

Government-sponsored crime

The case of Vietnamese undocumented immigrants in Germany and the UK

*Trang Nguyen*¹

Introduction

Undocumented Vietnamese immigrants have prominently been involved in two illegal markets in Europe: the selling of illegal cigarettes in Germany since the 1990s and, more recently, the cultivation of cannabis in indoor plantations in the UK. The German illegal cigarette market described in this study mainly refers to the Berlin large-scale black market which is publicly operated in continual existence since 1989 (Nguyen and von Lampe, 2018). Contraband cigarettes are sold at various locations in former East Berlin including train stations, supermarkets and shopping centres, and the vendors are exclusively Vietnamese. The cannabis cultivation in the UK is considered billion-worth market and it is widely acknowledged that the Vietnamese criminal networks play a significant role in this branch (ACPO, 2014; Bouchard, Alain and Nguyen, 2009; Bouchard and Nguyen, 2011; Daly, 2007; EMCDDA–Europol, 2016; Irasec and France terre d’asile, 2017; Schoenmakers, Bremmers and Kleemans, 2013; Schoenmakers, Bremmers and Wijik 2012; Silverstone and Brickell, 2017; Vy and Lauchs, 2013).

In this chapter, I seek to explore the common characteristics of the participants and the factors that have influenced their decision to join the illegal markets. My aim is to clarify the role of immigration agencies and brokers that are affiliated to the Vietnamese government and that provide logistical support to undocumented labour immigrants. It is important to note

¹ Trang Nguyen is a PhD student at the Max Weber Kolleg, Erfurt, Germany.

that illegal immigration to Europe is widely recognized by Hanoi as a welcome solution to their unemployment problem and as a source of growing remittances.

The Berlin illegal cigarette market

Germany was the largest cigarette illicit market in the EU (KPMG, 2016) and Berlin had the highest prevalence of illicit cigarettes in the country (Transcrime, 2015). The history of the cigarette black market, in Germany in general and in Berlin in particular, dates back to the late 1980s and early 1990s during the German transition after the fall of the Berlin wall. When the visa obligation had been lifted for Polish citizens travelling to West Berlin in January of 1989, German smokers could go to street dealers for much cheaper contraband cigarettes from Poland instead of the highly taxed cigarettes sold in tobacco stores (von Lampe, 2005). However, this street vending in the Western part of the city did not last long under pressure from the public and it soon began to spread to the Eastern parts of the country after the currency unification in mid-1990 (von Lampe, 2002). This was happening at a perfect timing to an ethnic immigrant population in the former German Democratic Republic who had just been displaced from legitimate work during the period of economic reconstruction: the Vietnamese.

Interviewees recalled that some former Vietnamese guest workers had first begun by buying cigarettes from Polish travellers who would arrive at some train stations in Berlin with several cigarette cartons wrapped under their jackets or in a bag hidden in the train. This, however, quickly became an obsolete source. In early 1991, a large scale illegal cigarette trade in Germany run by Vietnamese people began, and cigarettes were transported in big trucks from Poland to Germany. Soon afterwards, some Vietnamese who could speak Russian started to connect with Russian military officers for the purpose of cigarette smuggling. This was believed to be the major supply source until 1994-1995 when the Russian troops completely withdrew from Berlin. Most Vietnamese guest workers were reported to have participated in the illegal selling of cigarettes at least once during this period.

In May 1993, the German authorities decided to provide legal residency to these former workers and subsequently this population gradually left the illegal business. However, the lucrative black market for cigarettes still appeared to be attractive to the criminal networks. Thousands of undocumented Vietnamese were quickly smuggled into the country in the 1990s and are believed to have eventually taken over the whole cigarette black market. After a massive attack launched by German police to crack down on the open market in 1996, the number of vending spots has decreased dramatically from about 1200 in the mid-1990s to about 200 in 2015 (Nguyen and von Lampe, 2018). Although the number of locations and sellers are way fewer compared to the early 1990s, the street sale of illegal cigarettes dominated by Vietnamese immigrants has demonstrated a resilient phenomenon in the Eastern part of the capital city.

The UK cannabis market

Cannabis is the most commonly used illicit drug and accounts for the largest share (38 %) of the EU illicit drug retail market (EMCDDA, 2018). In recent years, the EU cannabis market has appeared to experience considerable changes, partly explained by a move to more domestic production (EMCDDA 2017). The cannabis market in the UK – with an estimated value of up to € 6 billion per year (Atha and Davis, 2011; Prohibition Partners, 2018) – has not been an exception (Snowdon, 2018). In 2005, only 15 % of cannabis consumed in the UK was domestically grown (Thomson, 2010). However, from 2010, the proportion of cannabis farmed in the UK had increased to more than 90 % (Townsend, 2010). According to the UK Association of Chief Police Officers in 2012, the Vietnamese accounted for almost two-thirds of those being arrested for cannabis production (ACPO, 2012).

Since the mid-90s, Vietnamese criminal gangs have been known for their knowledge about how to grow cannabis in Vancouver, Canada. In 2004, The UK government reclassified cannabis from a Class B to a Class C drug, removing the threat of arrest for possession and reducing the risk of imprisonment for cultivation. Vietnamese criminal groups were believed to rapidly move from Canada to the UK and achieved dominance in Britain's marijuana business. They developed methods to turn networks of

large houses into clandestine cannabis plantation farms (Luke, 2012). Information from Vietnamese-language online fora in the UK indicates that these houses are rented from housing agents using fraudulent or stolen identity papers. Set-up costs for an operation vary between £15.000 and £50.000 while annual profits from a single ‘grow house’ run from £200.000 to £500.000. According to interviewees and other media reports, Vietnamese-run cannabis farms are mainly located in the suburbs of London, Manchester and Birmingham.

