

# **Sex Trafficking in Southeast Asia**

## *How Neo-liberalism has Bolstered the Global Sex Trade*

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The phenomenon of globalization has perforated the borders of nations worldwide, influencing and altering the current state of international relations. Economic relations between developed and developing countries have been cemented into the universal adoption of neoliberal capitalist ideology as the foundation for the future of international economic development.<sup>1</sup> Neoliberal policies are instituted on the idea that for the expansion and maturity of social and economic international relations to occur, countries must prioritize capital gaining endeavours and detract from large social welfare investments.<sup>2</sup> Over time, neoliberal globalization has buttressed exploitative and inequitable relationships between nations and has made the gap between the rich and poor expand.<sup>3</sup> Together, the canonization of profitable endeavours and the devaluation of socio-economic factors have made economically vulnerable individuals, such as women in struggling economies, left completely exposed to the inequalities of the market.<sup>4</sup> The subsidization of social services continually dwindles under neoliberal globalization, deconstructing the provisory shelter women have from the constraints of global capitalist patriarchy and the male biases of market competition and individualism. Developing regions have been forced to offer cheap, exploitable and disposable labour and goods as a means to remain economically viable in the world market today. It is in this transformation that women have been coerced to become a nation's more profitable product. The topic of discussion that illustrates this concept is the contemporary sex trafficking trade in Southeast Asia.

This paper will adhere to the following thesis: neo-liberalism is the driving ideological force that preserves and supports the underground sex trafficking industry in the region of Southeast Asia. The sex market commercializes females through the acts of buying, trading, and selling their bodies as a sexual resource. Neoliberal ideology will be defined as a mode of thinking that prescribes to four key tenets that directly bolster the sex market in Southeast Asia. These four tenets are: the promotion of globalisation, the liberalisation of cross-border transactions, the increase of capital flow, and a focus on private enterprise.

In this essay, women's engagement in the sex market within Southeast Asia will be regarded as human trafficking and not an opportunity for female empowerment. Two divergent views on this topic are: 1) that females only become involved in the sex market because they are enslaved in the "double binds of patriarchal subordination and capitalistic exploitation, which deprives them of other income earning options"<sup>5</sup> and 2) that women have the rational ability and right to choose sexual labour as employment.<sup>6</sup> Although both perspectives have strengths and weaknesses, only the first argument is applicable to Southeast Asia. This perspective has been chosen because of the cultural, social, political and economic disadvantages women face under the patriarchal and patrilineal structure present in this region.<sup>7</sup> In general, women within Southeast Asia have limited abilities to become economically independent and successful because of the entrenchment of male supremacy within their culture.<sup>8</sup> It is specious to argue that women in Southeast Asia are able to rationally and independently choose to be trafficked into prostitution because the inherent culture of systematised female oppression would not allow a woman the freedom to make such a decision for herself. It is the pressure of neo-liberalism that demands for women to become profiteering within the daily antagonism of capitalism, causing females in Southeast Asia to be more vulnerable to trafficking. These women have neither chosen the lifestyle of a sex slave nor have they ever condoned it. It is

either through physical force, a decision by the extended family, or through the desperate need to survive that women would choose to be trafficked into the sex industry.

Sex trafficking is the illegal movement of people across borders by which trafficked victims are coerced into sexual slavery.<sup>9</sup> Although men, women, and children are all targeted for sex slavery, women are more predominantly persecuted by traffickers.<sup>10</sup> Women are targeted when they are seen to be vulnerable, isolated, or desperate, such as in regions where they are discriminated against and marginalized on a cultural, political, or economic level.<sup>11</sup> Under these circumstances, the disadvantages and vulnerabilities females experience contribute to their susceptibility to victimization. When women are trafficked into the sex industry they are coerced, abused, abducted, or financially bonded into the system.<sup>12</sup> Many of these women are either convinced or forced to leave their native region with the false promise of reliable and safe employment abroad.<sup>13</sup> However, not all women who are trafficked necessarily leave their country or city. A victim does not have to change their territorial location in order for their forced labouring in the sex market to be considered trafficking.<sup>14</sup> After entering the sex industry, women are commonly exploited, drugged, abused, isolated, impoverished, or denied basic rights by their purveyors and customers as a means to permanently entrap them within the sex market.<sup>15</sup> Many of these women cannot escape after being trafficked because they are systematically denied money, domicile, and skills that would allow them to be self sufficient.<sup>16</sup> The injury inflicted on trafficked women while in the sex trade is detrimental to their present and future physical, sexual, social, and mental well-being.<sup>17</sup> The harmful effects of sex trafficking are pervasive and affect the individual's wellbeing on an ongoing basis.

