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# COERCION IN SCAM LABOUR SYSTEMS

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## ABOUT THE AUTHOR

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Lu Xiang Ri is a survivor of forced labor who was featured in a 2022 documentary programme by Al Jazeera. After escaping confinement in Cambodia, he has spent more than four years engaged in field-based work related to forced labour and scam-compound systems across Cambodia, Myanmar (including Myawaddy), and Laos.

His work has involved direct engagement with individuals under confinement, post-exit coordination, and case-based observation of recruitment pathways, labour control mechanisms, and extraction constraints within scam labour environments. Drawing on lived experience and sustained operational exposure, his analysis focuses on the structural conditions that enable forced and coerced labour within organised scam economies.


## ABSTRACT

Scam labour systems operating across Southeast Asia rely on a continuous supply of human labour to sustain large-scale fraud operations. Individuals working inside scam compounds are commonly classified either as victims of trafficking or as perpetrators of cybercrime. These binary categories fail to account for how consent, willingness, and coercion interact over time within systems designed to extract labour while restricting exit.

This paper examines scam labour through a structural and economic lens. Drawing on case-derived observations from coordinated interventions, it analyses how domestic economic pressure, debt exposure, and labour-market instability shape recruitment into scam compounds. It further examines how different entry pathways—ranging from deceptive recruitment and debt-mediated migration to wage-based and high-income contract work—produce varying forms of initial consent that later collapse under conditions of confinement, financial capture, and surveillance.

The analysis demonstrates that coercion in scam labour systems is not a single event but an environment, emerging through layered mechanisms that include document confiscation, debt imposition, performance penalties, and controlled mobility. It also highlights the structural limits of post-extraction verification, as evidence of participation or coercion is routinely destroyed inside compounds, rendering clean classification impracticable.

By treating nationality as an operational pattern rather than an identity trait, the paper situates scam labour within broader dynamics of economic vulnerability and opportunity cost. It concludes that current legal and policy frameworks, which focus narrowly on recruitment conditions or visible participation, are insufficient to capture the overlapping harms produced and suffered within these systems. Effective analysis requires recognising scam labour as an organised economic activity rooted in structural inequality rather than individual disposition.



*“Having experienced confinement firsthand, I learned that coercion is rarely a single act. It is an environment that narrows decisions until compliance becomes routine.”*

### Introduction and Scope

Scam labour systems across Southeast Asia have become a structural component of the global fraud economy. These systems operate through organised compounds that combine digital infrastructure, physical containment, and human labour to sustain large-scale online fraud. Individuals working inside them are commonly classified as either trafficking victims or cybercrime perpetrators. While these categories serve administrative purposes, they are insufficient for analysing how consent, coercion, and participation operate within scam labour systems.

This paper adopts a structural and operational lens, drawing on case-based observations rather than population-level analysis. It examines how labour is sourced and controlled, how consent evolves under economic pressure and restricted exit, and why initial willingness often collapses into compliance. Nationality is treated only as an operational variable linked to migration pathways and labour markets, not as an identity trait. The paper focuses on economic push factors, entry pathways, internal control mechanisms, limits of post-exit verification, and the narrow subset of cases in which victimhood is unambiguous, without offering prescriptive policy recommendations.

# ENTRY PATHWAYS INTO SCAM LABOUR

**Entry into scam-compound labour does not follow a single pathway. Cases observed indicate multiple routes into confinement, each associated with different levels of pre-entry knowledge, expectation, and initial consent. These pathways matter analytically because they shape how coercion emerges and how quickly autonomy collapses after arrival.**

One recurrent pathway involves overland movement from southwestern China, particularly from Yunnan province, into Myanmar. Individuals entering through this route consistently end up in scam compounds on the Myanmar side of the border. The journey typically involves informal border crossings facilitated by brokers and extended travel through remote or lightly controlled areas.

In post-exit accounts, some individuals reported that overland smuggling was chosen deliberately rather than air travel. This decision was not framed as an attempt to evade law enforcement, but as a belief that irregular land movement reduced exposure to domestic administrative scrutiny. The perceived advantage lay in invisibility rather than safety, and the choice was often made under economic or personal pressure without full consideration of downstream consequences.

