

Scam Trafficking, Deforestation, and Conflict: Evidence from Myanmar

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Introduction

Have you ever received a text message saying something like "Hello Angela this is Joe" often the person sending it has the goal of building a relationship to perform an elaborate scam.

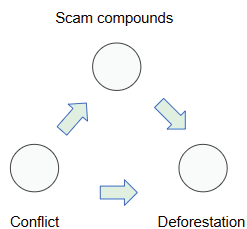
What you may not realize is the person initiating the relationship is often a victim of human trafficking.

This human trafficking activity is centered in scam compounds. Since the UN provides approximate locations of scam compounds, I used these locations as proxies for scam trafficking activity.

Conditions in Myanmar made an ideal environment for scam trafficking to grow which is why this project focuses on factors in Myanmar.

Objectives

What factors are related to the rise of scam trafficking in Myanmar?



Methods and Data Sources

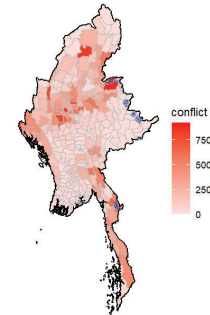
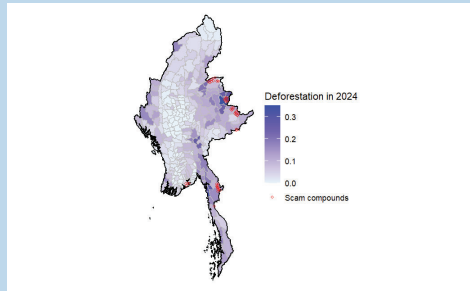
- I used data from
- United Nations Office on Drugs and Crime (UNODC)
 - Hansen Deforestation data
 - Armed Conflict Location and Event Data (ACLED) conflict data
 - Humanitarian Data Exchange

I analyzed them in R. I used visual correlations and causal inference (Difference in Differences).



Results or Findings

1 DEFORESTATION AND SCAM COMPOUNDS, Deforestation is weakly correlated to scam compounds by there are probably other factors at play.

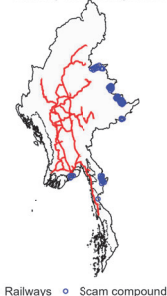


2 CONFLICT AND SCAM COMPOUNDS Conflict is not correlated with scam compounds, but conflict anywhere is a catalyst for scam compound construction.

3 RAILWAYS AND SCAM COMPOUNDS

- Railways are a proxy for our rural or populated a town region of the country is.
- It looks there is a weak correlation between railways and scam compounds: that is railways are where scam compounds are not.
- This result points to exploring further the relationship between different aspects of the towns and Myanmar and presence or absence of scam compounds.

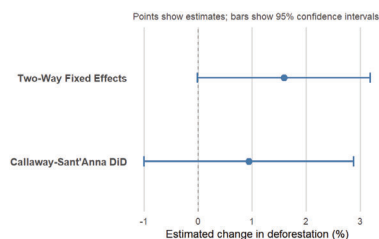
Railway Lines in Myanmar (2022)



4 Impact of Scam Compounds on Deforestation

- Difference in Differences method
- TWFE assumes homogenous treatment effects (introduces possible bias).
- Callaway Sant'Anna DID has heterogeneous treatment effects which could increase the variance.
- Case of bias variance trade off.

Percent Increase in Deforestation due to Scam Compounds with different regression



Two-Way Fixed Effects is marginally significant (significant at the 90% level). Callaway Sant'Anna results are not significant.

Conclusion

- Conflict creates political instability which may drive the creation of scam compounds and deforestation around the country.
- Scam compounds are weakly correlated to areas of higher deforestation but being on specific borders also seems to play a role
- Scam compounds might slightly increase deforestation in townships

Next steps:

I will be exploring Cambodia, as well as other markers for both countries such as lawlessness and poverty. I also want to explore other causal relationships.