

# INTRODUCTION

Why is there tolerance for buying another person? Why aren't clients going to jail? You have to look at the whole market. If there weren't a buyer, there wouldn't be a procurer, and there wouldn't be a victimized woman or child. It's complicated in that the actions of buyers are accepted as normal and the languages of all the cultures label the 14-year-old victimized child a 'prostitute' and worthy of little sympathy, much less justice.

— Linda Smith, SHI Founder and Director

It is not enough that the law considers illegal behavior of the customer of sexual services...the functional equivalent of the law must also recognize such behavior as unacceptable. By 'functional equivalent of the law,' I mean the traditions, the customs, the acceptable behavior of the people. The legal systems that 'tolerate' or 'accommodate' or 'normalize' the behavior of the customer must reconsider its policies, change the law, and enforce the law accordingly.<sup>4</sup>

— Professor Mohamed Mattar,  
Director,  
The Protection Project of Johns Hopkins University  
School of Advanced International Studies

**S**ex tourism and sex trafficking appear to be pandemic throughout the world. The demand for commercial sexual services is driving markets and generating profits for the criminal traffickers. According to the International Labor Organization (ILO), a person trafficked into the sex industry earns approximately \$67,000 per year in revenue for her/his trafficker.<sup>5</sup> The exact number of sex trafficking victims worldwide is unknown, however Congressional findings in the 2005 "End Demand for Sex Trafficking Bill" introduction state: "The U.S. Government estimates that as many as 600,000-800,000 individuals are trafficked across international borders each year...80% are women and girls...An estimated 100,000 to 300,000 children in the U.S. are at risk for commercial sexual exploitation at any time."<sup>6</sup>

<sup>4</sup> Mattar, Mohamed, remarks in the "Demand Dynamics: The Forces of Demand in Global Sex Trafficking Conference Report," Morrison Torrey ed. (Captive Daughters and the International Human Rights Law Institute of DePaul University College of Law: Chicago, IL, October 17-18, 2003) pp. 95-105.

[http://www.law.depaul.edu/institutes\\_centers/ihrli/downloads/demand\\_dynamics.pdf](http://www.law.depaul.edu/institutes_centers/ihrli/downloads/demand_dynamics.pdf).

<sup>5</sup> "A Global Alliance Against Forced Labor, Report of the General Director," [International Labor Organization](http://www.ilo.org), May 11, 2005.

<sup>6</sup> Congressional findings, "End Demand for Sex Trafficking Act of 2005," intro. House of Representatives April 28, 2005. <http://thomas.loc.gov/cgi-bin/query/z?c109:H.R.2012:>.

To combat sex trafficking, it is necessary to examine the markets of commercial sexual exploitation where victims are human product sold for sex, abused, exploited, tortured and frequently killed. In this report, Shared Hope International presents its findings from a twelve month examination<sup>7</sup> of the operation of demand in sex tourism and trafficking markets in four countries: Jamaica, Japan, the Netherlands, and the United States. The report examines the marketplaces of victimization in these four countries by deploying human rights researchers to selected cities within the countries to meet with the perpetrators, the victims, journalists, NGO representatives, policy makers, and others with information on the marketplaces of exploitation in their country.

Specifically, this report addresses the following questions related to marketplaces of demand for commercial sexual services:

- What is the structure of the market?
- Where are the markets located?
- Who are the buyers?
- Who are the traffickers?
- Who are the facilitators?
- Who are the recruiters?
- Who is the victim in this marketplace model?
- How do trafficking networks operate?
- How are trafficked persons moved, hidden, controlled?
- Who is benefiting financially from the sex trade?
- How are federal and local policies and/or political figures enabling or deterring sexual exploitation?
- How does national culture (language, history, traditions, gender relations, legal structures) enable or deter sexual exploitation?

