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ORIGINAL PAPER¹

Overseas Contract Labor, Remittance Economies and the Hazards of Human Trafficking: the Philippine Case

Lila Ramos Shahani²

Abstract: Since the 1970s, overseas labor migration has been an indispensable component of national development in the Philippines. The emergence of what some scholars refer to as a remittance economy has meant that overseas workers have come to play a crucial role not only in sustaining the economy of their households but that of the nation as a whole. It thus comes as no surprise that they also hold the potential for contributing to on-going programs of developmental growth and political reform. However, overseas contract labor also opens up multiple avenues for abuse and exploitation. Chief among these is the danger of human trafficking, as recruiters and employers alike take advantage of the ready availability of contract laborers. Given the simultaneous economic importance and political vulnerability of migrant Filipino laborers, it is essential that the Philippine state provide for their economic and social welfare. At the same time, it is imperative for state agencies to attend to the urgent needs of workers who are prone to being trafficked and are most susceptible to abuse. This paper describes the vexed conditions of overseas workers and seeks to put forth some recommendations for safeguarding their well-being, in light of the dangers of human trafficking.

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Introduction

It all began, unexpectedly enough, over Facebook. Late one evening, a Facebook “friend” I had never met suddenly SOS’d me, saying she desperately needed my help. She had a friend, it seemed, who was a victim of human trafficking in the Middle East. Would I consider “friending” her friend and hearing her story?

So I friended the woman we shall now call “K,” and thus began one of the longest epistolary exchanges I have ever had. Over a period of about six months and hundreds of Facebook messages later, K recounted to me how she had been illegally recruited, trafficked from one employer to another, and subjected to all manner of physical and sexual abuse.

Five months later, after a great deal of effort on my part, she was finally back on Philippine soil. By the time she was willing to tell her story to the National Bureau of Investigation (NBI), she had begun to name names. Names of other victims who had been mistreated by the Philippine Embassy and its Labor Office in country “X”. And a Pandora’s Box slowly began — all-too-painfully — to open.

In time, almost 50 victims of abuse, rape, torture and trafficking eventually emerged. As of this writing, many of their cases are still pending investigation. How did these tragic events come about? What is the larger context for understanding the linkages between overseas contract work, labor exploitation, and human trafficking in the Philippines?

The Philippine context: labor and remittances

The history of the Philippine diaspora, like that of many such histories, has been fraught with both promise and peril. Like countries in Latin America, Asia and Africa during the 1970s, structural adjustment in the Philippine economy led to a movement away from farming, fishing, and local manufacturing as the traditional bases for the economy. But greater emphasis on manufacturing and the commercialization of agriculture was not necessarily matched by highly developed infrastructure, and Filipinos thus became increasingly unable to find decent and tenable employment in the country. As the Philippine economy became progressively more import-based, the government established a strategy of labor exportation. Decades later, foreign investments and even local consumption of foreign products were to remain driven by the continuous stream of remittances from overseas.

With the passing of the Labor Code in 1974, during the early stages of the Marcos years, the country’s policy of labor export became institutionalized as a strategic measure to contain rapidly escalating unemployment, while maximizing the 1970s Middle East oil boom. From 1973 onwards, oil-rich countries throughout the Middle East sought workers for infrastructure and development projects. Later, Filipinos would find employment as construction workers, doctors, engineers and highly skilled mechanics, with Saudi Arabia as a leading recruiter. But the boom also benefited women as nurses and domestic workers, paving

the way for the feminization of labor export.³ To encourage the migration of Filipino workers, succeeding administrations have sought to capitalize upon the global demands of what has increasingly become the Filipino brand: that of “caring labor.”

Overseas employment as an informal national policy has also served the dual purpose of defusing political tensions, especially from an educated and expectant middle-class faced with discouraging employment prospects at home, while boosting domestic consumption through recession-proof remittances from abroad. In addition, the relative absence, until very recently, of population control policies in this predominantly Catholic country, has resulted in the steady increase of surplus labor available for export to global markets.

Indeed, the exodus of human beings to developed countries has now created new diasporas that have had a considerable impact on the flow of money worldwide.

In 2012 alone, migrant remittances to their country of origin reached a high \$401 billion. Remittances are now considered to be a major vehicle for reducing the scale and severity of poverty throughout the global South.⁴

In many developing countries, they now dwarf Official Development Assistance and Foreign Direct Investments (FDI) altogether. Time and again, overseas remittances have proven to be far more resilient than private investments since they often tend to be *countercyclical*. Overseas workers are more motivated to send money home precisely during times of hardship and political turmoil. Here, Egypt serves as a good example.

