



Trafficking Trends and Key Rankings: Say No to Grade Inflation

Written Testimony by Mark P. Lagon

President, Freedom House

House Committee on Foreign Affairs Subcommittee on Africa, Global Health,
Global Human Rights, and International Organizations

Hearing: "Accountability and Transformation: Tier Rankings in the Fight
Against Human Trafficking"

April 22, 2015

Introduction

It is always an honor to take part in what Chairman Smith considers his annual responsibility to foreshadow the *Trafficking in Persons (TIP) Report* rankings to come out each June, before the State Department finalizes decisions. Mr. Chairman and members of the Subcommittee, thank you for inviting me again. Mr. Chairman, I ask that my written testimony be admitted into the record in full while I summarize my observations.

Mr. Chairman, you shaped the *Report's* tier rankings and strengthened their integrity in the Trafficking Victims Protection Act (TVPA) of 2000 and its reauthorizations. **Seriously researched and credible reports assessing the performance of governments in protecting the dignity of those living and working in their borders have a demonstrable impact. The history of the TIP Report shows it has focused the minds of governments on change.** Instead of stigma falling upon the victims of human trafficking, including in migrant labor and the sex industry, it places constructive stigma on those governments not doing enough to prevent their victimization, to assist them, and to hold their tormenters to account. Freedom House knows that well-documented reports giving grades to nations (including the United States and other Western states), like its *Freedom in the World* survey has for 43 years, gets the attention of authorities. Much like when I was the Ambassador-At-Large directing the TIP office, numerous diplomats, executive branch officials and senior legislators seek meetings with me and my Freedom House teammates to learn what needs to improve to earn a better assessment.

The automatic downgrade of nations reaching a time limit on Tier 2 Watch List rankings is sound. They are not being “watched” if there is no prospect of ever descending to Tier 3. Sure, waivers are used to delay or avert downgrades, and Tier 3 countries often get sanctions waived. But the stigma of Tier 3, and the norm that a nation cannot hover above Tier 3 forever, help spur change.

The tier rankings are a potent tool for diplomacy. Of course, the State Department TIP Office needs a permanent Ambassador named and confirmed to carry forth the robustly bipartisan consensus to fight modern slavery. A vacancy or a less-than-robust leader hampers the heretofore very successful TIP Office as it did the State Department’s Office of International Religious Freedom, which so benefits from a strong envoy in Ambassador David Saperstein (a hero in the fight against trafficking in his own right).

Something else besides the *TIP Report’s* grades and the diplomacy it leverages is working in the fight against trafficking: partnerships. I just ended a four and half year stint as an academic, where I devoted a chapter in my book *Human Dignity and the Future of Global Institutions* on what works in those partnerships against trafficking. **Particularly important are (1) the need for true alignment of missions of public, nonprofit, and private sector partners, and (2) the mobilization of resources in multistakeholder efforts.** As for alignment of interests, among partners, **businesses have not only a responsibility but a strong interest in predictably implemented rule of law and justice wherever they operate.** Where corruption and gross exploitation of marginalized populations arises, it hurts the value, productivity, and reputation for businesses and their shareholders.

Regarding mobilizing resources to back nimble partnerships – that is precisely the goal of the *End Modern Slavery Initiative Act of 2015, S. 553, championed by Senator Bob Corker.* Supported by an array of faith-based and secular nonprofits, that legislation creates a partnership fund leveraging taxpayer resources with those of other nations, corporations, and philanthropic foundations. Well-coordinated and resourced partnerships are what will take the prodding insight of the *TIP Report* rankings and help build will and capacity to fight trafficking. **Freedom House has endorsed that legislation; it should be passed and accompanied by appropriations.**

Instead of treating the whole world, let me focus on a few countries deserving special attention: China, Cambodia, and Thailand in East Asia; several around the African continent; and a few in the scarlet red hazardous zone for human trafficking, the Middle East.

