The Financial Aspects of Human Trafficking: A Financial Assessment Framework

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Rose Broad

University of Manchester, Oxford Road, Manchester M139PL rosemary.broad@manchester.ac.uk 01612753677

Rose Broad is a Senior Lecturer in the Department of Criminology at the University of Manchester. Her research interests are in the area of human trafficking and modern slavery, particularly focusing on those held responsible for such crimes.

Nicholas Lord

University of Manchester, Oxford Road, Manchester M139PL nicholas.lord@manchester.ac.uk 0161 2755466

Nicholas Lord is Professor of Criminology in the Department of Criminology at the University of Manchester. His primary research interests are in white-collar and corporate crimes of a financial and economic nature, such as fraud, corruption and money laundering, as well as the organisation of serious crimes for financial gain.

Charlotte Duncan

Police Analyst

Charlotte Duncan studied politics at university. She worked in banking for ten years where she specialised in data analysis. Working as an intelligence analyst for a large police service since 2012, she has specialised in Modern Slavery and Sexual Exploitation investigations and strategic analysis.

Abstract: This article presents a framework for analysing, assessing and systematising the varying financial aspects of human trafficking. We analysed 378 human trafficking cases, scrutinising police case file data to determine patterns and scenarios of associated financial aspects and transactions and corroborating these with police analysts. Our contributions are threefold: i. to demonstrate the feasibility of analysing the before, during and after financial components of human trafficking whilst recognising obstacles to uncovering their entirety; ii. to reaffirm that whilst most known trafficking cases are not substantially profitable in financial terms, they involve varied operational and infrastructural financial costs; and iii. to argue that although financial institutions, such as banks, can be central to the dialogue with enforcement, the ability of many trafficking enterprises to operate outside formal financial institutions calls for a consideration of the interfaces and overlaps of the finances of trafficking within and outside the banking system.

Keywords: human trafficking; modern slavery; finances of crime; money laundering; criminal enterprise.

Introduction

This article presents a framework for analysing and systematising the financial aspects of human trafficking, seeking to better understand the finances required *for*, and generated *from*, such criminal enterprise. An array of financial aspects can be associated with the processes of human trafficking, but these dynamics have not been widely conceptualised or empirically investigated. Whilst policy and social scientific attention has focused on human trafficking[1] since the mid-1990s, only since the late 2010s have there been calls for law enforcement and financial institutions to work more closely to understand how traffickers control finances, to expand the knowledge and understanding of the financial elements of associated activities and to understand where intervention is possible (Keatinge and Barry, 2017; Europol, 2015).

The focus on financial aspects of trafficking has increased since the (tentative) introduction of corporate responsibility into the human trafficking discourse through section 54 of the UK Modern Slavery Act 2015 (see Lord and Broad, 2018 for a discussion of developments in relation to corporate responsibility) and also through identification of problems that exist across multiple jurisdictions with investigation and prosecution processes. Research has indicated a consistent and problematic evidential burden on victim testimony prompting states to seek additional sources of corroborative evidence for successful prosecutions including evidence of linked financial transactions (Broad and Muraszkiewicz, 2019; HMICFRS, 2017; Winterdyk, 2017; Farrell et al, 2016).

This article is structured as follows. First, we review the case for foregrounding the money component of trafficking enterprises in order to better understand the associated financial transactions and equip anti-trafficking responses. A systematic financial assessment framework has the potential to guide both empirical investigation and enforcement/regulatory interventions, and while the significance of the finances of trafficking enterprise has now been recognised, there has been little attempt to shape what this approach should look like. Second, we outline the data sources and analytical techniques that inform the development of our financial assessment framework, detailing our analysis of police case file data, internal police documents on policy and strategy, and interviews from enforcement actors working in the domain of human trafficking. Third, we present the structure of the financial assessment framework, demonstrating how analysts can construct the trafficking 'business model',

[1] The term 'human trafficking' is used throughout this article to refer to activity which may otherwise be referred to as modern slavery, though we recognise that there are conceptual difficulties with both terms.

identify possible finances and key actors involved, evaluate the costs and incidence of associated activities and prioritise these in terms of those which are integral to the trafficking enterprise, and which activities offer the most plausible route to intervention. Our financial assessment framework was predetermined but adapted during the data analysis phase and in collaboration with police investigators, to ensure the concepts used had both theoretical and operational value. At this point, we provide concrete insights from our data that are illustrative of the financial aspects. Finally, we provide some concluding thoughts, including discussion of the role of the framework for policy analysis.

Our intention with this article is not to provide an exhaustive framework of all financial aspects of human trafficking, but to present an analytical assessment framework that can inform empirical research and enforcement/regulation. In these terms, our contributions are threefold: i. to demonstrate the feasibility and obstacles of analysing the financial aspects of human trafficking; ii. to reaffirm that whilst many trafficking cases that come to the attention of the authorities are not substantially profitable in financial terms, they involve varied financial costs relating to how the enterprises operate; and iii. to argue that although financial institutions, such as banks, can be central to the dialogue with enforcement, the ability of many trafficking enterprises to operate outside formal financial institutions calls for a consideration of the interfaces and overlaps of the finances of trafficking within and outside the banking system.