During the Arab Spring, investors and donors pulled out even as remittances poured in. Between 2009 and 2011, FDI inflows into Egypt vanished, falling from \$9.5 billion to a net negative of \$483 million, while remittance inflows ballooned from \$7.15 billion in 2009 to a high \$14.32 billion in 2011, and an even higher \$20.5 billion the following year.⁵

The Philippines has borne this pattern out. According to the *Bangko Sentral ng Pilipinas* (BSP), cash remittances to the country totaled US\$2.2 billion in December 2013, after the country had been devastated by Typhoon Yolanda (Haiyan).⁶ This was 9.1% higher than the level registered for the same month the previous year. It comes as little surprise, then, that the Philippines remains the world’s 3rd largest recipient of remittances from overseas.⁷ What is, of course, positive about this is that remittances tend to have a multiplier effect, with the increase

³ Eric Pido, *Migrant Returns: Manila, Development and Transnational Connectivities*, forthcoming from Duke University Press.

⁴ Dilip Ratha, “The Impact of Remittances on Economic Growth and Poverty Reduction,” *Migration Policy Institute Policy Brief*, No. 8, September 2013, Last accessed November 14, 2014, P. 2.

<http://www.migrationpolicy.org/research/impact-remittances-economic-growth-and-poverty-reduction>

⁵ *Ibid*, 6

⁶ Personal and Cash Remittances Reach New Record Highs in December 2013, Full-Year 2013 Levels Highest to Date. *Bsp.gov.ph*, Last modified June 2, 2014, <http://www.bsp.gov.ph/publications/media.asp?id=3365>

⁷ Ernesto Pernia, *Diaspora, Remittances, and Poverty RP’s Regions*, UP School of Economics Discussion Papers No. 2006-02: 1-22, *Economicswbinstitute.org*. Last modified June 3, 2014, <http://www.economicswbinstitute.org/essays/filipinoremit.pdf>

in consumption stimulating economic activity at both macro and micro levels. Each year, Overseas Filipino Workers (OFWs) bring in billions of dollars in remittances. In 2013 alone, overseas remittances reached \$25.1 billion, totaling to 8.4% of the country's entire Gross Domestic Product, according to data from the BSP. In a 2003 Asian Development Bank (ADB) study, it was observed that beneficiary households spent remittances primarily on food and education. In 2007, the Philippine Institute for Development Studies (PIDS) found that families receiving remittances devote more income to consumption goods and invest more on education, healthcare and housing.⁸

The two studies affirmed the inclination of OFW families to invest in human capital through education. They also appear to prefer self-employment activities in the form of small-scale enterprises. In terms of regional development, we have seen that a 10% rise in regional incomes per capita raises the income of the poorest by as much as 2%.⁹ While developed regions within the country send more OFWs overseas, it is those that come from the poorest regions that tend to send home higher remittances.¹⁰

Interestingly enough, the increasing number of Filipino Americans returning to retire in the Philippines has had an even more dramatic effect on the material fortunes and urban landscapes of the country. Thanks to migrant investments, both commercial and real estate developments have been going through a period of extended (and potentially unsustainable, because primarily first-generation) growth.

Property purchases by returnees have increased real estate values and funded the development of shopping malls and related retail sites. A great number of condominium units, purchased as investment properties by Filipino Americans, are rented out to workers of another rapidly growing sector of the economy: call center operators.

Paid more than the average Filipino college graduate, youthful call center operators can afford high-end condo units and so sustain a real estate boom triggered by the remittances and retirement aspirations of an aging migrant population.

This inter-generational merger of interests is the result of a series of determinations: the change in Philippine laws around FDI and ownership of property, the legal designation of the returning migrant as an "exceptional" class of Filipino citizen with tax breaks and special visas, and the building of retirement communities. Finally, there has also been the rapid development of a medical tourist industry designed to provide low-cost care for retirees.¹¹

⁸ Audrey Tabuga, "How do Filipino families use the OFW remittances?," *Philippine Institute for Development Studies Policy Notes*. No. 2007-12 December 2007, Last accessed November 14, 2013, <http://dirp4.pids.gov.ph/ris/pn/pidspn0712.pdf>

⁹ Pernia, *Diaspora, Remittances, and Poverty*, 6

¹⁰ *Ibid*, 17

¹¹ Pernia, *Diaspora, Remittances, and Poverty*, 7

The social costs

But with the country's dependency on remittances, there come steep social costs. The increasing flow of remittances has buoyed the economy through the recent global recession. Yet there have been a number of negative effects to which the government has yet to adequately respond.

These include intensifying inequitable income distribution in certain areas: "income inequality and poverty... improve to the extent that poorer households receive the bulk of these income transfers, or inequality... worsen(s) if richer families are the main recipients."¹²

The remittance economy has also arguably fostered a culture of dependency, with some remittance-receiving families tending to rely solely on their OFW breadwinner. Remittances, thus, can induce people to spend more and work less because there is an external financial support they can always rely upon.

