

# PHILANTHROCAPITALISM AND ANTI-TRAFFICKING



# Philanthrocapitalism and Anti-Trafficking

Janie Chuang and Elena Shih (eds)

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## INTRODUCTION

# How has philanthrocapitalism helped or hurt the anti-trafficking movement?

Janie Chuang and Elena Shih

Last year, MacKenzie Scott, an award-winning novelist and the former wife of Amazon's founder Jeff Bezos, donated nearly \$6 billion to some 500 organisations in the span of five months. She made headlines for her swift, generous, and unconditional giving. Not only was she giving away wealth faster than anybody else attached to the Giving Pledge – a scheme where billionaires promise to donate the majority of their wealth to philanthropy – but Scott had upended modern philanthropical practices with *how* she gave. Rather than creating a foundation to manage the redistribution of her wealth, Scott made “unsolicited and unexpected gifts given with full trust and no strings attached” based on the recommendations of a trusted group of advisers. In essence, Scott gave, and then got out of the way.

This sort of hands-off approach isn't common for large donors. It's a more traditional form of philanthropy, which, animated by a recognition that wealth production can generate severe inequalities that threaten the basis of democratic governance, aims to give back to the community to help atone for the sins of business. In contrast, the dominant form of philanthropy today, known as venture philanthropy or philanthrocapitalism, does not simply offer compensation for the system's flaws. It demands conversion to that same system's philosophy.

Philanthrocapitalism incorporates a deep, ideological commitment to market-based solutions to the world's problems. The assumption at its core is that the same techniques, management styles, and value systems that enable corporations to amass tremendous wealth can and should be used to correct the world's social problems. Rather than simply fund-

ing third-party initiatives, today's philanthrocapitalists create and manage ventures based on their own ideas of how to fix the world. They invest rather than give, and fully expect to see a return on their investment. As such they are far more hands-on than Scott has been, and are heavily reliant on metrics and benchmarks to identify impact and scale up successful programmes.

Moreover, with their vast capital and networking capabilities, philanthrocapitalists often assume an outsized role in policymaking with respect to their chosen issues. Governments – particularly adherents to neoliberalism – and international institutions have embraced 'philanthro-policymaking'. The resulting 'public-private partnerships' promise not only an infusion of funds, but a convenient vehicle for outsourcing state responsibility to private do-gooders. And yet, because philanthrocapitalists are not beholden to an electorate, a membership list, or a donor, they exercise power without many of the accountability mechanisms that keep others in check.

Philanthrocapitalism has, of course, attracted plenty of criticism. In addition to accountability concerns, critics question the wisdom of trying to fix problems with the same methods that created the problems in the first place. They argue that philanthrocapitalism is far too wedded to the current economic and political status quo of global capitalism to explore or challenge its systemic problems. As the philanthropist Peter Buffett has said, the current “charitable-industrial complex” offers “conscience laundering” for the ultra-wealthy while also keeping the existing structure of inequality in place. And as Anand Giridharadas, the author ‘Winners Take

All: The Elite Charade of Changing the World', **has argued**, philanthrocapitalists tend to fight social problems in ways that do not disrupt the “people at the top”. By this he means that foundations spend millions of dollars dealing with the symptoms of an unfair economy, yet refrain from tackling the rules and policies that allow the rich to accumulate evermore wealth in the first place. Moreover, as one of our contributors, Kavita Ramdas, has argued elsewhere, the “**metrics-driven, efficiency-seeking, technology-focused approach to social change**” lends itself to a fix-the-problem mentality that is ultimately ill-equipped to address the messy and multifaceted realities of complex social problems.

Philanthrocapitalists first discovered human trafficking as an area of intervention in the late 2000s, and since then trafficking has drawn in dozens of large donors ranging from long-established foundations to venture capital funds and new tech firms. Their money and influence are now central to the work of the hundreds of organisations operating in this field, and as their funding prerogatives shift they are able to shape and reshape the nature of anti-trafficking interventions.

Such power comes with opportunities as well as risks. As observers of the “**anti-trafficking industrial complex**” and “**rescue industry**” like Carol Leigh and Laura Agustín have shown, the work of anti-trafficking often perpetuates grave inequalities along

the vectors of nation, morality, race and ethnicity. Philanthrocapitalists can either fuel this dynamic or counteract it depending on how they choose to give out their dollars. Focusing on priorities that are furthest removed from survivor voices, for example, risks entrenching existing inequalities. At the same time, philanthrocapitalists enjoy the freedom and resources to think long-term, to go against conventional wisdom, and to try something new – something potentially transformative. As **some have argued**, maximising philanthrocapitalist potential in this regard requires “a measure of humility often elusive among those accustomed to power”. For philanthrocapitalists to affect real change they must recognise and build upon the deep expertise that already exists on the ground, especially that of survivors and those who work with them.

This policy debate asks whether and how philanthrocapitalism has helped or hurt global anti-trafficking efforts. The contributors represent a range of stakeholders, including staff at large foundations, anti-trafficking advocates who have born witness to philanthrocapitalism’s effects on the ground, and small NGOs who have benefited from or contended with philanthrocapitalism’s largess. The debate also includes authors who offer insights into new forms of giving and cultures of mutual aid that offer alternatives to the philanthrocapital model.

# The blindness of using venture capital to fight trafficking

Laine Romero-Alston, Kavita Ramdas and Sebastian Köhn

Over the past 20 years, philanthrocapitalism has shown a predilection for quick, sensational, and often tech-driven approaches to addressing many of society's biggest social issues, including human trafficking. This has benefitted a vocal faction of the anti-trafficking movement, one that primarily focuses on carceral (law and order) responses and victim 'rehabilitation'. This funding tactic often comes at the expense of other parts of the movement that are oriented more towards prevention, justice, and rights.

Why has philanthrocapitalism shown interest in shaping the anti-trafficking movement in this particular direction? First, and perhaps most importantly, philanthrocapitalism's *modus operandi* comes from venture capital finance. Some would argue that any large-scale private philanthropy constitutes philanthrocapitalism, but the term more accurately describes a subset of private and corporate philanthropy that is based on a venture capital theory of change – one that supports the use of business models in the non-profit sector and focuses on 'social return' on investments.