Methods and samples

This chapter is primarily the result of formal and informal interviews with 63 participants related to or with knowledge about the illegal cigarette trade in Berlin, Germany. These individuals include 29 current illicit cigarette street-vendors, 9 retired vendors, 2 gang leaders, 3 former wholesalers, 1 former cigarette smuggler, 2 human smugglers, 2 academics, 2 journalists, 3 political activists, 1 former translator for guest workers, 2 business owners and 7 undocumented immigrants living in Berlin. Half of the participants and the current vendors were interviewed at least twice. The interviews were conducted on different occasions and as ‘free-flowing conversations’ between February 2015 and January 2018. Each took between 15 and 60 minutes.

Although I had no direct interviews with the gardeners in the UK, the Vietnamese cigarette vendors in Berlin appeared to have a tight connection with their national fellows in the cannabis industry in the UK. They showed great knowledge about the UK market as well as about the role of Vietnamese people in the business. That may be partly explained by the fact that the vast majority of the participants in both markets come from the same region in Vietnam and there is clear evidence showing the existence of a linkage between the two markets.

During the period from 2015 to 2018, I also collected data from the Vietnamese-language social media forums relating to human trafficking and job seeking of illegal Vietnamese immigrants in Germany and the UK.

The Vietnamese immigrants in Germany and the UK

Different waves of immigration

Germany is the home of about 163.000 Vietnamese (GIZ, 2015). The first group consists of almost 40.000 ‘boat people’ and their families who left Vietnam after the end of the Vietnam war in 1975 and came to the Federal Republic of Germany (GIZ, 2007). They mostly fled from the political oppression of the Communist regime in the Southern part of the country.

The second wave of migration from Vietnam to Germany happened during the 1980s. Some 70.000 ‘contract workers’ or ‘guest workers’, mainly from North Vietnam, were recruited by the German Democratic Republic through an agreement signed in 1980 (Bösch and Phi, 2018; GIZ, 2015).

When the communist regime collapsed in 1989, factories were shut down and thousands became jobless and dispossessed (Bilefsky, 2009; GIZ, 2015). Many returned to Vietnam. However, about 20.000 stayed behind in search of new sources of income (von Lampe, 2002). Only temporary stays were granted (GIZ 2015) and many of these Vietnamese temporarily turned to illegal cigarette trade to make their living. A social activist who had witnessed the period explained:

“The workers lost their jobs suddenly; they were kicked out of the factory dormitories, having no paper, no status, even couldn't go back home because the Vietnamese government didn't want to take them. They were offered 3.200 DM to go home, but it was not much, so, many tried to stay. There were not many jobs and selling cigarettes was an easy choice for them.” (Interviewee SA1)

The third significant wave of migration from Vietnam is the irregular immigrants who started coming to Germany in 1991 to seek better economic opportunities. This group of immigrants, mainly from the North Central Coast provinces of Vietnam including Nghe An, Quảng Bình, Thanh Hoa and Ha Tinh, is believed to have taken over the illegal cigarette market from the former contract workers in the first half of the 1990s, and has played the dominant role in the market until today. There are no definitive figures documenting the irregular Vietnamese population currently living

in Germany, but vendors and smugglers mentioned the numbers between 1000 and 2000 individuals coming each year. In 2015, GIZ reported that some 4.000 migrants were deported to Vietnam from Berlin in a four year period. Nevertheless, Schmitz (2011) argued that the actual numbers of Vietnamese who are residing in Germany on an irregular basis are much higher.

**Table 1:
Different waves of migration from Vietnam to Germany and to the UK**

Period	In Germany	In the UK
1975-1990	Asylum seekers after the Vietnam war	Asylum seekers after the Vietnam war
During 1980s	Guest workers in the GDR	Family arrivals
1990s to early 2000s	Former guest workers from former Soviet bloc	Former guest workers from former Soviet bloc
1990s until now	New arrivals: the illegal migrants from Vietnam	
2000s until now		New arrivals: the illegal migrants from Vietnam

Source: Analysis of various sources, including data from interviews and media reports

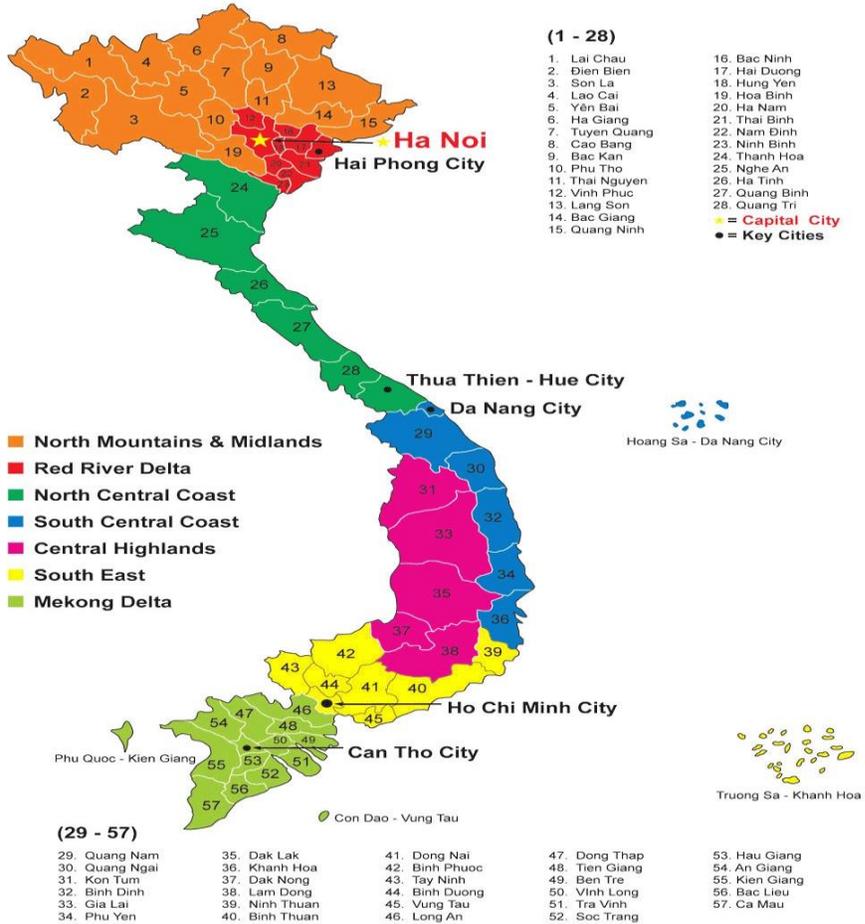
The Vietnamese diaspora to the UK can be seen as constituted by three main waves (Silverstone and Savage 2010). The first migration of Vietnamese refugees to the UK happened at the end of the Vietnam War as part of a planned resettlement programme from South Vietnam. Many of them settled in London and the South East of England (Barber, 2018).