Spurred by overseas remittances, the real estate boom itself has led to new forms of vertical segregation materialized in the construction of high-rise condos, further enlarging the gulf between the rich and poor. Returning migrants seeking to retire in the Philippines find themselves occupying an uncomfortable social strata, as a kind of "special" Filipino who is neither foreign nor local. And because of their many years abroad, they find themselves physically and psychologically discomfited by the vast landscapes of inequality they daily confront. At the same time, their very presence contributes precisely to widening income gaps. They belatedly discover that their remittances, used up in the private consumption of the relatives they left behind (rather than harnessed for larger, public goods and industrial development), have aggravated the very poverty they sought to alleviate. Yet they find themselves constrained by obligations and affective ties to their families and thus continue to remit money even when they are already back. They thus become private agents of the public welfare of their relatives. As a result, they find themselves drained of the very resources they had sought to live on, stranded between the homes they had left behind abroad and those that they seek to recreate upon their return to the Philippines.¹³

Widening income inequality, thanks to overseas labor and the remittance economy, thus opens up a paradox. Those who find themselves at the lower end of the society cannot find jobs in the country. They tend to turn to what they see as a dependable source of good income, overseas contract labor, with which to support themselves and their family. But by going abroad, they end up contributing to the growth of remittances, which in turn enlarges the income gulf, which then produces workers who turn to overseas labor, and so on around the

¹² Pernia, *Diaspora, Remittances, and Poverty*, 7

¹³ Pido, *Migrant Returns*, forthcoming from Duke University Press.

circle. And once they return to the country, they find themselves treated as sources of money, thereby forced to continue supporting their relatives as they had done abroad.

Rather than produce sustainable entrepreneurship, remittances end up intensifying relationships of dependency. Seeking to retire, returning laborers continue to work; seeking to come home, they find themselves estranged from the very families they had sought to rejoin. It is precisely the political economy of remittances brought on by the on-going dependence on overseas labor that sets the condition for the rampant exploitation of workers. In turn, the dependence on a remittance economy, by deepening reliance on overseas contract work, fuels both the incentive and the occasion for illegal recruitment and, with that, ever-spiraling cases of human trafficking.

Trafficking and human rights

What is the nature and context of human trafficking in the Philippines? What is the socio-political ecology that encourages trafficking, and what is the nature of this geography? How has the Philippine government responded to the problem, and what are the challenges it continues to face? I'd now like to address these questions in the hopes that the case of trafficking in the Philippines might help shed light on the problem of trafficking in other parts of the world.

Underlying historical forces such as imperialism and colonization have, of course, established the precedent for contemporary human trafficking by introducing the highly profitable and extremely cruel traffic in slaves. Globalization, by establishing stark power differentials between developed and underdeveloped parts of the world, and between the wealthy and the impoverished populations within many nation-states, has arguably set the conditions for continuing this long history of human trafficking. The ever-growing demand for a flexible and highly exploitable work force across the globe stimulates the surplus supply of workers available for export, through both increased demand for labor abroad and lower wages at home.

In 2012, the Commission on Filipino Overseas (CFO) pegged the total number of Filipinos living abroad—permanent or otherwise—at 10.49 million. Not surprisingly, and for understandable historical and economic reasons, the overwhelming majority of Filipino migrants are in the United States, at 3.49 million. This is more than double of the next largest concentrations of OFWs in Saudi Arabia, at 1.27 million, followed by the United Arab Emirates at 931, 562; Canada at 852, 401; Malaysia at 686, 547; Australia, 391, 705; sea-based workers at 366, 865; Japan at 243, 136; the United Kingdom at 218, 777; and Kuwait at 213, 638.¹⁴

One of the complicating features of these large numbers of migrant workers is the fact that many of them are women, leading to the now common observation of the feminization of the Filipino diaspora mentioned above.

¹⁴ "2012 Survey on Overseas Filipinos," Census.gov.ph. Last modified September 4, 2013, <http://www.census.gov.ph/content/2012-survey-overseas-filipinos>

According to the PSA, there are slightly more male than female OFWs (51.7% vs 48.3%). However, more than half (55%) of female OFWs are laborers and unskilled workers. Why is the emergence of so many women in the overseas labor force such a significant issue? The Global Slavery Index notes that Filipino women are particularly vulnerable to various forms of human trafficking and sexual exploitation. Many fail to find greener pastures abroad.¹⁵ The history of the diaspora is thus marred by countless cases of work-related abuses, particularly with respect to women. Some are tricked into forced prostitution by fraudulent offers of employment, enslaved through marriages to foreign men, sold to be sexually exploited by soldiers, and form part of organized travel packages that include women for sex tourists.

Take the case of Saudi Arabia. According to a 2011 investigative report conducted by the House Committee on Overseas Workers' Affairs (COWA) chaired by Rep. Walden Bello, among the most common causes of distress for OFWs include: personal and health problems, 27%; unpaid salaries, 26%; maltreatment and verbal abuse, 15%; overwork, 14%; contract substitution, 5%; mother/child repatriation, 5%; sexual harassment and rape, 4% (likely to be much higher, as this is a notably under-reported phenomenon); and police cases, 4%.¹⁶

In another Gulf State, Kuwait, we observe that 53% of OFWS are female domestic helpers, many of whom are prone to sexual harassment and rape. In a personal communication with David Des Dicang, former Labor Attaché at the Philippine Embassy in Kuwait, he reported that, from 2006 onwards, the Philippine Mission in Kuwait recorded a monthly average of over 500 cases of human rights abuse against Filipino domestic workers. Indeed, the International Labor Organization estimates are sobering: there are 60,000 to 100,000 Filipino children, and as many as 400,000 women, trafficked each year.¹⁷ From 2005 to 2012, however, there were only 1,693 cases of human trafficking officially recorded in the country. Around 100 traffickers have since been convicted. But there are still countless, unrecorded cases of human trafficking in and out of the country.