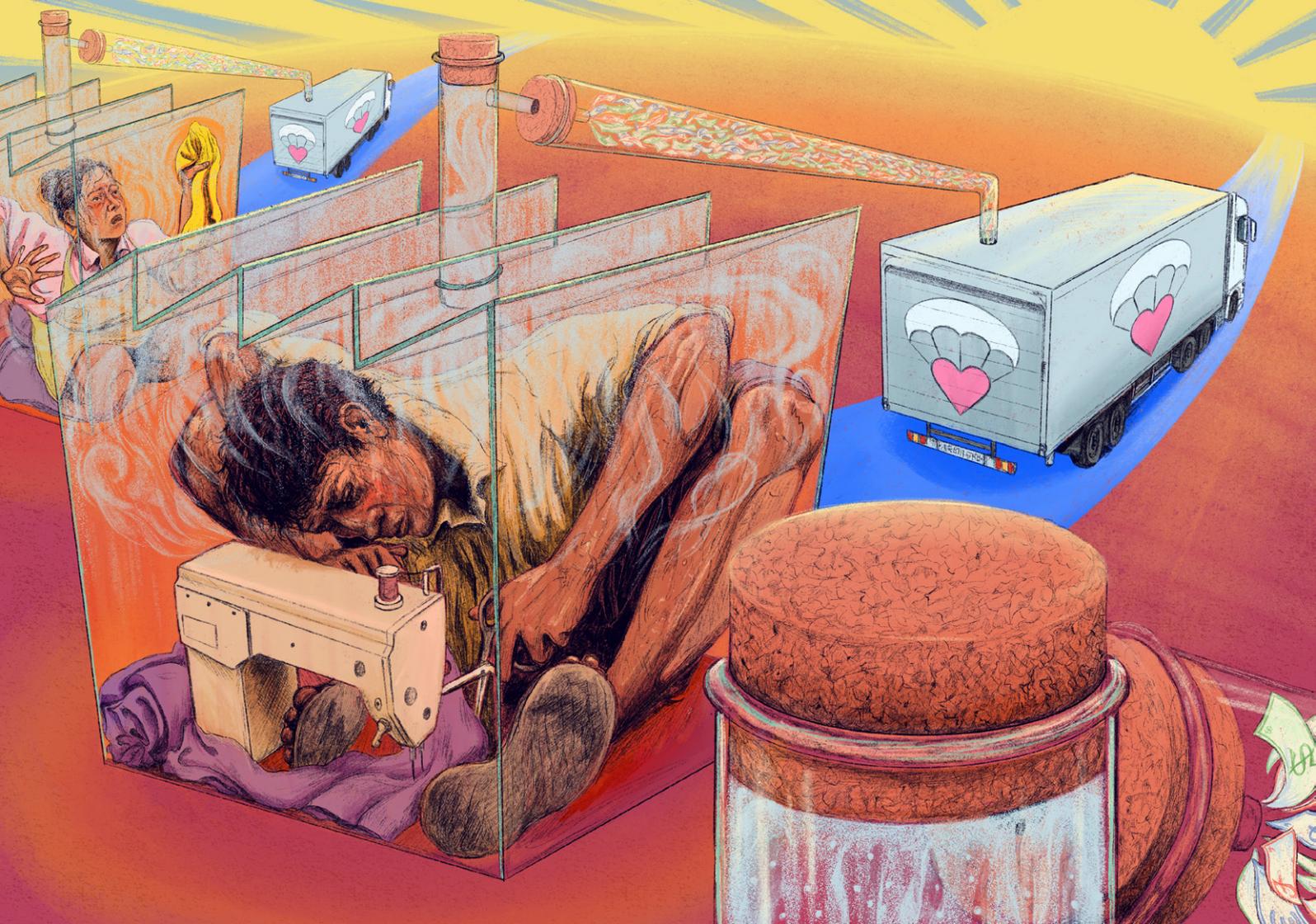
Crucially, venture funding is not long-term funding. The whole idea is to make a short-term investment in an entrepreneur's concept or initiative. In the business world, this sometimes helps a start-up grow to the point where it can obtain liquidity from other sources. Applied to anti-trafficking initiatives, or indeed to the non-profit sector more generally, venture money tends to favour quick and quantifiable measures over structural change. At Open Society, our philanthropic origins are in private capital but we have avoided venture finance 'solutions' to worker exploitation. Instead, we have focused on supporting movements of workers to organise for justice, health, and safety in the workplace.

Second, philanthrocapitalism is deeply embedded in the system of colonial and predatory capitalism that permits – and sometimes even encourages – the exploitation of workers. Under this system, it is perfectly logical for a company like Walmart to give millions of dollars to anti-trafficking organisations that seek to address exploitation, while failing, over and over, to address worker exploitation both in its supply chains and at its stores.

It is easy to turn cynical when corporations that clearly lack their own ethical standards 'join the fight'. For example, the investment bank UBS spends millions of dollars on anti-trafficking programmes while settling their own money laundering and tax evasion probes left and right. In the past 20 years, UBS has also paid out more than \$100 million in penalties for employment-related offenses.

This is not to say that philanthrocapitalism is actively complicit in human trafficking, but that it adheres to an understanding of exploitation that is neoliberal and binary. There is a convenient focus on the most extreme and salacious forms of exploitation while those that appear less egregious, such as wage theft, harassment, or retaliation for speaking out about rights violations, are ignored. In reality, exploitation is not binary but exists along a spectrum, and most workers in the world experience it in some way.

Third, over the past 20 years philanthrocapitalism has had very strong ties to Silicon Valley and frontier tech more generally, and these links have influenced the ways in which it supports the anti-trafficking movement. In particular, they have resulted in an excessive focus on technology as the ultimate solution to human trafficking. Money is pouring into facial recognition and artificial intel-



ligence efforts that will supposedly revolutionise the detection of both traffickers and victims. For example, **Spotlight**, an initiative of Thorn that uses Amazon's Rekognition software, and **DIG**, which is primarily supported by the US military, catalogue huge numbers of sex work ads to fight human trafficking. The result? In 2017, DIG led to just **three human trafficking prosecutions**, though allegedly far more detention and deportations of sex workers. Similarly, **Hotels-50K** and **TraffickCam** are designed to help law enforcement recognise hotel rooms where trafficking might take place, but concerns remain that the tools are more likely to be used against sex workers.

#### **The problem with chasing short-term gains**

Of course, the impact of philanthrocapitalism on the human trafficking movement extends far beyond tech utopianism and a few unscrupulous corporations. Most importantly, the orientation towards venture capital-style investments determines what solutions

are considered effective, and by what measures. Too often, police operations will be favoured over efforts to build worker agency and power. This is because the former produces quick, visible, and quantifiable outputs, and does not require long-term investments in worker movements that could actually upset power imbalances and lead to structural change.

For example, a 'raid-and-rescue' operation at a brothel can easily be portrayed as a short-term success – owners handcuffed and sex workers paraded in front of cameras – without any regard for what the workers want or the help they need to sustainably achieve that. In some cases, workers – domestic workers and sex workers, in particular – are 'rescued' from their place of work just to **be locked up 'for their own good' and further exploited by their 'rescuer'**. Although many 'rehabilitation services' provide crucial support to victims of trafficking, few are sufficiently funded to analyse and address the structural inequities – casteism, gender injus-

tice, poverty, racism – that created vulnerability to exploitation in the first place. As a result, many trafficking victims remain at risk of being trafficked again, since ‘rehabilitation’ rarely changes their material position and other injustices.