The Vietnamese population in the UK was enlarged by the second major migration wave which happened in the early 1990s. This phase consisted of undocumented Vietnamese migrants who were previously residing in the former Soviet Union, as well as other parts of Eastern Europe (Silverstone and Savage 2010). This also included a number of Vietnamese guest workers in former East Germany (IRASEC and France terre d’asile, 2017).

Finally, much like the situation in Germany, the third migration wave from Vietnam to the UK has also been known as the ‘new arrivals’ who illegally migrated due to economic reasons. It first included individuals smuggled from Northern provinces of Vietnam (Silverstone and Savage

2010) and then a further migration stream starting from the late 2000s from the same North Central Coast provinces (IRASEC and France terre d’asile, 2017). A study by Sims (2010) reported an estimate of some 20.000 undocumented Vietnamese living in the UK in 2007. BBC later cited police sources indicating a number of 35.000 in 2010.²

Administrative map of Vietnam



Source: www.ban-do.net

² <https://www.bbc.com/news/10422480>

The cigarette vendors and the cannabis gardeners

Today, both the cigarette black market in Berlin and the cannabis cultivation market in the UK are characterised by a constant influx of newly arriving Vietnamese migrants who mainly come from the North Central Coast Region. In Germany, this population is called “không quần áo” (English translation: no clothing) referring to their undocumented status. In the UK, these individuals are called “người rơm” (English translation: strawmen) indicating how easily they can be deported.³ Many sell cigarettes or grow cannabis to repay the debts owed to human smugglers. According to the interviewees, these debts could amount to as much as € 35.000.

The majority of Vietnamese cigarette vendors in Berlin and the cannabis gardeners in the UK are men and boys (AAT, 2014; FCO, 2014; Nguyen and von Lampe, 2018), and most of them claimed to have no prior criminal records. Primarily, they come from rural areas and have low levels of education. Physical jobs such as fishermen, truck drivers, construction workers and farmers were commonly reported as their previous profession before coming to Germany. In 2014, AAT - an NGO who accompanied the return of 140 Vietnamese deportees – mainly from the cannabis industry – reported similar findings.

The typical image of a cigarette vendor in Berlin today is one Vietnamese-looking guy with a big cross-body bag, a cap and a pair of headphones, standing at a fixed location near an underground (U-Bahn) station, a suburban train (S-Bahn) station or a supermarket. They never carry lots of cigarettes with them, mostly 2-3 cartons, and the rest is stored nearby in a bush, inside an abandoned wall, or in a trash bin. Money is hidden in another place. If the vendor belongs to a gang, his employer remains invisible but within reach, collects money and supplies more cigarettes when requested.

In the UK, the newly arrived individuals from Vietnam are recruited to act as ‘gardeners’ maintaining indoor cannabis plantations (ACDM, 2008; IRASEC and France terre d’asile, 2017; Silverstone, 2010; Silverstone and Brickell, 2017). They are taught how to look after the plants, as well as the

³ The community uses the term “plasticmen” for those who have official documents, and “glassmen” for those who have obtained a green card in the UK.

method and timing of the collection of harvests. Most are locked up in the farm and work alone. Many claim to only have social contacts over the phone and rarely see their employer. Food is provided every few days. It is a common knowledge among the Vietnamese migrant population that cannabis gardeners face a high risk of being robbed by gangs from other ethnic groups.

An interviewee commented about the job of a gardener in the cannabis farm:

“Many of them (gardeners) went to the UK and made a fortune, but came back not knowing a single English word. They probably did not even see the Big Ben tower, as they were locked up in the cannabis farm during the whole time in the UK”. (Interviewee UM1)

The journey to Germany and the UK

Some Vietnamese were motivated to migrate as they had friends and family members already in Germany and the UK. However, there was also a significant number of claims about unscrupulous and fraudulent methods used by human smugglers. On online social media networks, there are plenty of posts and threads recruiting individuals by migration agencies and companies. Since most of the potential migrants come from rural and poor areas, they have to borrow money from relatives and friends or mortgage their land or house to obtain a loan.

Human smuggling chains operated between Vietnam and Europe include a sophisticated network with branches in Russia, Ukraine, Latvia, the Czech Republic, Poland, France, Germany, and the United Kingdom. Data from interviews show two main human smuggling methods are being used: The first option is that migrants are given false travel documents, fly from Viet Nam to Moscow and then walk and/or are transported by truck across Eastern Europe before they arrive in Germany. The service prices range between \$ 12.000 and \$ 20.000.

In the second method, smugglers offer a more expensive but more secure, asking between \$ 16.000 and \$ 25.000 for false documents and Schengen visa application papers, including a direct flight to one of the EU countries.

