
The Transformation of Triad 'Dark Societies' in Hong Kong: The Impact of Law Enforcement, Socio-Economic and Political Change

Roderic Broadhurst and Lee King Wa

Late colonial and post-colonial attempts to suppress triad societies have occurred in the context of modernisation and socio-economic and political change in Hong Kong. Anti-corruption efforts, improved enforcement, a focus on illicit entrepreneurs and tainted wealth have contributed to a decrease in public tolerance of triads and greater confidence in police. The scale, form, visibility and activities of triad societies have also changed with recent declines in triad-related lethal violence and membership activity. Following market reforms, rapid economic development in the People's Republic of China, notably in the Shenzhen Special Economic Zone, offered attractive illicit opportunities that encouraged triad-related commercial vice enterprises away from Hong Kong.¹

This paper discusses the impact of government countermeasures and socio-economic and political change upon triad societies in Hong Kong (HK).² The apparent 'decline' of triad societies since 1997 recalls similar periodic claims by the colonial government.³ We argue that triad society has been transformed as a result of proactive law enforcement that had its genesis in the 1970's anti-corruption reforms, changing social values and the evolution of illicit markets. The substantial changes in the political economy of HK (from a manufacturing to a financial services market and from colonial to

¹ The authors gratefully acknowledge their profound debt to the late Peter Ip Pau-Fuk, and anti-triad officers of the Hong Kong Police (HKP) who generously gave their time and expertise. We thank the Australian Crime Commission for providing background on aspects of the illicit drug trade. The assistance of Dr Phillip Beh (Department of Pathology, Queen Mary Hospital, University of Hong Kong) for his advice on recent trends in homicide in HK was greatly appreciated. We also thank Peter Grabosky, James Jacobs, Thierry Bouhours, K. C. Wong, Lena Zhong, John McFarlane, Peter Hunt, David Levin, Julie Ayling, Alistair Milroy, and T. Wing Lo for their helpful comments on earlier drafts.

² Hong Kong Island was ceded to Britain by the Treaty of Nanking in 1842 and later Kowloon and the New Territories by a 100-year lease that fell due in 1997. The 1984 Sino-British agreement set in motion the resumption of sovereignty over all Hong Kong under the 'one country two systems' policy that ensured the continuation of HK's existing common law legal system and free trade economy.

³ Officials from the HK Security Bureau and HKP assert that triad criminal activities have declined since the People's Republic of China (PRC) resumed its sovereignty over HK in 1997: e.g. 'During the decade of transformation after hand-over triad society have difficulty to survive' (trans.), *Ming Pao*, 13 April 2007; see, HKSAR, *Hong Kong Year Book 1997-2006* (Hong Kong: HK Government Printer, 1997-2006), Chapter 'Public Order'.

neo-colonial rule) and the rapid economic development of China have served to modernise, 'gentrify'⁴ and transform the organisation of triad-related groups.⁵ Aims have become more corporatised⁶ and boundaries moved beyond traditional predatory street crime, extortion and drug dealing predicated on brand violence to diverse 'grey'⁷ business activities that also include trafficking (anything profitable), vice, copyright, Internet and financial service crimes such as money laundering and fraud. Another effect has been to shift some triad-related criminal activities, such as commercial vice or illicit drugs from HK to the mainland⁸ where risks may be minimised due to corruption of judicial, municipal and police officials.⁹ The shift in the relative visibility and apparent scope of the triads in HK may thus be a form of organisational transformation and displacement¹⁰ stimulated by the absence of capable guardianship in adjacent cities such as Shenzhen Special Economic Zone (SEZ) and elsewhere in Guangdong and China.¹¹

Triad societies are not exclusively criminal organisations but are multi-faceted brotherhoods in the form of loose cartels bound by social as well as economic ties.¹² Nor are HK criminal groups and networks exclusively triad-

⁴ Former HKP officer Steve Vickers cited in B. Crawford and N. Gentle, 'The enemy within', *South China Morning Post*, 11 November, 2007, p 11; see also B. Crawford, 'Corruption, triads on rise in Macau: analyst', *South China Morning Post*, 31 October, 2007.

⁵ H. E. Alderich and M. Reuf, *Organizations Evolving* (London: Sage 2006), pp. 132-55.

⁶ Personal communication Australian Crime Commission (ACC), 7 July 2009; Y. K. Chu, *The Triads as Business* (London: Routledge, 2000); Y. K. Chu, 'Hong Kong Triads After 1997', *Trends in Organized Crime*, vol. 8 (2005), pp 5-12; K. L. Chin, *Heijin: Organised Crime, Business and Politics in Taiwan* (New York: M.E. Sharpe, 2003), pp 63ff.

⁷ 'Grey' business in this context means an enterprise the mixes licit with illicit commerce: see V. Ruggiero, *Crime and Markets: Essays in Anti-Criminology* (Oxford: Oxford University Press, 2000); and E. R. Kleemans and H.G. Van de Bunt, 'Organised crime, occupations and opportunity', *Global Crime*, vol. 9 (2008), pp. 185-97.

⁸ Chu, 'Hong Kong Triads After 1997', K. A. J. Laidler, D. Hodson and H. Traver, 'The Hong Kong Drug Market: A Report for the UNICRI on the UNDCP Study on Illicit Drug Markets', Centre For Criminology, University of Hong Kong, 2000, <<http://www.crime.hku.hk/>> [Accessed July 24, 2009], pp. 26-7.

⁹ T. Gong, 'Dependent Judiciary and Unaccountable Judges: Judicial Corruption in Contemporary China', *The China Review*, vol. 4, no. 2 (2004), pp. 33-54; S. Shieh, 'The Rise of Collective Corruption in China: The Xiamen Smuggling Case', *Journal of Contemporary China*, vol. 14, no. 4 (2005), pp. 67-91; K. L. Chin and R. Godson, 'Organized Crime and the Political-Criminal Nexus in China', *Trends in Organized Crime*, vol. 9, no. 3 (2006), pp. 5-42; A. Wedeman, 'Anticorruption Campaigns and the Intensification of Corruption in China', *Journal of Contemporary China*, vol. 14, no. 41 (2006), pp. 93-107.

¹⁰ Similar changes by Japanese 'Boryokudan' (gangsters) are noted in P. Hill, 'The Changing Face of the Yakuza', *Global Crime*, vol. 6 (2004), pp. 97-116.

¹¹ Vagg applied a political-economy approach to account for rapid increases in smuggling between HK and Guangdong in the late 1980s and early 1990s stimulated by the disparity in wealth. He noted that increased joint cross-border enforcement led to crime displacement: see J. Vagg, 'The Borders of Crime: Hong Kong Cross-Border Criminal Activity', *British Journal of Criminology*, vol. 32, no. 3 (1992), pp. 310-28.

¹² L. Paoli, 'The Paradoxes of Organized Crime', *Crime, Law and Social Change*, vol. 37 (2002), pp. 51-97; Chu, *The Triads as Business*.

related.¹³ Triad societies are in this sense similar to the Sicilian *mafia* and also share a pre-modern existence. At times triads, like the American mafia, have been considered to be an 'alien conspiracy'¹⁴ as each wave of new immigrants took over the crime vacuum left by earlier immigrants who had gained a foothold in the upper strata of society. Repeated waves of Chinese immigrants entered HK with every mainland cataclysm: civil war, famine, revolution, and market socialism. They belonged to distinct dialect groups or clans and formed self-help groups that continued criminal activities or resorted to illicit enterprises. For example, the Shanghai 'green' gangs after 1937 and 1949 attempted to establish a presence in HK.