Clearly, the illegalities of trafficking can only thrive given socio-political institutions tolerant of (or at least indifferent to) the commodification of human beings. The relentless search for profits characteristic of globalization has further meant that institutions often pursue "investment opportunities," rather than seeking the protection of migrant workers. Corruption both high and low is but symptomatic of the ways that greed and the profit-seeking motives of trafficking tend to contaminate the very institutions that are dedicated to fighting them.

Just as cops can't keep up with sophisticated crooks who are better armed and better funded, so, too, are state agencies often unable to enforce otherwise good laws in the face of traffickers who are able to bribe and pay their way into, and out of, the legal systems of migration and recruitment.

¹⁵ "Global Slavery Index 2013," *Globalslaveryindex.org*, last modified October 10, 2013, <http://www.globalslaveryindex.org/country/page/9/>

¹⁶ "The Condition of Overseas Filipino Workers in Saudi Arabia," Focusweb.org, last modified January 9, 2011, http://focusweb.org/sites/www.focusweb.org/files/COWA_report_Saudi.pdf

¹⁷ David Challenger, "Filipino group helps women find life outside of trafficking," *CNN.com*, last modified February 22, 2010, <http://edition.cnn.com/2010/WORLD/asiapcf/02/19/angeles.philippines/index.html>

It is also important to say something about the very structure of trafficking as a socio-economic activity. Traffickers never work in isolation, but always in concert with others —from illegal recruiters to corrupt police, to an entire panoply of service providers in the finance, communications and transportation industries. Trafficking, in this sense, is a *networked* phenomenon: its operations are de-centralized, with shifting locations and shadowy agents. It works as much on the level of violent coercion as on artful dissimulation, which creates complicated relations between perpetrators, victims and the latter's families, making it difficult to detect — much less prosecute — human traffickers. Anyone can potentially be trafficked, given the right conditions, regardless of color or creed, gender or age. And given advances in communications, transportation and computerized banking, government policies that encourage migration, along with rising global demands for certain kinds of labor, traffickers can take advantage of larger supplies of humans, turning them into cheap and disposable — but infinitely renewable — commodities. Modern trafficking thus exposes workers to harsh conditions and great degrees of exploitation, while depriving them even more systematically of any sense of identity and community.

The domestic market

It is useful to make a distinction between domestic and international trafficking in the Philippines. In doing so, we can see better how patterns in the former can feed into the workings of the latter. Where domestic trafficking is concerned, one of the most problematic areas in the Philippines is the chronically embattled and poorer areas of Muslim Mindanao. Due to all those conditions we mentioned above, Muslim Mindanao has, over the years, become a rich source of supply as well as a key staging area for human trafficking. Indeed, there is a long history of trafficking in the area for all sorts of reasons. To begin with, practices of slave raiding continued well into the 19th century until they were suppressed by the Spanish and American colonial governments. Geographically, Muslim Mindanao has long coast lines with easy access to the seas, which makes it nearly impossible to police their borders. Finally, proximity to Malaysia, which serves as a trans-shipment point to the Middle East and Europe, further facilitates trafficking.

Where the rest of the country is concerned, trafficking is deeply enmeshed in patterns of corruption. Well-connected Filipino power brokers are widely believed to be involved in domestic trafficking, often colluding with heads of syndicates profiting from the trade of Filipino bodies overseas. But while Filipino middle-men and -women (interestingly, many are women) play a significant role in brokering the traffic in humans, they are less invested in owning overseas properties where trafficked victims are placed. Filipino members of the political and economic elite tend to focus on domestic trafficking operations, saving themselves the prohibitive costs and potentially dangerous task of operating clubs and bars overseas, which is dominated by lower-class Filipino men and women. This fact compels us to revise the rhetoric of combating international trafficking heard frequently in the Philippines. This rhetoric often tends to gloss over the infinitely more corrosive problems of domestic trafficking itself and its messy political context. Where the latter is concerned, the nodal points of trafficking can be readily found at an intra-city level. There, young men and women are forced to work in clubs located in areas zoned for tourists. Such clubs are frequently established with the active collaboration of certain members of the police and law enforcement, including the occasional

involvement of high-ranking government officials. This can make the critical cooperation between the local government and the national police highly problematic.

Underlying causes

What spurs the trafficking of humans on such a large scale? In the Philippines, as suggested above, significant income inequality brought about by uneven development and the contradictory relationship between labor exportation and the remittance economy is among the underlying reasons for this phenomenon. Let us take a closer look at the macro-economic dimensions of this inequality.