East Asia

To Freedom House, brittle autocracies and intolerant extremists plague the Middle East and North Africa, and Vladimir Putin’s regime threatens the free expression and autonomy of the Russian people and neighboring states. Yet as Freedom House’s President, I surmise that China is the largest governance problem in the world today – challenging global norms, pursuing development without dissent, and neglectful of the most vulnerable.

China

The Chinese government’s egregious human rights practices over time and weak rule of law have resulted in an environment where human trafficking thrives. China has been on the Tier 2 Watch List for 9 out of the last ten years. In 2013, China was automatically downgraded to Tier 3, but was bumped back up to Tier 2 Watch List in 2014 due in large part to the decision to abolish reeducation through labor.

China's strict population control policies are one of the drivers of trafficking in China. Decades of one child policy in a culture valuing sons over daughters have resulted in a dramatic gender imbalance. Today in China, there are 34 million more men than women, and approximately 118-120 boys are born for every 100 girls. Naturally-occurring sex ratios are approximately 103-107 boys born for every 100 girls. The Chinese government has in the face of this horrifying imbalance expanded the number of families permitted to have two children. This may improve conditions for future generations. But, the present-day deficit of 34 million women still fuels China's thriving sex slavery and bride trade industry, while intrusive medical examinations, forced abortions, and sterilizations employed on a large scale to implement population controls remain a routine violation of women's reproductive rights.

Chinese human trafficking rings run complex operations. Chinese men, women, and children are taken to countries around the world, forced into labor and sex trafficking. Within China, there are approximately 250,000 people trapped in human trafficking, though estimates are always just that – estimates. Yunnan and Guizhou provinces (with lower per capita GDPs) are among the sources; Fujian, Guangdong, and Shandong (with higher per capita GDPs) are among top destinations. According to the United Nations Inter-Agency Project on Human Trafficking, “anecdotal evidence suggests that cross-border trafficking of women is increasing.”

Women and young girls are abducted and sold as brides to Chinese men living in rural areas where there are few women. Chinese women living in poor, rural areas and women living in poorer communities in nations surrounding China's borders are especially vulnerable. As the 2014 *TIP Report* on China notes, women have been kidnapped or trafficked from Burma, Vietnam, Laos, Mongolia, North Korea, and even Africa and the Americas.

The Chinese police have been working in some areas to crack down on this practice, but rather than treating these women as trafficking survivors, Chinese officials typically arrest these women and handle them as criminals before deporting them to their home countries. In the case of North Koreans who are apprehended, being returned home is often worse and more dangerous than remaining in Chinese jails. (Chinese officials also repatriate North Korean refugees desperately attempting to flee their despotic regime – an unconscionable violation of human rights – but that is a topic for a whole separate hearing.)

Bride kidnapping and sex trafficking are not the only forms of human slavery occurring in China. Forced labor of men, women, and children is prevalent in China's factories and extractive industries, and children are also kidnapped to be sold for adoption. Non-Chinese migrants, as well as poor, rural Chinese, and their children are particularly vulnerable. The Chinese government also engages in demographic manipulation. As the 2015 *Freedom in the World* report noted “the government continues to pursue policies... designed in part to alter the demography of ethnic minority regions, especially Tibet and the Xinjiang Uighur Autonomous Region.” These policies include cash rewards for marriages between ethnic minority and Han Chinese citizens. Officials have also urged Uighurs to relocate to other parts of China, and hinted at the potential for more strict population control methods for ethnic minority families.

Since early 2013, the Chinese government has taken unprecedented steps towards abolishing the decades long “re-education through labor” (RTL) camp system. After several official announcements and initial reports of detainee releases, the abolition of RTL was confirmed with a short declaration in the Third Plenum resolution in November 2013 and with a resolution by the National People's Congress (NPC) Standing Committee that December.