Table 2:
Smuggling service fees between Vietnam and Germany and the UK

Vietnam to Germany over Russia	\$12.000 - \$20.000
Vietnam to Germany over another EU country	\$16.000 – \$25.000
To the UK from Germany/or an EU country	
- <i>Economy service (cỏ)</i>	£3.000 – £4.000
- <i>Premium service (cỏ cao cấp)</i>	£10.000 – £15.000
To the UK directly from Vietnam	£25.000 – £30.000

Source: Data from interviews between 2015 and 2017

Some of the journeys were described as very “tough” and “dangerous” in the jungle, with high risks of getting caught by border guards and being put in jail for months. A few interviewees reported that the journey took much longer than a “few months” as had been promised by the smugglers. I came across cases in which interviewees spent about a year on the road, and a few cases lasted even longer due to time spent in prison in Russia, Lithuania or Latvia.

In order to continue to the UK, they travel to France and wait in a camp before proceeding to the UK. The most known camp is the one in Angres called ‘the Vietnam city’ which is located in a wood near the rest station of the A26 motorway. They then hide underneath the cargo of trucks travelling from France through the English Channel tunnel. The “cỏ” (English translation: weed) service is equivalent to an ‘economy service’, meaning they are shown the truck they would furtively get into without the driver’s knowledge. They need to keep quiet and take care of their own escape upon arrival.

An undocumented Vietnamese who failed in attempting to enter the UK told his story:

“From Germany, I went to France at night with Blabla car. I stayed with some people in a camp in a forest where there was no electricity. We were waiting. Then one night someone showed me a truck and told me to sneak in. It is the place where the truck drivers rest at night between France and the UK . . . No, the drivers didn’t know. I had to be quiet, I

couldn't move until the truck started to drive . . . Yes, they checked the truck. I was detected by police dogs. Then they put me in jail for some time. I went through 2 trials, they took my fingerprints and freed me coz I didn't have any paper with me . . . So finally they freed me and put me to another shelter in France. And I found my way back Germany". (Interviewee UM2)

A lot more expensive, the Premium service called "VIP" or "cỏ cao cấp" (English translation: fancy weed) offers them a place in a car or a truck agreed by the driver. This individual could be a Vietnamese or an European citizen. Another common method is to use false travel documents that smugglers rent from the Vietnamese who are EU-residents.

Irregular migration or human trafficking

Although many migrants were aware of what opportunities they could have in Germany and the UK, discussions in online fora and social networks of Vietnamese people living in the two countries revealed a great number of cases of people claiming to be deceived by smugglers and be left alone to fend for themselves. They fell into serious debt, and many are calling for help from the community. In Germany, about a third among newly arriving migrants interviewed did not really know what to expect when coming. Some realised that there was no job waiting for them, or the prospect of employment was exaggerated. There were cases of male interviewees being put into "really hard work condition" at construction sites. Many showed great disappointment on coming here. They referred the labour recruitment agencies in Vietnam as scams and expressed the bitter experiences of the "illegal life" in Germany.

Similar situations in the UK have also been well documented. According to AAT (2014), 75 out of 140 Vietnamese migrants (54%), said that they were promised by an agent that on arriving they would receive a job. In reality, 80% of respondents did not get their promised jobs when they arrived in the UK. In both countries, promised jobs often include positions in restaurants, nail workers, au pairs, room cleaners, kitchen-hands and construction workers.

The United Nations defines Trafficking in Persons as “the recruitment, transportation, transfer, harbouring or receipt of persons, by means of the threat or use of force or other forms of coercion, of abduction, of fraud, of deception, of the abuse of power or of a position of vulnerability or of the giving or receiving of payments or benefits to achieve the consent of a person having control over another person, for the purpose of exploitation”.⁴ Although most Vietnamese migrants make their decisions prior to their departure, in practice it is difficult to draw the distinction between human trafficking and illegal migration (Silverstone, 2017).

Joining the illegal markets

“You just need to obey the rules”

The days of the Vietnamese military-like hierarchy gangs strictly controlling their selling territory by exerting violence (von Lampe, 2001) in the Berlin cigarette black market are no longer in existence. Today, a Vietnamese may find it easy to enter the illegal selling, as long as he could afford to buy a vending spot, or rent it for a monthly fee. Over the past 20 years, the market appears to have shifted from ‘pure extortion’ in the 1990s in which the gangs only collected ‘tax’ in their territory but did not interfere in the daily business of the cigarette sellers (von Lampe 2002) to a self-regulated system (Nguyen and von Lampe, 2018). The term ‘tax’ is still being used to refer to the monthly rent of the vending place, but the gang structure appears to have broken apart and former extortion gangsters today simply have become the implicit ‘owners’ of specific vending places. This is the answer from one of the vendors when being asked how to become a vendor:

“Vietnamese gangs collect “tax” from vendors, but the market is organised now, everyone who wants to participate in the retailing business just needs to follow the rules.” (Interviewee V1).

⁴ Article 3, paragraph (a) of the Protocol to Prevent, Suppress and Punish Trafficking in Persons, United Nations

Prices of buying or renting a selling spot greatly vary according to locations, pedestrian flows, and possibilities to flee from police. Vendors claimed a price range of € 10.000 - 40.000 for a vending place for sale and of € 300 - 1.000 per month for rent. In both cases, the buyer and the renter become the exclusive beneficiary of the selling, irrespective of how lucrative it is.

Even easier, one can enter the market by being hired by someone who owns or rents one or more selling locations. The ‘cigarette gang’ functions as an entrepreneurial relationship between one employer and one or more vendors who work for him as labourers for specific tasks. The typical structure of a 2-3 member group is that the employer plays the role of the cigarette deliverer and money collector, while the employees take care the actual selling. Accommodation and food for employees are usually provided, yet not necessarily.