The current Aquino administration has been distinguished by remarkably robust economic growth, averaging at around 6-7% annually since 2011. However, as impressive as this growth has been, economists have pointed out that it has not been as high or as sustained as necessary to make a significant dent in poverty figures. Poverty levels remain stuck, with around 27% of the population living below the poverty threshold. As such, poverty remains the most fundamental cause for the massive exodus of Filipinos overseas. Instances of poverty are further aggravated by rising population levels, with the Philippines now posting as the 12th most populous country in the world.

The situation is even worse in rural areas, where most of the food-poor are to be found. The lack of jobs and falling prices of commodities have significantly limited the growth of the agricultural sector. Such developments have, in turn, affected both the incomes of poor farmers and the food security of the entire country. Where the industrial sector is concerned, we see the lack of high-quality manufacturing jobs. Indeed, only 15% of the country's total work force is in the industrial sector. The majority of jobs, at 53%, tend to be concentrated in the lower-paying service sector. The lack of manufacturing jobs not only affects the over-all GDP but the actual quality of labor for each worker. The lag in industrial and manufacturing sectors is further compounded by deficient infrastructure, the persistence of corruption, and the high cost of energy--all of which lead to a business climate that is not always amenable to domestic and foreign investments.

Poor job security can be a pernicious problem, with employers hesitant to give mandatory benefits after six months to contractually, routinely terminating them after only 5 months. Indeed, unemployment and underemployment have no doubt played a significant role in making trafficking possible. The bleak prospects for gainful and fulfilling employment have made people vulnerable to the lure of illegal recruiters offering better prospects abroad.

Further aggravating poverty is the persistence of civil war in parts of rural and southern Philippines. Through the wholesale disruption and dispossession of entire populations, war creates a rich breeding ground for trafficking, leading to sexual and labor exploitation. Violently displaced, refugees of civil war tend to look upon forced migration as an improvement upon their present situation. Conversely, survivors of international conflicts overseas – in countries like Syria, Iraq, Lebanon or in the context of the so-called Arab Spring – return home only to find themselves vulnerable to being trafficked both internally and overseas.

Another factor in preventing development is the country's archipelagic topography. The complex assemblage of islands, mountain ranges and seas constitute natural barriers that constrain linkages between different areas. This lack of geographic contiguity makes infrastructure critical, and the government has, for all sorts of economic and political reasons, notably lagged in building Farm-to-Market Roads and other infrastructure to overcome these obstacles. Adding to these problems is the vulnerability of the Philippines to natural disasters. The country is the third most disaster-prone country in the world after Tonga and Vanuatu. With every natural disaster, people's lives are destroyed, entire populations displaced, and the country's resources severely depleted.

All of these factors help to explain the Philippines' high rates of income inequality. Some comparisons might be illuminating: neighboring Taiwan, for instance, has made great strides in their development by successfully implementing a comprehensive land reform program, something that the Philippines has yet to accomplish. Consider the following: for the first semesters of 2006, 2009 and 2012, the bottom 20% of Filipino families had a share of a mere 6% of our national income, while the upper 20% had a staggering share of almost 50%. This suggests that the top 20% of Filipino families own approximately 8 times the total income of the bottom 20%. In terms of the Gini co-efficient, one could easily argue that there has been negligible improvement in wealth distribution since 2009. As US government figures from the same year indicate, the Philippines ranks a high 42 among 136 countries in terms of income inequality.¹⁸

Most of the country's wealth thus continues to be held by a small minority. In a nation where the government only generates under 15% of the country's GDP -- while the private sector's contribution is over 85% -- the contribution of the latter in employment-generation cannot be over-emphasized. Unfortunately, privately-held corporations and better-off families prefer to invest in luxury real estate and consumer goods rather than manufacturing, which would generate jobs for the domestic economy.

This macroeconomic picture of inequality gives us a better sense of the conditions that make possible the tangled relationship between labor exportation and human trafficking, as well as the government's often uneven response to these problems.

The Government Response

In view of these problems, what exactly has the Philippine state done? Over the last few years, it has passed some progressive laws seeking to broaden social protection. The Anti-Trafficking in Persons Act (Republic Act 9208) of 2003 penalizes the recruitment, transportation, transfer, harboring or receipt of persons with or without their consent or knowledge within or across national borders, particularly when achieved through coercion or deception.

¹⁸ "Country Comparison: Distribution of Family Income - Gini Index," *Cia.gov*, last Accessed November 18, 2014, <https://www.cia.gov/library/publications/the-world-factbook/rankorder/2172rank.html>.

To further boost anti-trafficking efforts, a new multi-lateral agency, the Inter-Agency Council Against Trafficking (IACAT) was formed in 2003. The Secretaries of the Department of Justice (DOJ) and the Department of Social Welfare and Development (DSWD) serve as co-chairpersons, and its members include representatives from a wide range of government agencies.