This pathway requires sustained effort and logistical coordination, suggesting a higher level of initial commitment than short-range recruitment. Individuals entering through this route often possessed partial awareness that the work might involve irregular or grey online activity. However, awareness of risk did not equate to consent to confinement. Once inside Myanmar-based compounds, exit options narrowed rapidly through document confiscation, debt imposition, and internal transfers.

The implications of self-smuggling became apparent after confinement. The absence of formal travel records weakened legal traceability and complicated later attempts to establish timelines, verify loss of autonomy, or access assistance. In several cases, this lack of administrative visibility delayed intervention rather than enabling protection. Requests for assistance frequently occurred only after these constraints became clear, illustrating how willingness at entry collapsed under conditions designed to restrict exit.

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## **Southern China to Cambodia and Vietnam Routes**

Cases involving movement from other parts of China into Cambodia or Vietnam follow less clearly defined routes. In several cases, individuals reported being moved from China into Vietnam and subsequently smuggled across land borders into Cambodia, including through border points near Bavet. These routes are informal and vary by case. The lack of consistent documentation reflects the fragmented nature of smuggling networks rather than a single organised corridor. Individuals entering through these pathways display mixed levels of pre-entry knowledge. Some expected online gambling or grey-market work; others reported being misled about job nature or location. As with overland routes into Myanmar, confinement and resale into different scam verticals frequently occurred after arrival, altering conditions well beyond what was initially understood.

## **Air Travel and Social-Network Recruitment**

Air travel represents another major entry pathway. In cases observed, air travel into Cambodia or neighbouring countries occurred through a combination of job-related deception and social-network facilitation. While some individuals responded to online job advertisements, a significant proportion travelled following introductions by friends, acquaintances, or informal recruiters.

This pathway often creates a false sense of legitimacy. Travel appears legal, and initial accommodation may not immediately resemble confinement. Coercion emerges later, through retention of documents, financial penalties, and controlled movement. Individuals entering by air frequently do not perceive themselves as trafficked at the outset, which delays help-seeking and complicates later classification.

## **Local Abduction and Short-Range Coercion**

A smaller but analytically distinct pathway involves local abduction. Cases have been observed in which individuals were kidnapped in broad daylight from urban areas in Cambodia or from transit locations such as Bangkok. These incidents involve immediate loss of autonomy, rapid transport into compounds, and early confinement. Unlike other pathways, local abduction produces a clear and abrupt collapse of consent. Individuals subjected to this form of entry typically attempt to seek help as soon as communication becomes possible. These cases form a narrow subset in which victimhood is unambiguous and temporal duration inside compounds is short.

## **Analytical Implications**

These entry pathways demonstrate that consent at entry is neither uniform nor predictive of later conditions. Routes differ in distance, effort, and initial awareness, but all converge on systems that restrict exit and reshape agency. Understanding entry pathways is therefore essential not to assign blame, but to explain why initial willingness—where it exists—fails to protect individuals once they are absorbed into scam-compound labour systems.

## KEY OBSERVATIONS:

### ECONOMIC PUSH FACTORS AND LABOUR SUPPLY VULNERABILITY

“Across scam labour systems, the availability of exploitable labour is not evenly distributed.”

Patterns observed through coordinated cases indicate that recruitment into scam compounds is shaped less by individual disposition than by structural economic conditions in countries of origin. Where domestic labour markets fail to provide viable employment, or where debt, underemployment, and social pressure constrain individual options, migration into high-risk or irregular work environments becomes more likely. Scam compounds draw from these conditions as a labour supply reservoir.

This paper treats these dynamics as economic push factors, not cultural or national characteristics. The observations below are derived from cases encountered and coordinated, and they describe exposure patterns rather than population-level tendencies.

In jurisdictions where baseline employment is unstable, wages are low, or informal labour dominates, individuals face a narrower set of survival options. Migration—legal or irregular—becomes a rational response to economic pressure, even when risks are understood only partially. Scam labour systems exploit this rationality by offering pathways that appear to convert desperation into income.

Among cases observed, individuals originating from China, Vietnam, Malaysia, Taiwan, India, Bangladesh, Nepal, and Indonesia appear frequently in compound labour pools. This concentration does not reflect criminal inclination or cultural predisposition. It reflects labour-market exposure: high competition for limited jobs, persistent household debt, and weak social safety nets that shift economic risk onto individuals.