Human Trafficking and the Case for Financial Assessment

Although the definition of human trafficking varies between states, legal frameworks have been based on the definition initially conceived in the 'Palermo Protocol'[2] and broadly included elements of recruitment and transportation by a variety of means focused around deception and threat, for the purposes of exploitation across a variety of markets. Research and cases processed through criminal

[2] The Protocol to Prevent, Suppress and Punish Trafficking in Persons, Especially Women and Children, supplementing the United Nations Convention against Transnational Organised Crime, https://www.ohchr.org/en/professionalinterest/pages/protocoltraffickinginpersons.aspx

justice systems have indicated all markets appear vulnerable to exploitative labour with victims identified across licit markets including construction, food processing, agriculture and the service industry as well as exploitation within illicit markets including cannabis production, sex work and drug supply (UNODC, 2018).

The legal, moral and economic motivations to develop a robust anti-trafficking strategy are well established, for example, through the embedding of anti-trafficking strategy into the United Nations Sustainable Development Goals (UN, 2019). Through policy efforts at a global level, stemming from the work of the UN, legal frameworks for trafficking have been globally renewed in the last twenty years to lengthen sentences in efforts to deter potential traffickers, to provide more effective support for victims and to widen the type of activity included as trafficking or slavery (European Commission, 2018). The exploitation of people through work in licit or illicit markets, the experiences of victimisation and harm inflicted through the trafficking process underpin the moral justification for developing a better understanding of how anti-trafficking efforts can become more effective (Gadd and Broad, 2018; UNODC, 2018).

Human trafficking has long been presented as an activity through which those responsible exploit others for financial purposes (see for example Wheaton et al, 2010; Salt and Stein, 1997) and it is regarded as highly profitable (Europol, 2015; FATF, 2018, 2011). Indeed, the illicit movement of people more generally is driven large by profit. Whilst there is much debate regarding the distinction between trafficking and smuggling where the latter refers to the facilitation of illegal entry into a country, there are complex dynamics in reality that create overlap between the two (see, for example Campana, 2020; Campana and Varese, 2016). For the purposes of this discussion, we will focus on activity defined as human trafficking as this is the focus of the anti-trafficking unit with which the research was conducted, whilst recognising these conceptual difficulties. Traffickers may be direct exploiters, or act as intermediaries between the supply and demand for goods or services in a variety of markets. Profits from human trafficking vary from highly profitable activity (e.g. commercial sexual exploitation) to small scale (e.g. localised labour exploitation and debt bondage which can be integral to some country's local economies) (Narayan, Datta and Bales, 2013). Profits are highest in forced sexual exploitation, given the demand for the service, the prices that clients are willing to pay, and the low costs related to this activity (ILO, 2014). However, it is difficult to estimate the amount of money involved in trafficking for the purposes of sexual exploitation, though profits in the EU and developed economies have been estimated at EUR 23.5 billion (ILO, 2014). Some of those involved in trafficking enterprises will engage in practices to maximise their profitability and reduce their risk, for example, using illegal labour practices in otherwise legal industries, subcontracting to others or leveraging assets to increase income (e.g. charging for accommodation in their own caravan) (Crane et al, 2018).

The nature of profits varies, as in terms of otherwise legitimate businesses utilising forced labour, they may take the form of illegal savings in the form of cost reduction or sales profits that are automatically incorporated in the business accounts, offering little scope for recognising money laundering. In those cases where clearly illegal money is generated profits may be reinvested into criminal activities or extracted to launder and invest in assets. The profits generated from trafficking have not been extensively conceptualised. As we argue in this article, although some cases involve large sums of money and related assets (HMPCSI, 2017) some actors involved in trafficking enterprises (in the cases that come to the attention of enforcement authorities) do not generate significant personal wealth (see also Broad, 2014) but make just enough money to live off. The nature of human trafficking in the UK is 'fragmented and decentralised' (Antonopoulos et al, 2019: 61) and those involved have a variety of motivations for entering the market (ibid), both of which impact on management and organisation of associated finances.

Regardless of motivation, finance is central to the operation of much human trafficking and identifying where intervention may be possible has gained increasing importance at national and international levels (Home Office, 2017; Keatinge and Barry, 2017; Europol, 2015; FATF, 2011). Antonopoulos et al (2019) have produced a clear overview of the financial transactions relating to human trafficking in the UK, Bulgaria and Italy and their research represents one of the only empirical insights to date. In the UK context, this research uses a broad range of resources to develop an in-depth case study, finding that human trafficking markets in the UK have a 'low entry threshold', that transactions are largely cash-based and that 'investments are modest' (Antonopoulos et al, 2019: 79). These findings are important in revealing that the market and those involved are generally less sophisticated and organised than may be expected. However, there remains a significant knowledge gap around this topic, particularly in relation to the extent that financial institutions can play in identifying and producing information useful for interventions. The ability of the current research to bring together law enforcement data with information from a financial institution presents a unique opportunity to understand more about these relationships and transactions. Tackling exploitative labour has corporate benefits: law-abiding organisations are at a disadvantage where they face unfair competition from businesses using illicit practice. Addressing this also has the potential to further the understanding of how people organise and operate human trafficking activity, to help gather corroborative evidence to support prosecutions, and to provide evidence for intervention.