A decade later, Republic Act 10364 (or the Expanded Anti-Trafficking in Persons Act) expanded the scope of human trafficking considerably. This time, the attempt itself to traffic persons is penalized, just as the list of acts constituting “attempt” is lengthily defined. This includes: evidence tampering; influencing (or attempting to influence) witnesses; and impeding investigation, prosecution or execution of the law. 10364 further clarifies that victims of trafficking for the purposes of prostitution should not be prosecuted, fined, or otherwise penalized; and establishes that the sexual predisposition of a trafficked person is deemed to be inadmissible evidence. Furthermore, to forced labor and slavery the new category of involuntary servitude has now been added, although all acts -- to be deemed criminal -- have to have explicit elements of exploitation. In the context of children (whether for adoption or as soldiers, for example), 10364 is also complemented by Republic Act 7610, which protects children from various forms of child abuse.

To further protect the rights of overseas workers, RA 10022 (2009) restricts the deployment of workers to countries the Philippines has bilateral agreements with, and countries that are signatories to international conventions and treaties guaranteeing migrant workers’ rights. In addition, it broadens the definition of illegal recruitment, and imposes legal sanctions against it, although this is not always implemented because of push and pull factors in the economy, which make overseas labor imperative. To address the problem of illegal recruitment itself, the Office of the President, through Administrative Order 41 (2014), created an inter-agency committee to assist OFWs who are victims of dubious recruitment practices. It is headed by the Vice President, and is directly supported by various government agencies.

At a policy level, what is called the 4Ps approach (Prevention, Protection, Prosecution and Partnership) is used in the Philippines, just as it is used internationally. Prosecution has already been described above. For Prevention, Protection and Partnership, different government agencies are involved in anti-trafficking efforts throughout the country. The Philippine National Police runs Women & Children’s Complaint Desks and has trained 3,000 of their personnel in victim identification. The OWWA (Overseas Workers Welfare Administration), an attached agency of the DOLE, is the lead government agency tasked with protecting the welfare and well-being of OFWs and their dependents. The POEA requires all OFWs to undergo a Pre-Departure Orientation Seminar to educate them about the hazards of working abroad and dealing with false labor recruiters. Overseas, the DFA deals with host country governments and overseas Filipinos, including those who have been illegally recruited or trafficked. The Bureau of Immigration oversees travel requirements, apprehends suspected traffickers in places of arrival and departure, and is attempting to establish patterns of deployment used by trafficking syndicates. The Commission on Filipinos Overseas also has a 24/7 hotline that assists victims of human trafficking. As of July 2013, a total of 17,203 calls were received, and 233 cases served by the 1343 Action Line on Human Trafficking.

At the vanguard of social protection in the country, the DSWD provides reintegration programs for deportees and returning OFWs. It provides basic business management training, psychosocial and economic assistance, and educational assistance in coordination with the Department of Education's Alternative Learning System for adults seeking high school education, as well as training from the Technical Educational Skills Development Authority. In addition, the DSWD has the Recovery and Re-integration Program for Trafficked Persons that provides assistance to distressed OFWs. It also maintains 42 shelters nationwide to provide safe residential recovery and psychosocial reintegration.

Overseas Filipino workers who have been repatriated from war-torn countries in the Middle East and North Africa may also be entitled to PhilHealth medical insurance coverage from the Department of Health in case they or their legal dependents in the country are hospitalized. Finally, displaced OFWs are granted a six-month moratorium on their housing loan payments and given the option to withdraw their savings immediately to help them in the context of unexpected economic difficulties.

All these laudable programs notwithstanding, an implementation gap continues to persist. In what follows, I discuss a series of recommendations for addressing some of these bottlenecks.

Recommendations: following through on programs and legislation

The uneven enforcement of laws and the inconsistent implementation of programs are not uncommon in the country. The persistent gap between policy and practice stems from a combination of things. A partial list would include: inadequate government resources to investigate and pursue trafficking cases; corruption as a way of life on both the local and national level; bureaucratic inertia and a tendency to protect officials and personnel from prosecution; lack of political will; agency in-fighting within IACAT when there should be more cooperation and sharing of information; and the seemingly implacable forces of globalization that create precisely the climate of inequality and illegalities mentioned above. In the face of these problems, it will take a long time and even greater efforts to develop comprehensive solutions and realize the good intentions of the law. A more thorough-going reckoning of the complexities of overseas labor recruitment, the remittance economy and human trafficking, along with the global conditions that enable them, is something beyond the scope of this essay. Instead, I have proposed a set of modest policy changes for specific agencies that I have submitted to both the heads of DOJ and DSWD, who co-chair IACAT.

Joining some members of the legislature, I have called for greater stringency in the suspension and punishment of erring public officials involved in human trafficking and other human rights violations so as to avoid interagency cover-ups and systemic abuse. Since 2004, only 96 government officials have been subjected to administrative cases in relation to trafficking in persons: 40 were formally charged; 13 are still undergoing investigation; 25 have been convicted of charges; and 2 acquitted. Under the Anti-Trafficking in Persons Act (RA 9208 of 2003), only one police officer was convicted for Qualified Trafficking, and another for the

Use of a Trafficked Person. These numbers, clearly, could still be improved with a more rigorous enforcement of Philippine law.

