POLITICIZATION OF THE TRAFFICKING IN PERSONS REPORT;
IS POLITICAL PROXIMITY TO THE US ASSOCIATED WITH BETTER RANKINGS?

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Abstract

Since 2001 the US Department of State has been publishing the annual Trafficking in Persons Report (TIP), which serves as a diplomatic tool to engage countries in improving anti-trafficking policies, deterring and prosecuting criminals, and assisting victims. Low rankings can have severe negative economic consequences, which has helped the report achieve many positive policy changes to fight trafficking. At the same time, the TIP reports receive substantial criticism for their subjective rankings. News outlets and researchers claim that the rankings are inflated to serve US interests. As the existing evaluations of the TIP report are based largely on qualitative research or case studies, the question remains to what extent US foreign policy priorities drive country ratings in TIP reports. Put differently, do countries that have close political and economic ties with the US receive more favorable ratings? Building on a novel dataset, this paper aims to disentangle competing mechanisms that link US foreign policy interests to country rankings. My empirical results confirm the presence of political influence, which operates primarily through the diplomatic channel. Insofar, my paper contributes to the growing literature on the politicization of global rankings.
Acknowledgments

My sincere gratitude to my advisor, Dr. Andreas Kern, for all his guidance and support throughout the thesis process. Thank you, also, to my thesis group, fellow presenters at the APPAM Regional Student Conference, my family, and everybody who helped along the way.
Table of Contents

1 Introduction ................................................................. 1

2 Background ................................................................. 3

3 Empirical Analysis ......................................................... 7
   3.1 Data and Empirical Model ............................................ 7
      3.1.1 Empirical Model ................................................. 7
      3.1.2 Dependent Variable ............................................. 8
      3.1.3 Independent Variable(s) – Measuring Proximity to the US . . 8
      3.1.4 Additional Control Variables .................................. 9
   3.2 Results ........................................................................ 13

4 Conclusion ................................................................. 17

5 References ................................................................. 19
1 Introduction

Human trafficking has become a priority on the global political agenda. While this has begun to raise the number of publications on human trafficking, the debate is highly politicized (e.g. Kelly, 2005). On the one hand, human trafficking represents a security risk that must be tackled just like illegal migration and organized crime. On the other hand, it involves men, women and children who have been denied basic human rights and have been victimized by their traffickers. In this understanding, human trafficking beckons a humanitarian response. These conflicting interpretations allow policy makers to frame the issue in a way that satisfies a multitude of political agendas (Aradau, 2004). This phenomenon incentivizes the in- or deflation of the numbers of trafficking cases to secure funding or gain political leverage, and so taints the public perception of trafficking prevalence (Weitzer, 2007). Too often politics, not in fact victims have been the focus of anti-trafficking efforts (Jahic and Finckenauer, 2005).

As the most comprehensive global assessment of anti-trafficking efforts (Government Accountability Office, 2006), the annual Trafficking in Persons (TIP) Report has not been immune to this political pressure. In fact, the TIP report has received criticism for its use as a political tool and subjective rankings. Since the first report was published in 2001, several country placements have been called into question. Supposedly, rankings are inflated to serve US interests. It is especially noteworthy that critique of the report has emerged from news outlets across the globe and the political spectrum (Ponnudurai, 2013; Whiteman, 2015; Szep and Spetalnick, 2015; Fox News Latino, 2015).

The idea that political proximity can influence international standards or diplomacy is not new: Humanitarian aid, for example, is often tied to political agendas (Ahsan, 2005; Saltman, 2010; Dreher et Al., 2013); The IMF is more likely to financially support countries that are of strategic or economic importance to the US (Dreher et Al., 2014; Oatley and
Yackee, 2004). Recent research suggests that richer countries perform better on corruption indices regardless of actual corruption levels (Ahmed and Ullah, 2014). Similarly, several large-scale investigations point toward the possibility of political influence within the Trafficking in Persons report that renders the ranking inaccurate and ineffective (Gallagher, 2011; Government Accountability Office, 2006; Szep and Spetalnick, 2015). Yet these evaluations are based largely on qualitative data, such as interviews of J/TIP analysts or examination of the reports. The aim of this paper is to answer the question whether these claims are a myth or reflect a systemic pattern that underlie these TIP rankings.

