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THE RIGHT TO DEVELOPMENT

Written statement* submitted by Human Rights Advocates, a non-governmental organization in special consultative status

The Secretary-General has received the following written statement which is circulated in accordance with Economic and Social Council resolution 1996/31.

[3 February 2005]

* This written statement is issued, unedited, in the language(s) received from the submitting non-governmental organization(s).

THE LINK BETWEEN POVERTY, THE RIGHT TO DEVELOPMENT AND THE TRAFFICKING OF WOMEN AND CHILDREN

1. This statement seeks to illustrate the inextricable between poverty, lack of economic opportunities and the trafficking of women and children. The statement also elucidates the role that microfinance schemes can play in creating viable opportunities for women vulnerable to trafficking.
2. The criminal nature of human trafficking makes it difficult to know exact numbers, however it is estimated that worldwide between 700,000 and 4 million women and children are trafficked each year into modern forms of slavery.¹
3. Trafficking for sexual exploitation has been described as “driven by a demand for women and children’s bodies in the sex industry, fueled by a supply of women denied equal rights and opportunities for education and economic advancement, and perpetuated by traffickers who are able to exploit human misfortune with near impunity.”² Reducing demand and creating other economic opportunities is essential to any approach to reducing trafficking.
4. There is an inextricable link between poverty and the lack of economic opportunities, especially for women, and the supply side of trafficking. First, lack of viable economic opportunities creates the conditions for women and children to be forced into the commercial sex trade. Second, the involvement of women and children in sex trafficking networks threatens economic development.
5. Poverty and gender inequality make it easier for traffickers to obtain women to work in the commercial sex industry. Increasing economic hardship particularly in less-industrialized and transitional countries combined with onerous obstacles to legal migration has coincided with increases in the number of trafficking cases.³
6. The implementation of World Bank/IMF imposed structural adjustment programs within different countries have also contributed to the rapid growth of trafficking in persons for commercial sex exploitation.⁴ Structural adjustment programs forced states into reducing their spending on social welfare, education and healthcare. Pressures on families and communities due to these effects force women to bear the role of providing for the family. This kind pressure makes women susceptible to the commercial sex trade.⁵

¹ Heyzer, Noeleen, Executive Director (UNIFEM). *Gender and Human Rights Framework Plenary Address The Human Rights Challenge of Globalization: Asia-Pacific-US: The Trafficking in Persons, Especially Women and Children*, Honolulu, Hawaii 13-15 November 2002.

² Phinney, Alison, *Trafficking of Women and Children for Sexual Exploitation in the Americas*. A paper written for the Inter-American Commission of Women (Organization of American States) and the Women, Health and Development Program (Pan American Health Organization), Washington, D.C. 2001

³ Elabor-Idemudia, Patience. “The African Dimension of International Sex Trafficking: The Narratives of Nigerian Women and Girls Engaged in the Industry,” *available at* <http://www.makerere.ac.ug/womenstudies/full%20papers/Patience%20Elabor%20-%20Idemudia.htm>

⁴ Hodgson, Douglas. Combating the Organized Sexual Exploitation of Asian Children: Recent Developments and Prospects.” *International Journal of Law and the Family*, 9(1): 23-53:1995; Kempadoo, Kamala and Jo Doezeema (eds.). *Global Sex Workers: Rights, Resistance and Redefinition*. New York: Routledge, 1998

⁵ *Id.*

7. Structural adjustment programs also lead to a shrinking of the formal economy and an increase in the informal economy, which tends to accommodate criminal practices, including the trafficking in women and girls. Further, changes in formal and informal economies have increased the global demand for cheap labor while the lack of employment and educational opportunities in villages or poor urban areas create a ready pool of vulnerable workers.
8. Trafficking also has a negative impact on the labor market in countries which then makes it difficult to escape an endless cycle. According to the International Labor Organization (ILO), trafficking contributes to an irretrievable loss of human resources for poorer countries. The long-term effects of trafficking can be devastating and include depressed wages for informal and formal sector workers, a lower number of individuals left to care for an increasing number of elderly persons, social imbalances in the proportion of men to women, and an undereducated generation.⁶