The term 'triad'¹⁵ is neither Cantonese nor Mandarin but rather the English word used to describe 'dark societies' and has become synonymous with Chinese organised crime in general. Yet, as has been the case for a long time, from a policing perspective:

Triads in Hong Kong represent organized crime. They are unlawful criminal societies involved in the systematic development, through the use of criminal intimidation, of criminal monopolies ... Triads are suspected of being closely linked with syndicated corruption and are currently associated with much of Hong Kong's violent crime ... to create or maintain criminal monopolies.¹⁶

Definitional imprecision occurs with respect to de-limiting or describing Chinese organised crime and triads. In part this reflects the conceptual difficulty inherent in the definition of 'organised crime',¹⁷ the blurring of the role of Chinese secret societies,¹⁸ and the problems of distinguishing

¹³ This point has been stressed by HK officials—as far back as the mid 1980s. For example a Senior Assistant Director of Public Prosecutions stated "Contrary to common misconception, triad societies in Hong Kong are a collection of loose knit groups or gangs rather than a unified all-encompassing criminal organisation ... not to be seen in terms of a simplistic model of a monolithic gangster style organisation", see I. McWalters, 'The Link Between Organised Crime and Corruption: A Hong Kong Perspective', 9th International Anti-Corruption Conference, November 2005, <http://www.transparency.org/iacc/9th_iacc/papers/day4/ws5/d4ws5_imcwalters.html> [Accessed 19 May 2009].

¹⁴ D. Bell, 'Crime as an American Way of Life', *The Antioch Review*, vol. 13 (1953), pp. 131-54. The utility of the 'alien conspiracy' approach has been challenged: see J. Landesco, *Organized Crime in Chicago* (Chicago: University of Chicago Press, 1929).

¹⁵ Triad is the English translation of 'Sam Ho Wui' or literally the three united associations. The triangular banners based on the three characters representing, heaven, earth and man.

¹⁶ Police Commissioner B. Selvin, 1973-1974 Annual Report of the Royal Hong Kong Police: cited in H. J. Lethbridge, *Hard Graft in Hong Kong: Scandal, Corruption and the ICAC* (Hong Kong: Oxford University Press, 1985), p. 132.

¹⁷ M. Levi, 'The Organization of Serious Crimes', in M. Maguire, R. Morgan and R. Reiner (eds.), *Oxford Handbook of Criminology* (3rd edn) (Oxford: Oxford University Press, 2002);

¹⁸ For example, the religious or messianic elements of ritual, initiation and blood covenant that provided triads with an exclusive identity see B. J. ter Haar, *Ritual and Mythology of the Chinese Triads: Creating an Identity* (Leiden: Brill, 2000).

criminal groups by their morphology.¹⁹ Thrasher's remarkable insights remain relevant:²⁰

Although organized crime must not be visualized as a vast edifice of hard and fast structures, there is a surprising amount of organization of a kind in the criminal community. There is a certain division of labor manifesting itself in the specialized persons and specialized groups performing different but related functions. There are, furthermore, alliances and federations of persons and groups, although no relationship can be fixed and lasting as in the organization of legitimate business.²¹

This paper addresses contemporary forms of triad-related crime in HK and we follow the Hong Kong Police (HKP) practice of referring to crime groups as 'triad' when self-nominated or when individuals associated with a crime group refer to themselves as a triad—including persons who may only be associates or may not be initiated if such rituals occur. The 'Big Circle Boys' (*Dai Huen Jia*), for example, although initially formed from among mainland migrants to HK in the 1970s are referred to as either a criminal group or triad. Despite the absence of local background some Big Circle Boys were also 'members' of HK triads.²² The term 'triad' or in colloquial Cantonese 'dark society' is usually reserved for traditional HK crime groups or gangs who could be authenticated by triad experts of the HKP and recognised as such by the HK courts.²³ The authenticity of a criminal group's triad connection or otherwise is usually opaque as is the extent of criminal activity among known triads. In jurisdictions such as HK, Macau, and Taiwan, triad association allows access to brand reputation and social capital so that a degree of overlap and ambiguity between triad society, illicit business and 'organised crime' is inherent.²⁴ However, because HK and other Chinese

¹⁹ Levi, 'The Organization of Serious Crimes'; P. C. Duyn and T. Vander Beken, 'The Incantations of the EU Organized Crime Policy Making', *Crime, Law and Social Change*, vol. 51 (2009), pp. 261-81. Triads in HK and Macau are usually depicted as the only dominate forms of organised crime that retain a 'definable structure': see for example, Parliament of Australia, *Parliamentary Joint Committee on the Australian Crime Commission: Inquiry into the legislative arrangements to outlaw serious and organised crime groups* (Canberra: Senate Printing Unit, August 2009), pp. 78-9.

²⁰ K. F. Yu, *The Structure and Subculture of Triad Societies in Hong Kong*, M.Phil. (Hong Kong: City University of Hong Kong, July 1998). Yu drew on interviews with fifty prisoners drawn from three major triads: 'Sun Yee On', '14K' and 'Wo Shing Wo' who described the degraded organisation and ritual. He classified them according to Thrasher's notions of unity and cohesiveness noting that 'Sun Yee On' were more organised than the others.

²¹ Further, "[O]ne of the outstanding characteristics of the criminal community is what might be called its fluidity ... there is no hard and fast structure of a permanent character" (p. 285), F. M. Thrasher, *The Gang: A Study of 1,313 Gangs in Chicago* (Chicago: University of Chicago Press, 1927) [1963 edition edited by J. F. Short], pp. 285-6.

²² A. Chung, 'The Big Circle Boys: Revisiting the Case of the Flaming Eagles', *Global Crime*, vol. 9, no.4 (2008), pp. 306-31.

²³ Ninety-three HKP officers are currently designated 'triad experts' with the addition of 23 officers graduating from a recent course: 'Welcome boost for Triad Expert Cadre', *Offbeat*, issue 887 (14 January-10 February 2009).

²⁴ Chin, *Heijin: Organised Crime, Business and Politics in Taiwan*; T. W. Lo, 'Beyond Social Capital: A Case of Triad Financial Crime in Hong Kong and China', working paper, City University of Hong Kong, July 2009.

secret societies had a traditional patriotic role, political connections and ritualistic elements, the distinction between contemporary 'dark society' organised crime and triads is historically important.²⁵

It has long been recognised that crime groups are constituted by informal but complex interpersonal networks.²⁶ These networks may be engaged in a variety of illicit and licit activities providing mutual advantage²⁷ often functional to the host social system without always having recourse to a formal command structure or business model.²⁸ Rather they are highly reflexive to market conditions and often respond to law enforcement by limiting group size,²⁹ decentralising and creating enduring forms of 'flexible order'.³⁰ In this sense organised crime is another form of capitalist activity where 'grey' entrepreneurs are the key players who may resort to engaging strong-arm tactics to minimise competition in the provision of illegal goods and services,³¹ but the social capital (trust) required for a successful and resilient criminal enterprise may be enhanced by political influence,³² as well as fraternal, ethnic or clan loyalties.³³

²⁵ See F. Wakeman, *Policing Shanghai 1927-1937* (Berkeley: University of California Press, 1995); B. E. Martin, 'Eating Bitterness: Du Yueheng and Guomindang Politics in Shanghai, 1945-49', *East Asian History*, vol. 29 (June 2005), pp. 129-52; ter Haar, *Ritual and Mythology of the Chinese Triads*.

²⁶ J. S. McIlwain, 'Organized Crime: A Social Network Approach', *Crime, Law and Social Change*, vol. 32 (1999), pp 301-32; Australian Crime Commission, 'Submission: Inquiry into the future impact of serious and organised crime on Australian society', 2007, <http://www.crimecommission.gov.au/publications/other_files/submissions/2007_pjc_submission_impact_of_serious%20organised_crime.pdf> [Accessed 3 June 2009], p. 6.

²⁷ F. Varese, 'The Camorra closely observed', *Global Crime*, vol. 10 (2009), pp. 262-6.

²⁸ See, for example, Landesco, *Organized Crime in Chicago*; J. Albin, *The American Mafia: Genesis of a Legend* (New York: Appleton-Century-Crofts, 1971); P. Reuter and J. B. Rubinstein, 'Fact, Fancy, and Organized Crime', *The Public Interest*, no. 53 (1978), pp. 45-67; D. C. Smith, 'Paragons, Pariahs, and Pirates: A Spectrum-Based Theory of Enterprise', *Crime and Delinquency*, vol. 26 (1980), pp. 358-86; P. Reuter, *Disorganized Crime: The Economics of the Visible Hand* (Cambridge: MIT Press, 1983); M. D. Lyman and G. W. Potter, *Organized Crime* (2nd edn) (New Jersey: Prentice-Hall, 2000).