According to research by Freedom House and other human rights groups, various forms of criminal, administrative, and arbitrary detention have effectively replaced RTL as a means of intimidating, punishing, and neutralizing political and religious dissenters. This shift in tactics has meant that, on the one hand, **for political and religious activists, the abolition of RTL has brought little relief from the risk of detention. They are at as much risk as ever of detention and “re-education.”** Torture and indoctrination are constants in “black jails” for petitioners and forced conversion centers for Falun Gong adherents. But, on the other hand, for some detainees, the forced-labor dimension has been removed from the equation.

Some facilities previously serving as RTL camps have been repurposed as drug rehabilitation centers that involve forced labor. Meanwhile, women found to be involved in the sex trade are held in the “custody and education” system, where they are often required to work seven days a week with no pay. In addition, even as camps have been closed or repurposed and many detainees released, the party and state have shied away from actions that might signal a more fundamental break with the abuses of the RTL system, such as prosecuting guards accused of torture or permitting courts to accept petitions for redress from former detainees forced to perform over 12 hours of forced labor a day.

Indeed, prisons and detention centers appear to still be engaging in forced labor practices, including for religious detainees, political prisoners, and foreign nationals. At least some of these products appear to be imported into the United States despite laws barring their entry. In recent years, there have been several former detainees from prisons and detention centers, often foreign citizens, who have testified to long hours and harsh conditions when preparing products for export: a Cameroonian held in a prison in Qingdao who snuck a note into a Saks Fifth Avenue bag, a New Zealander who spent time in a Guangdong prison relaying details of making products for Western airlines, and an American college professor who reported being forced to make Christmas lights at a detention center in Guangzhou. These first-hand accounts point to the fact that forced labor at RTL camps was only one part of a much larger exploitative system. The Chinese government routinely provides minimal cooperation when replying to U.S. official inquiries related to suspicions of prison labor products being exported.

China has made some strides in addressing human trafficking, but has a long history of severe violations of human freedom. China’s Tier ranking should depend on whether China has addressed the recommendations included in the 2014 report.

Cambodia

High levels of corruption and poor rule of law in Cambodia continue to foster a thriving environment for internal and cross-border trafficking. Cambodia is a source, destination, and transit country for trafficking, particularly targeting migrant workers and women and children for inclusion in the sex trade. In past years, the Cambodian government has not held traffickers accountable nor demonstrated a genuine commitment to cracking down on corrupt local officials who facilitate trafficking. After two consecutive years on the Tier 2 Watch List, Cambodia faces an automatic downgrade to Tier 3 in the upcoming 2015 report. It is a testament to the threat of this potential downgrade that, in February, the Cambodian government launched a new four year national action plan to combat trafficking and restructured the National Committee for Counter-Trafficking. **The new National Action Plan was developed with the support of USAID and incorporates many recommendations from past TIP Reports. While it is encouraging to see the government of Cambodia take more steps to address trafficking, it is important that the United States continue to press the Cambodian government to**

take action and that the 2015 TIP score reflects whether the Cambodian government officials demonstrate a true commitment to implementing this new strategy.

Thailand

Thailand remains a source, transit, and destination country – each in large extents – for trafficking and was rightly automatically downgraded to Tier 3 in 2014. Job-seekers from surrounding nations working in factories and on Thai-flagged fishing boats are some of the most vulnerable to trafficking. As has been reported for years, the Thai fishing industry is rife with forced labor, both on the high seas and within seafood processing and packing plants. I visited one such facility in Samut Sakhon back in 2007. The problem is so egregious that the U.S. Department of Labor has officially highlighted Thai seafood as a tainted commodity. Yet, it remains to be seen whether the United States government will impose the sanctions it is authorized to deploy, which would bar Thai seafood from U.S. markets due to forced labor. Many of the problems I highlighted in my testimony last year remain: defective mechanisms for identifying victims among vulnerable populations; lax investigation, prosecution and conviction of perpetrators; inadequate regulations concerning labor brokers and recruitment fees paid by migrant workers; and official complicity in the cross-border smuggling of undocumented migrants. **I urge the U.S. government to sustain a Tier 3 ranking should the Government of Thailand not show strong will to take corrective action to address human trafficking in short order.**