Every year approximately 2.5 million people are trafficked for the purpose of forced labour around the globe.<sup>18</sup> Of this sum, 800,000 of these individuals are trafficked across national borders,

while the rest remain trafficked within their native country.<sup>19</sup> Of the 2.5 million people trafficked each year, 80 per cent of those individuals are females who have been relocated into the sex trade.<sup>20</sup> With an annual profit of \$32 billion dollars, sex trafficking is now the third largest and most profitable organization in the world today.<sup>21</sup> One of the most prevailing sex trade industries exists in Southeast Asia.

Southeast Asia, particularly Malaysia, Thailand and the Philippines currently has one of the largest sex trafficking industries worldwide.<sup>22</sup> Although the exact number of women who have been trafficked in and out of Southeast Asia is unknown due to the underground nature of the sex market, the economic records of these three countries suggest that the sex trade “accounts for 2-14 percent”<sup>23</sup> of each country’s Gross Domestic Product (GDP) per annum. Despite sex slavery being illegal, the sex market has become industrialized to the point where it now constitutes a significant portion of Malaysia’s, the Philippines’, and Thailand’s per capita income that these countries have become reluctant to relinquish the profit this industry provides.<sup>24</sup> Moreover, all three countries have been given warnings by the international community for their benign neglect of human trafficking.<sup>25</sup>

In the 2009 US Department of State's *Trafficking in Persons Report*, countries were rated based on their compliance with the Trafficking Victim’s Protection Act (TVPA) minimum standards.<sup>26</sup> Tier one countries were in full compliance with the Act, while Thailand and the Philippines were rated as tier two countries (not fully compliant but making efforts to bring themselves to compliance with TVPA), and Malaysia was rated tier three (not compliant and making no efforts to do so).<sup>27</sup> All three nations have uncontrolled and burgeoning sex trade industries that need to be addressed with appropriate international penalties imposed for non-compliance with TVPA.

Neo-liberalism as a global ideology has much to account for with respect to the sex trade industry. It can be argued that neoliberal policies have laid the foundation for the exploitation of economically disadvantaged individuals and women in particular. Neo-liberalism can be described as a market driven ideology that seeks to transfer economic activity and wealth from the public sector to the private.<sup>28</sup> The principles of trade and free markets are seen as the “engine of growth”<sup>29</sup> in capitalist societies and therefore the free movement of resources across borders is promoted. This process is known as globalisation.<sup>30</sup> As a result of globalisation, economically stable countries exploit less developed countries for their cheaper labour and goods. Neo-liberalism offers a “distorted view of reality, how people are living and their agential capacity to improve their lives.”<sup>31</sup> Neo-liberalism does not offer the political and economic freedoms promised but rather imprisons poorer countries into “hierarchical relationship[s] that [exist] between the developing countries and dependent countries and between men and women.”<sup>32</sup> For example, women from developing countries will often agree to being trafficked abroad with the hopes of opportunity, because the alternative of labour in their home country is unbearable or nonexistent.<sup>33</sup> In recent years, since national policies have adopted neo-liberalism, “social inequality among and between countries [has] risen”<sup>34</sup>, increasing the void between the rich and the poor. The 2005 *United Nations World Situation Report* exemplified this. It reported that under globalisation, the “wealthiest 20% of the planet accounted for 86% of all private consumption while the poorest accounted for just above 1%.”<sup>35</sup> In addition, this inequality was exacerbated when the world income of developing countries dropped from 2.3% to 1.4%, while the richest countries income grew from 20% to 70% in a mere 30 years.<sup>36</sup> It is clear that neoliberal development efforts have been a driving force in creating an economic environment where human trafficking can flourish.