The Role of Financial Institutions

Not all trafficking enterprises involve significant financial sums, and some may prefer to use cash transactions to maximise anonymity. The ability of illicit enterprise to expand in equivalent ways to licit enterprise is limited by their illicit nature both because agreements between parties have no legal redress and because actors need to avoid detection (Paoli, 2002). Thus, where transactions can take place outside financial institutions, it is likely that traffickers will make use of cash-based systems which entail little or no trail. However, in those cases where significant sums are generated regularly over time, using cash alone can become inefficient, leading some to make use of the financial system and electronic payments. In such cases, financial institutions have a key role to play in understanding more about how traffickers manage and move money, and about using the tools available to them to identify potentially suspicious activity (Keatinge, 2017). However, the desire for financial institutions to work with law enforcement and NGOs 'is not matched by the knowledge and experience necessary to distinguish related suspicious client and payment activity' (Keatinge, 2017: 132). Banking institutions have demonstrated tentative commitment to contributing to anti-trafficking efforts, but it is crucial that these efforts are meaningful, rather than a 'tick-box process' (Van Dijk et al, 2008). Examples of collaborations between the financial sector and law enforcement have begun to emerge to provide guidance on features of customer and financial transactions which may indicate the presence of trafficking in the US (for example, The Bankers' Alliance against Trafficking (Koch, 2016) and the Financial Crimes Enforcement Network (FinCEN, 2014)). Koch (2016) identified several such features including high expenditure on 'items inconsistent with stated business purpose such as rental of multiple hotel rooms' and 'a high volume of credit card authorisations…with no subsequent charge' (Koch, 2016: 3). However, although 'red flag' scenarios have been identified as indicators of potential trafficking activity, experience of the authors has illustrated that using these scenarios to identify suspicious activity yield too many results to lead to practical focus for action.

A similar trend has emerged in the UK. Identified by the then Home Secretary Amber Rudd, 'following the trail of money' (Home Office, 2017) is recognised as a government priority, operationalised through the Joint Money Laundering Intelligence Taskforce (JMLIT) and encouraging partnerships between law enforcement and the financial sector. Developing such partnerships also features in the UK Independent Anti-Slavery Commissioner's strategic plan in order to identify suspicious banking patterns and to provide corroborative evidence during the prosecution process (IASC, 2019). These relationships are posited as having mutual benefits: 'law enforcement agencies can get vital intelligence to pursue the traffickers; and the banks can better understand the 'red flags'...and better protect themselves' (Home Office, 2017). However, despite recognition of the importance of understanding the finances supporting human trafficking, there is a lack of academic research and engagement with the subject. This therefore is a systematic, empirically based examination of data to extrapolate patterns which are then used to inform a financial model.

Data Sources and Analysis

This article is based on an analysis of cases dealt with by the anti-trafficking unit of a large metropolitan UK police force. The unit's anti-trafficking efforts have been developed within a multi-agency framework, coordinated by the local Police and Crime Commissioner and identified as leading to positive results throughout the county (HMICFRS, 2017), including as one of the areas making the most frequent referrals through the National Referral Mechanism (NRM): the force had one of the highest volumes of referrals into the National Referral Mechanism in the UK in 2017 and 2018 (HMICFRS, 2017; NCA, 2017, 2018). The NRM referrals indicated that the area has a higher incidence of cases of labour exploitation than sexual exploitation and victims from a range of countries outside the UK, most notably, Albania, Hungary and Pakistan (NCA, 2018).

Through collaboration with this force, we reviewed details of human trafficking cases (n=378) in their crime and intelligence database, with crimes recorded from 2005 to 2016 and intelligence from 2011 to 2016. In collaboration with a police data analyst and a major UK high street bank, analysis of this database enabled the identification of patterns of financial transactions across the cases in order to create scenarios for the bank. The scenarios included a description of behaviours and their associated financial aspects that could be used to build algorithms to be run by the bank to identify such financial behaviours in their accounts. Scenarios included, for instance, rental payments for multiple properties in the same apartment block, regular payments for the purchase of one-way travel tickets from particular jurisdictions or patterned payments to certain online advertisement sites. These activities are not necessarily suspicious in themselves but can be, together with wider patterns of activities related to human trafficking enterprise. Such behaviours may also reflect otherwise legitimate business activities, and this results in potential 'false positives' in the testing of the scenarios. This process had two aims; (i) to produce a systematic review of financial transactions and behaviours within the trafficking process and (ii) to distinguish the financial transactions and behaviours of potential suspects and/or victims of human trafficking offences which could contribute to intelligence and inform operational activity.

A Procedural Analysis of Financial Behaviours

To analyse the case files, we drew on 'crime script analysis', a framework for 'generating, organizing and systematizing knowledge about the *procedural aspects* and *procedural requirements* of crime commission' (Cornish, 1994: 160 emphasis in original). Identifying and assessing these procedural dynamics enables one to comprehensively deconstruct the nature of the criminal enterprise and develop an understanding of the various crime scenes, actors and resources, including finances (Levi and Maguire 2004: 457). Crime scripts can be broken into different levels of analysis: meta-scripts (all crimes within a classification); proto-scripts (different subgroups within an offence); scripts (subdivisions of specific offences into categories for prevention); and, tracks (detailed accounts of offending in specific circumstances) (Leclerc et al., 2011: 212). We focused the 'meta-script' of human trafficking and broke this down into four main 'proto-scripts': 1. labour exploitation; 2. sexual exploitation; 3. criminal exploitation; and, 4. domestic servitude. These subgroups represent the most commonly reported types of exploitation as indicated in NRM statistics (NCA, 2017). These subgroups also enabled the identification of scripts across a variety of markets and sites of exploitation. We analysed the 'scripts' of the trafficking process further distinguished in terms of whether the official residential status of the 'victim' was the UK, the EU or the rest of the world, analysing the 'tracks' of each process. The processes involved were found to vary on the basis of the victim's origin status. We had 12 different 'scenarios' in total for which we analysed the finances for, and from, the trafficking enterprise. In these terms, we were able to elicit the key scenes, stages, actors, activities and resources across human trafficking enterprise, and consider the financial aspects of each.