THE NEED FOR ECONOMIC OPPORTUNITIES

9. Lack of economic opportunities for women creates, and at the very least exacerbates, the problem of trafficking.
10. Economic gain is said to be the primary motivation for the women and girls in poorer countries who often are led to believe that they are being taken to richer countries for employment as domestics or servers in food establishments.⁷ Supporting local women's groups who offer microfinance and job training programs can therefore help create viable alternatives for women vulnerable to trafficking.
11. Microfinance programs extend small loans and other financial services, such as savings, to very poor people for self-employment projects that generate income.⁸ Microfinance programs throughout the world play a significant role in the promotion of women's self-employment and income generation, especially in poor households. They also promote social development goals like gender equality and women's economic empowerment. If carried out correctly, with an emphasis on supporting local women's groups' agendas rather than that of donor institutions, microfinance can play a significant role in the promotion of women's self-employment and income generation.
12. Programs which combine women's need for financial services with job training, insurance, savings mobilization, and technical assistance have proven to be most successful in addressing poor women's needs. One example is SEWA, a women's trade union in India. SEWA offers a variety of supportive community services including savings and credit, health care, childcare, insurance, legal aid, capacity building and communication services. SEWA recognizes many potential sources of exploitation and oppression that challenge poor women, including broader economic and political structures and forces. This is important because programs which simplify poverty and poverty alleviation, i.e. microcredit alone is the answer, tend to prove ineffective in the long-term.

⁶ U.S. State Department, *supra* note 1.

⁷ Elabor-Idemudia, "The African Dimension of International Sex Trafficking: The Narratives of Nigerian Women and Girls Engaged in the Industry".

⁸ See Microcredit Summit, "Facts," available at <http://www.microcreditsummit.org/involve/page1.htm>

13. Providing microcredit and job training to girls who are at a high risk of being trafficked has proven successful in Nepal, where it is estimated that between 150,000 and 300,000 women and girls have been trafficked into brothels in neighboring India. A local organization, Maiti Nepal, provides prevention homes where high-risk girls can go and receive job training to teach them skills to help them earn a living in their villages. The girls are then given microcredit loans to help them get started.⁹ These programs have also successfully been used to help survivors of trafficking.¹⁰
14. On December 15, 1998, the General Assembly of the United Nations adopted Resolution 53/197 declaring 2005 as the International Year of Microcredit. The resolution designates 2005 as a special occasion for giving impetus to microcredit programs throughout the world. It invites governments, the United Nations system, all concerned NGOs, other actors of civil society, the private sector, and the media to highlight and give enhanced recognition to the role of microcredit in the eradication of poverty.
15. The international community should support the development and growth of local microfinance programs as a means of both preventing trafficking and assisting survivors of the human trafficking trade. Governments and financial institutions should not, however, assume that all types of microfinance programs enhance women's bargaining power and end poverty. Further, the underlying causes of poverty itself should not be ignored.¹¹

ECONOMIC AID

16. According to a recent study published by the United Nations Development Fund, global poverty could be cut in half by 2015 and eliminated by 2025 if the world's richest countries doubled their aid to the poorest countries.¹²
17. In 1970, the rich nations agreed to provide 0.7 percent of their gross national income for development assistance. More than twenty-five years later, only five countries—Denmark, Luxembourg, the Netherlands, Norway and Sweden—have met this goal. Many of the richest donors, including the United States, Japan, and Germany, are not even close to reaching their targets. For example, the United States only contributes approximately 0.15 percent of their GDP on development aid. While President Bush's administration has agreed to increase development aid to 0.18 percent, or \$22.3 billion, for 2006, this is still substantially lower than the report's target of \$54.5 billion.¹³

HRA Recommends that the Commission:

18. Urge specialized agencies and governments to give serious consideration to root factors of the supply side of human trafficking, namely poverty and globalization.

⁹ See Maiti Nepal, "Prevention Homes," available at <http://www.maitinepal.org/prehome.htm>; and Friends of Maiti Nepal, "Training and Orientation," available at <http://www.friendsofmaitinepal.org/html/training.htm>

¹⁰ See Maiti Nepal, "Gainful Employment Opportunities for Survivors of Trafficking," available at <http://www.maitinepal.org/report/index.htm>

¹¹ See Brigg, Morgan, "Empowering NGOs: The Microcredit Movement through Foucault's Notion of Dispositif". *Alternatives: Global, Local, Political* 26:3 (July-September 2001): 233–259.

¹² UN Millennium Project, *Investing in Development: A Practical Plan to Achieve the Millennium Development Goals*, available at http://unmp.forumone.com/eng_full_report/MainReortComplete-lowres.pdf

¹³ *Id.*

19. Encourage specialized agencies and financial institutions to study and report on the impact that structural adjustment policies, the globalization of trade, and “third world debt” have on women, specifically with regards to putting women at risk of being exploited by sex traffickers.
20. Urge UN bodies and governments to support local women’s groups that provide microfinance and job training programs to women vulnerable to the commercial sex trade.
21. Urge all states, especially wealthier industrialized countries, and international financial institutions to seek and provide new and additional resources to aid poorer countries in realizing their right to development.
22. Encourage the newly appointed special rapporteur on the trafficking of human beings and the independent expert on the right to development to share information regarding the links between the right to development, poverty, and the trafficking of women and children.