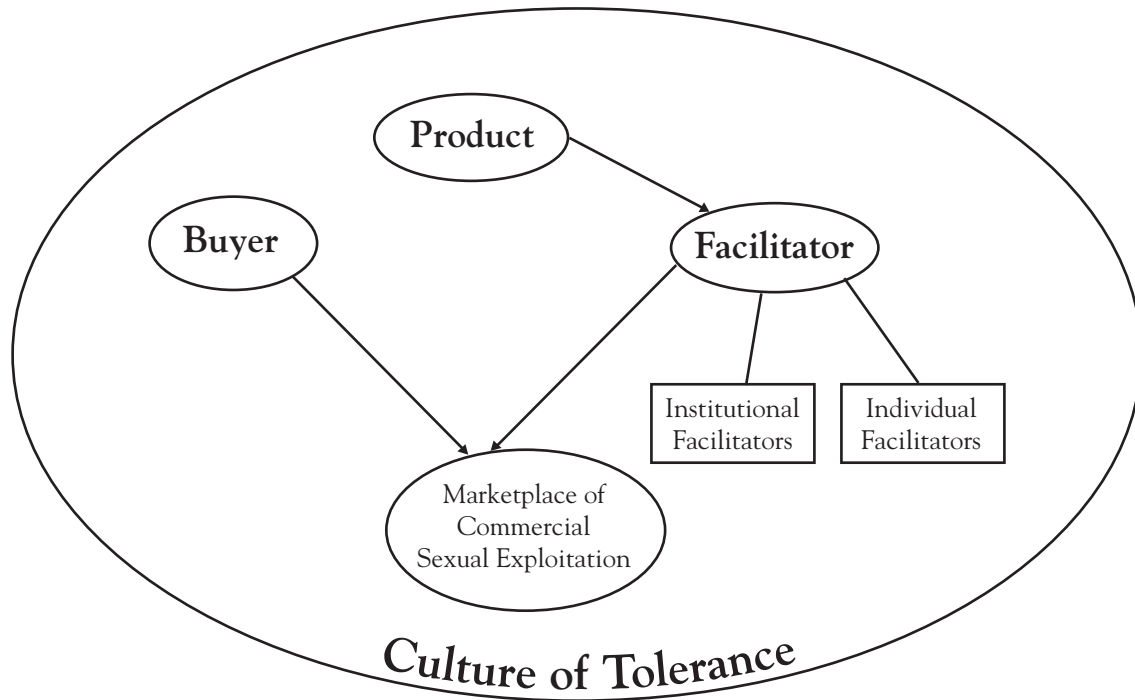
## MARKET STRUCTURE

The marketplace of victimization operates according to the economic laws of supply and demand, much like any legitimate market. As in any market, supply and demand for commercial sexual services are correlated. This report will observe supply and demand in the marketplace from a demand-focused perspective. Supply, while it can and will affect the market structure, increases to meet a growing demand for sexual services throughout the world. In fact, evidence suggests that supply is becoming younger in response to buyers' demand for youth due to perceptions of healthiness and vulnerability. The marketplace of commercial sexual exploitation is a demand-driven market. The marketplace of commercial sexual exploitation includes sex tourism as a distinct market.

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<sup>7</sup> The field research was performed in 2006 while other research was ongoing throughout the 18 months of the project.

## THE MARKETPLACE OF VICTIMIZATION



As shown in the figure above, and described in detail in the report, the marketplace of victimization is comprised of buyers, facilitators, and victims. This report defines the buyer as any person who purchases a commercial sex act. Facilitator is defined as any person who profits, directly or indirectly, from the sale of commercial sex acts. This includes individual facilitators ranging from pimps to complicit cab drivers and corrupt officials, and institutional facilitators like negligent hotel chains and local governments which fail to prioritize enforcement of laws. In the marketplace model, victims provide the services demanded.

It is not enough to go after the customer. We have to do something about the advertisement agency on the Internet that advertises sex for sale. We also have to address the issue of mail-order brides as a trafficking issue and go after matchmaking organizations. We also have to maximize our legal approach to stripping, massage parlors, escort services, and the like. It is not enough to follow the tort-nuisance approach. We should make these operators of entertainment sex liable for involvement in trafficking...There is a moral nuisance issue, which must be addressed, but there is also a criminal liability issue.<sup>8</sup>

<sup>8</sup> Mattar, Mohamed Y., Remarks in the "Demand Dynamics: The Forces of Demand in Global Sex Trafficking Conference Report," pp. 95-105.

## CULTURES OF TOLERANCE FOR SEXUAL EXPLOITATION

A culture of tolerance surrounds the marketplace of commercial sexual exploitation. The culture of tolerance is derived from a country's history, ethnicity, religious practice, language, political and economic system, and other influences. Cultures of tolerance differ from country to country, and sometimes vary within countries or even cities, but the essence is the same: societal acceptance backed by political tolerance. Marketplaces of commercial sexual exploitation require some level of tolerance within the community in order to exist.