We were not able to remove the case file data from the police premises at which they were stored. The research team met at the police location where the data could be freely discussed and interrogated. The police analyst was trained in organising and interpreting the data in line with the analytical framework and recorded case specific details alongside the 'script' components in an Excel file. Identifiable personal or case information was removed from this file. The research team also met on the University campus, where the sanitised Excel file could be scrutinised and amended through dialogue between the academic researchers and the police analyst. Several meetings at both locations took place with the procedural analysis being refined in an iterative manner.

Our discussion below represents a high-level analysis of the scripts that were used to inform our financial assessment, eliciting more general themes from across the different scenarios, rather than a detailed exposition and analysis of each track. This approach enabled us to think about modes of intervention and policy responses that can have greater impact across a range of cases. The case file data we analysed are highly sensitive and consequently, we are unable to discuss case specifics and details of the scenarios we identified but extract key insights at a higher level of generality so as not to risk case identification from media coverage of these cases.

The Financial Assessment Framework[3]

Our framework for assessing the finances of human trafficking aims to provide a mode of analysis for identifying the range of activities that need financing, evaluating these finances in terms of how 'costly' (in relative terms) and frequent they are, determining whether the financial aspects are core or contingent components of trafficking enterprises, if at all, and prioritising financial aspects for informing strategic and operational policy responses. The term 'costly' refers to costs incurred by traffickers. We are not providing monetary value for the term 'financial value', it is intended to provide an overview of the relative cost, rather than the actual cost of the components involved. Frequency is also used as a relative concept and refers to how often the cost is incurred from a singular or rarely incurred cost such as CCTV to a regularly incurred cost such as food or fuel. Figure 1 visualises the processes involved in this mode of analysis.

[3] Our framework is adapted from the harm assessment framework developed by Paoli et al. (2013) and Greenfield and Paoli (2013) and following discussion with Paoli.