The philanthrocapitalist preference for quick and visible results has also helped push narratives about extreme and sensational exploitation at grand scale to the forefront. These largely fail to acknowledge more mundane but far more entrenched and widespread forms of exploitation. This explains in part the focus on sexual exploitation over other kinds of labour exploitation, and lets both philanthropy and companies off the hook for not addressing the structural issues of low wages, unorganised workers, and unenforced labour regulations that sit at the core of their business model.

As a result, we see the kind of frenzy that has led otherwise serious media to proclaim absurd numbers of trafficking victims with scant evidence. These narratives also influence governments and other public institutions. For instance, in November 2020, the Committee on the Elimination of All Forms of Discrimination against Women (CEDAW

Committee) issued a **General Recommendation on human trafficking** that was littered with unsubstantiated assertions and recommendations. These included the suggestion that states ought to “cooperate with technology companies in creating automated tools to detect online recruitment and identify traffickers”. In practice, ‘automated tools’ involve extensive surveillance, sting operations, and other harms to marginalised workers. These kinds of recommendations exacerbate rather than address the underlying and structural forms of economic and gender discrimination that women and gender-nonconforming people face on a daily basis.

Twenty years ago, the dot-com bubble had just burst and the Palermo Protocol on human trafficking had just entered into force. It should have made us think twice about venture capitalist approaches in human trafficking philanthropy. Alas, here we are in an anti-trafficking venture bubble, where lives and resources are wasted on ineffectual and often harmful vanity ‘solutions’. Victims of trafficking are individuals who deserve dignity, power, and voice – not the patronising response of rescue.

# The catalysing power of philanthropy in anti-trafficking

Nick Grono

Over the last eight years, I have observed firsthand how the contributions of a number of large philanthropic foundations have advanced efforts to combat modern slavery and human trafficking.

I first began working in this space in late 2012 when I became the inaugural CEO of the Walk Free Foundation, which was a new foundation established by the Australian philanthropists Andrew, Nicola and Grace Forrest to combat modern slavery. In early 2014, Walk Free joined with two other large philanthropic foundations, Humanity United and Legatum Foundation, to launch the Freedom Fund. I was the first CEO of this new fund, a position I have held ever since. So I guess I am as well placed as anyone to make the case for philanthropic capital in the anti-trafficking space – which I'll do here through the lens of the work of the Freedom Fund.

This model of philanthropy has proved to be highly impactful in the anti-slavery space, and has significantly contributed to the many advances we have seen in the last eight years or so. To my mind, philanthropy has moved anti-trafficking work forward in three main ways: through donor mobilisation and collaboration, by championing a systems approach, and by investing in measurement and research. I'll examine each of these briefly.

## Donor mobilisation and collaboration

When the Freedom Fund was founded, funding for the anti-slavery space was relatively limited. We estimated that private funding was around \$98m in 2014. It was in this context that the Freedom Fund was an unprecedented effort by three of the largest philanthropic foundations operating in the anti-slavery space to combine and scale resources, and to encourage other donors to do the same.

Other philanthropic foundations were attracted to this model and soon joined the initiative, committing significant funding to it. In recent years, the UK and US governments have also committed funding. For a number of the private donors, it was the first time they had committed funding to anti-slavery initiatives. In total we have raised some \$130m in commitments, representing a significant mobilisation of new capital to support anti-slavery efforts.

In addition to funding, there is a high degree of collaboration between the Freedom Fund's donors. Donor collaboration can take place anywhere on a spectrum ranging from weak coordination – such as sharing information on each other's strategies – to close partnership. The Freedom Fund collaboration is at the robust end of the spectrum, with the funders committing predominantly unrestricted funding against a common strategy. This is potentially a powerful model for other sectors.

## Using a systems approach

One criticism levelled against philanthrocapitalism is that it favours traditional penalisation and rescue approaches over more complex narratives. However, from its conception, the Freedom Fund has focused on bringing a systems approach to tackling modern slavery. We have been able to do so in no small part because of the philanthropic funding we have been able to mobilise. Far from focusing simply or primarily on criminal justice approaches, we concentrate on the root causes of modern trafficking and adapt to complexity by working closely with local communities to build resilience and support their efforts to advocate for change. We work closely with survivors, understanding that without significant ongoing support they often remain highly vulnerable to trafficking.

Our whole model is premised on the importance of local voices and expertise, and working with those vulnerable to exploitation to support them in mobilising and organising to resist that exploitation. As a result we work with, and fund, over 100 local, front-line, organisations in the countries we work in (Ethiopia, India, Nepal, Myanmar, Thailand and Brazil).

Our local partners help shape our strategies, and we then work together to implement them. We also invest in movement-building initiatives with women and survivor leaders in these countries. And we seek to use our access to global policymakers to promote local voices and expertise.

#### Investment in measurement and research

One of the biggest changes in the anti-slavery space since I have been working in it has been the big investment in improving research and measurement.

Much of this has been spurred by the work of the Walk Free Foundation in establishing the Global Slavery Index back in 2013. At the launch of this nascent effort, Walk Free frankly acknowledged the weakness of the data and challenges with the methodology. But also had the clear view that producing such an index – along with a commitment to continually refine and strengthen it as data improved – would be an important driver of efforts to improve the data on slavery more broadly. And

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“The willingness of big philanthropic foundations to closely collaborate in efforts to scale the resources to fight slavery, and the impact of those resources, has been a very positive influence in the anti-slavery space.”

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For us this is not just a philosophical approach, but one best geared to drive the significant change required to reduce the vulnerability of those at greatest risk of exploitation.

In all our work, we recognise that power disparities underlie and enable modern slavery. Those wielding disproportionate power over highly vulnerable people – be they factory owners, landowners, ships captains, mine owners – often use this power to illegally exploit those working for them. They use coercion to extract maximum profit from those in their supply chains. To address these power disparities, we need to help these exploited communities to organise and amplify their voices. This is a primary focus of Freedom Fund’s partnerships with frontline organisations.

so it has proved. Walk Free now partners with the International Labour Organisation to produce a robust, periodic, **global estimate of forced labour and forced marriage**, which then informs the Global Slavery Index.

At the Freedom Fund, we have invested heavily in improving data, particularly on regional prevalence. We have published 70 research reports in collaboration with 42 research organisations from 13 countries. Within that body of research, we have published nine prevalence studies to quantify the scale of child labour, forced labour, sex trafficking and forced marriage.

And we are delighted to see others also investing heavily in data - most notably the US Government’s Office to Monitor and Combat Trafficking in Per-

sons, which is now funding a significant number of regional and industry level prevalence studies.