## THE EVOLUTION OF SEX TOURISM

Sex tourism has evolved in step with globalization. Sex tourism no longer can be understood exclusively as Western men traveling to developing countries to engage in commercial sex acts. The local commercial sex markets are accessible and sex tourists are taking advantage of this accessibility. As a result of stricter immigration laws and awareness of the harsher punishments for human trafficking we would expect that criminals will recruit local women and children because they are easier to access, transport and employ. Use of foreign women and children in the sex tourism markets raises "red flags" and brings unwanted attention to commercial sex venues and activities that may be shut down, such as the multitude of massage parlors which have been closed in high-profile raids. Local victims are an easier target with less risk for the traffickers as policies and laws struggle to catch up with the rapidly changing marketplaces of sexual exploitation. Criminal facilitators tap into the same vulnerabilities in local girls and women that they use to entrap and enslave women from overseas.

## INTERNET TECHNOLOGY: DESIGNER, MARKETER, FACILITATOR OF SEX MARKETS

Of special note in the report is the role of the Internet in the marketing and facilitation of commercial sex services, especially pornography. The computer and the Internet, like other powerful technologies, have revolutionized communications in the world's wealthiest countries. As of December 2005, approximately 44 percent of the entire adult population in the U.S. is online on a given day.<sup>9</sup> One estimate of American Internet usage runs as high as 70 percent or 211,108,086 persons out of a population of more than three hundred million.<sup>10</sup> Japan and the Netherlands, two key demand countries examined in this study, have Internet penetration rates of 67.1 percent and 73.3 percent respectively, while Jamaica lags at 39.4 percent.<sup>11</sup> This pervasive presence makes the Internet one of the major marketing tools in the marketplace of commercial sexual exploitation and a potential gateway for viewers to become buyers in the sex markets. As one researcher states: "When men use pornography, in that process they are trained as tricks. Pornography is men's rehearsal for prostitution."<sup>12</sup> Moreover, the anonymity that the Internet provides for website users and website owners makes it an excellent facilitator of an illicit market.

<sup>9</sup> "When Facing a Tough Decision, 60 Million Americans now seek the Internet's Help," *Society and the Internet*, Polls and Survey results from the Pew Charitable Trusts, April 19, 2006.

<<http://pewresearch.org/pubs/19/when-facing-a-tough-decision-60-million-americans-now-seek-the-internets-help>>.

<sup>10</sup> *Internet World Stats*: United States Usage and Population Statistics, updated March 10, 2007.

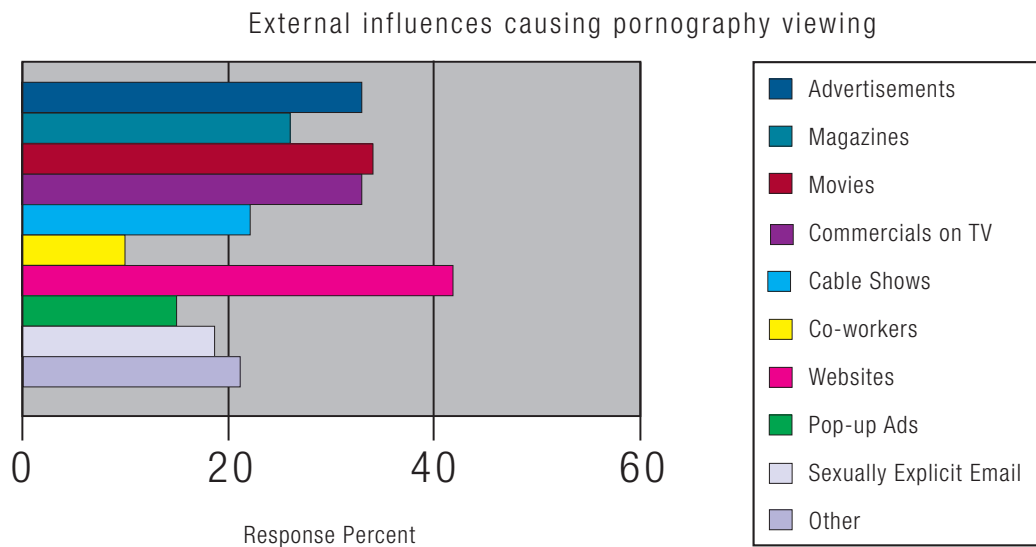
<<http://www.Internetworldstats.com/stats2.htm>>.

<sup>11</sup> *Internet World Stats*: Japan and Netherlands Usage and Population Statistics, updated March 10, 2007.

<<http://www.Internetworldstats.com/stats2.htm>>.