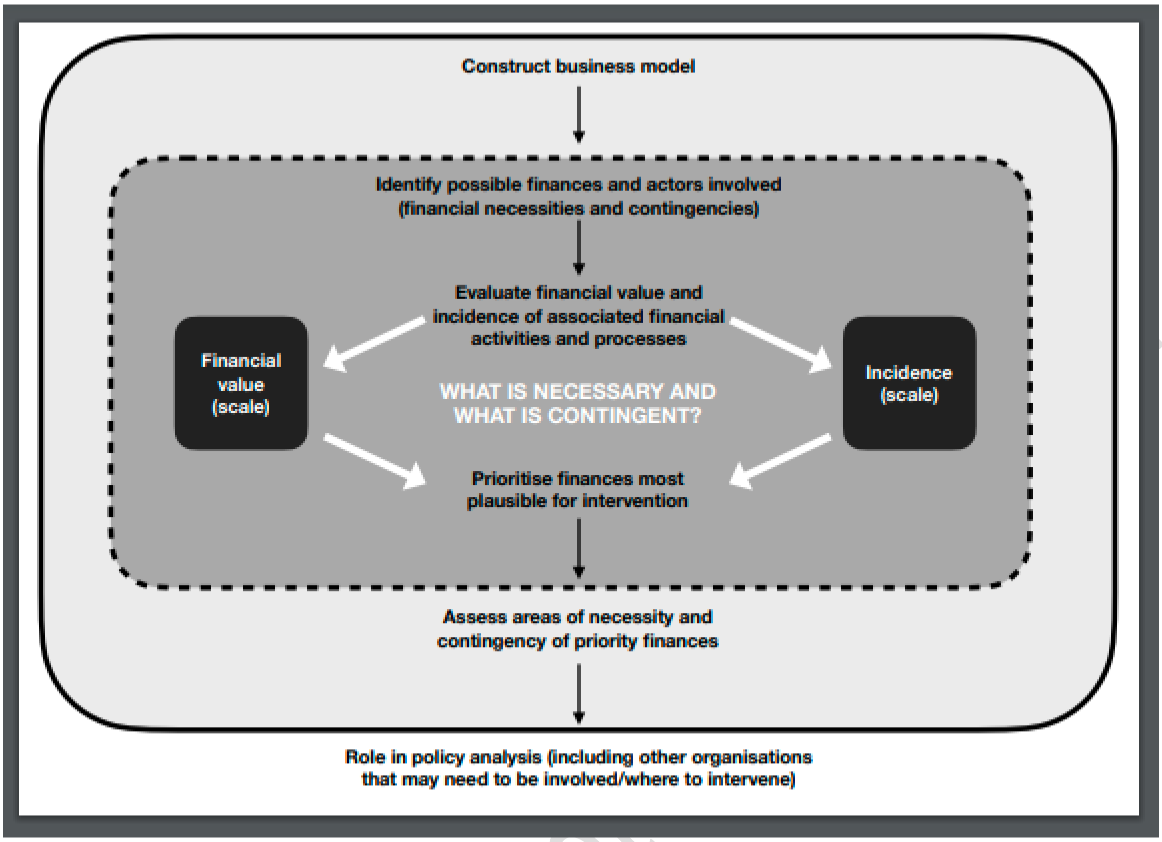

Figure 1: The Financial Assessment Framework

Constructing the Business Model

Our starting point for this analysis was to develop a business model of the financial aspects of human trafficking and modern slavery based on the crime script analysis to identify the range of financial activities. As Wheaton et al. (2010: 124) suggest, the average total cost of trafficking, which in their theoretical analysis includes both operational and infrastructural costs, 'is at first downward sloping and then upward sloping' following initial outlay once the operation becomes more established and the quantity of victims increases. Table 1 indicates the types of finances and the primary and secondary actors involved in all the trafficking cases. By 'actors' we mean those individuals and organisations in some way involved, either as primary or secondary actors. Primary actors are individual people, who may act alone or as part of networks, or organisations with direct involvement in the financial component of the enterprise. For instance, this might be the OCG that funds the daily costs of a prostitution network such as sustenance or salaries or a lawyer who organises corporate fronts to conceal underlying criminal activities. Secondary actors can also be individuals or organisations, and represents those that knowingly, unknowingly or incompetently facilitate the criminal enterprise such as financial institutions that provide bank accounts to perpetrators or victims of human trafficking or websites that receive payment for advertising services.

Actors involved in the perpetration of human trafficking range from relatively large-scale organised crime groups to smaller operations with family-based networks (UNODC, 2018). Not all groups will manage their finances in the same way. However, all will have similarities in the *types* of finances required both operationally and infrastructurally. This distinction is used to differentiate infrastructural costs from operational costs and proceeds as follows:

- *Operational*: finances associated with the daily, routine activities of the trafficking enterprise to ensure it continues to function. These are usually of lower to medium cost and relate to personnel but are fundamental to how the enterprise operates e.g. wages, transport, sustenance.

- *Infrastructural*: finances associated with key locations and 'props' such as buildings and facilities as well as core service provisions e.g. equipment, vehicles, accommodation.

- *Proceeds*: finances generated from the criminal activities and how these are intended to be used e.g. cash generated through sex work, illegal savings generated within businesses or tax frauds associated with exploited labour.

Types of Finances (for and from)	**Primary actors and actions (people and organisations)**	**Secondary actors (people and organisations)**

Operational	- Organised crime groups - Loose networks of criminal enterprise - Individual people acting alone - Otherwise lawful businesses - Recruitment agencies	- Financial institutions (e.g. bank accounts) and other financial services providers - Government bodies (e.g. provision of state benefits for exploited people)
Infrastructural	- Organised crime groups - Loose networks of criminal enterprise - Otherwise lawful businesses or benefactors/investors	- Individuals acting in a private capacity (e.g. landlords) - Logistics/transport providers (e.g. regular payments made to taxi drivers transporting sex buyers) - Rental companies
Proceeds	- Professional intermediaries / facilitators (e.g. lawyers, accountants, trust and company service providers) - Reinvestment in legitimate 'fronts' or parallel business activities (e.g. nail bars), particularly those that are cash intensive. - Purchase from legitimate business goods, products and services (e.g. cars, holidays as part of 'criminal lifestyles') but also of illicit goods/services (e.g. drugs). - Remittances to families either in the same country or to dependents in countries of origin.	- Formal and informal value transfer organisations such as financial institutions (e.g. banks), and money service business (e.g. Western Union) or Hawala.

Table 1: Types of finances and actors

Evaluation of Financial Value and Incidence

We then evaluated the costliness and incidence of each of the financial components identified during our script analysis. Table 2 outlines the scales used to rank the range of financial components of trafficking and examples of the processes and activities that fit within each. This is not intended to be exhaustive; as above, the costs incurred in the establishment and running of a trafficking network will differ depending on the market of exploitation and the size of the operation.

	Incidence				
Financial Value (cost to traffickers)	**Always**	**Frequently**	**Occasionally**	**Seldom**	**Rarely**
High	Rent for premises (either for accommodation or business)	Transport costs (flights)	Bribes and financial inducements (e.g. given to public officials)	Production or purchase of (false) documents or necessary paperwork (e.g. passports or visas)	Accommodation purchase Cost of purchasing people
Medium	Wages (e.g. for security staff; drivers; brothel managers)	Mobile phones	Vehicle lease Drugs/alcohol (e.g. for consumption by sex work clients and to encourage addiction in some victims of sexual exploitation)	MOTs	Vehicle purchase Security equipment (e.g. safe, CCTV)
Low	Petrol Sustenance Small payments made to victims	Taxi fares	Clothing (for working, e.g. safety equipment; clothing appropriate for sex work), toiletries Contraception Advertisements	Equipment relevant to work (e.g. sex toys, tools, nail kit) Clothing or other 'gift' for inducements	Computer/laptop Setting up 'front companies'

Table 2 Financial Value and Incidence, and Associated Components

Applying the Financial Assessment Framework

The following discussion is intended to consider various financial transactions underpinning human trafficking activity and to provide examples of these transactions in relation to overall patterns identified. The discussion is structured around recruitment, transportation and exploitation activity with examples drawn from a range of exploitation types. Given the diversity of activity and markets to which modern slavery or human trafficking is now applicable, there are very few costs common to all scenarios although some are more universal than others. Our analysis below draws upon and is indicative of key aspects of the financial assessment framework, rather than a comprehensive and detailed account of the entirety of the process. We illuminate key components of the model to be demonstrative of how this analysis can be undertaken by social scientists and practitioners. Throughout this section, we demonstrate how finances can be prioritised and assessed (for empirical inquiry and enforcement activities), direct readers towards the benefits of identifying which finances are necessary or contingent to the human trafficking enterprise and how that might inform enforcement interventions, and consider policy implications.