²⁹ P. Tremblay, M. Bouchard, and S. Petit, 'The size and influence of a criminal organization: a criminal achievement perspective', *Global Crime*, vol. 10 (2009), pp. 24-40.

³⁰ C. Morselli, *Inside Criminal Networks* (New York: Springer, 2009), pp.10-11.

³¹ P. Williams and R. Godson, 'Anticipating Organised and Transnational Crime', *Crime, Law and Social Change*, vol. 37 (2002), pp. 311-55; A. Edwards and P. Gill, 'Crime as enterprise? The case of "transnational organised crime"', *Crime, Law & Social Change*, vol. 37 (2002), pp. 203-23.

³² T. W. Lo, 'The Political-Criminal Nexus: The Hong Kong Experience', *Trends in Organized Crime* (Spring 1999), pp 60-80; P. Reuter, 'The Decline of the American Mafia', *Public Interest*, vol. 120 (Summer 1995), pp 89-99; Chin, *Heijin: Organised Crime, Business and Politics in Taiwan*, T. W. Lo, 'Beyond Social Capital'.

³³ Landesco, *Organized Crime in Chicago*; Thrasher, *The Gang*; McIlwain, 'Organized Crime'; and Paoli, 'The Paradoxes of Organized Crime'; D. Hobbs, 'The Firm: Organisational Logic and Criminal Culture on a Shifting Terrain', *British Journal of Criminology*, vol. 41 (2001), pp 549-60. Differences in ethnic or network interpretations of organised crime are dependent on the focus: whether it is about 'who' was involved or 'what' activities or illicit businesses were conducted.

Triads and Globalisation

Triads have been regarded by some authorities as participating in a worldwide crime network that uses connections among overseas Chinese to undertake transnational crime such as drug and human trafficking.³⁴ Fears³⁵ that HK triads would re-establish abroad *en masse* with the return of Chinese sovereignty in 1997 appear not to have materialised despite alarmist predictions.³⁶ However, significant triad-related capital and capacity were thought to have reached among others Toronto, Vancouver, Sydney and Los Angeles that enabled such groups to hedge risk and transfer resources.³⁷ Market reforms initially in Shenzhen SEZ in the 1980s and later elsewhere in China provided more attractive opportunities and lower costs for criminal enterprise.³⁸

Chin and Zhang³⁹ have argued that triads have been in decline among the Chinese diaspora and are sceptical about the existence of triad global networks.⁴⁰ They argue, in the case of human trafficking, this is because of a 'structural deficiency' that arises from a strong common culture and tradition that provides discipline in a local context but also limits their capacity to develop strong transnational networks. They recently noted the growth of Chinese crime groups in both local and transnational illicit

See A. Woodiwiss, 'Double Cross: States, Corporations, and the Global Reach of Organized Crime', *International Criminal Justice Review*, vol. 17 (2007), pp. 45-51.

³⁴ B. Lintner, *Blood Brothers: The Criminal Underworld of Asia* (New York: Palgrave Macmillan, 2003); M. Booth, *The Dragon Syndicates: The Global Phenomenon of the Triads* (New York: Carroll and Graf, 1999).

³⁵ Similar fears about the Italian mafia were expressed following the 'Schengen' agreement that provided unrestricted travel between the European signatories; see van Duyne and Vander Beken, 'The Incantations of the EU Organized Crime Policy Making', p. 269.

³⁶ For example J. Dombrink and H. L. Song, 'Hong Kong after 1997: Transnational Organized Crime in a Shrinking World', *Journal of Contemporary Criminal Justice*, vol. 12 (1996), pp. 329-39. The contrary position was offered in an Australian assessment: see Parliament of the Commonwealth of Australia, 'Asian Organized Crime in Australia: A Discussion Paper by the Parliamentary Joint Committee on the National Crime Authority', February 1995, <<http://www.fas.org/irp/world/australia/docs/ncaoc2.html>> [Accessed 11 May 2009].

³⁷ Personal communication, Australian Crime Commission (ACC), 7 July 2009.

³⁸ C. S. Wren, 'China Attracts Hong Kong's Money, and Gangsters', *New York Times*, 31 March 1983, p. A2; Carl Goldstein, 'China: Two Faces of Reform', *Far Eastern Economic Review*, vol. 156, no. 14 (8 April 1993), p. 15; I. Dobinson, 'Pinning a Tail on the Dragon: The Chinese and the International Heroin Trade', *Crime and Delinquency*, vol. 39, no. 3 (1993), pp. 373-84; Commonwealth of Australia, 'Asian Organized Crime in Australia: A Discussion Paper by the Parliamentary Joint Committee on the National Crime Authority'; Laidler, Hodson and Traver, *The Hong Kong Drug Market: A Report for the UNICRI*; Williams and Godson, 'Anticipating organised and transnational crime'.

³⁹ K. L. Chin and S. Zhang, 'The Declining Significance of Triad Societies in Transnational Illegal Activities: A Structural Deficiency Perspective', *The British Journal of Criminology*, vol. 43 (2003), pp. 469-88; see also Chu, *The Triads as Business*.

⁴⁰ Specifically in relation to the drug trade see K. L. Chin, *The Golden Triangle: Inside Southeast Asia's Drug Trade* (Ithaca: Cornell University Press, 2009), pp. 230-4.

activity.⁴¹ Investigations continue to show examples of such networks operating over time and associated with triads.⁴² Xia,⁴³ referring more broadly to Chinese criminal networks, has suggested significant internal growth and the return of the triads especially in Guangdong and other coastal provinces, while Lintner⁴⁴ has suggested transplantation of the triads.⁴⁵

Given HK's role as a transport and financial centre it remains a significant hub for transnational crime. However, there is no evidence of an international triad organisation. Triads control the street-level drug trade in HK, but wholesale drug trafficking appears to be in the hands of individuals or small groups of entrepreneurs.⁴⁶

Although triad-related homicides, assaults and membership offences known to HKP have decreased, there is limited evidence to draw conclusions about the scale and trend of overseas activities. However, significant development of organised crime, sometimes with the aid of triad connections, has nevertheless occurred in China and has manifested as capture of local authorities at county level.⁴⁷ An example of the scale of such 'capture' was the Xiamen smuggling case; however, criminal groups played a marginal role.⁴⁸ A local business venture's (Yuanhua Group) vast smuggling

⁴¹ S. X. Zhang and K. L. Chin, 'Snakeheads, Mules, and Protective Umbrellas: A Review of Current Research on Chinese Organized Crime', *Crime, Law and Social Change*, vol. 50 (2008), pp. 177-95. Zhang and Chin's work on drug and human smuggling found little evidence of traditional organised crime or triad societies but rather the involvement of individual Chinese who relied on traditional networks based on village, clan and ethnicity.

⁴² Dutch police identified a Cantonese immigrant group that was involved in the importation of precursor chemicals for the manufacture of illicit drugs had close ties with HK triads: S. Huisman, 'Investigating Chinese Crime Entrepreneurs', *Policing*, vol. 2, no. 1 (2008), pp. 1-7. See also E. G. Curtis, S. L. Elan, R. A. Hudson and N. A. Kollars, 'Transnational Activities of Chinese Crime Organizations', *Trends in Organized Crime*, vol. 7, no 3 (2002), pp. 19-59; W. H. Myers III, 'The Emerging Threat of Transnational Organized Crime from the East', *Crime, Law and Social Change*, vol. 24, no. 3 (1995), pp. 181-222.

