

There is a complex relationship between legalised prostitution and human trafficking

New research by [Eric Neumayer](#) investigates the impact of legalised prostitution on what is thought to be one of the fastest growing criminal industries in the world; human trafficking. Countries where prostitution is legal experience larger reported inflows of human trafficking.



Every year, thousands of men, women and children are trafficked across international borders. The vast majority of countries in the world are affected by trafficking, whether as a country of origin, transit or destination for victims. The United Nations estimated in 2008 that nearly 2.5 million people from 127 different countries had been being trafficked into 137 countries around the world.

Research on human trafficking is still in its early stages, but is growing as the seriousness of the problem becomes more apparent. It is thought to be second only to drug trafficking globally as the most profitable illegal industry. International human trafficking is one of the dark sides of globalisation. Most victims of international human trafficking are women and girls, the vast majority of whom end up being sexually exploited through prostitution. Domestic policy on prostitution in countries of destination, our research suggests, has a marked effect.

We wanted to find out if legalised prostitution increases or reduces demand for trafficked women. One effect suggested by theory is that legalised prostitution reduces demand because legally residing prostitutes are favoured over trafficked ones after legalisation. Another effect is that legalised prostitution will increase market size and thus, all other things equal, increase demand. The net effect is thus theoretically ambiguous and it is an empirical matter whether demand for trafficking decreases or increases.

Our empirical research used a global sample of 116 countries. We found that countries where prostitution is legal tend to experience a higher reported inflow of human trafficking than countries in which prostitution is prohibited. Our research thus suggests that in countries where prostitution is legal, there is such a significant expansion of the prostitution market that the end result is larger reported inflows of human trafficking. Legalising prostitution appears to boost the market for this fast-growing global criminal industry.

We also looked in more detail at Sweden, Germany and Denmark, which changed their prostitution laws during the past 13 years. Sweden prohibited it in 1999, while Germany further legalised it by allowing third-party involvement in 2002. Denmark decriminalised it in 1999 so that self-employed prostitution is legal, but brothel operation is still forbidden. Germany showed a sharp increase in reports of human trafficking upon fully legalising prostitution in 2002. The number of human trafficking victims in 2004 in Denmark, where it is decriminalised, was more than four times that of Sweden, where it is illegal, although the population size of Sweden is about 40 per cent larger.

Due to the clandestine nature of both trafficking and prostitution markets, our analysis had to rely on the best available existing data on reported human trafficking inflows. That legalised prostitution increases human trafficking inflows is likely, but cannot be proven with available evidence. The likely negative consequences of legalised prostitution on a country's inflows of human trafficking might be seen to support those who argue in favour of banning prostitution, thereby reducing the flows of trafficking. Other reasons might speak against prohibiting prostitution despite its impact on human trafficking, however. Working conditions could be substantially improved for prostitutes—at least those legally employed—if prostitution is legalised. Prohibiting prostitution also raises tricky “freedom of

choice” issues concerning both the potential suppliers and clients of prostitution services.

*Our article, [Does Legalized Prostitution Increase Human Trafficking?](#), co-authored with Dr Seo-Young Cho of the German Institute for Economic Research and Professor Axel Dreher of Heidelberg University, is published in the January 2013 edition of the journal *World Development*. A freely accessible version can be found [here](#).*

Note: This article gives the views of the author, and not the position of the British Politics and Policy blog, nor of the London School of Economics. Please read our [comments policy](#) before posting.

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