To facilitate prevention, I have proposed a more comprehensive mapping of trafficking “hot spots” for OFWs all over the world. The non-profit Polaris Project based in Washington, DC has already produced a highly useful map of transnational trafficking activity, and the Philippine government, working with an appropriate NGO, can link up with their project. Once such a mapping has been made, I have further recommended that responsible agencies consider using their Gender and Development (GAD) funds, which add up to 5% of each agency's budgets, to fund the deployment of several personnel overseas dedicated to addressing the needs of abused and trafficked workers in designated hot spots. Ideally, these would include: a registered social worker (with the forensic ability to use rape kits) from DSWD, a paralegal from DOJ, and a police officer from the Philippine National Police. In addition, an accredited non-governmental agency (NGO) could deploy regular inspections in three global areas of concern: 1.) the Middle East; 2.) North America; and 3.) Asia.

In order to encourage the local reporting of trafficking activities, I have also persuaded the DOJ to fund the making and distribution of thousands of tarps in areas regarded as “hot spots” for trafficking. These tarps contain highly useful information, including the national telephone hotline, 1343, which anyone can call to assist victims and report illegal recruiters. Toll-free telephone hotlines should also be installed in all international hot spots, should funding become available.

POEA should have a reliable database for blacklisted employers to stop their illegal activities. DOLE might consider the need to routinely re-accredit Filipino and foreign agencies deploying Filipino workers. POEA and the Philippine Labor Employment Office might further consider preparing a “scorecard” with a set of criteria to weed out undesirable agencies and re-accredit good ones. However, the re-accreditation process should not become another source of corruption. The intent is to legally screen agencies with bad records, clean house and ensure better protections for Filipino workers.

It has become increasingly clear, however, that the entire continuum of a distressed OFW's experience cannot be addressed solely by DSWD and DOJ. Survivors of abuse and trafficking have multiple and overlapping needs. These include medical and psycho-social needs, particularly in the context of chronic illness. Psychological care should go beyond the two sessions allotted by the state since follow-through after diagnosis is critical. Most have a pressing need for jobs as soon as they arrive in the country in order to support themselves and their family. The Public Employment Service Office program of DOLE could be improved by having a reliable database of applicants and their skill sets to be matched with their employment needs, even if actual jobs are not immediately available.

Among many of the victims, there is a deep fear of being confined in a shelter after their experience of having been locked up or imprisoned in the past. This suggests the need to establish half-way houses as an alternative to the more isolating effects of shelters. Repatriated workers also must have greater access to the job-training program provided by TESDA (T...E...S..D..A..), especially for those beyond a certain age without high school degrees, too busy working to pursue secondary education. There should also be a process of following-up

with pending cases and requests for remuneration from the host country with the victim's lawyer overseas. Often, too many of the victims' cases languish in legal limbo for lack of adequate representation both at home and overseas. Many of the survivors are also extremely reluctant or simply unaccustomed to pursuing their rights and dealing with the often-byzantine workings of different government agencies. A system should be put in place to make it easier for them to approach these agencies, which means that more social workers and lawyers are needed; for now, the relative lack of both significantly impedes progress in terms of social protection and prosecution.

Indeed, the care of survivors often falls through the cracks at an inter-departmental level because each agency is understandably focused solely on their own respective mandates. To begin with, both DSWD and the Department of Interior and Local Government could play a stronger role in IACAT, where the active presence of social protection and local government services are crucial. In addition, bureaucratic red tape remains a problem: today, there are several existing agencies attached to the DOLE (Philippine Overseas Labor Office or POLO, Overseas Workers Welfare Administration or OWWA, Philippine Overseas Employment Administration or POEA, etc.), and these overlapping concerns could be greatly streamlined.

There is a real need to address the totality of survivors' needs that is not currently being addressed by the IACAT Secretariat, which is focused solely on advocacy and communications, on the one hand, or on prosecution and legal matters, on the other. This Secretariat should broaden its focus to ensure that basic needs of distressed workers are met, such as access to transportation, aid in finding appropriate shelters, with medical care and even with furnishing sworn statements and affidavits to the police.

Many abused workers have also been sexually abused or raped. I have recommended that distressed workers suffering from physical and/or sexual abuse be provided not only with psychological counseling but also with actual gynecological and other medical care as needed, including testing for the HIV virus. Rape victims often shy away from the lengthy waits at the Philippine General Hospital (PGH) and return home in shame and embarrassment, often before being checked. In cases where more medical care is needed (CT scans, laboratory work, medication), problems sometimes arise when partner NGOs cannot fully shoulder the costs. Ideally, a unit at the PGH should be dedicated solely to the many medical needs of repatriated OFWs, given their sheer volume.

More troublesome is the fact that, as a series of congressional investigations have shown, there have been recurring incidents of labor and sexual abuse committed by members of the Philippine embassies and sub-contracted employees, especially in the Gulf States. I share the opinion of some other members of Congress that the DFA and DOLE rescind the contracts of long-time local hires and staff (including officials) of the Embassy, as well as remove officials of POLO/OWWA who have been the subject of repeated complaints. Not unlike the diplomatic service itself, the contracts of local hires could be limited to no more than five years. Family relations (and therefore the possibility of nepotism) should be strictly disallowed.