⁴³ M. Xia, 'Assessing and Explaining the Resurgence of China's Criminal Underworld', *Global Crime*, vol. 7, no. 2 (2006), pp. 151-75; M. Xia, 'Organizational Formations of Organized Crime in China: Perspectives from the State, Markets, and Networks', *Journal of Contemporary China*, vol. 17, no. 54 (2008), pp. 1-23; see also A. Chen, 'Secret Societies and Organized Crime in Contemporary China', *Modern Asian Studies*, vol. 39, no. 1 (2005), pp. 77-107.

⁴⁴ B. Lintner, 'Chinese Organized Crime', *Global Crime*, vol. 6, no. 1 (2004), pp. 84-96.

⁴⁵ H. Wang, X. Zhou and T. Jiang, 'Penetration into Guangdong by Triads from Hong Kong, Macau and Taiwan and its Prevention and Crackdown Countermeasures', *China Criminal Police*, vol. 15, no. 3 (2003), pp. 63-71; X. Zhou, 'Triad Societies in Guangdong (I)', *Journal of Political Science and Law*, vol. 16, no. 3 (1999), pp. 20-30 (in Chinese).

⁴⁶ J.O. Finckenauer and K.L. Chin, *Asian Transnational Organized Crime* (Washington: National Institute of Justice, 2007), pp. 8-9; the authors report HKP sources.

⁴⁷ By 1992 every district of Shenzhen had fallen to secret society activities (mostly from HK but also Japan, Taiwan and Macau) and by 1995 all the prefecture cities in Guangdong had been infiltrated by overseas secret societies; see Zhou, 'Triad Societies in Guangdong (I)'.

⁴⁸ Triad links (14K), however, are implicated in the arrest of Huang Guang-yu (chair of China's largest retailer, 'Gome Electrical Appliances'), for bribery, money laundering, and share price manipulation. High ranking ministry of public security and anti-corruption officials have been

operation through Xiamen ports was investigated by the Chinese Communist Party (CCP) Central Commission for Discipline Inspection and was estimated to have cost the state revenue of \$US3.6 billion in lost import duties (between 1994-1999) and involved as many as 200 corrupt officials including provincial, bureau and departmental heads.⁴⁹ The scale and scope of some of these criminal activities have presented Chinese Public Security and People's Court officials with immense challenges,⁵⁰ heightened concerns about the influence of foreign criminals and hastened the need to foster mutual assistance with foreign police services.⁵¹

We offer a brief overview of HK triad-related 'dark' societies and theories about the role of lethal violence in organised crime. The nexus between triads and organised crime is made partly visible by extreme violence. Our analysis of triad-related homicide cases are drawn from the HK Homicide Monitoring Database (HKHMD⁵²) and described by Lee, Broadhurst and Beh,⁵³ Lee⁵⁴ and Lee, Broadhurst and Beh⁵⁵ for the period 1989-1998 and preliminary data derived from the updated HKHMD 1989-2005. We discuss the impact of periodic suppression, new countermeasures and the likely

detained; X.W. Wang, 'Power, sex and money: the recipe for corruption' *South China Morning Post*, 4 May, 2009, p. 5.

⁴⁹ S. Li, 'The Centre's Scrutiny Elasticity and the Local's Response: The Anti-smuggling Campaign in Xiamen, 1991-2001', in R. G. Broadhurst (ed.), *Crime and its Control in the People's Republic of China: Proceedings of the University of Hong Kong Annual Symposia 2000-2002* (Hong Kong: Centre for Criminology, The University of Hong Kong, 2004), pp 164-85; and S. Shieh, 'The Rise of Collective Corruption in China: The Xiamen Smuggling Case'; Chin and Godson, 'Organized Crime and the Political-Criminal Nexus in China'.

⁵⁰ Over a million 'black society' members were estimated to be active in 2000 in China; see S. Cai, 'Anti-Corruption should be done before Anti-Secret Societies', *China News Weekly*, 23 September 2000, pp. 21-2; C.Y. Choi, 'Triad invasion growing, says Guangdong court', *South China Morning Post*, 5 September, 2007, p. 1, cited Guangdong People's Higher Court spokesman Chen Cao who referred to the 'obvious infiltration of overseas groups'. The 'Heavenly Way' (in Cantonese *Tian Lin Hui*) perhaps related to the well known Taiwanese 'Celestial Alliance' (*Tien Dao Mun* in Mandarin) was identified as the main triad by the court.

⁵¹ S. Liao, J. Luo and W. Wen, 'Anti-Triad Society Activities Should Be Strengthened and Deepened', *China Criminal Police*, vol. 11, no. 3 (1999), pp. 27-32; X. Zhou and X. Liu, 'Review of the 2001 Guangdong Crackdown on Organized Crime—Seminar', *Public Security Research*, vol. 2 (2002), pp. 77-83; Y. Xie and Y. Wang, 'Research on Organized Crime: Ten-Year Review, Evaluation and Prospect', *Journal of Crime Research*, vol. 3 (2005), pp. 19-35 (all in Chinese).

⁵² R. Broadhurst, 'The Hong Kong Homicide Monitoring Data Base', 1st Annual Conference of the Hong Kong Sociology Association, The University of Hong Kong, 12 December 1999, <<http://www.hku.hk/crime/publications.htm>> [Accessed 9 May 2009].

⁵³ K. W. Lee, R. Broadhurst and S. L. Beh, 'Triad Related Homicide in Hong Kong 1989-1998: A Preliminary Description', in Broadhurst (ed.), *Crime and its Control in the People's Republic of China*, pp. 263-87.

⁵⁴ K. W. Lee, 'Triad-related Homicide 1989-1998', PhD thesis, Hong Kong, University of Hong Kong, 2005.

⁵⁵ K. W. Lee, R. G. Broadhurst and S. L. Beh, 'Triad-Related Homicides in Hong Kong', *Forensic Science International*, vol. 162 (2006), pp. 183-90; data for homicide generally and triad-related murder in HK has been extended to 1989-2005 and work is currently in preparation, however, some summary data is available up to 2005.

factors in the probable displacement and transplantation of triad-related commercial vice and other activity to the rich incentives of southern China. We conclude by commenting on developments in 'organised crime' in China generally, especially Shenzhen, and the interdependence of cross-border countermeasures in suppressing triad or 'dark society' activities.

Triad Society in Hong Kong

HISTORY AND CULTURE

There are various historical accounts of the emergence of triads in British HK that have often created a self-serving mythology about them.⁵⁶ The commonly cited version was that the progenitor triad also known as *Hung Mun*,⁵⁷ or the Heaven and Earth Association, originated with the Manchu Ching (Qing) Dynasty (mid 17th century) as a secret group loyal to the ousted Ming Emperor. The objective of the secret society was to overthrow the Ching and restore the indigenous Ming (Han) Dynasty.⁵⁸ Gradually the *Hung* or triads devolved from nascent political associations into criminal groups following the rapid economic growth of HK as a port for the valuable China (Indian and Persian) opium trade. The *Hung Mun* was among a number of mutual self-help organisations among the disenfranchised immigrant Chinese labourers and assisted in resolving everyday disputes, provided loans and met welfare needs that were ignored by their alien colonial rulers. The violent subculture of triads in part originated in the vigorous market competition in the 19th and early 20th centuries over waterfront labour.⁵⁹ The *Hung Mun* was seen as a threat to both Chinese imperial and later British colonial order,⁶⁰ and suppression by colonial authorities forced elements of these mutual aid societies underground.⁶¹ The criminalisation of the

⁵⁶ K. Bolton, C. Hutton and P. K. Ip, 'The Speech-Act Offence: Claiming and Professing Membership of a Triad Society in Hong Kong', *Language and Communication*, vol. 16, no. 3 (1996), pp. 263-90. As yet no definitive historical account of the Hong Kong triads has been written. Although Morgan's account of the triad is frequently cited his sources were limited: W. P. Morgan, *Triad Societies in Hong Kong* (Hong Kong: Government Printer, 1960).