Of course, it can be counterproductive to have an undue focus on measurement at the expense of other forms of assessment of impact. One of the critiques of philanthrocapitalism is that it pushes charities to adopt market-based approaches and other practices from the business world, such as an emphasis on performance metrics, when these may not be the most appropriate tools to achieve or evaluate impact.

The Freedom Fund borrows a range of ideas from business, but we are careful to apply these where they add specific value rather than as part of a broader ideological approach. For example, while we work with the private sector to reform the sea-

food industry in southeast Asia, we also support, as part of the same programme, migrant worker rights, grassroots legal aid, community organising, collective bargaining, policy influencing, and recovery services for survivors.

### **Conclusion**

That's a quick gallop through how philanthropic capital has contributed to significant advances in the anti-trafficking space, from the perspective of the Freedom Fund. Certainly, my experience has been that the the willingness of big philanthropic foundations to closely collaborate in efforts to scale the resources to fight slavery, and the impact of those resources, has been a very positive influence in the anti-slavery space.

## Private giving hides government inaction

Anne T. Gallagher

When I began working on human trafficking more than two decades ago, the exploitation of human beings for private profit lay well outside mainstream public consciousness and concern. The laws were old and muddled, and the issue itself had no home or champion. This suited governments very well, not least because it effectively absolved them of legal and moral responsibility for practices that brought national economies significant, if often hidden benefit. And states were able to neatly sidestep charges of complicity by pointing to the fact that any ‘crimes’ were being committed by private parties. What could they do?

The Trafficking Protocol, adopted in December 2000, changed everything by clearly articulating the problem – and by affirming that governments do indeed have a legal responsibility to prevent trafficking, prosecute perpetrators and protect victims. Over the next 10 years the legal and political landscape around the issue changed dramatically. Under internal and external pressure, most countries introduced strong anti-trafficking laws modelled on new international and regional treaties. Prosecutions increased and, while victims continued to be routinely mistreated by public officials, there was at least some evidence that things were improving for some victims, in some situations. Perhaps most promising of all was the slowly emerging understanding that ‘trafficking’ is not, as originally presented, a rare and exotic criminal phenomenon confined to a handful of unfortunate countries. Rather, the exploitation that is the hallmark of trafficking is woven into the fabric of our lives. We are all complicit in a global economy that relies heavily on the exploitation of poor people’s labour to maintain growth, and on a global migration system that entrenches vulnerability.

Large-scale, private philanthropy began to muscle in on the anti-trafficking movement about a decade ago. This was well after much of the hard graft of developing legal and regulatory frameworks had been done, but right at the beginning of a ‘second wave’ marked by greater attention to structural causes and the need for complex, multidimensional responses. Throughout this time, I have watched the movement shift and change from the vantage point of an academic, opinion writer, lawyer, international civil servant and occasional combatant.

Unfortunately, the breadth of my exposure does not mean that I have a clever and ready answer to the question posed by this debate: ‘has large-scale, private philanthropy helped or hurt the anti-trafficking movement?’. The first obstacle is inbuilt bias. If one has climbed aboard the private philanthropy train, then it follows that the benefits will be both more apparent and more persuasive. But those of us on the outside have our own frailties: “**wealth draws envy and philanthropy draws suspicion**”. We don’t like it when interlopers muscle in on our turf. It is painful to watch those who so patently lack expertise and insight gain easy and rewarding access to decision-makers. It’s even worse when we are forced to stand by while their vain and foolish pronouncements go unchallenged because money and the promise of money messes with all but the most stalwart of moral compasses.

Such grievances may be real, but they can just as easily obscure our vision – a point that underscores the importance of considering one’s counter-position. In this case that means acknowledging that private giving has likely brought real (if difficult to quantify) benefits.

Large-scale philanthropy is now so deeply embedded in the anti-trafficking or ‘modern slavery’ movement that it is difficult to imagine what is different, and what might have been. But, as Nick Grono and others close to the major philanthropists **have written**, a massive injection of money, energy and influence has clearly transformed the movement in important ways. For example, it has made possible the kind of resource-intensive, sector-specific research that improves our understanding of how exploitation actually happens; who is involved, and what the possible entry points might be for those seeking to eradicate it. From **fisheries in the Pacific** to **cotton production in Uzbekistan**, private funding has helped to expose secret corners of the global economy where exploitation flourishes unchecked. Philanthropy has also highlighted the role played by frontline migrant and worker-led organisations in **exposing exploitation** and rallying support for systemic change. Significantly, initial investments by the big-name philanthropists have

helped to pave the way for more diversified private support to a broader range of civil society actors.

And, while a careful examination of philanthropist-led data collection efforts yields an embarrassment of critical riches, these are at least partly offset by genuine breakthroughs in reporting and analysis. Many of us have come to rely on the media organisation openDemocracy, which counts Pierre Omidyar and George Soros among its backers, for independent and challenging analysis of a wide range of social and political issues. Beyond Trafficking and Slavery, a part of openDemocracy, has become a fertile ground for interrogating the sector and challenging some of its most precious founding myths. A recent, 20th **anniversary series** on the Trafficking Protocol was a particular highlight for me: bringing together a dazzling kaleidoscope of colliding ideas that deserve to be heard. The Guardian’s partnership with Humanity United produced ‘**Modern Slavery in Focus**’, a series that helped ex-



pose new forms of exploitation and generate public advocacy in support of legal and policy reform.

But private philanthropy – especially of the ‘big man / big gesture’ variety that has marked the modern slavery sector – has a dark side that is yet to be openly and honestly explored. The failure of the anti-trafficking movement to interrogate this aspect is itself troubling and indicative of a deeper malaise that deserves our attention. My [lonely experience](#) taking on the initially risible [Global Slavery Index](#), produced with the money of the man who widely declared his intention to end slavery by 2020 (public reference of which seems to have all but disappeared), is instructive in that regard.

It is governments that should be leading the way when it comes to securing the kind of corporate accountability that matters. It is the responsibility of governments to ensure that national laws protect vulnerable workers and are properly enforced. Governments should be robustly defending their nationals and persons within their territory, not making sly money from their exploitation. And despite the poor record of police and prosecutors in this area, all but the most naïve must recognise that they are an essential part of any meaningful response: governments should be held to account when they so abjectly fail to support a criminal justice system that protects victims and prosecutes perpetrators.

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“Ending the exploitation of human beings is a responsibility that must lie, first and foremost, with governments.”

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Perhaps the most pressing danger of private philanthropy in this particular area relates to the softening of state responsibility for exploitation that it allows and encourages. Put simply, the modern slavery carnival of the past decade, largely directed and funded by high-profile private individuals and corporations, has provided a (too often welcome) diversion from the cold, hard and simple truth about what needs to change and who needs to make sure that change happens. [Commitments of faith leaders](#), [expensive corporate gatherings](#), and even placing modern slavery on the [agenda of the World Economic Forum](#) are probably all good, in some way. But they can also operate as a massive and unhelpful distraction.