<sup>12</sup> Melissa Farley (not yet published) "Renting an Organ for Ten Minutes: What Tricks Tell us about Prostitution, Pornography, and Trafficking" [Accepted for publication in D. Guinn ed. *Pornography: Driving the Demand for International Sex Trafficking* (Chicago Illinois: International Human Rights Law Institute of DePaul University)] p. 2. Cited with permission of the author.

117 men aged 15-80 indicated that websites were the predominant influence leading them to view pornography in an initial survey conducted as part of The Defenders USA, a project initiated by Shared Hope International for men to counsel men on the dangers of engaging in the commercial sex markets, especially pornography.<sup>13</sup> Other influences included pop-up ads for pornographic websites, movies and TV commercials—electronic influences present in nearly every home in developed countries. The Defenders USA survey indicates that respondents first viewed pornography at approximately twelve years of age. Early viewing of pornography may serve as an incubator of future buyers of commercial sex services in this and other markets.



External Influences	Response Percent
Advertisements	33%
Magazines	26%
Movies	34%
Commercials on TV	33%
Cable Shows	22%
Co-workers	10%
Websites	42%
Pop-up ads	15%
Sexually Explicit Email	19%
Other	21%

\*Total Respondents: 117  
 \*Age Ranges: 15-80

A study released in 2006 by the National Center for Missing and Exploited Children (NCMEC) about the online victimization of youth reveals that more and more children are receiving unwanted and unsolicited sexual images via the Internet than ever before.<sup>14</sup> More than

<sup>13</sup> The Defenders USA survey, December 2006, Shared Hope International. <<http://www.thedefendersusa.org>>.

<sup>14</sup> Wolak, Janis and Mitchell, K., & Finkelhor, D., "Online Victimization of Youth: Five years later," (Crimes Against Children Research Center, University of New Hampshire: National Center of Missing and Exploited Children, Alexandria, VA, 2006) pp. 29-35.

<sup>15</sup> Wolak, "Online Victimization," p. 30.

one-third (34 percent) of youth Internet users received unwelcome sexual material online, despite the efforts and technologies provided for parental control to filter and block sexual and other violent images. The report states that more boys than girls receive unwanted exposure and most of this exposure involves youth between the ages of 14 and 17.<sup>15</sup>

This invasive marketing technique is aimed at increasing the demand for pornography among youth. Such a marketing strategy is reminiscent of the Joe Camel™ (cigarette) ad campaign directed at minors that began in 1985. Joe “Cool” Camel™—a humanized cartoon character—was shown playing in bands, flirting with women, and riding in convertibles. In May of 1997, the Federal Trade Commission (FTC) charged the R.J. Reynolds Tobacco Company with causing injury to the health of America’s youth through their Joe Camel™ commercials and advertisements.<sup>16</sup> Though the FTC ultimately dismissed its case against R.J. Reynolds, individual initiatives to counter the marketing were developed. “Joe Chemo”—an anti-smoking character—was created by a psychology professor at Wesleyan University after his father nearly died from smoking.<sup>17</sup> Similar to the aggressive and targeted marketing of Joe Camel™, pornography and sex are being introduced to youth through online pop-up advertisements and spam emails which increase in number and frequency if a response is received—intentional or otherwise. Many youth have tremendous buying power and are viable paying customers now, and are being groomed as the buyers of tomorrow.

Computer technology also plays a key role in the distribution of child pornography. Before the Internet was used to produce and distribute child pornography, images were transferred via U.S. mail and developed at local photo shops. Federal agents were able to identify and investigate pornographers much more easily. Today, images can be shared over the Internet through streaming or downloadable media, email, peer-to-peer file sharing servers, online chat rooms, messaging services and through emerging technologies such as video mp3 players, video and photo cell phones, and networked video game systems.<sup>18</sup> The profit generated by the online pornography industry is estimated at anywhere between \$500 million to \$10 billion dollars a year<sup>19</sup> though it is unknown how much of that is derived from pornography sites exploiting children and victims of human trafficking. What is known is that the volume of child pornography has increased exponentially since 1995 due in part to technology such as the digital camera and the Internet.<sup>20</sup> “The Internet has led to an increase in child prostitution, child sex tourism, child trafficking, and child pornography. It is estimated that since 1997, the number of child pornography images on the Internet has increased by 1500%. In 2001, the Cyber Tip Line, mandated by the Congress of the United States received 21,603 reports of child pornography. In 2004, the number increased by 491% to 106,176 reports of child pornography on the Internet.”<sup>21</sup> The new technological dimension of child pornography has made it both a domestic and international issue, as the Internet is not constrained by geographical boundaries.