This paper aims to disentangle competing mechanisms that link US foreign policy interests to the country rankings. In line with existing political proximity literature, but using a novel dataset, I test three different channels of political proximity to reflect changes in foreign policy objectives across countries and over time. At any given point in time, foreign countries are more or less important to the US in different realms. South Korea, for example, was of primarily strategic interest after World War II, but is now a major trading partner of the US (US Census Bureau, 2015).

Results from OLS and GMM model specifications indicate the presence of political influence on TIP rankings, operating primarily through the diplomatic politicization mechanism. This finding confirms the claim made in the existing literature, that the TIP report may be employed in diplomatic negotiations between the US and foreign governments. Enhancing the precision of the TIP rankings, and complementing the report with further research on the determinants and prevalence of human trafficking, may help improve the effectiveness of this policy tool to engage governments in counter-trafficking activity.
2 Background

Each year since 2001 the US Department of State has published the Trafficking in Persons (TIP) Report, which ranks countries "based on the extent of their governments’ efforts to comply with the minimum standards for the elimination of trafficking" (U.S Department of State, 2015). These minimum standards are prescribed in the Trafficking Victims Protection Act (TVPA) of 2000, and include the prohibition of "severe forms of trafficking in persons", the persecution of its offenders and efforts to prevent such acts (US Department of State, 2000). Severe forms of trafficking are defined in the TVPA as (i) sex trafficking involving force, fraud, coercion or children, or (ii) "the recruitment, harboring, transportation, provision, or obtaining of a person for labor or services, through the use of force, fraud, or coercion for the purpose of subjection to involuntary servitude, peonage, debt bondage, or slavery.” (US Department of State, 2000)

In the report, countries are divided into the following four categories with decreasing levels of compliance with the TVPA minimum standards outlined above:

- Tier 1 (full compliance),
- Tier 2 (significant efforts to attain compliance),
- Tier 2 Watch List (significant efforts but high absolute trafficking figures, lack of improvement in efforts, or significant efforts not yet in effect), and
- Tier 3 (no full compliance and no significant efforts).

Undeniably, the TIP report has had an invaluable positive impact on the fight against human trafficking. Tiefenbrun (2007), for example, shows that many countries have improved their anti-trafficking laws to grant visas to victims of exploitation. More generally, it has manifested the importance of the issue of human trafficking, demonstrating to governments that a good relationship with the US requires engagement with trafficking. It has also raised
global public awareness of the fact that no country is immune to the threat of trafficking, and has emphasized which risks non-compliance with minimum standards poses to a nation and its citizens (Government Accountability Office, 2006).

Moreover, the data- and evidence-scarce research environment of human trafficking creates a need for a comprehensive, longitudinal, global investigation such as the Trafficking in Persons report. With a scarcity of accurate evaluations of countries’ efforts to fight trafficking, the TIP report proves to be a valuable tool. It utilizes the US’ diplomatic infrastructure to collect and consolidate all available information on the number of prosecution cases, risk populations, support programs and actors in the report’s country narratives. This helps to inform the public and allow governments to target an effective response.

