 243}

Unwanted baby girls are sold to brokers. In March 2003 in Guangxi Province 28 baby girls, aged 2 to 5 months, were found packed in luggage bags in the back of a long-haul bus. A court later convicted 52 people for trafficking 118 babies from two separate incidences. An investigation found that the head trafficker purchased babies from midwives, healthcare workers and other brokers.

The girl babies are sold to childless couple in the city, where girls are more valued as support for aging couples. In August 2002 in Guizhou Province, police uncovered a trafficking ring that was selling babies to be reared to be future wives for men in remote mountain locations.²⁴⁴

Li Weixiong, the Vice-Chairman of the Population, Resources and Environment Committee of the National Committee of the Chinese People's Political Consultative Conference sounded an alarm about this trend:

*“The disproportion of male[s] to female[s] had become more and more serious, especially in the rural areas. ... Such serious gender disproportion poses a major threat to the healthy, harmonious and sustainable growth of the nation’s population and would trigger such crimes and social problems as mercenary marriage, abduction of women and prostitution.”*²⁴⁵

The growing deficit of girls, particularly in some rural areas, has resulted in a demand market for wives, concubines, and prostitutes. In 2002 and 2003, police freed more than 42,000 kidnapped women and children.²⁴⁶ From 2000 to 2003, police in Yunnan Province arrested 6,000 people for kidnapping 3,956 women and 839 children in over 2,600 abduction cases.²⁴⁷

The one-child policy has created both a supply of victims and a demand for victims. Girl babies are unwanted and consequently sold, while teenage girls or young women are trafficked and sold to men who cannot find women to marry.

A source of victims to meet the demand for women is North Korea. Thousands of women fleeing famine, hardship, and political repression cross into China each year. A significant number of these women are tricked and coerced into marriages or prostitution.

²⁴² “China to crackdown on human trafficking amid growing gender imbalance,” *Agence France-Presse*, September 7, 2004.

²⁴³ “Slavery, prostitution effect of China’s one-child policy,” *LifeSite Daily News*, March 9, 2004.

²⁴⁴ “Bias for boys leads to sale of baby girls in China,” *The New York Times*, July 21, 2003.

²⁴⁵ “Rising sex disproportion sparks concerns,” *Xinhau*, March 8, 2004.

²⁴⁶ “52 convicted of baby trafficking,” *Shenzhen Daily*, July 26, 2004.

²⁴⁷ “China to crackdown on human trafficking amid growing gender imbalance,” *Agence France-Presse*, September 7, 2005.

According to one source, there are three ways in which North Korean women are trafficked:²⁴⁸

- 1) Women are targeted by traffickers before they leave North Korea and are sold to Chinese traffickers after they cross the river
- 2) Unaccompanied women cross the river, but fall prey to traffickers who station themselves along the banks of the river in wait of vulnerable refugees
- 3) Women refugees are tricked or kidnapped after being in China for a period of time

The demand for wives or concubines for men has resulted in the trafficking and slavery of refugees.

“The victims are reported to be sold to old bachelors or widowers in the [Chinese] countryside for 3,000 yuan (a little over US\$400) each and forced into marriage. ... In most cases a few men from the same village pool their money to purchase one woman. If five men buy the joint ownership of one woman, the woman is forced to have sex with all five of them by night and take care of all five households and farms by day. There are cases where brothers buy and share one woman. A woman caught and sold to a village becomes an important village property. ... [A]ll villagers keep watch over the woman, making escape impossible.”²⁴⁹

According to Refugees International, one North Korean woman said she knew 15 other North Korean women living near her with Chinese husbands; seven or eight of them were trafficked.²⁵⁰ Because the women are not in the country legally, they cannot marry, and are essentially concubines for the men.

Jae Nam, president of the Aegis Foundation, investigated and reported on the enslavement of North Korean refugee women and children. He found:

“In the streets of Jilin Province, China, one runs into many so called ‘Kotchebi,’ which refers to migrant homeless North Korean children. Teenagers who fled North Korea for food, who end up looking for cheap labor, begging on the streets; children who do not have any family members back in North Korea. Women and children are sold in this ‘slave-like’ trade for \$100 to \$1,200. Many Chinese and Korean-Chinese buy slaves to use them as laborers or sex mates. According to the locals, it is estimated that 30,000 to 50,000 such slaves are currently serving the ‘masters’. The living conditions of these slaves are comparable to that of prison camps. These ‘slaves’ can never escape since they are chained or incarcerated at all times during which their masters are away. The few ‘luckier’ women who have married Chosen-jok (Korean Chinese ethnic minority) can have relatively easier lives and have children, but since Chinese law does not recognize marriages to foreign nationals, there is the constant threat of being persecuted and high chances of being sent to

²⁴⁸ Lee, Jeong-ju. “International community must persuade China to protect these women and their livelihoods,” *The Women’s News* (South Korea), August 2002.

²⁴⁹ Lee, Jeong-ju. “International community must persuade China to protect these women and their livelihoods,” *The Women’s News* (South Korea), August 2002.