⁵⁷ The *Hung Mun* may also be referred to as the *Tiandihui* (Tien Tei Wei) and a fuller discussion of the origins of these secret societies can be found in D. Ownby and M. S. Heidhues (eds), *Secret Societies Reconsidered: Perspectives on the Social History of Modern South China and Southeast Asia* (Armonk, New York: ME Sharpe, 1993). A summary of the traditional conduct prescriptions can be found in J. Arsovska and M. Craig, 'Violence in Ethnic-Based Organised Crime Groups: An Examination of the Albanian Kanun and the Code of the Chinese Triads', *Global Crime*, vol. 7, no. 2 (2006), pp. 214-46.

⁵⁸ W. Stanton, *The Triad Society or Heaven and Earth Association* (Hong Kong: Kelly & Walsh, 1900); W. P. Morgan, *Triad Societies in Hong Kong*.

⁵⁹ *Ibid.*, pp. 60-3; I. Lim, *Secret Societies in Singapore* (Singapore: Singapore History Museum, 1999).

⁶⁰ J. Mei, 'China's Social Transition and Organized Crime: A Sociological Interpretation', in Broadhurst (ed.), *Crime and its Control in the People's Republic of China*, pp 204-13. Triads were considered threats due in part to their support for republican agitators and a fear that they may provide the organisational basis for resistance to colonial rule.

⁶¹ Stanton, *The Triad Society*; M. S. Gaylord and H. Traver, 'Colonial Policing and the Demise of British Rule in Hong Kong', *International Journal of the Sociology of Law*, vol. 23 (1995), pp. 23-43; Lim, *Secret Societies in Singapore*.

activities of the *Hung Mun* societies led to their transformation to *Hak She Wui*⁶² or the 'dark' or 'black society',⁶³ whose members often competed for a monopoly over illicit activities or a particular district and involved themselves in protection, mercenary violence, predatory crime and rebellion.⁶⁴

Some triads have been able to exploit their association with patriotic activity to both disguise and justify the pursuit of illicit profits. This association was illustrated by the Minister of Public Security, People's Republic of China (PRC) Tao Siju in 1992 who, as part of a 'united front' strategy, lauded the patriotic work of some triads and welcomed them to set up business in China—comments that coincided with investments in mainland China planned by *Sun Yee On* triad.⁶⁵ China adopted a 'united front' approach in the lead up to the resumption of Chinese sovereignty to engage the 'patriotic' triads so as to ensure HK's prosperity and stability, curtail penetration by Taiwanese organised crime (e.g. 'United Bamboo', 'Four Seas'⁶⁶) who might connect with anti-Beijing liberal groups, counter pro-democratic triad influence over local elections and avoid the triad-related violence that had damaged Macau's reputation.⁶⁷

A triad world-view may once have justified criminal acts and violence by identifying with *jiang hu*, which allows a life outside normal social customs and obligations.⁶⁸ Rituals such as the thirty-six oaths of loyalty and secrecy

⁶² The authors prefer the translation of *Hak* as 'dark' in this context.

⁶³ In Mandarin usually rendered as *Hei She Hui* (underground society) or *bang hui* (gangster society) and traditionally referred to as the *Hong* ['red' in Cantonese but also 'vast' and usually rendered in English as triad] and *Qing bang* [green gang] secret societies. The green gang was usually associated with serving the *Qing* state and therefore seldom accepted by the *Hong*: see Wakeman, *Policing Shanghai 1927-1937*, p. 27; see also Pan Ling, *Old Shanghai: Gangsters in Paradise* (Singapore: Heinemann Asia, 1984) pp 17-33. The green gang was formed by the numerous boatmen of the Grand Canal who had become unemployed by the advent of steam-power.

⁶⁴ C. Crisswell and M. Watson, *The Royal Hong Kong Police, 1841-1945* (Hong Kong: Macmillan, 1982) pp 147-58; see generally, D. Murray, 'Migration, Protection, and Racketeering: The Spread of the Tiandihui within China', in Ownby and Heidhues (eds), *Secret Societies Reconsidered*; D. Ownby, 'Introduction: Secret societies reconsidered', in Ownby and Heidhues (eds.), *Secret Societies Reconsidered*; F. Wakeman, *Policing Shanghai 1927-1937*, pp. 25-39.

⁶⁵ See T. W. Lo, 'Law and Order', in Y. S. Cheng and C. K. Kwong (eds), *The Other Hong Kong Report 1992* (Hong Kong: Chinese University Press, 1992), p. 141; Mei, 'China's Social Transition and Organized Crime: A Sociological Interpretation', p. 213: fifty-four of the seventy-two martyrs in Huanghugang (in Canton) cemetery were triads associated with Sun Yet-sun's campaign against the Qing.

⁶⁶ These are relatively new groups formed in the late 1950s among the disaffected scions of Nationalist military officers who had fled the mainland in 1949. They rapidly adopted a business approach less territorial than the distinctive native Taiwanese crime groups: see Chin, *Heijin: Organised Crime, Business and Politics in Taiwan*, pp. 33-42.

⁶⁷ T. W. Lo, 'Beyond Social Capital: A Case of Triad Financial Crime in Hong Kong and China'. See T. M. Liu, *Hong Kong Triad Societies: Before and After 1997* (Hong Kong: Net e-Publishing, 2001), pp. 114-5.

⁶⁸ K. L. Chin, *Chinese Subculture and Criminality: Non-traditional Crime Groups in America* (New York: Greenwood Press, 1990, pp 142-143; Pan Ling, *Old Shanghai: Gangsters in Paradise*, pp 19-20. The *jiang hu* (literally 'river-lake') concept implies a different way of life and

derived from the mythology of the patriotic societies often formed the code that guided a triad member's behaviour. Entry into a triad subculture involved sworn brotherhood that secured members' loyalty by creating a fictive family devoid of class distinctions, favouritism, or hatred among brothers.⁶⁹ The traditional code of the triad authorised violence in the pursuit of revenge and/or honour for violation of that code and legitimated violence in the conduct of illicit business.⁷⁰ Many of the traditional rituals performed at initiation and promotion have become perfunctory and adapted to minimise risk to the triad society while traditional values, such as the exclusion of women or foreigners⁷¹ and the strict use of forms of triad punishments have weakened.⁷² Xia and Ip have also noted that elements of traditional triad culture have been recovered from popular triad films by contemporary criminals, most notably by mainland gangs.⁷³

With the demise of the fictive *Hung* family due to regulatory impacts, as well as shifts in aims, boundaries, activities, and resources, (for example, mergers or disbandment⁷⁴), organisational forms have also been transformed to become less hierarchical and visible.⁷⁵ Looser and more risk averse command structures and corporate style relationships have been observed by triad experts, and these were often contrasted with the presumed hierarchical command form of the American mafia.⁷⁶ The

an older morality outside of respectable society but in colloquial parlance has lost any special association with triad culture. See also W. S. Chan, 'Study on Becoming a Triad: A Naturalistic Study on Secret Society Recruitment in Hong Kong', Master's thesis, Hong Kong, University of Hong Kong, 1979; Chen, 'Secret Societies and Organized Crime in Contemporary China'.

⁶⁹ L. F. Mak, *The Sociology of Secret Societies: A Study of Chinese Secret Societies in Singapore and Peninsular Malaysia* (Kuala Lumpur: Oxford University Press, 1981); Lintner, 'Chinese Organized Crime'; Chin, *Chinese Subculture and Criminality*; K. L. Chin, *Chinatown Gangs: Extortion, Enterprise, and Ethnicity* (New York: Oxford University Press, 1996); Chu, *The Triads as Business*.

⁷⁰ Arsovska and Craig, 'Violence in Ethnic-Based Organised Crime Groups'.

⁷¹ Women are, however, rarely members but many girls are involved in youth gang activities associated with triads. South Asian ethnic groups are known to be members especially in Kowloon West and northern New Territories where such ethnic groups are a significant sub-population: Personal communication HKP, 27 July 2009.

⁷² Bolton, Hutton and Ip, 'The Speech-Act Offence'; T. W. Yue, 'Reading the Signs: Recognising Triad Punishment', in R. G. Broadhurst (ed.), *Bridging the Gap: A Global Alliance Perspective on Transnational Organised Crime* (Hong Kong: Hong Kong Police Force, 2002), pp. 265-8.