Ending the exploitation of human beings is a responsibility that must lie, first and foremost, with

The question of large-scale corporate philanthropy is a vexed one and fixed views on either side should be treated with caution. The very fact of ‘philanthrocapitalism’ is as much a product of our current economic and political system as trafficking itself – and likely as intractable. Once we acknowledge this, then the path ahead becomes clear. All of us working in the anti-trafficking / modern slavery space, irrespective of what we are doing or how we are being funded, should be demanding transparency and accountability from each other. We should resist being held captive by any special interests. We should be unafraid to question and to criticise. Anything less is just embarrassing and does a grave disservice to those in whose interests we are all claiming to be working.

## Philanthrocapitalists stand in the way of direct aid, so we have no time for them

Cora Colt

When asked to address philanthrocapitalism over the last 20 years, one of the first thoughts I had was how late-stage capitalism impacts sex workers. I entered sex work as a stripper in the United States at the age of 19 in 2007, and even then dancers at my club bemoaned how much earnings had dropped since the 1990s. In the 14 years since, even those of us who are relatively privileged have seen tuition and predatory student loan practices soar, employment rates/wages drop, and a continuing erosion of social safety nets. This has meant that many of us in a previous decade potentially could have quietly done sex work in our early 20s and moved on to other careers as we got older, but under current economic conditions we have simply never been able to afford to entirely leave the industry.

As the sex industry has grown oversaturated, managers of legal workspaces have become bolder in pursuing exploitive and discriminatory labour practices. This, in conjunction with Trump's presidency and the passage of anti-sex work policies like SESTA/FOSTA, has pushed many of us into higher contact, more criminalised work that is still preferable to the majority of available waged jobs. Anti-trafficking crusaders often blame us for glamourising the industry, but the reality is that people of all genders and ages are entering into sex work because they are under increasing financial duress and experience a lack of other viable options under our current power structures.

As an administrator of the Lysistrata Mutual Care Collective & Fund, a mostly volunteer-run resource specifically by and for sex workers, our collective grounds its resistance to predominant modes of

philanthrocapitalism by drawing on what grassroots organisers call the **non-profit-industrial complex**. Non-profits, especially in the anti-trafficking realm, often give lifetime positions of power to people outside of marginalised communities. They are accountable primarily to well-off board members and funders. Funding typically goes to their salaries rather than directly to individuals in the populations they claim to serve.

This dynamic is also found within the sex worker movement. Formally educated, white sex workers from middle class backgrounds are disproportionately able to transition to paid advocacy work and secure grant funding, while our peers who face greater risk of arrest and violence in every part of their existence are often additionally barred from transitioning to non-profit and academic employment.

For these reasons, we've intentionally chosen to structure our cooperative on a sliding scale basis that prioritises resources going directly to struggling individuals and stipends for marginalised sex worker organisers. Since 2018 we've redistributed approximately \$197,000 in cash gifts and stipends. With COVID-19 we've effectively doubled our usual output of funds and the number of sex workers around the nation we're in contact with.

This has enabled us to begin work on building up our broader membership long term. Through December, we invited 400 people we'd previously assisted with funds to participate in a paid, check-in survey. Out of 200 respondents, a large number reported being houseless or housing insecure and not having connections to other sex worker communities or organi-

sations offering the same type of low barrier cash assistance. Fully 150 were interested in becoming more engaged members. We're currently restructuring our organisation to give these new members direct roles within our decision-making processes, as well as pulling together a budget to ensure that those who qualify for the fund will be compensated for their time and given more ongoing support.

We've managed to do all of this without the benefit of full-time paid staff, and without qualifying for any federal or foundation grant assistance. All of our funding is sourced from individual donors and fundraisers organised by high-profile, current and former sex workers who know through experience why this is such a vital resource.

direct assistance with bills, do not. For this same reason, no non-profit should condition assistance on leaving the industry. Allowing adults who have a history of both consensual and non-consensual involvement in the sex industry to continue doing sex work after leaving an exploitative situation gives them low barrier income that they can best leverage for their own survival. Preventing us from doing sex work at all in order to access services does not aid our safety in any way.

Sex work is a means of survival that falls outside of the control of capitalist systems. Forcing people into low-wage, 'respectable' jobs largely serves to benefit wealthy people who profit off of this type of labour while they are able to simultaneously take advantage of tax loopholes for charitable contri-

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“Preventing us from doing sex work at all in order to access services  
does not aid our safety in any way.”

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We have of course tried to obtain grant funding in the past, but applications from sex worker-led groups are rarely successful. On top of that, many granting foundations explicitly do not sponsor direct services, especially not cash-based ones. Funders are often reluctant to pay out for material needs because even small amounts of direct assistance add up to large numbers surprisingly quickly. Few are personally invested in making meaningful structural or material change, and many believe that marginalised people can't be trusted to make their own decisions about how to best manage their own resources.

However, one of the principles of mutual aid is that direct and unconditional access to cash gives people the most agency over the use of their own resources. Other forms of assistance that non-profits are more comfortable with, such as gift cards or

contributions. This allows them to donate selectively to foundations that distribute a minimum amount of funding yearly and avoid paying into necessary social services. This cycle does a disservice to everyone, but especially to single parents, those who experience discrimination in traditional job settings, or who are chronically ill or disabled.