As described elsewhere, participants at the street level in the Berlin cigarette black market are not required to have special skills in order to join the market (Nguyen and von Lampe, 2018). The uniform price of € 2,2 plays a helpful role. In most cases, customers already know the price, money is prepared in their hand in advance, and once approaching a vendor, they only need to say the brand name and number of packs/cartons. Transactions happened in only a few seconds most times.

There is also evidence that joining the gardener team in the UK is not much more complex. Gardeners are not required to speak English and need only 1-2 month training until they can work alone at the farm. The job is described as “simple”, “just a few hours a day”, and “have time to stay online a lot”. There is an unwritten rule that gardeners receive a third of the profit after a crop is harvested.

Cigarette vendors and cannabis gardeners are mainly recruited through networks of friends or acquaintances. Nevertheless, in both countries, there are also public announcements (in slang Vietnamese) recruiting vendors or gardeners at grocery shops and supermarkets of Vietnamese people, and on online communities.

Importantly, there is a notable trend of Vietnamese cigarette vendors in Berlin moving to the UK for the cannabis plantation. Four vendors had already left Berlin to go to the UK during the time I was researching, five others mentioned the same plan but claimed that it is costly. They would first need to make enough money by selling cigarettes.

Vulnerable immigrants are deliberately employed

Not only do Vietnamese find it easy to enter one of the two illegal markets, many Vietnamese end up joining the illegal cigarette vending team in Berlin, or a cannabis farm in the UK because they do not have many choices. The job market for Vietnamese as undocumented migrants in both countries is currently described as “not as good as before”. In Germany, since 2015, a judgement has made entrepreneurs liable to a fine up to €500.000 and 5 years of imprisonment in case of illegal recruitment. Likewise, business owners in the UK face a fine up to £20.000 per illegal worker. A greater number of job advertisements found on the online communities in both countries clearly state “có quần áo” (“having clothing”) or “không tuyển người rơm” (“not hiring strawmen”) as the first requirement. Being indebted and separated from family and support networks upon arrival, migrants become despondent and socially isolated, which increases their vulnerability to exploitation. A vendor bitterly explained what brought him to the illegal selling of cigarettes:

“I thought I would have a job but they (human smugglers) just left me once I had arrived in Berlin. I didn’t really have any relatives here. I found someone who let me stay when searching for a job and then someone else brought me to the cigarette selling. I wish I could go back but I can’t, really I can’t. I regret coming here but there is no way back now. I need money to pay the debts and send money to my family. I am thinking of going to the +44 (the UK) to grow “weed”, but I first need money to do so . . . I have nothing to lose anymore.” (Interviewee V2)

Interviewees mentioned the risks of losing their mortgaged property, or having their family in Vietnam receive threats from debt collectors if they were not able to pay back the debts. Many are eventually willing to accept any kind of job or any form of exploitation. Under a post on the online community in the UK, a gardener gave his opinion in a discussion about ‘moral values’ when joining the cannabis market:

“Some people see their friends or acquaintances sending money (from the UK) back home, they also borrow money to go. Once they arrive, they realize it is not as easy as they thought. But they are stuck in debt.

Then they join the “weed” growing team. I mean, if I had to choose between growing “weed” and pushing my parents into the hands of the debt collectors, sorry but I can’t think of those bullshit moral values”.
(OP1)

It is worth noting that the Vietnamese culture is largely constructed by Confucian values, meaning one is expected to remain loyal and submitted to his family. Furthermore, the presentation of an individual’s image to the public is extremely important and is referred to as ‘to keep face’ in the Vietnamese culture. These may have led to the tendency that many Vietnamese migrants did not dare return after facing the reality upon arrival. While there are strong materialist aspirations that come from the evidence of wealth seen in the families of migrants who receive remittances, information about the difficulties incurred during the migration process is not wide-spread.

Prospect of making good money

The perception of selling illegal cigarettes in Germany and the possibility of growing cannabis in the UK without detection, and that good money that can be made from these businesses is common knowledge among the Vietnamese community. Like in many other illicit cigarette markets in Europe, vendors in Berlin face low risks of prosecution (Reuter and Majmundar, 2015). The general awareness among vendors is that illegal cigarette selling is a minor crime, and if arrested, they stand a good chance of quickly being set free again. In the case of the cannabis farmers in the UK, many believe they would receive 6-month imprisonment as the maximum penalty.

Sales profit from the illegal cigarette selling varies upon the location and nature of their ‘ownership’ to the selling spot. Four hired vendors claim to be paid around € 60 per day with provided accommodation. Another one claims to be paid € 1.000 per month with food and accommodation included. The vendors who own or rent a vending place sell between 8 and 20 cartons per day which make daily profit falls between € 50 and 100. Cigarette vendors, therefore, calculate an average time of 2 years to be able to free themselves from the smuggling debt.

In the UK's cannabis farms, crops are harvested every 2 months: each leaves the gardeners with £7.000 to £10.000 profit. There is common knowledge among the Vietnamese migrant population that if 2 out of 4 crops is not confiscated by the police or robbed by another gang, they will be able to pay their smuggling costs in half a year. A cigarette vendor in Berlin told me his plan:

“I wanted to move to the UK, next year. A lot of people already went you know. They make a fortune in a year, a billion⁵, with that you are out of (smuggling) debt in half a year . . . I am not afraid, they told me the worst case I get maximum 5-6 months in jail. They make good money and now send home every month already.” (Interviewee V3)

The transmission of illegal remittances is carried out by an informal transfer system using Vietnamese businesses in Germany and the UK who have their partners in Vietnam. These businesses are often grocery shops, logistics companies, or translation agencies who receive foreign currencies from undocumented migrants and pass to Germany-based and the UK-based Vietnamese students or others whose family reach out to the system's partners in Vietnam to send money overseas.

