Modern day slavery: What drives human trafficking in Europe?

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ABSTRACT

This paper examines the determinants of human trafficking victim inflows into European countries based on identified victim numbers. We use a gravity-type model to acknowledge data reporting shortcomings. Our empirical results suggest that human trafficking occurs within well-established migrant and refugee corridors and that victims are more likely to be exploited in host countries with weak institutions. Legislation on prostitution activities does not influence victim inflows. Liberalization of border controls intensifies trafficking flows. We find no effect of host countries' acceptance rates of asylum seekers. We conclude that effective policies against human trafficking require sound institutions and a focus on the entire trafficking-chain/channel from source to host countries.

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1. Introduction

The past few decades have seen an increase in migratory flows between countries. These flows have been facilitated and fuelled by decreased costs of communication and transportation and people's desire to move to more prosperous and politically stable regions. The combination of the means and desire to migrate with strict border controls and limited working opportunities for foreigners in destination countries creates a fertile ground for the development of organized criminal organizations that deal in illegal migration services. Human trafficking, often acknowledged to be "modern day slavery", bases its source of profits on the exploitation of human rights by using people as commodities.[1] In an effort to raise awareness and to seek a joint solution to this form of crime, the United Nations (UN) issued its Protocol to Prevent, Suppress and Punish Trafficking in Persons, defining human trafficking as "the recruitment, transportation, transfer, harboring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation." According to the U.S. Department of State (2006), between 600,000 and 800,000 people fall victim to trafficking mafias every year. The International Labor Organization (ILO, 2005) estimates that at least 2.4 million adults and children are victims of forced labor and sexual servitude as a result of trafficking in persons (TIP). Revenues from this form of exploitation are calculated to be at least

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[1] "Modern day slavery" is widely used to describe the phenomenon of human trafficking and its characteristics today in delimitation to the historical slave trade. See for instance Danailova-Trainor and Laczko (2010).

US $30 billion annually, making human trafficking the most profitable illicit activity after drug and weapon smuggling (ILO, 2005; Interpol, 2009).

Despite the magnitude of these figures, few quantitative studies have been done in this area. This is mainly because acquiring the relevant data is difficult and its collection process is not homogeneous across countries. Uniform data collection is largely affected by government effectiveness in identifying relevant actors (both victims and traffickers), as they belong to the "hidden population" (Heckathorn, 1997). In addition, given how politicized the topic is, identification efforts may be directed towards specific human trafficking segments, above all sexual exploitation (Tyldum and Brunovskis, 2005). Therefore, the scarce quantitative research on human trafficking bases its analysis on self-constructed estimations and proxies or on surveys implemented for specific case studies. Despite the importance of these approaches, they limit comparability and impede identification of relevant factors driving human trafficking. Recent attempts to empirically address the subject are a response to the increased attention human trafficking has received internationally.

One part of the literature focuses on the impact and effectiveness of policies combating human trafficking (Di Tommaso et al., 2009; Akee et al., 2014; Avdeyeva, 2010; Simmons and Lloyd, 2010; Cho and Vadlamannati, 2012). In line with this strand of research, Cho et al. (2014) have developed an anti-trafficking policy index measuring the three main dimensions of the fight against trafficking: prosecution, protection and prevention.[2] A second and less developed strand of the literature focuses on the analysis of TIP by employing binary outcome measures. Akee et al. (2010a, 2014) consider factors in the countries of origin and destination of victims within a binary gravity-type model.[3] With a similar methodology, Akee et al. (2010b) highlight the importance of ethnic fragmentation, conflict and internally displaced persons in source countries as determinants of trafficking flows. Cho (2015) models the determinants of human trafficking in- and outflows by using an extreme bound analysis for numerous push and pull factors in a cross-country analysis.[4] These results show that crime prevalence, institutional quality and vulnerable conditions of migrants all influence the level of human trafficking.

These above four studies provide some initial insights into the factors driving human trafficking — migration flows, institutions, regulations on TIP as well as crime prevalence. We build on this literature by extending the analysis to human trafficking victim flows to Europe and identify robust determinants. Government efforts have been undertaken in recent years to construct more comprehensive and reliable databases on TIP victims. Several official institutions in Europe systematically collect such data, which to date remain largely unexplored.[5] These national reports include the number of TIP victims observed in a country in a given year, as well as the nationality of every victim. Their identification is largely based on the TIP definition provided by the Protocol to Prevent, Suppress and Punish Trafficking in Persons (UN, 2000a) guaranteeing that the statistics are comparable across European countries. According to The Global Report on Trafficking in Persons (UNODC, 2009a) Europe is one of the top destination regions for human trafficking, and all countries under study are classified among the largest recipients of TIP victims in this document.[6] The International Organization for Migration (IOM) has recorded the largest proportion of TIP cases in Europe (IOM, 2011). Analyzing Europe as a major destination region thus provides us with detailed insights into the trafficking process in this region. The data obtained for this study describes the intensity and direction of TIP flows, enabling a consistent and accurate analysis of the flow of victims between countries.

This paper contributes to quantitative studies of human trafficking flows in three important ways. First, it is based on the analysis of officially recorded victim flows, which are more accurate in describing their pattern than other self-constructed estimations or proxies used in previous studies. By employing a fixed effects set-up and controlling for data collection and reporting institutions, we show that the data is comparable across reporting countries. Second, given the inclusion of multiple host countries, our model allows for the analysis of the characteristics of countries where victims are exploited, which is a relevant factor in shaping the direction of TIP flows. Finally, as our dataset contains information for several years, our study captures the evolution of policies over time, namely those during the expansion of the European Union.

The gravity-type model of TIP flows from 120 countries worldwide to 13 host countries over the 1998–2009 period shows that human trafficking into Europe occurs via well-established migratory and refugee routes. In addition the findings suggest that victims more often originate from source countries whose nationals do not require a visa for short term visits, and they are more likely to be exploited in host countries with low levels of institutional quality. We also find that recognition rates of asylum seekers and the legislation of prostitution in host countries do not affect trafficking flows significantly.

The paper is structured as follows. Section 2 describes the phenomenon of human trafficking and presents preliminary figures. We discuss our hypotheses regarding host and source countries in Section 3, while Section 4 describes the dataset and outlines the empirical strategy used. Section 5 shows the results, revealing which factors are crucial in the determination of TIP in Europe. Finally, in Section 6, we summarize and draw conclusions.

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[2] Thus, the index is called the 3P Anti-trafficking Policy Index. It is available at http://www.human-trafficking-research.org/.

[3] The binary variable indicates the reporting of at least 100 victims of human trafficking between a specific source and host country. This is based on the U.S. Department of State TIP Report (2003) and the Protection Project (2002) Human Rights Report.

[4] This study makes use of information on total in- and outflows per country, rather than bilateral flows. In addition, given its cross-section nature, it disregards the change of victim flows over time.

[5] Institutions include official anti-trafficking centers, national police offices, and ministries of interior and immigration offices, among others. A complete list of institutions contacted for this study is given in Table 1.

[6] Other important destination countries for victims of TIP outside Europe had not published comprehensive figures on the size and origin of victim flows at the time this research was conducted.