In such environments, the threshold for accepting uncertain or illicit work is lower. Individuals may knowingly accept online gambling, grey-market activity, or ambiguous digital work because the perceived alternative—continued unemployment or escalating debt—is worse. Entry decisions are shaped by constrained choice rather than by intent to harm others.



### **Low-Incidence Jurisdictions and Opportunity Cost**

By contrast, cases involving nationals from jurisdictions with stable employment markets and higher baseline income—such as Singapore and Hong Kong—appear infrequently in coordinated records. This absence should not be interpreted as immunity or moral distinction. Rather, it reflects a higher opportunity cost associated with entering scam-compound labour.

Where legitimate employment is accessible and wages meet subsistence needs, participation in high-risk overseas work becomes economically irrational for most individuals. Recruitment efficiency declines. Scam labour systems, which operate on volume and replaceability, therefore focus elsewhere. The system follows vulnerability; it does not create it.

This distinction is operational, not normative. It highlights how scam labour recruitment is shaped by economic gradients rather than by nationality itself.

### **Debt, Obligation, and Constrained Consent**

Economic pressure does not always originate from unemployment alone. In several cases observed, migration into scam-compound zones was mediated through debt obligations rather than job-seeking. Individuals agreed to travel in order to repay personal or household debt, sometimes under explicit pressure from informal creditors. Consent in these cases was present in form but constrained in substance.

The decision to migrate was framed as a means of protecting family members from harassment, asset seizure, or social consequences. While individuals may have understood that the work involved irregular or illicit activity, they did not consent to indefinite confinement, resale between compounds, or escalation into more exploitative scam verticals. Here, coercion originates outside the compound system but is absorbed and intensified within it.

These cases demonstrate that willingness at entry can coexist with structural coercion. Economic obligation narrows choice before confinement begins.

### **Wage-Based Migration and Known Risk Acceptance**

Another observed labour segment involves individuals entering scam-compound employment through wage-based arrangements, particularly from South and Southeast Asian countries. These individuals often travel with awareness that the work may involve online operations of questionable legality. Salary expectations are modest, typically framed around monthly wages rather than commissions.

In these cases, deception at entry is limited. Consent is clearer at the outset. Constraint emerges later through mechanisms such as excessive deductions, penalties for missed performance targets, and escalating fees that make exit financially unviable. Requests for assistance or extraction tend to occur only after these mechanisms accumulate, revealing that economic capture—not initial deception—has become the primary form of coercion.

This pattern underscores that vulnerability is not synonymous with ignorance. Knowledge of risk does not eliminate susceptibility to exploitation when exit costs are engineered to exceed earning capacity.



# HIGH-WAGE CONTRACT RECRUITMENT AS A DISTINCT LABOUR CLASS

## RUSSIAN MODELS

Scam labour systems also recruit from a markedly different economic segment: high-wage, contract-based roles, particularly involving women recruited from Eastern Europe. In cases observed involving Russian and Ukrainian nationals, individuals were offered fixed-term contracts—often six months—with salaries ranging from USD 5,000 to 6,000 per month.

These roles are operationally distinct. Recruitment is professionalised, contracts appear explicit, and wages far exceed regional labour norms. Yet the underlying structure remains extractive. Movement restrictions, role isolation, and dependency on contract completion limit autonomy. While financial compensation is high, exit remains controlled, and consent is bounded by contractual and operational constraints.

The presence of this labour segment demonstrates that scam systems do not rely solely on poverty. They exploit asymmetry of power, information, and exit control across income levels. Economic pressure may take the form of desperation at one end and opportunity capture at the other.

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## ANALYTICAL IMPLICATIONS

“*Labour vulnerability precedes coercion. The compound system merely formalises it.*”

These observations indicate that the root of scam labour supply lies not in identity or morality, but in economic exposure. Scam compounds recruit where alternatives are weak, debts are heavy, and labour markets externalise risk onto individuals. They also recruit selectively from higher-income segments when specialised roles demand it.

Understanding scam labour through this lens shifts analysis away from individual blame and toward structural conditions that make exploitation efficient. It also explains why rescue and enforcement efforts alone fail to reduce labour supply. As long as economic push factors persist, replacement is rapid and continuous.