Recruitment

Although human trafficking is frequently associated with the movement of people across borders, victims can be exploited in their country of origin, minimising both recruitment and travel related costs. Where victims are recruited through an existing relationship with the trafficker or an acquaintance, costs are minimal, persuasion to migrate and/or work may draw on the need to make remittances for family or to escape a difficult situation. However, in other circumstances, evidence suggests recruitment activities may bear costs: incentivisation; the use of recruitment agencies and outright purchase. Incentives can be used by traffickers to coerce people to become involved in exploitative criminal activity - although the actual costs may be very small depending on the socio-economic circumstances of the victim. This has been identified as a coercive technique in the recruitment of young people into organised criminality with exploitation often in coerced drug dealing - 'county lines' (see Windle et al, 2020). However, coercion does not require money - a material or even non-material gesture can suffice, particularly where the victim has multiple vulnerabilities, for example by virtue of learning difficulties (Antonopoulos, 2019). The use of recruitment agencies has been identified in cases relating to labour exploitation. One of the largest networks involved in labour exploitation in the UK had infiltrated a legitimate recruitment agency providing access to potential victims without raising concern (The Independent, 2019). In other circumstances, people themselves are purchased incurring a cost for the trafficker (evidence is scant although figures suggest between £700 and £4000 (Webb and Burrows, 2009)). These initial costs may therefore be relatively low and infrequent and can often leave no evidential trace.

Where there is no former relationship between perpetrators and potential victims, recruitment can take place through advertisements. The use of websites advertising sex work (either as sex workers or in other facilitative roles such as drivers, receptionists or security) has increased and was evident in cases reviewed. This is reflected in research elsewhere which highlights the role of online technologies for recruitment and payment for financial services (Sarkar, 2015). Similarly, online forums were used in the data to advertise employment in legitimate sectors through general employment sites, marriage/dating agencies or au pair agencies (Europol, 2014). Advertising will incur costs to place and maintain adverts or to coerce involvement by employees of legitimate recruitment agencies. Significantly, these transactions can be made outwith a financial institution although with increasing size and geographic distance, the necessity of using banks increases. Ongoing online advertising will also require regular financial outlay of payments which can only be made online, multiple cases reviewed included regular payments made to Adultworks and Vivastreet.

In order to facilitate recruitment, victims may be induced with false documentation. This could entail bribes, financial inducements or extortion to corrupt public officials involved in the production of official documentation such as work visas or marriage licences or alternatively the costs of producing fake documents (Tremblay, 2010). Payments were also made to legitimate colleges in order to register people for the purposes of education related visas. After initial outlay, the document can be used repeatedly to facilitate the movement of multiple people (Spencer et al, 2010). Thus, although a higher cost, the transaction is unlikely to make use of official channels and is relatively infrequent.

Where recruitment takes places across borders and where recruitment is of a larger number of people, networks can be larger and more sophisticated (UNODC, 2018). However, evidence suggests that smaller enterprises founded on existing relationships and a complex array of mutual dependence underpin much illegal movement (Gadd and Broad, 2018; Webb and Burrows, 2009). The size and geographical spread of the network will then necessitate varying requirements for ongoing communication between those involved. Where the networks are larger, this involves the use of 'burner' mobile phones and SIM cards which are frequently changed in order to avoid detection. This low but frequent cost may make use of financial institutions but could equally be made with cash, avoiding such trails.

Transportation

The transnational movement of people across borders necessitates the purchase of legitimate tickets through monitored channels. The regular purchase of tickets, particularly one-way tickets from airlines or ferry companies might be used as an indicator of the organisation of transport. However, as above, these financial activities are similar to the activities of other entirely legitimate businesses and so whilst key to the functioning of the enterprise are not in themselves strong enough indicators of human trafficking enterprises. This may be a relatively occasional cost at a high or medium level given the low cost of air travel.

Transport can also be organised through channels not normally used for travelling (Sanchez, 2017). Payments can be made to goods transporters for hiding and transporting people across borders although case file evidence suggests that this is largely through cash payments, rather than via electronic transactions within formal financial institutions This is significant as following the money trail is substantially more difficult when criminal activities are cash based, as the abilities of involved actors to remain anonymous increases. Consequently, strategies to identify illicit financial flows must recognise the interfaces between the financial transactions within and outside of financial institutions.

Cases indicate the presence of brokers at regular truck stops, paid in cash to conceal people in unattended lorries. The transport could also be part of a larger scale operation where groups of people are moved illegally. The potential impact of this type of movement was underscored in 2019 in the UK with the death of 39 Vietnamese nationals (BBC, 2020). However, despite higher profile cases such as this, the relationship between those who facilitate movement and migrants is often much more complex and can be part of an ongoing project of migration for both parties (Sanchez, 2017, Mai, 2010) and in which finances play a smaller role. As an alternative, those facilitating movement might pay border officials through financial or other inducements (likely at high cost unless extortion is involved), particularly in the context of tighter border controls (for a review of human trafficking and corruption, see Broad and Lord, 2018). However, the costs of transportation are largely passed on to migrants, creating a greater burden of debt (UNODC, 2018) but avoiding any potential financial trial.