Africa

Sub-Saharan Africa has made progress in its efforts to curb human trafficking over the past decade. Today, more than half the countries in the region have passed laws that criminalize most or all forms of trafficking, which is a marked improvement from ten years ago. **However, despite the increase in laws passed, implementation remains an obstacle for many countries, with human trafficking networks still prevalent across sub-regions.** Further, despite progress, instability and endemic socio-economic inequality mean that vulnerable populations still fall victim to exploitation every year, especially women and children. It is worth remembering that just last week we marked the one year anniversary of the kidnapping of over 270 young girls in northern Nigeria, a sobering reminder that threats still remain.

One of the largest obstacles to the eradication of human trafficking in Africa is the lack of accountability for those guilty of its practice. **This obstacle is, in part, the result of governments attacking the institutions and actors that help ensure that anti-trafficking laws are respected and enforced, namely civil society organizations and independent media. In fact, many of countries on the Watch List have passed laws that seek to limit the ability of organizations and journalists to expose forced labor, sexual exploitation, and the use of child soldiers.** Overall, this effort has led to an environment of impunity for perpetrators.

Angola

The Angolan government has made attempts to amend laws to protect against trafficking, but enforcement of these laws is minimal, and Angola faces an automatic downgrade to Tier 3 in the 2015 report. Very few people are actually investigated for suspected trafficking and even fewer are convicted. In recent years, Chinese construction companies have been implicated as some of the biggest culprits, particularly in the forced labor of children. The Angolan government, however, has not moved forward with prosecuting these companies. Instead, President Jose Eduardo Dos Santos - who has been in power

for more than 35 years - continues to restrict the political rights and civil liberties of citizens and limit any type of accountability for political and military elites. Emblematic is the ongoing case against renowned investigative journalist Rafael Marques de Morais, who is currently on trial for criminal libel after exposing corruption in the country's mining sector among several senior ranking military officials.

Burundi

Forced labor and sex trafficking remain serious problems in Burundi, and Burundi faces an automatic downgrade to Tier 3. The government continues to lack the capacity to adequately investigate and prosecute potential perpetrators. A NGO-led working group has formed to work with various government agencies to combat trafficking, but the government has provided little financial assistance to support the group. Moreover, as the country prepares for elections this summer, the operating space for human rights organizations has closed significantly. Several prominent human rights defenders and political opposition members have been arrested in recent months and the government has repeatedly prohibited public demonstrations and public gatherings. Due to this democratic backsliding, Freedom House officially downgraded Burundi to a Not Free country in its 2015 *Freedom in the World* report.

Kenya

In Kenya, corruption and weak accountability of public officials continues to hamper efforts to stop human trafficking and exploitation, and Kenya will need a second presidential waiver to stay on the Watch List. A lack of reporting prevents adequate monitoring and evaluation of investigation and prosecution of cases, especially where government officials are implicated. In a positive development last year, the Kenyan parliament passed the Victim Protection Bill, which provides improved support for victims of crime. The ongoing security crisis in the country, however, has exposed serious human rights abuses committed by security forces, who are accused of arbitrary arrest, torture, and extrajudicial killings. A large part of these violations target the Somali population living in the country.

Rather than increasing oversight of security forces, President Uhuru's administration has tried to limit freedom of expression and association of citizens. In late 2013, the government passed a draconian media law stipulating hefty fines against journalists found to violate the government-dictated code of conduct. **As we speak, efforts are also underway to increase the regulation of Kenyan NGOs, which our partners on the ground say would give the government control over their activities and limit their ability to accept foreign funding, further limiting the ability of civil society to hold government officials accountable for actually implementing anti-trafficking programs, or for official complicity.**

South Sudan

No African country saw a bigger decline in freedom last year than South Sudan. The ongoing civil conflict has displaced nearly two million people, which has in turn dramatically increased the vulnerability of these groups to exploitation. Both sides of the conflict are guilty of using child soldiers, and, according to a UNICEF report, approximately 9,000 children served in government and rebel armed forces. There is, unfortunately, little accountability for this practice, even though a 2008 law forbids the recruitment or conscription of anyone under 18 years of age. Instead, both the rebels and security forces enjoy impunity for the human rights abuses they have committed against civilian populations. The international community is still waiting for the African Union Commission of Inquiry report on human rights abuses

committed during the conflict. South Sudan will require a second presidential waiver to stay on the Watch List in 2015, which would be hard to justify.