One example of how neo-liberalism fosters sex trafficking is through the deregulation of borders. The ability for traffickers to

mobilize women to and from destinations is facilitated by border deregulation.<sup>37</sup> The International Labour Organization recently noted that increasing numbers of Filipino women are being immigrated as prostitutes since borders have become more open.<sup>38</sup> As a result, the selling and purchasing of women as a sexual commodity has become “borderless.”<sup>39</sup> Ultimately, the process of trafficking women has become a more efficient, fluid, and seamless process since borders have become unfettered. It seems clear that social concerns for women are not a neoliberal priority as long as the sex industry continues to produce substantial profits.<sup>40</sup> In Thailand for example, the consequence of neoliberal development efforts that began in 1981 to improve foreign trade resulted in skyrocketing numbers of women being trafficked through the Thai sex trade.<sup>41</sup> Attempts to improve Thailand’s trade deficit with Japan resulted in deep cuts into the social safety net, reallocating resources to economic development and further marginalising the poor, particularly women.<sup>42</sup> Thai women became more susceptible to trafficking and many migrated to Japan to work as sex labourers.<sup>43</sup> Over the years, Thai women have become one of Thailand’s most valuable commodities, often being deemed the nation’s “new gold.”<sup>44</sup>

A second example of how neo-liberalism bolsters sex trafficking is its focus on shifting capital through the privatization of industry. The privatization of business may increase profit, but does so at the expense of security of employment and the maintenance of a viable standard of living. As public enterprises are replaced by private enterprises in Southeast Asia, high levels of unemployment for both men and women have resulted in reduced standards of living, fostering a climate of worker exploitation, forced labour, and sex trade trafficking.<sup>45</sup> The majority of forced labourers are inevitably female since they are the first to lose the ability to access either profitable employment or public social services. Following the 1997 Asian financial crisis, women were the first to be fired from their jobs and have since then continued to have difficulties acquiring employment.<sup>46</sup> Women’s participation

in the economic sphere was “deemed economically irrelevant”<sup>47</sup>, leaving many women jobless, broke, and desperate for any financial option. As a result, it is no surprise that many women in Southeast Asia were sold by their families or convinced to become sexual labourers.

The socioeconomic status of women in Southeast Asia has never been equal to men. Neo-liberalism only strengthens this gender inequality and as a result, strengthens sex slavery. Historically, women in Southeast Asia have been unable to access capital, property, higher education, and well-paying jobs equal to that of their male counterparts.<sup>48</sup> With neoliberal attempts to privatise education, healthcare, and industry, women only become more detached from the ability to access these resources. The neoliberal transition from collective care to individual care further disadvantages women in an already established patriarchal society.<sup>49</sup> For instance, through a neoliberal economic lens, women become economically extraneous because they have no education or abilities to produce income outside the home. As a result, once a female’s role within the household becomes unnecessary, she may be seen as a financial burden to the family and may consequently be sold into the sex trade as a means of offloading the problem. As many as 35% of daughters in economically desperate families may be sold into the sex trade in Thailand and Vietnam.<sup>50</sup> Selling a daughter into the sex trade is seen as an opportunity for the daughter to become employed, an otherwise hopeless endeavour for women in an era of high unemployment and privatization.<sup>51</sup> In turn, women may lose more desirable public sector jobs to men and be left with only low paying, less secure private sector employment.<sup>52</sup> Not only does this exacerbate the gender public-private dichotomy, but it also makes women more vulnerable to becoming trafficked with their limited ability to become financially independent. In recent years, international efforts to address human trafficking and impede illegal cross border transactions, of humans have not been successful.