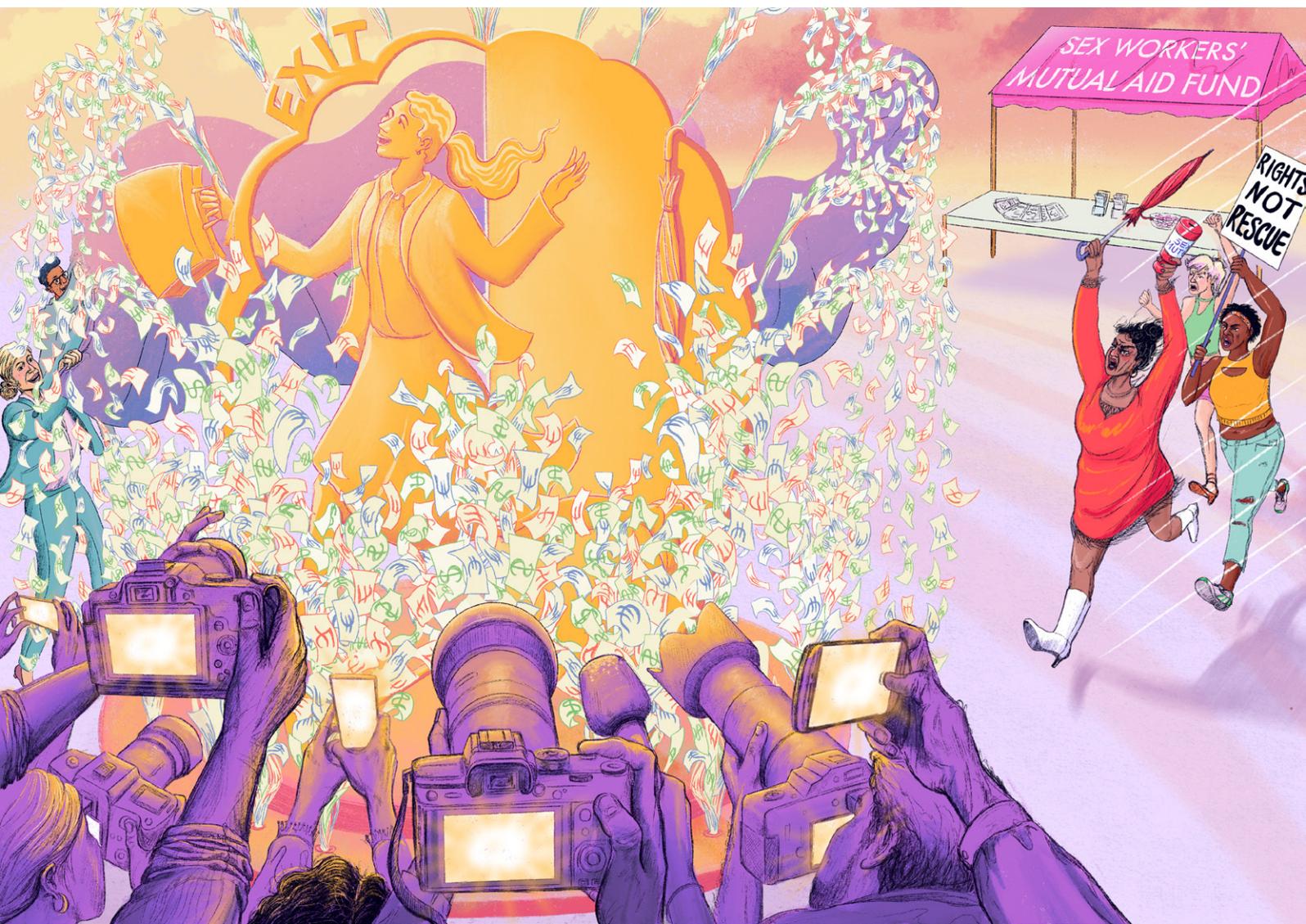
Poverty, racism, criminalisation, and gender-based violence are some of the top factors that put people at higher risk of trafficking. In conjunction with a mass loss of jobs and housing due to the pandemic, many are entering sex work out of desperation and are very vulnerable to trafficking and violence. Consensual sex workers who have been steadily losing income options for years have largely been left out of government aid packages and are continuing to be forced to work outside of their usual

boundaries as well. The solution to this at the speed we need it can only come in the form of large-scale, low-barrier, non-job attached government aid.

Outside of this already daunting plethora of difficulties, there are huge challenges to building any type of alternative community structures under criminalisation. We take on heightened legal risk beyond our own personal involvement in sex work and face additional criminal penalties for organising in groups, providing direct assistance, and sharing safety resources within our communities. In the US we are even at risk of being prosecuted as traffickers for the services we offer. This makes it difficult and dangerous to openly promote the work we do to reach a larger scale donor pool or advocate for basic human rights and labour protections. Even in countries where sex work is decriminalised or legalised there are clandestinely enforced, intricate webs of policies in place that enforce widespread

institutional financial discrimination against individual sex workers and sex worker-run businesses. These greatly obstruct our ability to create our own equitable workspaces and long-term mutual aid networks outside of the non-profit system.

In the long run, the best trafficking prevention is sweeping societal change. At the top of the list are decriminalisation measures that remove criminal penalties for victimless activities engaged in by consenting adults, the abolition of prisons, the police, and immigration enforcement, protections for undocumented immigrants and trans folks, reparations to BIPOC communities, and universal basic income, housing, and healthcare. All of these measures would give more power to workers in every industry. Philanthrocapitalism unavoidably serves as a major barrier to the implementation of these measures and only serves to hurt truly authentic efforts to prevent trafficking.



# Now is the time to support sex workers' rights

Paul-Gilbert Colletaz

The COVID-19 pandemic and the measures put in place to mitigate it have exacerbated existing inequalities by forcing millions of workers around the world to lose work and income. Sex workers have been particularly hard hit. The long-standing conflation of sex work and trafficking have effectively led to their exclusion from not a government relief and protective measures but also from most private and philanthropic support. Yet the explicitness of the damage being done also presents us with an opportunity to turn the conversation around. Coronavirus has opened a door for funders to increase their support for sex worker-led organisations and to advocate for an end to this harmful conflation once and for all. Now they must walk through it.

The Sex Work Donor Collaborative will be waiting on the other side to help them get their bearings. Founded in 2008, the collaborative was first convened to fundamentally change the structures of funding that defined anti-trafficking efforts. In particular, the donor collaborative **hoped** to “increase the amount and quality of funding and non-financial support for sex worker rights and sex worker organizing”. Members of the collaborative oppose exploitation of and violence against sex workers, regardless of the form they take, and recognise the distinction between sex work and human trafficking.

## **A dangerous conflation**

Links between trafficking and sex work are often based on assumptions rooted in the stigma against sex work. The denial of sex workers' agency, reinforced by the conflation of trafficking and sex work, has led many funders to prefer supporting organisations that claim to 'save' or 'rescue' sex workers over organisations that are run by them. In turn, this perpetuates the exclusion of sex workers' voices from philanthropic circles

and makes funding sex worker-led organisations and networks incredibly difficult.

The damage caused by equating the two ideas together is plain to see. Anti-trafficking legislation and initiatives based in the conflation of sex work and trafficking have led to increased criminalisation of sex workers' clients and third parties, forced 'rescue and rehabilitation', exclusion of sex workers from services, discriminatory immigration laws and restrictions, and increased violence against sex workers.

The “anti-prostitution loyalty oath” (APLO) provision passed into US law in 2003 and embedded in the 2003 President's Emergency Plan for AIDS Relief (PEPFAR) is a particularly egregious example of this in practice. This provision requires non-governmental organisations based outside the US to have “a policy explicitly opposing prostitution” in order to receive PEPFAR funding. The oath further prohibits recipient organisations from using the funds “to promote or advocate the legalization or practice of prostitution or sex trafficking” and specifies that no funds “may be used to provide assistance to any group or organization that does not have a policy explicitly opposing prostitution and sex trafficking”.