However, due precisely to this lack of comparable studies, the information that is available carries disproportionate weight in informing policy decisions. The report has substantial influence on the way the world perceives and responds to the status of human trafficking. Since the first report was published in 2001, several country placements have been called into question. Supposedly, rankings are inflated to serve US interests (Szep and Spetalnick, 2015). It is especially noteworthy that critique of the report has emerged from news outlets across the globe and the political spectrum. In 2013, for example, the rankings of China, Russia and India may have been inflated to serve American economic interests. Similarly, Uzbekistan supposedly received favorable treatment due to its cooperation in providing supplies to American troops in Afghanistan (Ponnudurai, 2013). In the most recent 2015 report, Malaysia was upgraded to Tier 2 Watch List, while Thailand remained on Tier 3. Human rights groups claim both countries fare equally badly in the fight against trafficking, and should have been placed on the same tier (Whiteman, 2015; Szep and Spetalnick, 2015; Fox News Latino, 2015).

Beyond news stories criticizing individual placements, several institutions have attempted to provide comprehensive evaluations of the TIP report and its impact on policies against
human trafficking. In 2006, for example, the US Government Accountability Office (GAO) produced a report to evaluate global estimates of trafficking prevalence, the US government’s anti-trafficking efforts abroad and its process for classifying countries in the TIP report. The GAO found that the TIP report lacks full justification of its ranking decisions, and is not used consistently to inform anti-trafficking policies and programs. Country narratives are often incomplete, particularly in terms of outlining the extent of compliance with the TVPA minimum standards (Government Accountability Office, 2006). In 2010, Wooditch published a longitudinal investigation of the tier classifications and US funding for anti-trafficking programs to determine the effectiveness of the TIP report. The paper suggests that tier rankings have not improved and that the US has failed to act on its own recommendations. The British news agency Reuters commissioned a special investigation of the suspected politicization of the 2015 TIP report. Reuters conducted interviews with various sources within and outside the Office to Monitor and Combat Trafficking in Persons (J/TIP) - the office responsible for producing the TIP report. The investigation shows that US diplomats strategically influenced the report, leading to the inflation of 14 country rankings, including those of Malaysia, Cuba, China, India, Uzbekistan and Mexico. (Szep and Spetalnick, 2015). Beyond improved diplomatic relations, the US may benefit from inflating rankings on other fronts, such as their economic interests. Evidence suggests that improving TIP rankings can lead to increased US weapon sales, or the finalization of foreign governments’ Free Trade Agreement (FTA) obligations (Muscat, 2008).

Claims of political influence are not restricted to the TIP report. Its politicization may mirror the mechanisms that also help explain the allocation of IMF loans or foreign aid. Thacker (1999) quantitatively demonstrates the political influence on IMF lending decisions. He uses agreement in UN General Assembly votes as a measure for political proximity, and finds strong evidence for preferential treatment of countries that are political friends of the US (political proximity hypothesis), and especially for countries that adopt positions to
increase their assimilation with the US (political movement hypothesis). Further evidence for the politicization of IMF lending has been found by Oatley and Yackee (2004) who show that larger loans are granted to countries that are politically and economically assimilated to the US. Countries that are indebted to American commercial banks, and countries that vote in line with the US in the UNGA receive preferential treatment. Stone (2004), Reynaud and Vauday (2008), and Dreher, Sturm and Vreeland (2014) further confirm the political influence of the US on IMF loans.

This research begs the question whether the same line of thought can be applied to the issue of politicization of the TIP report: Do political friends of the US receive preferential treatment in the rankings?

Theory on the politicization of human trafficking, as well as past critique of the TIP report outlined above point toward the possibility of political influence. Yet these evaluations are based largely on qualitative data, such as interviews of J/TIP analysts or examination of the country narratives. There appears to be a need for further investigation of the factors that underlie US political interests, and how these relate to the TIP rankings. I build on the politicization literature outlined above, to quantitatively assess the mechanisms that may lead to human trafficking. In doing so, I test three different incentive structures that may influence rankings: the promotion of diplomatic relations, economic interests, and security concerns. This paper tries to outline which of these incentive structures dominates. It aims to provide an empirical examination of the question whether political proximity to the US is associated with higher rankings.
3 Empirical Analysis