Initiations also took place in Shenzhen as in the case of several Sun Yee On arrested during a 'promotion' ceremony. X. Zhou, K. Li and F. Yuan, 'Triad Societies in Guangdong (II)', *Journal of Political Sciences and Law*, vol. 18, no. 2 (2001), pp. 12-17 (in Chinese).

⁷³ M. Xia, 'Organizational Formations of Organised Crime in China'; P. F. Ip, 'Organized Crime in Hong Kong'.

⁷⁴ Aldrich and Reuf, *Organizations Evolving*, p 143. The aims of the 'old' triads that fostered mutual assistance and supported political movements gave way to new aims of illicit profit and activities that realised gain from protection, vice and smuggling.

⁷⁵ Yu, *The Structure and Subculture of Triad Societies in Hong Kong*.

⁷⁶ P. F. Ip, 'Organized Crime in Hong Kong', Proceedings of Symposium on Organized Crime in the 21st Century, Centre for Criminology, University of Hong Kong, 1999, <<http://www.crime.hku.hk/>> [Accessed 18 February 2008].

importance of '*guan xi*' (interpersonal reciprocity) in establishing trustworthy networks has been noted⁷⁷ but is a general trait among Chinese and not particular to triad societies.⁷⁸ This mode of exchange based on personal obligation is structured by patron-client relationships among triads where the *dai lo* (big brother) is the central focal point of the 'cell' in (networked) personal relationships.⁷⁹ In a largely immigrant society, such as Hong Kong was throughout the last century, the triad once represented a vital form of social capital in lieu of the family and clan.⁸⁰ Triad membership offered protection for otherwise vulnerable individuals exposed to unemployment and social exclusion.⁸¹ Such changes have led some to argue that although 'old' triads may have transformed into the 'dark societies' of the 'Chinese underworld', their history and social capital made them influential role models for later groups.⁸²

SCALE AND ACTIVITIES

Despite lurid media depictions and periodic alarm over their influence, triad involvement in *recorded* crime in HK has remained static at around three to four per cent of all police-recorded crime for the past twenty years. In 2006 triad-related crime represented three percent of all reported crime (2359 of 81,225) but in the context of an overall decline in recorded crime.⁸³ In 2006 most recorded triad-related crime were 'unlawful society' or triad membership offences (806 cases or 33.6 percent), wounding and serious assault (616 cases or 25.1 percent), serious narcotics offences (78 cases or 3.3 percent) and blackmail/extortion (226 cases or 9.4 percent).⁸⁴

In HK, triad society has long been regarded as "simply a criminal conspiracy that has been given statutory recognition" (see *R v Sit Yat-keung* 1985⁸⁵). In

⁷⁷ Williams and Godson, 'Anticipating Organised and Transnational Crime'; Chung, 'The Big Circle Boys: Revisiting the Case of the Flaming Eagles'; McIlwain, 'Organized Crime: A Social Network Approach'; Meyers III, 'The Emerging Threat of Transnational Organized Crime from the East'.

⁷⁸ See generally X. T. Fei, *From the Soil: The Foundations of Chinese Society* (University of Berkeley: University of California Press, 1992) (translated G. Hamilton and W. Zheng).

⁷⁹ H. B. Milward and J. Raab, 'Dark Networks as Organizational Problems: Elements of a Theory', *International Public Management*, vol. 9, no. 3 (2006), pp. 333-60.

⁸⁰ R. E. Mitchell, *Velvet Colonialism's Legacy to Hong Kong 1967 and 1997*, Hong Kong Institute of Asia-Pacific Studies, Occasional Paper No. 76 (Shatin Hong Kong: Chinese University of Hong Kong, March 1998).

⁸¹ Chu, *The Triads as Business*.

⁸² Arsovska and Craig, 'Violence in Ethnic-Based Organised Crime Groups'; Yu, *The Structure and Subculture of Triad Societies in Hong Kong*.

⁸³ R. G. Broadhurst, K. W. Lee and C. Y. Chan, 'Crime trends in Hong Kong', in T. W. Lo and W. H. Chu (eds), *Crime and Criminal Justice in Hong Kong* (Devon: Willan, 2008), pp. 45-68.

⁸⁴ In 2007 the number of triad-related cases continued to decline (2259 cases or 2.8 percent of all crimes in 2007) but a 5.7 percent increase in triad-related reports was recorded for 2008, see <<http://www.info.gov.hk/police/hkp-home/english/statistics/details.htm>> [Accessed 11 May 2009]. For a summary of recent trends see: HKSAR Fight Crime Committee Annual Reports 2003-2007, <www.sb.gov.hk/eng/pub/fcc/> [Accessed 9 March and 11 May 2009].

⁸⁵ See *R v Sit Yat-keung*, HK Magistracy Appeal no. 783, 1986: in this case and others, problems arising from admissions to police and what constitutes expertise about triad culture

1947 a “honeycomb” of “50 organisations with a Triad background” that “were well organised and operating openly when the Colony was liberated” was recorded.⁸⁶ There were about 50 known triad societies reportedly operating in the 1980s of which 15 to 20 commonly came to the attention of the police due to their criminal activities.⁸⁷ The number of groups is currently not reported. Sources close to the HKP have continued to suggest around 50 groups are active.⁸⁸ The largest triad groups are the *Sun Yee On*, *Wo Shing Wo*, *14K* (Tak, Ngai and Hau ‘factions’), and *Wo Hop To* but other active groups include *Shui Fong* and *Luen Ying She*.⁸⁹ Given lethal violence is a defining characteristic of organised crime then these triads were among the twenty-one triad ‘societies’ including their associated factions identified as being involved (either as victims, offenders or both) in the homicides described for the period 1989–1998.⁹⁰ Some triads or their factions operate only within a particular district and others disperse after a short time. The number of triad members had been estimated in the late 1980s to be as high as 300,000 but estimates are unreliable and the number currently active is unknown.⁹¹ Recently the involvement of non-Chinese actors (mostly of South Asian origin) in triad-related criminal activity has been noted and this also includes fatal conflicts.⁹² The regional and district units of the HKP

(exclusively provided by police specialists) have been raised. See also H. Litton, ‘So-called “Triad Experts”’, *Hong Kong Law Journal*, vol. 16 (1986), pp. 3-7; Bolton, Hutton and Ip, ‘The Speech–Act Offence’.

⁸⁶ They had “waxed fat as Japanese informers or in the flourishing vice monopoly then in their hands”, Annual Report on the HK Police Force 1946-47, (Hong Kong: Yee Lee Company), Appendix Z, p. 24.

⁸⁷ P. F. Ip, ‘Organized Crime in Hong Kong’; Hong Kong Fight Crime Committee, *A Discussion Document on Options for Changes in the Law and in the Administration of the Law to Counter the Triad Problem* (Hong Kong: Fight Crime Committee Secretariat, 1986).

⁸⁸ K. Sinclair and N. Ng K. C., *Asia’s Finest Marches On: Policing Hong Kong from 1841 into the 21st Century: An Illustrated Account of the Hong Kong Police* (Hong Kong: Kevin Sinclair Associate Ltd, 1997), pp. 104, 107; Chu, ‘Hong Kong Triads after 1997’, p. 5.

⁸⁹ *Ibid.*

⁹⁰ The following triad societies were identified in the homicides described: *Wo Hop To*, *Wo On Lok*, *Wo Shing Wo*, *Wo Shing Yee*, *Wu Nam* (a faction associated with *Wo Shing Wo* and *Wo Shing Yee*), *Wo Lee Wu*, *Tung Luen She*, *Tung Sun Wu*, *Fuk Yee Hing*, *Luen Lok To*, *Luen Ying She*, *Sun Yee On*, *Woo Kwan Lak*, *14K* and *14K* factions: ‘*Baai Lo*’, ‘*Hau*’, ‘*Tak*’, ‘*Yee*’, ‘*Mui*’, ‘*Hi Lo*’, and ‘*Dai Huen*’ (‘*Big Circle*’); see Lee, Broadhurst and Beh, ‘Triad related homicides in Hong Kong’.