Transport is lso often required over relatively small distances, within one country and the costs associated with this are therefore smaller and less identifiable although more frequent. Cases indicated the use of several different cars or vans which are often taxed, insured, have passed an MOT and are adequately maintained in order to decrease the risk of detection. Cars or vans can be used to transport people to a place(s) of work or accommodation. Vehicles have alo been rented on short-term leases, for example, to facilitate the collection of scam charity bags by trafficked victims. All these elements incur ongoing costs in addition to the costs of fuel although are often not sufficiently unique to aid detection. Victims are transported via public transport which may incur traceable and frequent low to medium cost transactions. Taxis are frequently used, particularly in the sex industry which can incur both the cost of the journey as well as payments to drivers for bringing business. Cases indicate that in some cities, taxi drivers receive regular payments from those managing brothels to transport clients between city centres and brothels or hotels (a feature identified elsewhere, e.g. in Finland (Vuihko, 2010) and the US (NIJ, 2007)). These are likely to be high frequency, low level costs paid in cash.

Exploitation

Exploitation occurs across legitimate and illegitimate markets and in each context, the management of finances will necessarily differ. In addition, those involved in human trafficking may set up 'front companies' or utilise varying forms of 'corporate vehicle' (at low cost) (Lord et al., 2019) that can cover for an otherwise inexplicable quantity of money. Therefore, there is often a mixture of licit and illicit funds associated with the business involved (see Antonopoulos, 2020). This makes the process of attributing funds to the criminal aspect of the activity difficult and complex during the seizure process. For instance, whilst financial institutions are at the forefront of the anti-money laundering response, identifying the beneficial owners of 'front companies' is difficult due to the contrived nature of cross-border ownership structures, confidentiality provisions in certain jurisdictions, a lack of data verification in company registers, and the ease at which nominees can be used as company directors (see Lord et al., 2019). Consequently, although financial institutions can be central to the dialogue with enforcement, their ability to provide robust evidence of illicit activities can at times be limited.

Exploitation occurs on a continuum (Skrivankova, 2010) and those subject to exploitation may receive a regular wage albeit one which falls far below acceptable standards. Evidence of regular, small payments to victims can provide effective evidence of work in exploitative circumstances and may have to be made through financial institutions. Cases indicate that workers can also be provided with contracts which will simultaneously allow them to claim benefits (if migration status allows) to exploit both the workers' financial needs and benefit frameworks. In the UK, issuing 16-hour contracts has allowed employees to claim employment-dependent benefits at the highest level whilst working three or four times these hours and with no wage contribution on behalf of the employer whilst defrauding the state.

Depending on the market in which exploitation takes place, workers would need to be provided with clothing, a low-level operational cost which may need to take place through formal channels as an order from a supplier and could overlap clothing for both legitimate and exploited workers. This can consist of personal protection equipment for construction work, appropriate footwear for car washing or relevant clothing for sex work. As regulations are tightened regarding inappropriate clothing (for example, on building sites), providing suitable clothing may minimise the risk of detection for those involved in the running of the business.

Victims often need to be accommodated and fed. Accommodation is frequently found to be substandard and hence less costly although will depend on the market and, relative to operational costs, represents a higher infrastructural cost particularly when involving property purchases. Where accommodation is purely for the purposes of sleeping and living, this can vary from shipping containers, caravans or portacabins which may be in the grounds of the workplace, for example, farm or factory grounds and may not entail any traceable financial records. Frequently, victims are housed in the same place as their work which does not incur additional cost for example, the backroom of a takeaway or shop. Those subject to sexual exploitation will need a place to work which can be the same as the accommodation. In this case, the conditions can be slightly improved given that clients visit the premises. Appointments with clients can take place in hotels - regular payments to a particular hotel could be indicative of this type of activity although this can be another cost transferred to the victim to bear.

The business involved may be a legitimate one with a range of workers, only some of whom are victims of trafficking. Thus, the finances are not solely associated with trafficking, but some are within the running of the legitimate business. With illicit markets, the finances are wholly associated with the provision of illegal services. Premises being used for the purposes of cannabis cultivation will incur ongoing costs associated with hydroponics and heating requiring large amounts of electricity either legitimately or via abstraction techniques. Cases and media reports of cannabis cultivation and those victimised in the tending of cannabis 'factories' indicate the need for equipment, space and electricity as well as the use of exploited labour (for example, The Guardian, 2017). Premises being rented often require regular payments and/or inflated rental payments to landlords in order for them to 'turn a blind eye' and to inform them if police start making enquiries about the premises. Cases indicate that the passing of such information between landlords and tenants enables operations to move relatively quickly thus avoiding detection.

Security staff may be required, most often with sex work and can be complicit with the exploitation although nonetheless will attract a regular but often cash cost. In addition, or instead, buildings can be fitted with CCTV for the purposes of security and/or for the purposes of surveillance. This relatively high-level cost can be made through a recorded financial transaction although it will likely be a one-off.

In order to maintain the complicity of victims, traffickers will provide them with drugs or alcohol. Indications of substance related coercion were identified in cases related to sex work, exploitation of children and in the recruitment and continued cooperation of those induced into organised criminality (see Deshpande and Nour, 2013). Clients of sex workers may be provided with drugs. Although all regular costs, all transactions take place outside financial institutions.