Government-sponsored crime

Vietnam has recently been one of the fastest growing economies in the world, however, the distribution of wealth has been skewed towards urban areas (Kozel, 2014). This uneven distribution has contributed to a rising unemployment rate in rural areas (Nguyen *et al*, 2015). The Vietnamese Government addresses the issue by encouraging people to seek employment in overseas labour markets. For example, the Ministry of Labour of Vietnam set the target of exporting 105.000 migrant workers in 2017 and 110.000 in 2018.⁶ The policy has resulted in Vietnam now being one of the top ten remittance recipients, receiving between \$10 and \$14 billion since 2012, accounting for 6-8% of its GDP (World Bank, 2018). The

⁵ Vietnamdong, equivalent to about USD 50.000

⁶ The Ministry of Labour of Vietnam, 2018

country's actual remittance including remittance via informal transfer system may be much higher.

While Hanoi views this as a scheme to bring great benefits to the economy, it does not properly regulate the labour agencies (Ishizuka, 2013). Rather, it appears reluctant to share preventive information on the unscrupulous and fraudulent methods used by perpetrators (USSD TiP report, 2015) and is unresponsive to workers' requests for assistance in situations of exploitation (USSD TiP report, 2016). These create opportunities for organised criminal networks to lure and traffic individuals and encourage the undocumented migrants to enter illegal markets. Most importantly, many among those migration agencies and labour recruiters are state-owned or state-affiliated (Home Office, 2018; ILO, 2016; Miller, 2015; Silverstone and Brickell, 2017; USSD TiP report, 2016). The International Labour Organisation (2016) reported that 88% of Vietnamese migrants are sent by state-related recruitment agencies. These businesses are also believed to charge fees in excess of what is determined by law (ILO, 2016; USSD human rights report, 2015), and provide fraudulent labour contracts in languages that migrants could not read (Bélanger, 2014).

The report on trafficking by America's State Department in 2011 stated that Vietnamese have among the highest debts of all Asian expatriate workers and they are "highly vulnerable" to forced labour and exploitation. More recently, a report from CSAGA (2013), a Vietnamese NGO found that nearly a third of over 350 interviewees who had returned felt they had been cheated, deceived or exploited.

Further than that, the Hanoi government did not report any investigations, prosecutions, or convictions of officials complicit in human trafficking offences (USSD TiP report, 2018). In 2011, Vietnam adopted specialised human trafficking legislation for the first time, and under international pressure, only in 2016, did Hanoi acknowledge that men and boys are being trafficked. Vietnam's constitution prohibits forced or compulsory labour. However, debt bondage is not included in the labour code's definition of forced labour. The penal code does not specifically criminalise labour trafficking, and the decree on administrative sanctions does not provide any penalty for violation of the labour code provisions prohibiting forced labour.

Although Germany and the UK do not rank among the most popular destinations for Vietnamese migrants, they are viewed as the top choices

of migrants from Central North provinces including Nghe An and Quang Binh. The two are among the most deprived provinces in Vietnam, known for their poor natural resources and regular natural disasters. Nghe An, for example, has been widely reported by the Vietnamese media as the province that has most migrant workers aboard and more migration branches are being set up to recruit people. In recent years, many villages in the province are believed to have become wealthy relying on remittances. A former contract worker commented on how common it is for individuals from this province to move to Germany:

“Go to Yen Thanh and Dien Chau (2 districts in Nghe An province), you only see old people and children. Young males from these places are all over Europe. Here in Germany, there are thousands of them. They even have banks in the villages you know, specializing in lending money to people to pay the smugglers.” (Interviewee FW1)

In 2012, *Tuoi tre*, a known newspaper in Vietnam reported that there were about 10,000 individuals of Yen Thanh district illegally migrated to Europe. In 2018, another newspaper, *Baomoi*, cited the General Statistics Office of Yen Thanh district, reporting 15,278 workers abroad and an annual remittance of \$200 million, via both formal and informal channels. The population of Yen Thanh district is about 275,000 in 2018.

Data from interviews and online communities of Vietnamese migrants in Germany and the UK indicate the involvement of the Vietnamese government in sponsoring the two illegal markets:

- Migration agencies/brokers in Vietnam (including state-licensed ones):
 - a. Overstate or deceive about the reliability of their services and exaggerate the prospect of generating good income in the destination countries
 - b. Leave workers with exorbitant debts and vulnerable to exploitation or illegal activities
- Human trafficking is facilitated by corruption, including:
 - a. Approved fake documents such as birth certificates, marital status certificates, labour contracts, and education degrees, both at administration offices in Vietnam and Vietnamese Embassies in Europe;
 - b. Bribed government officers at border crossings and checkpoints;
- Hanoi is reluctant to receive undocumented migrants back from Germany and the UK

A political activist noted:

“Apparently, Vietnamese customs officers and police know that thousands of people are being smuggled from Vietnam to Germany and the UK annually, but they are all bribed by the criminal organisations. There is no reason 10-20 young guys each time, uneducated looking, coming from the countryside of Central Vietnam and have money and a reason to get a visa to fly to Russia or Europe. Go to Noi Bai airport, you will see, they have their own line and go through the customs checking quickly.” (Interviewee PA1)

Another social activist also mentioned the role of the Vietnamese Embassy in Germany:

“The Vietnamese Embassy in Germany has always known the existence of the illicit cigarette trade dominated by Vietnamese people in Germany but hides information and even gives support. They approve fake documents, even bring people here.” (Interviewee SA2)

Irregular Vietnamese migration is an issue that has continued to feature high on the agenda of discussions between Vietnam and Germany and between Vietnam and the UK. However, it is the common knowledge among the Vietnamese migrant population that it is not easy for the host governments to deport Vietnamese migrants, since the Vietnamese government does not show much willingness in accepting these individuals (Hoang-danlambao 2018). A former cannabis farmer in the UK stated in an online discussion:

“Usually, Vietnamese are deported when the Vietnamese and the UK governments have an official visit or meeting, and the UK government could offer some development aid in exchange for sending some migrants back to Vietnam. While few people can be deported since it is not easy to make the Vietnamese government identify them as Vietnamese, there are more and more coming each year.” (OP2)

Conclusion

Despite Vietnam's economic prospects continuing to improve, opportunities for many in rural areas remain limited by under-employment and corruption. Every year, hundreds of thousands of Vietnamese leave the country in search for a better standard of living. The recent wave of irregular migration from Vietnam to Germany and to the UK has appeared to be the main source of supply of labour for the cigarette black market in Berlin and the cannabis cultivation industry in the UK. However, one should be cautious in making a direct link between human smuggling between Vietnam and Europe and the two black markets. The human smuggling networks – which largely include state-affiliated agencies – have been making huge profits from illegal migration, putting the migrants in danger while *en route* and leave them indebted and vulnerable to exploitation in the host country. Many turn to these illegal markets being the only choice available.

Illegal cigarette vendors in Berlin and cannabis growers in the UK today mainly come from the North Central Coast region of Vietnam where there is more poverty and unemployment rates are high. Although Vietnamese workers seek to migrate to many other countries, Germany and the UK rank as the top destinations in the region. Significant amounts of remittance generated by illegal activities received by the region have also been well-reported by the Vietnamese media.

The two illegal markets characterised by a constant influx of undocumented Vietnamese luck-seekers have existed for decades and changes are mainly skin-deep. The Vietnamese government continues to facilitate the two illegal markets because it has vital interests in remittances that result from these markets. They are willing to turn a blind eye to the darker side of illegal migration from Vietnam, which includes corrupted government officers being implicated in human trafficking for labour exploitation and illegal markets. As long as the economic and ethical positions of the Vietnamese government remain unchanged, the two illegal markets are likely to persist.

References

- ACMD, *Cannabis: Classification and Public Health*, H. Office, Editor, Advisory Council on the Misuse of Drugs (ACMD), London, 2008.
- ACPO, *UK National Problem Profile: commercial cultivation of cannabis*, 2012
- ACPO, *UK National Problem Profile: commercial cultivation of cannabis*, 2014.
- Alliance Anti-Traffic (AAT), *Research report. Returnees in Nghe An*, 2014
- Atha, M. and S. Davis, *Taxing the UK cannabis market*. Independent Drug Monitoring Unit, 2011. Available at <https://s3.eu-west-2.amazonaws.com/assets.clear-uk.org/taxukcan.pdf>
- Barber, T., *The integration of Vietnamese refugees in London and the UK*. UNU-WIDER working paper, 2018.
- Belanger, D., Labor migration and trafficking among Vietnamese migrants in Asia. *The Annals of the American Academy of Political and Social Science*, 2014.
- Bilefsky, D., Crisis strands Vietnamese workers in a Czech limbo. *The New York Times Online*, 2009. Available at: <http://www.nytimes.com/2009/06/05/world/europe/05iht-viet.html>
- Bösch, F. and Phi, Hong Su, *Invisible, successful, and divided: Vietnamese in Germany since the late 1970s*. UNU-WIDER working paper, 2018.
- Bouchard, M. and H. Nguyen, Professional or amateur: Revisiting the notion of professional crime in the context of cannabis cultivation. In: *World Wide Weed: Global Trends in Cannabis Cultivation and Its Control*, London, U.K., 2011.
- Bouchard, M., M. Alain and H. Nguyen, Convenient labour: The prevalence and nature of youth involvement in the cannabis cultivation industry. *International Journal of Drug Policy*, 2009.
- CSAGA, *An exploratory research on the experiences and needs of returned Vietnamese overseas migrant workers*. Center for Studies and Applied Sciences in Gender, Family, Women and Adolescents, Hanoi, 2013.
- Daly, M., Plant Warfare, In *Druglink*, London, 2007.
- EMCDDA - European Monitoring Centre for Drugs and Drug Addiction and Europol, *EU Drug Markets Report: In-Depth Analysis*,

- EMCDDA–Europol Joint publications, Publications Office of the European Union, Luxembourg, 2016. Available at <http://www.emcdda.europa.eu/system/files/publications/>.
- EMCDDA - European Monitoring Centre for Drugs and Drug Addiction and Europol, *European Drug Report 2017: Trends and Developments*, Publications Office of the European Union, Luxembourg, 2017. Available at <http://www.emcdda.europa.eu/system/files/publications/>.
- EMCDDA- European Monitoring Centre for Drugs and Drug Addiction, *European Drug Report 2018: Trends and Developments*, Publications Office of the European Union, Luxembourg, 2018. Available at <http://www.emcdda.europa.eu/system/files/publications/>
- FCO, *Baseline research report: the current situations of Vietnamese returnees from the United Kingdom*, 2014.
- GIZ, *The Vietnamese Diaspora in Germany*, 2007.
- GIZ, *The Vietnamese diaspora in Germany*, 2015.
- Hoang, T., người rom Việt Nam và kỹ nghệ trộm cắp tại Anh quốc, 2018, *thoibao*. Available at <http://thoibao.com/nguoi-rom-viet-nam-va-ky-nghe-trong-co-tai-anh-quoc/>
- Home Office, *Report: Country Policy and Information Note* , Vietnam: Victims of trafficking Version 3.0, London, 2018
<https://baomoi.com/hon-200-trieu-usd-gui-ve-huyen-lua-nghe-an-moi-nam/c/28335963.epi>
<https://tuoitre.vn/lam-giau-nho-chui-524831.htm>
<https://www.bbc.com/news/10422480>
- ILO, *Complaint mechanisms for Vietnamese migrant workers: an overview of law and practice*. Tripartite Action to Protect the Rights of Migrant Workers within and from the Greater Mekong Subregion, 2016
- Irased and France terre d’asile, *En route to the United Kingdom: A field survey of Vietnamese migrants*, Paris, 2017. Available at <http://www.france-terre-asile.org/images/stories/publications/pdf/En>
- Ishizuka, F., *International Labor Migration in Vietnam and the Impact of Receiving remittances*, Institute of developing economies, Japan, 2013.
- Kozel, V., Well begun but not yet done : progress and emerging challenges for poverty reduction, in *Vietnam: Equity and Development*. World Bank Group, Washington, 2014.