⁹¹ This estimate is cited by Dombrink and Song drawing on a 1989 unpublished paper provided by a HKP officer and the same figure was cited in relation to estimates in the 1950s: see Sinclair and Ng, *Asia’s Finest Marches On*, p. 104; Dombrink and Song, ‘Hong Kong after 1997: Transnational Organized Crime in a Shrinking World’. Some estimates range between 35,000–80,000 triad members and include youth gangs who claim associate membership via a ‘big brother’. This contrasts with about 10,000 ‘gangsters’ estimated by the Taiwanese National Security Bureau in 1997: cited in Chin, *Heijin: Organized Crime, Business and Politics in Taiwan*, p. 21. No estimate of the numbers of triad members is currently ventured by HK authorities: Personal communication, OCTB, March 2007 and April 2008.

⁹² Chu, ‘Hong Kong Triads after 1997’, p. 10 especially in respect to *Wo Shing Wo*; see also preliminary analysis of the HK HMDB 1989-2005—author’s data—data for 2005 incomplete; see note 39.

Organised Crime and Triad Bureau (OCTB) conduct routine patrols, raids and covert surveillance operations⁹³ against suspect groups and enterprises. The OCTB also undertakes community awareness projects, especially in schools and with youth groups to counteract the mythology and recruitment activities of triads.⁹⁴

Two elements of the triad problem—territorial-based street or youth gangs, and entrepreneurs or ‘racketeers’—have been identified, the former often hired by the latter to staff or protect corporate-like illicit enterprises and projects.⁹⁵ Similarly Chin found that US Chinese *Tong* members provided opportunities to Chinese youth gangs by hiring the latter in support of vice activities.⁹⁶ These elements are loosely connected and both reinforce their authority by means of threats in argot or signs associated with triads, implying they are backed by triad societies.⁹⁷ Many triad-related offences, in particular violent offences, are committed by young members of street-level triads. Most young offenders come from disadvantaged areas but their triad role and activities provide a living.⁹⁸ They often have only associate status in the society to which they claim affiliation but provide the necessary manpower and occupy the lower stratum of the triad social hierarchy. Adult triads recruited from these neighbourhoods later became success models for aspiring members of these triad-related youth gangs.⁹⁹

Typical triad-related offences in HK include blackmail, extortion, price fixing and protection rackets involving local shops, small businesses, restaurants, hawkers, construction sites, recycling, unofficial taxi stands,¹⁰⁰ car valet services, columbaria,¹⁰¹ wholesale and retail markets and places of public entertainment such as bars, brothels, billiard halls, mahjong gaming, karaoke and nightclubs. At various times, triads have monopolised the control of

⁹³ For example, see Y. Tsui, ‘Officer Infiltrates Triads in 2-year Undercover Operation that Nets 25’, *South China Morning Post*, 12 April 2009, p. 2.

⁹⁴ M. H. Lo, ‘Treating the Cancer: Effective Enforcement Strategy’, in Broadhurst (ed.), *Bridging the Gap*, pp. 253-7.

⁹⁵ Fight Crime Committee, *A Discussion Document on Options for Changes in the Law and in the Administration of the Law to Counter the Triad Problem*; Chu, ‘Hong Kong Triads After 1997’; for example see P. Michael, ‘Huge Triad Sweep Fails to Snare Big Bosses; Operation Nets 1,500 Gang Suspects or Associates but not the ‘Dragonheads’’, *South China Morning Post*, 10 September 2004, p. 3.

⁹⁶ Chin, *Chinese Subculture and Criminality*.

⁹⁷ Fight Crime Committee, *A Discussion Document on Options for Changes in the Law and in the Administration of the Law to Counter the Triad Problem*.

⁹⁸ T. W. Lo, *Gang Dynamics* (Hong Kong: Caritas Outreaching Service, 1984); for example, see C. Lo, ‘27, Most Teens, Held in Triad Blitz’, *South China Morning Post*, 20 January 2009, p. 1.

⁹⁹ Fight Crime Committee, *A Discussion Document on Options for Changes in the Law and in the Administration of the Law to Counter the Triad Problem*; Lo, *Gang Dynamics*; T. W. Lo, *The Map of Triad Juvenile Gangs in Hong Kong* (Hong Kong: Youth Studies Net, City University of Hong Kong, 2002).

¹⁰⁰ C. Lo, ‘Police pose as cabbies to capture protection-racket suspects; 12 are arrested in crackdown on triad intimidation at unofficial taxi stands’, *South China Morning Post*, 3 September 2004, p. 3.

¹⁰¹ Places for the storage of funeral urns.

home decoration companies, elements of the film industry, waste disposal, and non-franchised public transport routes.¹⁰² Triads allegedly controlled the solicitors' clerk commission system that allocated work to barristers in HK¹⁰³ and have been implicated in share manipulation scams as in the China Prosperity Holding case of 1999.¹⁰⁴ Triads often engage in street-level narcotic trafficking, or operate illegal casino, football gambling and loan-sharking and these activities extend to Macau,¹⁰⁵ Shenzhen and Guangdong Province.¹⁰⁶ Prostitution, counterfeit products, pornography, and cigarette and fuel smuggling are also important sources of street-level illicit profit for triad societies.

TRENDS IN UNLAWFUL SOCIETY OFFENCES

Figure 1 shows the per capita decline since the 1970s in reports of triad membership offences as defined by the Societies Ordinance (discussed below).¹⁰⁷ This decline in arrests was preceded by a concerted effort from 1958-1961 to suppress triads and led to several thousand (7780) arrests and several hundred deportations for society offences. This first major post-war anti-triad campaign occurred partly because of triad criminal involvement in serious riots between Nationalist and Communists sympathisers in October 1956 (related to 'double 10' celebrations¹⁰⁸) that had periodically threatened serious public order, and stretched the policing resources of the colonial government.¹⁰⁹ Arrests for Societies Ordinance offences increased from less than 100 in 1955/56 to peak at 3521¹¹⁰ in 1959/60 before declining to 110 in

¹⁰² P. N. S. Lee, 'The Causes and Effects of Police Corruption: A Case for Political Modernization', in R. P. L. Lee (ed.), *Corruption and its Control in Hong Kong* (Shatin: Chinese University Press, 1981), pp. 105-30; Fight Crime Committee, *A Discussion Document on Options for Changes in the Law and in the Administration of the Law to Counter the Triad Problem*.

¹⁰³ T. W. Lo, *Corruption and Politics in Hong Kong and China* (Buckingham: Open University Press, 1993), pp. 121-6; see also H. Litton, 'The Carrion Trial: Cause for Concern', *Hong Kong Law Journal*, vol. 18, no. 1 (1986), pp. 5-10.

¹⁰⁴ T. W. Lo, 'Beyond social capital', shows the role of Sun Yee On in the China Prosperity Holding case and its principal Heung Wah Shing.

¹⁰⁵ V. M. Leong, 'The "Bate-Ficha" Business and Triads in Macau Casinos', in Broadhurst (ed.), *Crime and its Control in the People's Republic of China*, pp. 241-53; S. H. Lo, 'Casino Politics, Organized Crime and the Post-Colonial State in Macao', *Journal of Contemporary China*, vol. 14 (2005), pp. 207-24.

¹⁰⁶ L. Y. Zhong, *Communities, Crime and Social Capital in Contemporary China* (Devon, UK: Willan, 2008), Chapter 7; Xia, 'Assessing and explaining the resurgence of China's Criminal Underworld'; Choi, 'Triad invasion growing'; Wang, Zhou and Jiang, 'Penetration into Guangdong by Triads from Hong Kong, Macau and Taiwan'.

¹⁰⁷ Chapter 151, Societies Ordinance, HKSAR, 1950 (originally 28 of 1949).