3.1 Data and Empirical Model

3.1.1 Empirical Model

To systematically analyze the relationship between the TIP rankings and political proximity to the US, I propose a dynamic panel estimation technique (e.g. Roodman, 2006). Although this estimator has primarily been applied for estimating general equilibrium effects in small T and large N panels (Roodman2006), I rely on a GMM estimation method for several reasons. First, my dependent variable does not substantially change over time. The correlation coeffecient between TIP ranking and its first lag is 0.6935 and is statistically significant at conventional levels. Second, my variables measuring political proximity to the US do not vary substantially over time. In order to avoid the problem of over-identification with too many instruments, I restrict the maximum instrument lag length to three lags. Third, potential reverse causality might threaten the validity of my results. Fourth, there is a threat of omitted variable bias due to the difficulty of controlling for human trafficking and government response. Finally, to not inflate the actual effect of my political proximity measure, I include only a sparse set of control variables (Leblang and Satyanath, 2006) and estimate the following equation:

\[ TIP_{i,t} = \alpha + \beta_1 TIP_{i,t-1} + \beta_2 Prox_{i,t-1} + \sum \gamma_k X_{i,t} + \mu_t + \theta_t + \epsilon_{i,t} \] (1)

\( TIP_{i,t} \) is the tier ranking for country \( i \) in year \( t \), \( TIP_{i,t-1} \) is the first lag of the independent variable, and \( Prox_{i,t-1} \) is the first lag of the proximity measure for country \( i \). \( X_{i,t} \) represents the set of \( k \) control variables. Time and country fixed effects (\( \mu_t, \theta_t \)) are introduced to account for any structural differences in tier placements.
3.1.2 Dependent Variable

Richard Frank of the University of Sydney compiled country placements from the first TIP report in 2001 until 2011. The original dataset groups countries in Tier 2 and Tier 2 Watch List into one category. To avoid a loss of information and to increase the variation in the dependent variable, I recoded the dataset to separately account for all four tiers.\(^1\)

3.1.3 Independent Variable(s) – Measuring Proximity to the US

I build on the existing literature to estimate my political proximity measure. Dreher and Gassebner (2007), for example, used UN Voting patterns as a proxy for political similarity to examine the causes of terror. Using the same similarity measure, Sheafer et al. (2014) analyzed the influence of relative political proximity to Israel on how Israeli events were framed in a country’s media. Aklin and Kern (2015) use troop deployments as a measure for US commitment, and showed that countries hosting more troops are likelier to experience financial crises. Kaw (1990) calculated proximity as a function of alliance and ideology to predict how the USSR chose sides in conflicts.

I include the following key independent variables to test for the impact of political proximity on TIP rankings.

First, I estimate proximity in matters regarding U.S. diplomatic interest through the Lijphart index within the Ideal Points Scores data (Voeten et al., 2009), based on UN General Assembly (UNGA) votes. This binary index measures agreement between countries and the US, and equals 1 if a country always votes in line with the US, and 0 if a country always votes against the US.

\(^1\)While both critics and proponents generally regard the Trafficking in Persons Report as the most comprehensive of its kind, other institutions also publish country rankings to determine the prevalence of human trafficking. UNODC publishes the bi-annual Global Report on Trafficking in Persons that does not produce individual country reports or a comprehensive ranking (UNODC, 2014). The 3P Anti-Trafficking Policy Index does provide a ranking, but incorporates the TIP report in its scoring process (Cho et al., 2014). Finally, the Walk Free Foundation publishes an independent annual Global Slavery Index (Walk Free Foundation, 2014). However, this index has received strong criticism, particularly for its apparently flawed methodology (Gallagher, 2014).
opposes the US. Given qualitative evaluations of the TIP report, I expect that countries
voting in line with the US (higher proximity score) to receive higher rankings than countries
whose votes oppose US interests. This effect will be most pronounced for countries whose
diplomatic relationship is of high importance to the US.