Embassy facilities in trafficking hot spots should also be restructured in view of the inadequate and stifling facilities that currently exist. In many of the Embassies, the sleeping, eating and recreation quarters in shelters appear to be grossly inadequate. To retain

professional boundaries, a separation between the living areas of runaway Filipino workers and the work areas of Embassy/DOLE staff is vital to maintain privacy and security. Moreover, security should be provided by professional guards, and not voluntary shelter wards, as is often the practice. The feeding, housing and psycho-social needs of runaway distressed workers in shelters might be more appropriately lodged under DSWD, which employs qualified social workers, rather than be left to the untrained, and at times insensitive, discretion of labor personnel. If this is not possible, then a registered social worker from DSWD detailed to the Embassy could routinely monitor quality of life in the shelters. DOLE, OWWA and DFA personnel should also be better prepared to handle legal, contractual, reintegration and other concerns.

Then there is the matter of getting the cooperation of host countries to regulate and ameliorate the plight of Filipino workers. Many of the host countries do not officially recognize the right of workers in the informal economy. In much of the Arab world, for example, matters related to the domestic sphere are deemed “private.” State regulation and protection of domestic workers are thus considered to be undue outside interference and is roundly discouraged. Protecting workers' rights should begin by establishing a standard employment contract between Filipino workers and employers in the host countries. The failure to establish, much less enforce, such a contract means that Filipino workers find themselves in a state of virtual slavery, held utterly captive by the whims and caprices of their employers. Their only recourse is to escape, running away from their employers. Cast as runaways by the host country, abused workers then face the prospect of being prosecuted for renegeing on their agreement to work for the employer. In foreign courts, there tends to be an overwhelming presumption of guilt on the part of the Filipino runaways. The reasons *why* they ran away (were they abused, threatened, bullied, exhausted or starved?) are rarely broached. In all such cases, the law almost always sides with the employer, leaving the worker with no legal protections. It is incumbent upon the Philippine state to pursue all the diplomatic means available to convince host countries to recognize the rights of domestic workers if there is any hope of safeguarding them from abuse. One example of the astute use of diplomacy to aid workers occurred in the case of Saudi Arabia. Responding to numerous cases of abuse, the Philippine government temporarily suspended the deployment of Filipino household workers. Such a move spurred the creation of a Memorandum of Understanding between the two countries to address their cases. This might be a useful strategy in other Middle Eastern countries.

The DFA has identified the protection of Filipino nationals to be one of its primary priorities abroad. Allegations of rape, sexual and physical abuse, and extortion should therefore be thoroughly audited. How many cases have been subjected to a negotiation or settlement? How many have been filed at the police- and court-level, and how many have received a successful judgment? What is the track record of the lawyers (and translators) retained by Philippine Embassies?

One other pressing area where Philippine diplomatic pressure might be exerted is in sponsorship system for domestic workers prevalent in the Middle East called *kafala*. Such a system has been the basis for the systematic abuse of Filipino and other workers. Under the system, sponsors have the discretionary authority to cancel a workers' legal residency and block their employee from transferring to another sponsor. It stipulates that the employer pay in full for the expenses of bringing and hosting a domestic worker (which is when unscrupulous

recruitment agencies can make big money). This makes the employer solely responsible for the worker's visa and legal employment status, giving him/her an undue sense of entitlement. I would urge the drastic revision, if not abolition, of this system so that the employment and immigration status of the worker is no longer tied solely to their employers' approval, and that recruitment agencies in host countries be abolished. Instead, minimum wages and standard working hours for all migrant workers could be set.

Conclusion

While the rising number of OFWs has created a remittance economy that has been an unparalleled boon to the Philippine economy, it has also created serious problems, both in terms of high social costs and long-term economic sustainability. It has also led to intensifying the traffic in humans. It is thus incumbent upon the government, both national and local -- in cooperation with civil society groups and international monitoring bodies -- to formulate effective policies that address the abuses and exploitation of OFWs. Their difficult working conditions, in conjunction with the relative laxity of state supervision, has resulted in repeated cases of human rights violations and increasing incidents of human trafficking.

I have put forth a series of policy recommendations designed to sketch out both possible strategies and long-term programs for addressing these problems in as holistic a manner as possible. They have ranged from providing maps of hotspots with emergency hotline numbers, fuller engagement with local governments, and a broadening of social services — from education to health for OFWs, financial literacy programs for returning workers and their families, and more stringent and transparent monitoring not only of private recruiters but also public officials in affected Embassies. I have also urged the more active recourse to diplomacy to stipulate and enforce contracts between employers and workers in order to safeguard the civil and human rights of the latter. Without such measures, the spiraling abuse of workers in the hands of employers, recruiters, traffickers and even Embassy workers will intensify, even as their remittances continue to buoy the Philippine economy. The failure to adequately address the plight of overseas workers, even as we profit, directly or indirectly, from their labor and remittance earnings, ultimately makes us complicit in their tragic exploitation and abuse.

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