Mali

Two years after the coup, Mali is still trying to address many of the issues that led to civil unrest then. The government struggles to exert authority over large portions of the north of the country, where the recruitment and use of child soldiers by armed groups is still prevalent. Child labor also remains a concern in the extractive, agricultural and salt-mining sectors. Hereditary forms of slavery are still common in parts of the country, where thousands of people are estimated to live in forced servitude. In fact, while the country officially abolished slavery in 1960, it remains the only country on the continent where slavery is not criminalized. The country remains a transit and destination country for human trafficking in the Sahel and a source country for trafficking to Kuwait and Saudi Arabia. Steps toward stability and reconciliation may provide rationale for giving Mali a presidential waiver to remain on the Watch List for a third consecutive year.

Rwanda

In late 2014, Rwandan President Paul Kagame publically pledged to increase the government's efforts to end human trafficking. The problem, however, is how the government is actually following through on its obligations. Rwandan officials were implicated in supporting the M23 rebel group in Congo in 2013, which used child soldiers in its conflict against the Congolese government. Additionally, in an effort to clean up the streets, hundreds of people from vulnerable populations – including prostituted people and street children – have been arrested and detained, often without charge. **Over the past several years, the government has also effectively eliminated independent human rights organizations in the country. Press freedom also remains severely restricted, with high levels of self-censorship among journalists who fear legal prosecution and harassment by state and non-state actors. Watchdogs on trafficking have been leashed and muzzled.** Rwanda will require a far-fetched presidential waiver to remain on the Watch List for a third consecutive year.

The Middle East

Because the autonomy and rights of migrant workers and of females are strictly limited in the Middle East, it represents an especially acute hazard zone for human trafficking. From construction workers to domestic servants, human trafficking abounds. As the states in the region have reduced the rights and voice of civil society in general in the name of order and counterterrorism, modest hopes for accelerated anti-trafficking efforts have also been dashed.

Qatar

Qatar, which was a Tier 2 Watch List country in 2014, is particularly troubling. Forced labor is the primary form of human trafficking in Qatar, and – as the 2014 *TIP Report* notes – 94 percent of the country's workforce is migrant labor. Many of these laborers face the delay or nonpayment of wages, confiscation of passports, and physical and sexual abuse. The preparations for the 2022 World Cup soccer tournament – rife with corruption – have heightened the vulnerability to trafficking in construction sites. Major international games are often accompanied by spiking sex trafficking, and the same can be expected for Qatar without aggressive steps. **Corporations investing in Qatar and American**

universities like Georgetown with campuses in the country have an obligation to raise the trafficking hazard going from bad in the Gulf to still worse in Qatar.

Bahrain

Backed by Saudi Arabia, Bahrain has cracked down on dissent since the 2011 uprising. **Other than Assistant Secretary of State for Democracy, Human Rights, and Labor Tom Malinowski, who was rebuffed from his visit to Bahrain in July 2014 to raise human rights concerns (followed by Congressman Jim McGovern the following month), the U.S. government has been too muted in raising human rights concerns regarding Bahrain.** The U.S. military presence at the Fifth Fleet naval base and the effort to mobilize a coalition to take on the so-called “Islamic State” serve as ill-conceived grounds for that muted criticism. As for human trafficking, **conditions for migrant workers subject to debt bondage and indentured servitude and passport withholding are so bad in Bahrain that suicide rates have been striking in recent years, and domestic workers are especially vulnerable.** Implementation of the anti-trafficking law Bahrain passed in 2008 – when I was Ambassador at Large – increased slowly and then attenuated. Bahrain got a presidential waiver in the 2014 *TIP Report* to remain on the Tier 2 Watch List based on a written plan it presented to the U.S. It would need a second such waiver not to be downgraded to Tier 3 in 2015. If it has not met the TVPA’s standards or its own written plan, it should get downgraded.