Second, I capture military interests by the number of US troops deployed in a given year:
A country with many troops is strategically more important to the US than a country with
few service women and men. I use data provided by Kane (2015) on the number of US troops
deployed to 187 countries between 1950 and 2012. I use the logarithm of this variable to
account for the diminishing impact of an additional service man or woman deployed. Insofar,
I follow the existing literature (Kane, 2012; Machain and Morgan, 2013).2

Third, as an approximation of US economic interests in foreign countries, I include the
amount of US Foreign Direct Investment (FDI) flows into a given state. The data is sourced
from the US Department of Commerce Bureau of Economic Analysis (2015), and covers 239
regions and countries from 1982 until 2014.

3.1.4 Additional Control Variables

TIP reports attempt to rank countries according to their governments’ efforts to end human
trafficking, which in turn also depends on the level of trafficking present within a country
(Department of State, 2015). To isolate the effects of political influence in the rankings, I
will control for the differences across countries in terms of human trafficking prevalence and
government response.

I base the choice of my control variables on findings from recent human trafficking liter-
ature, and include the following two variables in my model3. First, evidence suggests that

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2Aklin and Kern (2015), for example, used troop deployments as a measure for US commitment to
foreign countries to show that the presence of lenders of last resort can lead to financial instability. Similarly,
Reynaud and Vauday (2008) included troop deployments in their index of countries’ geopolitical importance.

3Human trafficking is an extremely complex phenomenon as it affects diverse groups of people in a
multitude of ways. Women, men, and children are trafficked for purposes of prostitution, forced labor,
human trafficking accompanies armed conflicts, rebel group activities, and warfare in general. Thus, refugees and internally displaced persons are particularly vulnerable to human trafficking (M’Cormack, 2011). This is further confirmed by research which suggests that inequality and poverty can foster human trafficking and exploitation (Chuang, 2006). Building on this literature, I control for the number of refugees per capita, using refugee and population figures from the World Bank Development Indicators. Second, human rights and human trafficking are closely related. A country’s ability to prevent human rights violations is indicative of well-established and effective institutions that also help prevent the causes and acts of human trafficking. Sexual exploitation, for example, may be less likely to occur in a country where the right to be free from gendered violence is guaranteed. If sexual exploitation does occur, a government with the institutions to protect that right may be more effective at responding to such a case of human trafficking (UNOHCHR, 2014). The CIRI Human Rights Dataset measures government respect for 15 internationally recognized human rights from 1981 until 2011. As figure 1.A below shows, these human rights indices are strongly correlated, and are thus similarly appropriate for use as controls. I include the Workers’ Rights index, since it seems intuitively most appropriate to measure the presence of exploitation (and particularly of forced labor). The index assigns a score of 0 if a country’s workers’ rights are severely restricted, a score of 1 if rights are somewhat restricted, and 2 if rights are fully protected.

I approximate the effectiveness and quantity of government response through a country’s status on the World Bank’s Global Governance Indicators - a number of scores that measure domestic servitude, the removal of organs, for work in begging rings, and many other activities. While research on the matter is incomplete, it is understood that who is vulnerable to which form of exploitation is hugely dependent on country contexts. In Jordan, for example, Syrian refugees, and especially refugee children are exploited for forced labor, often in the agricultural sector (Department of State, 2015; International Organizations for Migration, 2013). Indonesia on the other hand experiences significant amounts of sexual exploitation of domestic and foreign women (International Organization for Migration, n.d.). The circumstances that lead to human trafficking, thus, vary across countries. Together with a lack of data on the determinants of exploitation, this makes it difficult to effectively control for human trafficking. This limitation of my model can only be reconciled with more research on the determinants of human trafficking.
government quality. I approximate government response through the Government Effectiveness Estimate variable, since it captures the different elements that determine a government’s ability to fight human trafficking on multiple fronts: quality of public and civil service, the degree of their independence from political pressures, the quality of policy formulation and implementation, and the credibility of government commitment to its policies. These are important determinants of a country’s ability to prosecute human trafficking offenders, create and enforce policy, and protect victims. The other variables in the Global Governance Indicators, such as the Control of Corruption indicator, only partially capture these capabilities. However, as figure 1.B below shows, the indicators are again very strongly correlated, and are likely to be similarly effective at controlling for government response. I use the standard normal unit representation of the Government Effectiveness Estimate, which ranges from -2.5 to 2.5, and where higher values represent more effective governments.