The negative impact of this oath have been extensively documented (see, for instance, the factsheets produced by **Pathfinder International** and **CHANGE**). Nevertheless, due to a (real or claimed) lack of knowledge and pressure from abolitionist women's organisations that define all sex work as inherently exploitative, many philanthropic actors have chosen to follow the US government's lead and refuse to support sex workers' rights and sex worker-led organisations as well.

### Enter Red Umbrella Fund

Red Umbrella Fund, a member of the Sex Work Donor Collaborative, was created to blaze a different trail. It was born following the first international exploration of funding for sex workers' rights and health issues by Open Society Foundations's Sexual Health and Rights Project in 2006. Two years later, a dialogue on sex work and trafficking took place between donors, researchers, and activists in collaboration with the Global Network of Sex Work Projects and the Indian feminist human rights organisation CREA. These dialogues were intended to help donors make the distinction between sex work and trafficking, and to figure out more effective ways to support anti-trafficking efforts that affirm sex worker and migrant rights. In other words: to develop a sex worker rights-based approach to anti-trafficking. In April 2012, Red Umbrella Fund was launched as **a new, innovative global grant-making mechanism for, and by, sex workers.**

Red Umbrella Fund released its **2020-2025 Strategic Plan** on 14 September 2020, to coincide with International Sex Worker Pride Day. This plan reaffirms our vision to live in a world where sex workers are respected as human beings and as workers, so that all sex workers can live lives free from criminalisation, stigma and violence. For this vision to become reality, a more nuanced discourse among funders on the human rights approach to sex work and the harms of conflating sex work with trafficking is needed. Significant progress has been made over the past 20 years. Recently the members of the International Lesbian, Gay, Bisexual, Trans and Intersex Association, for example, voted to support the decriminalisation of sex work. **Their statement** made clear that they were joining "a growing number of human rights, health and anti-traffick-

ing organisations demanding governments recognise sex work as work, and protect sex workers' labour and human rights."

But despite these advances the conflation between sex work and trafficking remains as alive as ever. And as long as it is there it will hinder progress in both the sex workers' rights movement and the anti-trafficking movement. One practical example of the obstacles it creates can be found in the simple bureaucratic act of registering an organisation. As sex work continues to be criminalised in most of the world, sex worker-led organisations and networks face enormous challenges with registering their organisations with their governments. This, along with the criminalisation itself, prevents them from accessing funding even from donors interested in supporting their work

Funders can and must play a crucial role in turning the tide. With their help we can ensure the compatibility of anti-trafficking efforts with sex workers' rights. In order to achieve impact, we encourage funders to:

- Support the decriminalisation of sex work,
- Educate themselves on the difference between sex work and trafficking,
- Meaningfully involve sex workers in their grant-making relating to sex workers' rights,
- Fund sex worker-led organisations and networks in line with their expressed priorities, including anti-trafficking efforts.

## Private donors: the pied pipers of 'modern slavery'?

Mike Dottridge

As the director of an anti-slavery charity in London at the turn of the century, I would have welcomed a substantial injection of cash to supplement the income we received from our members, from a few private foundations and from several European governments. However, in the year that the UN Trafficking Protocol was adopted (2000), I felt we did not have enough technical expertise (despite being 160 years old) on how to tackle all the patterns of extreme exploitation that we knew to be occurring around the world. Nor did anyone else.

During the first decade of the 21<sup>st</sup> century, I saw the international community groping along a learning curve. Governments allocated more substantial amounts of money than before to their police in order to enable them to catch traffickers and bring them to trial. Industrialised countries, notably the USA and the European Union bloc, provided substantial amounts to international organisations for what were nominally anti-trafficking activities. They and smaller donors, such as Australia and the United Kingdom, also started funding anti-trafficking efforts in specific regions, such as southeast Asia.

However, not enough lessons were digested about what worked and what did not. Between 2001 and 2007 the US government reportedly allocated some \$447 million to efforts to combat global human trafficking outside the USA and allocated more each year. For example, in 2011 the US State Department awarded \$22.5 million to fund anti-trafficking work around the world, partly to international organisations (e.g. more than \$4 million went to projects run by the IOM) but mainly to US-based non-governmental organisations (e.g. more than \$1 million went to the International Justice Mission for its operations in India and the Philippines).

The result, unfortunately, was that no-one moved along the learning curve together. Instead, influential governments, particularly the USA, used a loud-speaker to tell others what they should be doing. Those of us with a background in human rights had seen how an annual report issued by the US State Department on the state of human rights in countries around the world had been used since the 1980s to convey misinformation and propaganda. So, it was not a good sign that the US government once again used an annual report (the Trafficking in Persons report) to name and shame other countries, too influenced by US partisan interests to be considered objective. Like most of the anti-trafficking industry, the annual report did not pay much attention to human rights, despite claiming to be respecting human rights by tackling human trafficking.

During this first decade of the century, it was obvious that established patterns of servitude and forced labour, such as bonded labour in South Asia, descent-based slave status in the Sahel and fishing vessels operating with enslaved migrants in parts of southeast Asia and the Pacific, were continuing without police or other actors being equipped to confront them. By 2011 it was also apparent that, with the exception of the USA, governments were getting tired of spending money on anti-trafficking initiatives, many of which failed to deliver promised benefits. After becoming a trustee of the UN Voluntary Fund on contemporary forms of slavery in 2011, I was repeatedly told by government officials that they had no spare money available to contribute. They instead recommended we turn to businesses to raise cash to assist people who had been exploited and abused.

### Extra resources made available

A major change occurred in 2012, one which can be attributed largely to a single, mega-rich Australian businessperson named Andrew Forrest. He had been convinced by an American academic, Kevin Bales, to invest tens of millions of dollars in efforts to end what was termed ‘modern slavery’. This wasn’t Forrest’s first attempt to change the world – a decade earlier he had set up the Minderoo Foundation to support education for Australia’s indigenous population. Now he set up the Walk Free Foundation in Perth to focus on modern slavery.

In 2013 he proposed using his wealth in new ways: first, he would donate \$10 million to a new Freedom Fund that would finance the anti-slavery work of civil society organisations around the world. The Freedom Fund received initial pledges of \$10 million each from two other donors that were already supporting anti-slavery activities: Humanity United (with a substantial income from Pierre Omidyar, the founder of eBay, and his wife, Pam Omidyar, in the US) and the Legatum Foundation (with income from the New Zealand financier Christopher Chandler and the private investment Legatum Group). These initial funders have been subsequently joined by other foundations set up by successful businesses, such as the Children’s Investment Fund Foundation, the Stardust Fund and the C&A Foundation (now the Laudes Foundation). When it was launched in September 2013, the Freedom Fund was given the objective of raising \$100 million by 2020 and ‘measurably reducing’ modern-day slavery by 2020.