Saudi Arabia

Saudi Arabia, which has received a Tier 3 ranking every year since 2005, deserves special mention. **First, women being repressed and indeed blamed for when they are victimized (through sexual violence or trafficking) is even more pronounced in Saudi Arabia than in other Middle Eastern nations. Second, while other small Gulf states fabricate the pretext that restrictive *kalafa* sponsorship laws, passport confiscation, and prison-like housing conditions are justified by the local population being outnumbered by migrant workers, this flimsy excuse is unavailable to the Saudis. Third, smaller states in the Gulf look to Saudi Arabia for cues; given its regional clout, if it does not promote reforms there is little hope smaller neighbors will be trailblazers.** The Ambassador of Bahrain made this very point to me when I headed the State Department TIP Office. Saudi Arabia is therefore the most important problem state in human trafficking’s red zone, the Gulf. It is of great concern that Saudi Arabia has shown minimal desire in past years to improve its TIP score.

Global Trends and Solutions

Having spoken to what is working in efforts to combat human trafficking, and addressed some countries of particular concern (including those on the cusp of a downgrade), let me close by making some observations about global trafficking patterns.

First, human trafficking consists of both sexual and labor exploitation. While labor trafficking victimizes more people, sex trafficking yields more profits to the traffickers on the backs of its victims. Cambodia is a classic example of this duality. **Despite voices interested in only one or the other, both scourges matter equally.**

Second, migrants are especially vulnerable to trafficking, but the devil is in the details. **Some undocumented migrants due to force, fraud, or coercion, or the innocence of youth, deserve to be treated as the survivors of slavery they are. With the most notable example being in the Gulf, some documented workers are human trafficking victims due to lies about the nature and severity of the work they will do, and due to withheld pay or documents.** Where governments and elites in places like the Gulf states and Singapore consider migrants a threatening foreign presence to be controlled, those legal guest workers more easily become trafficking victims. **Finally, plenty of victims of human trafficking – whether the Mexican sex trafficking victim I met in Chiapas or the Indian bonded laborer I met in Chennai – never cross a border.** To paraphrase Bill Clinton’s 1992 campaign slogan, “It’s about the exploitation, stupid.”

Third, while many countries have passed laws to prohibit most or all forms of trafficking, enforcement lags. **The TIP rankings demonstrably propel passage of laws, but absent external assistance to advance will and capacity, implementation languishes.** We have seen an increase in prosecution, to hold human traffickers to account (and hence reduce the high profit-to-punishment ratio incentivizing this form of transnational crime). But in too many countries, even the big growing democracies of the Global South such as Brazil, India, and South Africa, impunity of traffickers persists, those punished get a mere slap on the wrist due to rehabilitative norms or corruption, and sclerotic judiciaries *delay* and hence *deny* justice.

To confront all these various types of trafficking; and implement rule of law, we need to:

(1) preserve the integrity of objective, hard-hitting rankings in the TIP Report, and (2) foster partnerships and leveraged resources (as S. 553 fosters). Those candid assessments and funded multistakeholder programs are what we owe the women, men, children, migrant workers, minorities, disadvantaged castes, and other fellow human beings vulnerable to contemporary enslavement.

A recent Freedom House report found that the United States and other democracies are less likely to press democracy and human rights issues with China due to strategic and economic interests. Our report can inform the proper approach to TIP rankings. **Countries failing to address the scourge of modern slavery should not receive a pass simply because they are “strategically important.”** The strength of the *TIP Report* lies in its ability to provide an accurate reflection of governments’ efforts and in so doing hold them accountable, and we should not decrease its effectiveness by subjecting scores to the cynical politics of convenience.