I also include general control variables to eliminate bias due to structural differences across countries. The variables I use stem from the World Bank World Development Indicators database, and measure GDP per capita, GNP growth, and population size. As figure 1.C below shows, these variables are only minimally correlated, and so do not pose a threat of multicollinearity.
3.2 Results

The results of my baseline OLS model are shown in Table 1 below. I specify three different models - one for each of my proximity measures: UNGA votes, US troops, and US FDI inflows. These variables represent the diplomatic, military, and economic channels of political proximity respectively.

Table 1: OLS Estimation Results

<table>
<thead>
<tr>
<th>UN Proximity</th>
<th>(1)</th>
<th>(2)</th>
<th>(3)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Proximity</td>
<td>-1.236***</td>
<td>0.000269</td>
<td>-0.0296</td>
</tr>
<tr>
<td></td>
<td>(-5.11)</td>
<td>(0.90)</td>
<td>(-1.49)</td>
</tr>
<tr>
<td>Worker Rights</td>
<td>-0.269***</td>
<td>-0.219***</td>
<td>-0.292***</td>
</tr>
<tr>
<td></td>
<td>(-6.02)</td>
<td>(-4.85)</td>
<td>(-6.29)</td>
</tr>
<tr>
<td>Refugees per capita</td>
<td>0.585</td>
<td>0.238</td>
<td>0.477</td>
</tr>
<tr>
<td></td>
<td>(0.80)</td>
<td>(0.33)</td>
<td>(0.67)</td>
</tr>
<tr>
<td>Government Effectiveness</td>
<td>-0.332***</td>
<td>-0.247***</td>
<td>-0.250***</td>
</tr>
<tr>
<td></td>
<td>(-7.89)</td>
<td>(-5.56)</td>
<td>(-5.33)</td>
</tr>
<tr>
<td>GDP per capita</td>
<td>0.00000144</td>
<td>0.00000132</td>
<td>0.000000300</td>
</tr>
<tr>
<td></td>
<td>(0.68)</td>
<td>(0.63)</td>
<td>(0.13)</td>
</tr>
<tr>
<td>Total Population</td>
<td>3.37e-10</td>
<td>2.31e-10</td>
<td>5.12e-10**</td>
</tr>
<tr>
<td></td>
<td>(1.57)</td>
<td>(1.08)</td>
<td>(2.30)</td>
</tr>
<tr>
<td>GNP growth</td>
<td>0.00614</td>
<td>0.00459</td>
<td>0.00736</td>
</tr>
<tr>
<td></td>
<td>(1.23)</td>
<td>(0.93)</td>
<td>(1.41)</td>
</tr>
<tr>
<td>Constant</td>
<td>2.263***</td>
<td>2.502***</td>
<td>2.514***</td>
</tr>
<tr>
<td></td>
<td>(34.09)</td>
<td>(36.46)</td>
<td>(16.51)</td>
</tr>
<tr>
<td>Observations</td>
<td>1043</td>
<td>1043</td>
<td>874</td>
</tr>
</tbody>
</table>