Finally, most trafficking operations will require money laundering processes. Europol (2015) concluded that there are no new money laundering techniques specific to human trafficking and that family members are often engaged to launder criminal proceeds. As with many cases of money laundering, trust in others is often key for the perpetrators irrespective of whether these facilitators are close contacts, nominee directors or professional service providers (Levi, 2015; Lord et al., 2019). Perpetrators need to be relatively confident that their proceeds will be discreetly managed if the intention is to use the funds for financial activities in legitimate markets or if the intention is to reinvest back into the criminal enterprise directly (e.g. paying wages in cash) or indirectly (e.g. purchasing business fronts such as nail bars). The trends detected in money laundering related to human trafficking are 'similar to those of other offences, including the use of cash-intensive businesses, of money service businesses, of hawala (informal banking) systems, of cash couriers, of front companies, commingling of funds, aliases, straw men, and false documents' (FAFT, 2011: 7). Several cases included details of traffickers living beyond their apparent means for example having numerous luxury holidays, expensive cars and other items (see The Independent, 2019) which may present an opportunity for detection. However, '[t]he biggest profits come to those who are geared towards making significant profits, are diversified in their predatory activities and are willing to exploit their victims in more than one way' (Antonopoulos et al, 2019: 73). Where larger profits are generated, criminal facilitation in the laundering process is more likely required, where lawyers, accountants and other professionals may support the trafficking enterprise.

Concluding Thoughts

There is great diversity in human trafficking enterprises as indicated in the scenarios which formed part of this research. Despite this diversity, some necessary finances are evident across all these scenarios including operational costs such as varying forms of transport, whether local or international, and sustenance and infrastructural costs such as accommodation. The proceeds of the crimes and the way in which proceeds are used will vary depending on the size of the operation from individual expenditure on small items to reinvestment in large legitimate businesses. Other costs identified can depend on the specifics of the case such as geographical scope and the nature of the underlying trafficking business. The key policy issue is that recognising and identifying the necessary aspects of similar trafficking cases can present useful insights into where to direct intervention strategies. In order to understand the finances related to specific exploitation types, a more detailed, market-specific analysis would aid law enforcement in identifying unique processes and transactions. Based on the processes underpinning this research in conjunction with the anti-trafficking analyst, the framework was valuable in providing a more structured approach to identifying the financial aspects of the cases. We anticipate that this systematic approach to analysing the financial aspects of human trafficking activity could be useful to other organisations involved in anti-trafficking strategy.

Much of this case analysis has indicated that financial transactions largely take place outside financial institutions and thus, despite frequent financial exchanges across all markets, developing methods of tracing these transactions through financial institutions is often not possible. This is reiterated elsewhere: 'payments in cash are *almost* exclusively the case in the human trafficking business for both sexual and labour exploitation' (Antonopoulos, 2019: 66). In circumstances where financial transactions necessitate the involvement of financial institutions, the scenarios need to be sufficiently narrow and detailed in order to avoid returning an unmanageable number of potential account holders. For example, one person receiving rent from several properties in the same building would include many people conducting legitimate business. However, combining this with a number of other indicative factors may return a much smaller number from which law enforcement can effectively begin or support investigative processes. Emerging practice in the UK in terms of public-private data sharing and collaboration, as we have seen with JMLIT since 2015 in the response to money laundering, provides a model for how such mutual support might function.

However, the focus on these large numbers can obscure some of the individual level experiences at which people become involved in trafficking and the wider context of the markets in which they are employed. The relationships between traffickers and those who become victims are often based on prior acquaintance and can be the result of two failed migratory projects (Mai, 2010). These small networks based on complex relationships comprise a significant amount of cases encountered by law enforcement (Gadd et al, 2017). On an individual basis, the motivation for involvement in trafficking activity is primarily financial (Webb and Burrows, 2009). However, the small scale of these operations delimits the profits available: these cases often involve only one or two victims. Recourse to employment in the cash economy is frequently the only option for those unable to access legitimate employment or to claim benefits due to their migration status. Where restrictive migration policy increasingly impacts on legitimate opportunities, including through the points-based system introduced as part of Home Secretary Priti Patel's immigration bill in 2020, traffickers engage in cash-based economies in order to exploit these vulnerabilities and to make money for themselves (IASC, 2020).

Finances are not just important in relation to the profits generated by and for traffickers but in relation to the 'losses incurred by the victims' (ILO, 2014: 45). This not only increases the debt incurred by victims but also both increases the profitability for perpetrators and reduces the potential for detection by passing many costs on to the victim. The changes likely to be made as a result of Brexit, starting with the announcement of the points-based immigration system (Home Office, 2020) will place individuals at greater risk of exploitation as they are less able to travel and work legally and less likely to report to authorities, increasing the legal precarity and vulnerability of victims. The ability to make money through exploited labour could be reduced through provisions such as the s.54 transparency provisions of the UK Modern Slavery Act although these need to be more robustly implemented with effective penalties for non-compliance if they are to be effective (Lord and Broad, 2018).

It is generally the same authorities that have responsibility for both anti-money laundering (AML) and investigating the predicate offences. This usually depends on the same source of intelligence and evidence arising during the course of criminal investigations (FATF, 2011). There must be engagement with other forms of data and existing intelligence including perpetrators' accounts of managing finances and information available through human trafficking case files. SARs are identified as valuable tools from which to identify and begin financial investigations which may related to human trafficking. However, anecdotal experience during the course of this and other research suggests that further work is needed to create effective collaboration between human trafficking focused units and those responsible for financial investigation and to cast the net more widely when considering the ways in which financial transactions take place in these markets.

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