<sup>15</sup> Wolak, “Online Victimization,” p. 30.

<sup>16</sup> Federal Trade Commission Press Release, “Joe Camel Advertising Campaign Violates Federal Law,” May 28, 1997.

<sup>17</sup> “More about Joe” <<http://www.joechemo.org>>.

<sup>18</sup> Davenport, Claude, ICE Cyber-Crimes Unit, U.S. Department of Homeland Security, Presentation at the CSEC *Mid-Term Review Conference*, Washington, DC, 3-4 April 2006. Transcript on file with authors. Also Shared Hope International, ECPAT-USA, and the Protection Project, “The Report from the U.S. Mid-Term Review on the Commercial Sexual Exploitation of Children in America,” (Washington, DC, September 2006) p. 20.

<sup>19</sup> Richard, Emmanuelle, “The Naked Untruth,” posted May 23, 2002 <<http://www.alternet.org/story/13212>>.

<sup>20</sup> “The Report from the U.S. Mid-Term Review on the Commercial Sexual Exploitation of Children in America,” p. 17.

<sup>21</sup> Mattar, Mohamed Y., “Protecting Children: The Battle against Child Pornography and Other Forms of Sexual Exploitation,” statement at U.S. Congressional Hearing before the Commission on Security and Cooperation in Europe (Washington, DC: September 27, 2006).

To address the question of Internet facilitation of trafficking for the sex markets, Shared Hope International engaged an Internet surveillance firm to search the Internet for English language websites which appear to facilitate—directly or indirectly—trafficking of women and children for sexual exploitation.<sup>22</sup>

After an initial simple search of English language websites for the term “escort services” yielded 2.2 million results, filters were designed for a 30 day webcrawl running 24 hours per day through public and proprietary databases, directories, and search engines, yielding a quality-checked total of 5,094 websites exhibiting highly likely indicators of sexual exploitation facilitation on the webpage.

Of the 5,094 results, 3,359 were escort service websites, 867 were mail-order bride/marriage agency websites, 403 were “full-service” massage parlor websites, 401 were international “modeling” agency websites, and 63 were erotic/sex tour websites.

Of the 3,359 escort service websites, 1,837 were hosted in the U.S. based on the IP addresses.

The child and adult pornography markets have become more accessible and visible with the introduction of the Internet. The Internet has also globalized the pornography market. Images of child exploitation are frequently created, distributed and sold by perpetrators from several countries. One early criminal scheme involved child pornography victims recruited in Russia, filmed and produced in Indonesia, and sold to American buyers out of a married couple’s home in Fort Worth, Texas. This was the first “pay-for-view” Internet pornography case in the United States.<sup>23</sup> Thomas and Janice Reedy, the two were sentenced to a total of 1,379 years in prison, provided a credit card verification service called “Landslide, Inc.” that acted as an electronic gateway to buyers of child pornography from 60 countries on the websites of their Russian and Indonesian co-conspirators. Between 1996 and 1999, Landslide, Inc. pocketed at least \$10 million dollars, 85 percent of which was from child pornography.<sup>24</sup>

Child pornography victims have also been identified by Shared Hope International in Fiji where a victim restoration project has been operating since 1996. Young girls are recruited by other young victims to float out to foreign registered yachts moored a safe distance from the island’s shore where they are sexually exploited for small amounts of money. Photographs and film of the sexual exploitation are reportedly taken and are likely circulated via the Internet in an organized fashion, or through personal distribution networks.<sup>25</sup>

<sup>22</sup> Full search results totaled some 1,000 pages of spreadsheets. On file with the authors.