T statistics in parentheses
* p < 0.10, ** p < 0.05, *** p < 0.01

The empirical results of the OLS specifications indicate three important findings. Firstly, political proximity to the US in terms of UNGA voting patterns influences TIP rankings (at a significance level of 1 percent). The direction of the effect is as anticipated: greater
agreement in UNGA votes is associated with better rankings. Since I used the first lag of the proximity measures, I am able to reduce the threat of reversed causality: Since last year’s voting patterns impact this year’s TIP ranking, it is assumed that greater proximity leads to better rankings, and not the other way around. The model does not indicate any significant impact of the number of troops deployed to a country. This can be explained by the fact that the presence of troops may have two opposite effects on TIP rankings: On the one hand, the presence of troops is indicative of US interest in the given country, and thus of US incentives to boost rankings. Yet troops also tend to deploy to crisis regions, where human trafficking tends to be a bigger issue (M’Cormack, 2011). The fragility of governments in these areas prevents adequate response, which lowers rankings. These two effects work in opposite directions, and may cancel each other out. Thus, it is a natural consequence that the troops coefficient above is insignificant and has a magnitude of nearly zero. US FDI significantly impacts TIP reports, though only if the variables are not lagged. This implies that higher tier placements may lead to more investment in countries. Again, the effect of political influence may be overshadowed by the changes in FDI flows as a response to more ethical working conditions. The model does not offer conducive evidence to the military and economic proximity channels.

Secondly, the worker rights and government effectiveness variables are significant at a level of 1 percent in both models above\(^4\). This indicates that the TIP report is in fact partially determined by human trafficking prevalence and the quality of government response, which is to be expected.

Finally, GDP per capita, and GNP growth are both insignificant in all model specifications, indicating that rich countries do not automatically fare better in the TIP report. This result is unsurprising in terms of prevalence: all countries are affected by human trafficking, and while there may be less vulnerabilities in industrialized nations, trafficking can

\(^4\)as well as all other specifications tested for robustness
be even more profitable in these countries. However, this is surprising from a government response standpoint: Richer and fast-growing countries should be more capable of investing in law enforcement, survivor protection programs, and restructuring of their legal code, so as to better respond to human trafficking. Since the report is intended to measure primarily this characteristic of governments, it is surprising that income and GNP growth do not affect the ranking. This result strengthens the claim that the rankings include an element of arbitrariness or political influence. 5

In the GMM model specifications given in Table 2 below, UNGA voting is the only significant proximity measure. Again, more agreement with the US leads to better rankings. Because the GMM model instruments lagged variables of the proximity measures, it is clear that agreement impacts the TIP report, and not the other way around. These results show that politicization of the TIP report operates primarily through the diplomatic channel.

5Note that significance improves when the model includes only these general controls, yet the effect size is so small that the impact is negligible. The same holds for population size, which is significant in specification (2) above, yet whose effect size is negligible.
Table 2: GMM Estimation Results

<table>
<thead>
<tr>
<th></th>
<th>US Proximity</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>(1)</td>
<td>(2)</td>
<td>(3)</td>
</tr>
<tr>
<td>UN Voting</td>
<td>UN Troops</td>
<td>US FDI</td>
<td></td>
</tr>
<tr>
<td>Proximity</td>
<td>-2.04***</td>
<td>-0.03</td>
<td>0.01</td>
</tr>
<tr>
<td></td>
<td>(0.41)</td>
<td>(0.07)</td>
<td>(0.06)</td>
</tr>
<tr>
<td>Refugees per capita</td>
<td>0.23</td>
<td>0.87**</td>
<td>0.91</td>
</tr>
<tr>
<td></td>
<td>(0.37)</td>
<td>(0.40)</td>
<td>(0.60)</td>
</tr>
<tr>
<td>Worker Rights</td>
<td>-0.04</td>
<td>-0.09*</td>
<td>-0.17***</td>
</tr>
<tr>
<td></td>
<td>(0.05)</td>
<td>(0.05)</td>
<td>(0.05)</td>
</tr>
<tr>
<td>Government Effectiveness</td>
<td>-0.06</td>
<td>-0.18***</td>
<td>-0.23**</td>
</tr>
<tr>
<td></td>
<td>(0.04)</td>
<td>(0.05)</td>
<td>(0.10)</td>
</tr>
<tr>
<td>First Lag</td>
<td>0.43***</td>
<td>0.49***</td>
<td>0.32***</td>
</tr>
<tr>
<td></td>
<td>(0.08)</td>
<td>(0.09)</td>
<td>(0.10)</td>
</tr>
<tr>
<td>Constant</td>
<td>1.47***</td>
<td>0.00</td>
<td>1.38***</td>
</tr>
<tr>
<td></td>
<td>(0.26)</td>
<td>(.)</td>
<td>(0.51)</td>
</tr>
<tr>
<td>Observations</td>
<td>1049</td>
<td>1049</td>
<td>871</td>
</tr>
<tr>
<td>Hansen</td>
<td>55.35</td>
<td>47.44</td>
<td>52.40</td>
</tr>
<tr>
<td>Hansen, p-value</td>
<td>0.04</td>
<td>0.17</td>
<td>0.07</td>
</tr>
<tr>
<td>AR1</td>
<td>0</td>
<td>0</td>
<td>0</td>
</tr>
<tr>
<td>AR2</td>
<td>1</td>
<td>1</td>
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<td># Countries</td>
<td>138</td>
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Standard errors in parentheses