²⁵⁰ “Trafficking of North Korean Women in China,” *Refugees International*, July 28, 2003.

detention centers. From there, they are likely to be repatriated to North Korea. There is a network of criminal organizations dealing with such 'human trafficking' – kidnapping and selling women to brothels and to men who need wives in rural, desolate areas. It is believed that many of the North Korean female refugees are the victims of this human trafficking and are resold several times, oftentimes ultimately ending in lives of prostitution.”²⁵¹

Refugees are extremely vulnerable because China has a policy of returning refugees to North Korea, where they are often sent to gulags. Women refugees are caught between severe punishment, even death, if they are caught and returned to North Korea and hunger and hardship if they try to remain free in China. Women often voluntarily agree to be sold to a Chinese-Korean or Chinese man as the best choice they can make under these circumstances:

“[I]t is better to find a man, any man, than starve to death in North Korea.”

“The women keep coming out.... They are looking at any chance to survive. They don't expect happiness out of marriage, only survival.”²⁵²

It is unknown how many North Korean women refugees are coerced or reduced to prostitution or being sold into marriages to survive.

“A survey conducted in Hanawon, which is a re-training facility for the North Korean refugees run by the South Korean government, showed that 70 to 80 percent of female North Korean refugees had experienced human trafficking in one form or another in China. Dr. Nam also met a woman who had been sold six times by a criminal network of traffickers, before being rescued by Korean American missionaries. In another case, which was videotaped by Dr. Nam, the horror experienced by a young couple is captured on film. This young, married couple had escaped from North Korea and had found shelter in a Chinese village. While there, a group of human traffickers tried several times to kidnap the wife in front of the husband's very own eyes, but villagers were able to protect her from those attempts at abduction. Even still, she is constantly threatened by further attempts at abduction.”²⁵³

The trafficking of North Korean refugees is a perfect example of a demand market meeting a vulnerable supply of victims.

Conclusion

There are multiple components that make up the “demand” side of sex trafficking. In addition to the purchasers of sex acts who create a demand for victims, the culture, the exploiters, and the state also create or facilitate the demand for victims. The exploiters use victims as the commodities in their money making criminal enterprises. States develop approaches to the buying and selling of sex which legitimize or suppress the markets for sex.

²⁵¹ Nam, Jae J. “Brutal treatment of its fleeing citizens to protect and preserve the regime,” AEGIS Foundation Report, October 19, 1999.

²⁵² Demick, Barbara. “North Korea's Brides of Despair: Thousands of women are fleeing into China and secretly marrying to escape starvation,” *The Los Angeles Times*, August 18, 2003.

²⁵³ Nam, Jae J. Personal communication, 2005.

Even when states oppose the trafficking of women, their immigration and asylum policies may facilitate traffickers' movement of victims into a destination country.

There is much to be learned about the dynamics of sex trafficking by analyzing the markets for victims and the exploiters' methods of operation. Focusing on the marketing and profit-making of exploiters can provide multiple strategies to intervene to eradicate sexual exploitation. State approaches to prostitution create different cultures and levels of accommodation for the sex industry and its need for victims.

Recommendations to Combat the Demand for Victims

- 1) Set zero tolerance policies for sex trafficking and prostitution.
- 2) Set an abolitionist approach to sex trafficking and prostitution based on distinguishing between victims and perpetrators.
- 3) Law enforcement efforts should aim to eradicate the markets which create a need for victims. Efforts should be made to put exploiters out of business, which includes permanently shutting down establishments where sex trafficking occurs. Investigate and prosecute financial aspects of trafficking and prostitution, such as tax evasion, tax fraud, and money laundering.
- 4) Redefine prevention. If the demand for victims is one of the reasons that trafficking occurs, then shutting down the markets and putting prostitution establishments out of business is part of prevention. Demand reduction is part of prevention of sex trafficking.
- 5) End tolerance for the illegal sex trade, including open advertising of criminal activity, such as escort services, massage parlors, spas, etc, which are well known fronts for prostitution.
- 6) Police departments should have a special unit to combat human trafficking, including sex trafficking. Redefine and rename vice units. Retrain officers to investigate trafficking and prostitution as crimes in which people are victimized. Increase resources so that sustained effort can be made to combat sex trafficking and prostitution.
- 7) End discrimination against victims in arrest and prosecution of trafficking and prostitution-related offenses.
- 8) Increase criminal investigation of exploiters. Increase investigation of corruption linked to trafficking and prostitution. Increase criminal penalties for officials involved in corruption in sex trafficking and prostitution cases.
- 9) Train law enforcement to recognize exploiter behavior and signs of victimization.
- 10) Eliminate “sweeps” as a law enforcement method to combat prostitution. Design comprehensive programs with sustained effort to eliminate sex trafficking and prostitution by arresting and prosecuting purchasers of sex acts and exploiters, and providing services to victims. Design law enforcement strategies to eliminate the markets for victims.

- 11) Devise strategies to combat different markets for victims.
- 12) Analyze immigration and asylum policies to eliminate the use of legal means for exploiters to bring victims into destination countries.
- 13) Review state approaches to prostitution for effectiveness in reducing the demand for victims and for eliminating the markets for victims.