Introductions of small-scale programs such as awareness campaigns on human trafficking, local education about the reality of human trafficking worldwide, and job training for those in desperate communities, have been important grassroots attempts to prevent human trafficking.<sup>53</sup> However, educating an impoverished community about the harms of human trafficking will be quickly forgotten when families don't have access to basic necessities such as food and water. As the article "Sex Trafficking: Inside the Business of Modern Slavery" explains, when "the need for migration is too great and limited resources [are available]"<sup>54</sup>, poverty stricken individuals will see the opportunity for labour abroad as hopeful. In juxtaposition to these current solutions, long term programs to combat poverty need to be introduced. Unlike short-term programs that leave victims vulnerable, permanent facilities offer consistent rehabilitation and the ability to regain confidence and skills to avoid re-victimization.<sup>55</sup> These key elements can help ensure that victims return to a safe and healthy lifestyle. Also, economically stable countries need to recognize the disadvantages of neoliberal globalization within developing countries. With this recognition, future solutions to combat their exploitation can to be established.<sup>56</sup>

Secondly, the implementation of increased border security and indictment of traffickers has also had little impact in solving the illegal transfer of people across borders.<sup>57</sup> These have been unsuccessful attempts for a variety of reasons. It is inherently difficult for guards to successfully patrol a country's border, especially with a "lack of multilateral cooperation."<sup>58</sup> In addition, internal security problems arise from corruption within the policing system where border guards are bribed, threatened, or blackmailed by crime organizations<sup>59</sup>. Furthermore, prosecution of traffickers has been ineffective because trafficking is such an enigmatic and mobile practice that recruiters and traffickers are seldom caught.<sup>60</sup> If suspects are caught trafficking and put on trial, there is often a "corruption in a judiciary [in addition to a] lack of witness protection."<sup>61</sup> This dearth of judicial agreement results in many



hung juries and minimal prosecutions. Therefore, it is necessary to stop focusing on convicting the perpetrator of human trafficking and rather focus on targeting the consumer.<sup>62</sup> For example, there are 5.1 million individuals who travel to Thailand each year to buy sex from males and females, yet very few are ever tried.<sup>63</sup> By prosecuting the consumer rather than the retailer, profits would diminish and sex markets would plummet to a “profit-compromising level.”<sup>64</sup>

To address the issue of sex trafficking not only in Southeast Asia, but internationally, major changes need to be made on a universal and communal basis. With a cooperative approach amongst nations, long-term initiatives can be facilitated to address the illegal flow of humans across borders as a resource for the sex market. It is vital that countries become aware of the relationship between neoliberal policies and human trafficking in order to recognize how it systematically aids the process of trafficking. Networking amongst countries has been successful in the past and therefore should continue to be practiced in the future. An example of cooperation between states was the “large-scale, cross-national and cross-agency arrest and rescue mission”<sup>65</sup> that occurred in 2003. With the purpose of seeking out “traffickers and their victims at over 20,000 sites”<sup>66</sup>, this rescue mission successfully identified “831 traffickers and 696 trafficking victims.”<sup>67</sup> If more rescue missions are funded by the international community and Non Governmental Organization (NGO) programs, this united effort could create long-term change. Targeting both the brothels and the communities systematically and enforcing international sanctions against those countries not complying with the TVPA, would encourage governments within the offending countries to become more vigilant in addressing this important issue.

Neo-liberalism has come to fuel the sex trafficking market in Southeast Asia. The globalization of capitalist ideology that has led to the deregulation of borders, the privatization of industry, and the focus on profit has cemented the occupancy of the global sex trade.