* $p < 0.10$, ** $p < 0.05$, *** $p < 0.01$
4 Conclusion

Because of its criminal nature, and due to privacy concerns, human trafficking is a data-scarce research field (Gozdziak and Bump, 2008; Tyldum and Brunovskis, 2005; Kelly, 2005; Weitzer, 2007). At the same time, human trafficking is very politicized and of vast importance to policy-makers, as it simultaneously represents a security risk and human rights issue (Aradau, 2004). As a consequence, there is dire need for empirical and comprehensive global assessments such as the TIP report. And in fact, in its 15 years of existence, the report has been successful on many fronts: It has served to consolidate the available data on human trafficking in its country narratives, engage governments, and develop new legislation to protect victims, such as visa programs to avoid deportation of trafficked individuals (Tiefenbrun, 2007). However, the lack of data leads to reliance on this sole report as a source of information on the prevalence of and response to human trafficking in different countries. It is of utmost importance that these rankings are established objectively, to ensure actions taken in response to the report are targeted effectively and efficiently.

Yet, evaluations of the TIP report and individual country rankings manifest the increasingly wide-spread belief that the rankings may not be entirely objective. (Government Accountability Office, 2006; Szep and Spetalnick, 2015; Gallagher, 2011). As these assessments are of primarily qualitative nature, this study has empirically examined the determinants of the TIP report to either confirm or defeat claims of political influence.

Because of the lack of information on human trafficking transmission mechanisms, I examined the effect of three potential politicization channels on TIP rankings. I find significant evidence for political influence of the rankings, which is robust to different model specifications. The strongest effect is observed through the diplomatic channel, since agreement with the US in UN General Assembly votes leads to better tier placements. As such, my results confirm the claims in the qualitative assessments that political influence of diplomats may
be biasing the rankings (Szep and Spetalnick, 2015).

This result highlights the importance of treating the methods of quantitative evidence within the TIP rankings with caution. More importantly, the above findings demonstrate an ever-present need for further quantitative, empirical research into the mechanisms that lead to human trafficking, the number of cases occurring in different states, who is affected, and how well public and private programs are responding to these threats. While its results are biased, the report’s comprehensiveness, the consolidation of data in its country narratives, and the fact that the US has elevated the significance of human trafficking on the global policy agenda, have had an important impact on fostering international engagement with counter-trafficking legislation and programs. Incorporating complementary information into policy decisions can not only increase the reliability and transparency of the report, but may also help target limited resources more effectively, to amplify the positive impact the report has already achieved in the fight against human trafficking.
5 References


Muscat, Oman. 2008. *Understanding and Moving on from Oman’s Harsh Reaction to the*