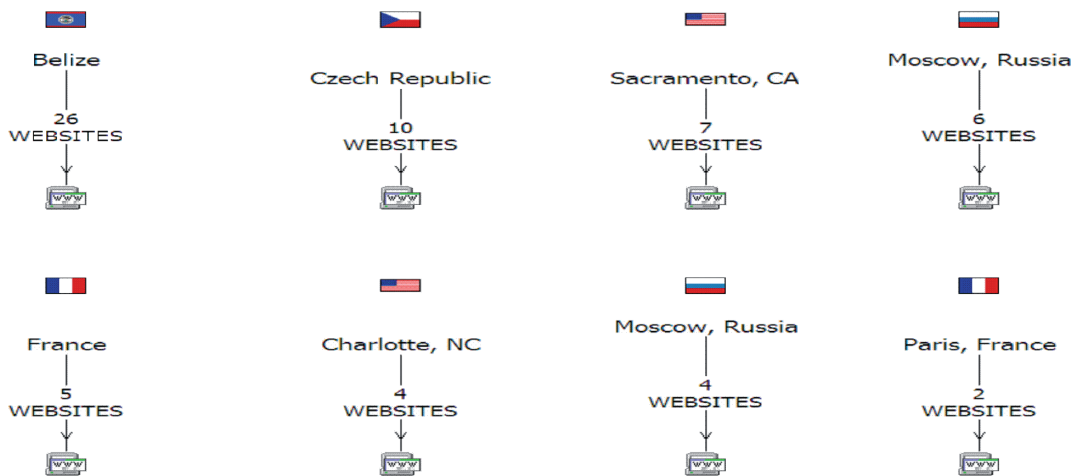
<sup>23</sup> U.S. Department of Justice press release, “Thomas Reedy Sentenced to Life Imprisonment in Child Porn Case,” Dallas, Texas, August 6, 2001.

<sup>24</sup> “The World’s Biggest Convicted Child Pornographer,” [Independent.co.uk](http://Independent.co.uk), May 13, 2003.

<sup>25</sup> This information, including the alleged yacht’s U.S. registration information, has been obtained and provided to relevant local officials for action.

Particularly disturbing information uncovered through the webcrawl commissioned by Shared Hope International was the material obtained on child pornography presenting as child modeling. The webcrawl revealed an ongoing enterprise of online child pornography at <http://www.maxwells-top-100.com/autorank>.<sup>26</sup> The homepage contains layers of web links and “porn loops” which, when followed, connect to upwards of 106 linked sites, many containing graphic and suggestive images. Most of the associated websites made explicit claims of “No Nude” and “Parental permission was obtained,” however the true purpose is clear from the poses of these children, which include little girls in ruffled dresses with their legs spread revealing thong underwear and names such as “Megalolitas.”

Registrant data, though often fraudulent, indicates a French holding company and individual as registrant for the primary site <http://www.maxwells-top-100.com>, as well as four linked sites. Several other registrants of linked sites reveal a global network of potentially exploitive child modeling websites as follows:<sup>27</sup>



In the absence of accurate or complete registrant data, it is difficult to identify individual offenders; however, hosting sites are easily identifiable and should be held accountable for the types of websites they host. Additionally, financial records should be seized to identify and hold accountable the site owners. In the webcrawl, of the 3,630 websites with registrant data available, one company dominated with 62% of the offending websites registered to it: Domains by Proxy in Scottsdale, Arizona. This company is affiliated with the online giant GoDaddy.com. Domains by Proxy asserts the following prohibitions: “Domains by Proxy will not do business with you, nor protect your identity, if you: ...Violate the law...Engage in morally objectionable activities, including but not limited to those which are child pornographic, defamatory, abusive, harassing, obscene, racist, or otherwise objectionable.” Nonetheless, the webcrawl focusing on those websites with indicators of sex trafficking found an enormous number registered to Domains by Proxy in direct contradiction to their own prohibitions. This reflects the largely unregulated online markets of sexual exploitation now thriving in the global cyber-communities.

The webcrawl also investigated the use of the Internet for marketing sex tours. Of the 63 erotic sex tour English language websites identified through the extensive filtering process, 79% revealed U.S.-based IP addresses and offered packages in Venezuela, Costa Rica, the Dominican Republic, Jamaica, Cambodia, the Philippines, Thailand, Russia, Amsterdam and Mexico. Four of these sites offered marriage services as an additional option. The graphic and aggressive nature of these sex tour websites leaves no question as to the intent of the tour operators.

<sup>26</sup> Warning: material at this web address contains sexual content.

<sup>27</sup> This information was provided to the FBI and the National Center for Missing and Exploited Children (NCMEC) for further investigation.

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Emphasis added.

The extensive use of the Internet for marketing is common among the four countries we observed, but most prevalent in the United States, the Netherlands, and Japan. The legalized prostitution industry in the Netherlands advertises in conjunction with tourism advertising and promotion overall. Jamaican sex markets lag behind those in the other countries in the use of the Internet to advertise and promote its thriving local commercial sex markets, most likely because of the limited use of the Internet within the country. However, with increased infrastructure and affordability of personal computers, the trend evident in the more technologically-advanced countries will undoubtedly make itself felt in Jamaica as well.



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