In the developing region of Southeast Asia, women have become a commodity that fuels the engine of capitalist greed. Often with very few options, economically disadvantaged women are forced or deceived to become sex labourers, unknowingly becoming a modern day slave within the international business of sex trafficking. The neoliberal subsidization of social services has left women in Southeast Asia completely vulnerable to victimization, providing little or no ability to escape from the confines of cultural and patriarchal inequalities that entrap women as subservient citizens. As a result, regions such as Southeast Asia have been increasingly tenanted a place for the industry of female sex trafficking to strengthen and grow. As human trafficking is becoming a predominant global issue for both developed and developing countries, international efforts have failed to implement successful intervention. A reason that successful solutions have not yet been realized is that there is a conflicting Neoliberal agenda promoted by many states.<sup>68</sup> This agenda supports global free trade and denies changes that are profit compromising to the capital.<sup>69</sup> In order to address the issue of human trafficking effectively, changes need to be made on an international and communal basis. First, instead of short-term programs and temporary shelters for victims of human trafficking, long-term initiatives need to create permanent programs within afflicted communities.<sup>70</sup> Second, prosecution efforts need to redirect their focus from the trader to the buyer to affect the revenue being gained by the market, making the business unprofitable.<sup>71</sup> Third, NGOs and international efforts need to be combined to produce lasting change. This includes more NGOs focusing their time in underdeveloped communities prone to trafficking, as well as the need for the international community to organize successful rescue missions to liberate trafficked victims and prosecute both traffickers and consumers.<sup>72</sup> Without these efforts, regions such as Southeast Asia will continue to be exploited and the underground business of human trafficking will persist. If universal responses to human trafficking continue to be ineffective, the corruption of the sex market will swell and the 21<sup>st</sup> century will be remembered as the era of modern female slavery.

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## Notes

- <sup>1</sup> Johannes Dragsbaek Schmidt and Jacques Hersh, "Neoliberal Globalization: Workfare Without Welfare," *Globalization* 3, no.1 (2006): 69-70.
- <sup>2</sup> Schmitt and Hersh, "Neoliberal Globalization," 78.
- <sup>3</sup> *Ibid.*, 70-71.
- <sup>4</sup> Taitu Heron, "Globalization, Neoliberalism and the Exercise of Human Agency," *International Journal of Politics, Culture, and Society* 20, no.1 (2008): 2.
- <sup>5</sup> Kaoru Aoyama, *Thai Migrant Sexworkers: From Modernisation to Globalisation* (New York: Palgrave MacMillan, 2009), 27.
- <sup>6</sup> *Ibid.*
- <sup>7</sup> Asian Development Bank, *Combating Trafficking of Women and Children in South Asia: Regional Synthesis Paper for Bangladesh, India, and Nepal* (2003), 15.
- <sup>8</sup> *Ibid.*
- <sup>9</sup> Maggy Lee, ed, *Human Trafficking*, (Oregon: Willan Publishing, 2007): 51.
- <sup>10</sup> Asian Development Bank, *Combating Trafficking of Women and Children in South Asia*, 15.
- <sup>11</sup> *Ibid.*
- <sup>12</sup> *Ibid.*, 12.
- <sup>13</sup> Condoleezza Rice, *Trafficking in Persons Report*, (Washington, DC: US Department of State, 2005): 6.
- <sup>14</sup> U.S Department of State, "Trafficking in Persons Report," Office of the Under Secretary for Democracy and Global Affairs and Bureau of Public Affairs (2009): 7.
- <sup>15</sup> Asian Development Bank, *Combating Trafficking of Women and Children in South Asia*, 12.
- <sup>16</sup> *Ibid.*, 7.
- <sup>17</sup> Heron, "Globalization, Neoliberalism and the Exercise of Human Agency," 94.
- <sup>18</sup> United Nations Office on Drugs and Crime, "UN.GIFT Human Trafficking: An Overview," United Nations Global Initiative to Fight Human Trafficking (2008): 6.
- <sup>19</sup> *Ibid.*
- <sup>20</sup> *Ibid.*, 16; Rice, *Trafficking in Persons Report*, 6.
- <sup>21</sup> International Labour Office, *A Global Alliance Against Forced Labour: Global Report Under the Follow-Up to the ILO Declaration on Fundamental Principles and Rights at Work* (Geneva: ILO, 2005): 55-56.
- <sup>22</sup> United Nations Office on Drugs and Crime, "UN.GIFT Human Trafficking," 49.