Secondly, Forrest also reportedly offered \$200 million to set up a new public-private partnership called the Global Fund to End Slavery that would finance anti-slavery plans prepared and implemented by governments, *if* this contribution was matched by governments. This did not take off in the way that was initially envisaged. Instead, after several years of likely governments failing to pledge support, the Republican-controlled US Congress voted to give \$25 million in start-up funds if those setting it up agreed that it would operate out of

Washington DC. It was rebranded as the Global Fund to End Modern Slavery, and got underway as, in effect, yet another US-dominated fund to support *civil society initiatives* against contemporary slavery – not national plans – with an initial focus on south Asia and southeast Asia. The UK and Norway joined the US as donors to this fund (adding \$38 million, with the US donating a further \$21 million in 2018 via a Program to End Modern Slavery). This gave it an international tinge, although it has so far maintained a US-based outlook on the world. In effect, the global fund supplements the US’s own bilateral anti-trafficking efforts rather than steering a new path.

Forrest had plenty of clout with his own Australian government and convinced them to back new global anti-slavery efforts. The same political influence was soon extended to the United Kingdom where, under the influence of Iain Duncan Smith’s Centre for Social Justice, the Conservative-Liberal coalition government became interested in talking about ‘modern slavery’ rather than continuing to refer, as the rest of the Europe did, to efforts to ‘combat trafficking in human beings’.

### Value added

As a former director of an anti-slavery charity, I should have been delighted by these new initiatives. But from the beginning I had doubts. I had seen how anti-trafficking efforts marginalised human rights and had witnessed the appalling impact of successive US administrations on efforts to stop extreme forms of exploitation around the world. I knew what their partisan criticism of other governments, their funding for US-based organisations operating around the world, and their blanket refusal to support organisations that promoted respect for sex workers’ rights could do. If the massive new injection of funds skewed things even further, there was a possibility that it would cause more harm than good.

In practice, the results have been mixed. Forrest has, for example, used his influence in the corporate world to press business leaders to expunge forced



labour from their operations and supply chains. In doing so he has further increased the pressure for action that has been building ever since the United Nations adopted its Business and Human Rights Principles in 2011.

Forrest and other anti-slavery donors have also been gaining influence within the International Labour Organization ever since it was agreed that the 2015 Sustainable Development Goals would promote measures to “eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour” (target 8.7). In 2017, Forrest was invited to address a global ILO conference in Argentina on reducing child labour. That same year, the Walk Free Foundation and the ILO published a joint report estimating how many people are in ‘modern slavery’ around the world. In some ways this was a major advance, however the Global Estimates of Modern Slavery also combined estimates of people forced into labour (25 million) with people forced into marriage (15 million) under one la-

bel, thereby inventing a new definition for the term ‘modern slavery’ and nearly doubling the total at the same time.

#### **Following the piper to the wrong place**

By this point, the organisations under the influence of the main anti-slavery donors control such a large proportion of the resources available that they have an effective monopoly over the field. If it was clear that they knew how best to use their influence, such a monopoly might be in the interests of the people they are dedicated to protecting. But in cases such as India, where they have supported an anti-human trafficking bill – notable mainly by its intention to detain women who have been in prostitution, rather than to respect human rights – it is apparent that they can have a profoundly negative influence. At the same time, by persuading the ILO to use the term ‘modern slavery’ they have managed to infuriate the government of India, a key country to influence on account of the substantial numbers of people subjected to various forms of bondage and forced labour.

On the wider stage, the introduction of the term ‘modern slavery’ has been divisive, breaking a relative consensus around the issue of human trafficking. To many it seemed that Australia, the United Kingdom and the USA were embarking on a new crusade with the help of the ILO, a project that other organisations such as the UN Office on Drugs and Crime opposed. The UNODC had had a virtual monopoly of discussions within the UN on human trafficking, and it evidently feared that switching to the terminology of ‘slavery’ could undermine its privileged role. Perhaps many of the failings that followed would have occurred anyway: not least was the lack of coordinated responses by UN organisations to new patterns of abuse, for example the lack of resources made available to pay for the recovery and healing of Yazidi women and girls enslaved in Iraq by Da’esh (‘Islamic State’). But this shift in power and language certainly didn’t help.

The new monopoly should in theory allow lessons learned to be shared among all the organisations funded by the same donors, but the past decade has seen a marked reduction in the readiness of both international organisations and other large-scale anti-trafficking initiatives to engage in such information exchange. A decade ago it was still possible to argue that the ‘eradication of slavery’ was a global ‘common good’ and that the lessons learned on the efficacy of certain methods should be shared widely, particularly those learned from publicly financed programmes. With the advent of monopoly, this attitude has changed. Large-scale donors claim to have found the key to success, but do not feel an obligation to share it.

However, in these circumstances, holding ‘philanthrocapitalists’ responsible by themselves for recent developments would be an error. The organisations supported by Andrew Forrest and others have acted largely in parallel with the priorities agreed by government agencies in Australia, the UK and the USA. The result, in effect, is that we have witnessed the creation of a neo-liberal government alliance with the hyperwealthy. It is not a ‘military-industrial complex’ of the sort traditionally criticised in

the US, but nevertheless a ‘complex’ that aims more criticism at the way poor people and developing countries behave than at the rich, and ensures that the focus of criticism about the unacceptable face of modern-day capitalism and old-fashioned slavery is not on the US or other industrialised countries.

### **Playing an alternative tune?**

Foundations that want to stop slavery or other extreme forms of exploitation do not have to operate in such a top-down manner. Some, such as the Oak Foundation and Porticus, have a good record of supporting local activists. They have portfolios which cover a range of human rights issues and use internationally-recognised human rights as a reference point. They seem aware of the danger of investing narrowly on the single issue of ‘modern slavery’. This approach involves understanding the implications of the real world in all its glorious diversity and requires ‘made-to-fit’ solutions rather than ‘one-size-fits-all’ ones.

What is also missing as a result of the priorities adopted by the ‘new abolitionist’ donors is a focus on the role that governments should play (and have legal obligations to play), beyond merely declaring certain actions linked to human trafficking or enslavement to be crimes. Perhaps this is not surprising, as it is probably not in the personal interest of wealthy tycoons to change the structure of the world’s economy or challenge the distribution of power in societies marked by hierarchy, inequality and discrimination.

Fortunately, over the past two decades the jurisprudence of the regional human rights courts in both Europe and the Americas on the issues of human trafficking, servitude and forced labour has evolved substantially. The courts have highlighted what the positive obligations of governments are to prevent such abuse from occurring in the first place, as well as to protect the people concerned. However, so far the governments, funds and foundations that focus on modern slavery do not appear much influenced by this agenda.

## Contributors

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