- KPMG - Project Sun, *A study of the illicit cigarette market in the European Union, Norway and Switzerland-2016 results*, 2017. Available at: <https://assets.kpmg/content/dam/kpmg/uk/pdf/2017/07/project-sun-2017-report.pdf>.
- Luck, A., Inside Britain's secret cannabis factories: how criminal gangs are turning our shuttered shops and disused warehouses into drug farms, *MailOnline*, 2012.
- Nguyen, N.A., T.T. Nguyen, T.H. Nguyen, T.T.N. Trinh and V.T. Nguyen, *Labour market transitions of young women and men in Viet Nam*. International Labour Office, Youth Employment Programme, Employment Policy Department. Geneva: ILO, 2015.
- Nguyen, T. and K. von Lampe, On the persistence of an open illegal market: Explaining the continued existence of street-vending of contraband cigarettes in Berlin since 1990, In: P.C. van Duyne *et al.* (eds.), *The Janus faces of cross-border crime in Europe*. Den Haag, Boom Uitgevers, 2018.
- Prohibition Partners, *The European Cannabis Report*, 2018. Available at <https://g8fip1kplyr33r3krz5b97d1-wpengine.netdna-ssl.com/wp-content/uploads/2018/11/TheEuropeanCannabisReportEdition3.pdf>.
- Reuter, P. and Malay Majmundar, *Understanding the U.S illicit tobacco market: characteristics, policy context, and lessons from international experiences*. The national Academy Press, Washington, D.C., 2015.
- Schmiz, A., *Transnationalität als Ressource? Netzwerke Vietnamesischer Migrantinnen und Migranten zwischen Berlin und Vietnam*. Bielefeld, 2011.
- Schoenmakers, Y., B. Bremmers and A. Wijk: *Vietnamese Cannabis Cultivation in the Netherlands: A research Summary*. Bureau Beke, 2012. Available at http://www.beke.nl/doc/2012/Vietnamese_Cannabis_cultivation_Netherlands.pdf.
- Schoenmakers, Y., B. Bremmers and E. Kleemans, Strategic versus emergent crime groups: the case of Vietnamese cannabis cultivation in the Netherlands. *Global Crime*, 2013.
- Silverstone D. and C. Brickell, *Combating modern slavery experienced by Vietnamese nationals en route to, and within, the UK*. Independent Anti-Slavery Commissioner, Vietnam report, 2017.

- Silverstone, D., The policing of Vietnamese organized crime within the UK. *Policing*, 2010.
- Silverstone, D. and S. Savage, Farmers, factories and funds: organised crime and illicit drugs cultivation within the British Vietnamese community. *Global Crime*, 2010.
- Silverstone, D. Trafficked to grow cannabis: Vietnamese migrants are being exploited in Britain, *The conversation*, 2017. Available at <https://theconversation.com/trafficked-to-grow-cannabis-vietnamese-migrants-are-being-exploited-in-britain-83738>.
- Sims, J.: *Vietnamese community in Great Britain: Thirty years on*, Runnymede Trust, London, 2007.
- Snowdon, C.: *Estimating the size and potential of the UK cannabis market*. IEA Discussion Paper No.90, 2018.
- SOCA, *United Kingdom Threat Assessment 2008/9*. Serious Organized Crime Agency (SOCA): London, U.K, 2009.
- The U.S. Department of State, (USSD), *Trafficking in Persons (TiP) Report*, 2018.
- The U.S. Department of State, (USSD), *Vietnam human rights report*, 2015.
- The U.S., Department of State (USSD), *Trafficking in Persons (TiP) Report*, 2016.
- The U.S., Department of State (USSD), *Trafficking in Persons (TiP) Report*, 2015.
- The U.S., Department of State (USSD), *Trafficking in Persons (TiP) Report*, 2011.
- Thomson, T., Untold profits fuel the violent gang world of London's cannabis farms, *Standard*, 2010. Available at <https://www.standard.co.uk/lifestyle/untold-profits-fuel-the-violent-gang-world-of-london-s-cannabis-farms-6509328.html>.
- Townsend, M., Britain's cannabis producers go global as factories multiply, *The Guardian*, 2010. Available at <https://www.theguardian.com/world/2010/aug/22/cannabis-factories-narcotics-europe>
- Transcrime, *European Outlook on the Illicit Trade in Tobacco Products*. Transcrime – Università degli Studi di Trento, 2015. Available at <http://www.transcrime.it/wp-content/uploads/2015/01/European-Outlook-on-the-ITTP.pdf>

- von Lampe, K., The trafficking in untaxed cigarettes in Germany: A case study of the social embeddedness of illegal markets. In P.C. van Duyne *et al.* (eds.), *Upperworld and Underworld in Cross-Border Crime*, Nijmegen, Wolf Legal Publishers, 2002.
- von Lampe, Klaus, Explaining the emergence of the cigarette black market in Germany. In P.C. van Duyne *et al.* (eds.), *The organised crime economy: managing crime markets in Europe*. Nijmegen, The Netherlands: Wolf Legal Publishers, 2005.
- Vy, L. and M. Lauchs., Models of South-East Asian organised crime drug operations in Queensland. *Asian Journal of Criminology*, 2013
- World Bank, *Annual Remittances Data, updated as of December 2018*. Available at <http://www.worldbank.org/en/news/press-release/2018/04/23/record-high-remittances-to-low-and-middle-income-countries-in-2017>.