- <sup>23</sup> Sheila Jefferys, *The Industrial Vagina: The Political Economy of the Global Sex Trade* (New York: Routledge, 2009): 4.
- <sup>24</sup> Ibid.
- <sup>25</sup> U.S Department of State, "Trafficking in Persons Report," 50.
- <sup>26</sup> Ibid., 49-51.
- <sup>27</sup> Ibid.
- <sup>28</sup> Schmitt and Hersh, "Neoliberal Globalization," 78.
- <sup>29</sup> Heron, "Globalization, Neoliberalism and the Exercise of Human Agency," 89.
- <sup>30</sup> Ibid.
- <sup>31</sup> Ibid., 85.
- <sup>32</sup> Ibid., 93.
- <sup>33</sup> Julia O'Connell Davidson, "New Slavery, Old Binaries: Human Trafficking and the Borders of 'Freedom'," *Global Networks* 10, no.2 (2010): 246.
- <sup>34</sup> Heron, "Globalization, Neoliberalism and the Exercise of Human Agency," 92.
- <sup>35</sup> Ibid.
- <sup>36</sup> Ibid.
- <sup>37</sup> Jefferys, *The Industrial Vagina*, 6.
- <sup>38</sup> William Sparrow, "Philippines Exporting Labor and Sex," *Asia Times Online*, March 15, 2008. Accessed November 12, 2011.  
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- <sup>40</sup> Jefferys, *The Industrial Vagina*, 4.
- <sup>41</sup> Aoyama, *Thai Migrant Sexworkers*, 52.
- <sup>42</sup> Ibid., 51-52.
- <sup>43</sup> Ibid.
- <sup>44</sup> Ibid., 52.
- <sup>45</sup> U.S Department of State, "Trafficking in Persons Report," 36.
- <sup>46</sup> Mark M Gray, Miki Caul Kittilson and Wayne Sandholtz, "Women and Globalization: A Study of 180 Countries, 1975-2000," *International Organization* 60 (2006): 4.
- <sup>47</sup> V. Spike Peterson, "International/Global Political Economy," In *Gender Matters in Global Politics: A Feminist Introduction to International Relations*, Edited by Laura J. Shepherd (New York: Routledge, 2010): 205.
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- <sup>49</sup> Michelle Kuhl, "Modern-Day Slavery and Human Trafficking: An Overlooked Issue," (Pell Thesis, Salve Regina University, 2011): 14.
- <sup>50</sup> Batstone, *Not For Sale*, 23; Kuhl, "Modern-Day Slavery and Human Trafficking", 26.

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- <sup>51</sup> Kuhl, “Modern-Day Slavery and Human Trafficking”, 26.
- <sup>52</sup> Vidyamali Samarasinghe, *Female Sex Trafficking in Asia: The Resilience of Patriarchy in a Changing World* (New York: Routledge, 2008): 50.
- <sup>53</sup> Siddharth Kara, *Sex Trafficking: Inside the Business of Modern Slavery* (New York: Columbia University Press, 2009): 204.
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- <sup>55</sup> Ibid.
- <sup>56</sup> Ibid.
- <sup>57</sup> Ibid.
- <sup>58</sup> Ibid.
- <sup>59</sup> Ibid.
- <sup>60</sup> Andrea Parrot and Nina Cummings, *Sexual Enslavement of Girls and Women Worldwide* (London: Praeger, 2008): 99.
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- <sup>62</sup> Ibid.
- <sup>63</sup> Richard Poulin, “Globalization and the Sex Trade: Trafficking and the Commodification of Women and Children,” *Canadian Women Studies* 22, no. 3 (2003): 40.
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- <sup>66</sup> Farr, *Sex Trafficking*, 227.
- <sup>67</sup> Ibid.
- <sup>68</sup> Heron, “Globalization, Neoliberalism and the Exercise of Human Agency,” 85.
- <sup>69</sup> Ibid., 89.
- <sup>70</sup> Kara, *Sex Trafficking: Inside the Business of Modern Slavery*, 204.
- <sup>71</sup> Ibid.
- <sup>72</sup> Farr, *Sex Trafficking*, 226.