¹⁰⁸ Double-Ten refers to the 10th day of the 10th month the foundation date of the Guomindong.

¹⁰⁹ Morgan, *Triad Societies in Hong Kong*; N. J. Miners, *The Government and Politics of Hong Kong* (Hong Kong: Oxford University Press, 1986), Chapter 1; Lethbridge, *Hard Graft in Hong Kong*, p. 72; H. Traver, 'Controlling Triads and Organized Crime in Hong Kong', *Hong Kong Journal*, no. 14 (April 2009), pp. 1-9.

¹¹⁰ A further 32 cases of acting for a triad are noted in the Annual Report of the Commissioner for Police 1959-60, Government Printer, HK.

1967/1968.¹¹¹ HKP methods of counting triad-related offences varied over the period and are not entirely comparable until the late 1960s. For example, in the immediate post-war period deportation of suspected triads was common and arrests for triad membership were usually associated with other criminality. Reports or arrests for unlawful assembly and acting for a triad were sometimes included or counted separately and reporting periods shifted from fiscal to calendar year.¹¹²

In 1958 the establishment of the specialist and intelligence focused Triad Society Bureau¹¹³ within the HKP had a significant impact but was soon challenged by growing evidence of systemic corruption within the HKP linked to triads.¹¹⁴ A widespread lack of confidence in the police capacity to deal with corruption and concerns about public disorder engendered by triads lead to the creation in 1974 of a specialist agency outside the HKP to investigate bribery and corruption: the Independent Commission Against Corruption (ICAC).¹¹⁵

During the initial phase of the second anti-triad campaign following the establishment of the ICAC, over 14,000 arrests (14,269) for membership offences alone were recorded from 1974 to 1977. By 1978 the Royal Hong Kong Police (RHKP) could assert that, "Triad societies exist largely in name only, having degenerated from strictly controlled, politically motivated organisations into loose-knit gangs of criminals that merely usurp the names of triad societies of the past".¹¹⁶ The apparent fragmentation of the triads was not permanent and by the 1980s a reassessment was underway, in part

¹¹¹ Lethbridge, *Hard Graft in Hong Kong*: pp. 71-3; Traver, 'Controlling Triads and Organized Crime in Hong Kong', p. 3; In the period 1948-1951 police noted the impact of the collapse of the Nationalist government with the arrival of "formidable formations" of the northern and Shanghai 'Green Pang' triads and reinforcements of 'Red Pang' triads from Canton; see Hong Kong Annual Report by the Commissioner of Police for the year ended the 31st March, 1950, Government Printer, HK, p. 21.

¹¹² See variously: Annual Report on Hong Kong Police Force, 1946-1947 (Appendix Z); Report of the Commissioner of Police For the Year 1948-49; Hong Kong Annual Report by the Commissioner of Police for the year ended the 31st March, 1950; Annual Departmental Report by the Commissioner of Police for the Financial Year 1950-1; and thereafter Annual Reports of the Commissioner of Police, Government Printer, HK.

¹¹³ The Triad Society Bureau was reformed in 1978 to address serious triad crime and was incorporated into the new Organized Crime Bureau in 1979. In 1983 the Triad Society Division was disbanded and the Organized and Serious Crime Group was established and later in 1991 reformed as the Organized Crime and Triad Bureau. There was speculation that the unit was disbanded due to the efforts of a senior officer who may have been triad-related.

¹¹⁴ T. S. Cheung and C. C. Lau, 'A Profile of Syndicate Corruption in the Police', in Lee (ed.), *Corruption and its Control in Hong Kong*, pp. 199-221; Lethbridge, *Hard Graft in Hong Kong*; A. Wu, 'Hong Kong's Fight Against Corruption Has Lessons for Others', *Hong Kong Journal*, no. 2 (April 2006), <www.hkjournal.org> [Accessed 9 May 2009].

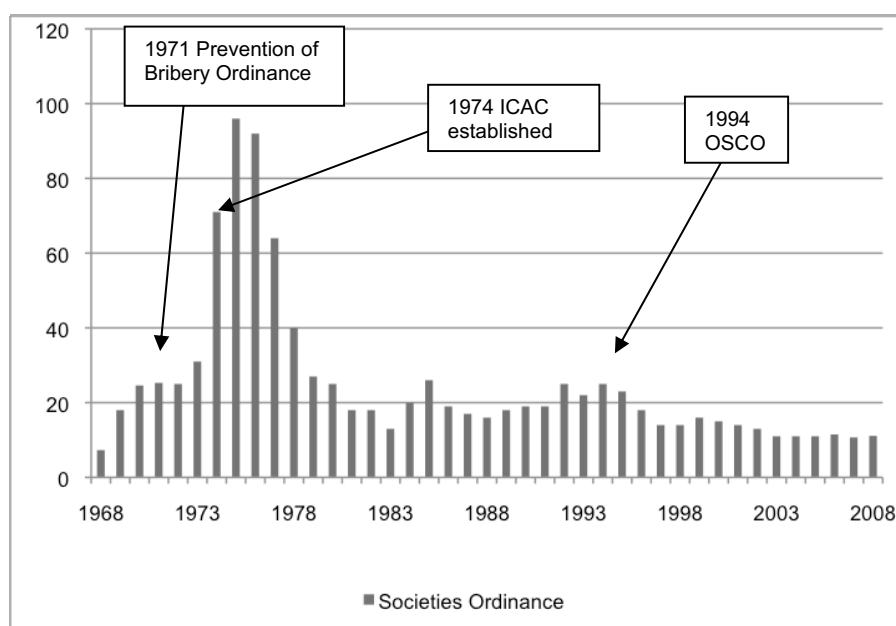
¹¹⁵ Wu, *Ibid.*; Traver, 'Controlling Triads and Organized Crime in Hong Kong'.

¹¹⁶ Annual Report of the Commissioner of Police 1978 cited in Traver, 'Controlling Triads and Organized Crime in Hong Kong', p. 4 and repeating claims made by previous Commissioners—see Annual Report of the Commissioner of Police 1965-1966, Government Printer, HK.

forced by US concerns over HK's role in the growth of the illicit drug trade.¹¹⁷ The 'triad menace' was once again 'defeated' by the HKP but similar declarations in the early 1950s, mid-1960s and again in the early 1980s proved premature as triads re-surfaced after the dispersal of dedicated police resources.

Figure 1: Trend in reports of Society Ordinance ('unlawful society') offences

(Rate per 100,000 population 1968–2008)



Source: RHKP Annual Reports 1968-1997 and HKP Police Review 1998-2008

Average annual arrests of alleged triad members have fallen steadily from the peak of 2745 in 1972-1976, to 1651 arrests in 1977-1981, 1337 in 1991-1995 down to an average of 780 arrests in 2000-2008. The age of offenders arrested for these offences has also increased over time suggesting the attraction of dark societies may be fading for new generations: about 56 percent were under 21 years of age in 2008 compared to 72 percent in 1989.¹¹⁸ Recorded crime of course may not accurately reflect changes in crime but rather measures police activity and the relative visibility of triads:

¹¹⁷ Dobinson, 'Pinning a Tail on the Dragon'; Chin, *The Golden Triangle*, pp. 118-9.

¹¹⁸ HK Police Review 2008, <<http://www.police.gov.hk/hkp-home/english/publications/reviews.htm>> [Accessed 7 September 2009]. In 1959 only 8 percent of those arrested for triad offences were under 21 and 59 percent were older than 31 years of age, again suggesting the transformation of triads to dark societies.

nevertheless arrests for membership offences are now less than a third of the peak period post ICAC and subsequently continue to decline after the introduction of the Organised and Serious Crime Ordinance (OSCO) in 1994 (see below).

TRIADS: ORGANISATION AND VIOLENCE

The role of violence, especially lethal violence, is a key feature of criminal groups and its use offers one of the few windows into the nature of triads and the 'control and command' functions of such groups. Cressey's (1969)¹¹⁹ controversial portrayal of the mafia as a criminal organisation that monopolised racketeering through the centralisation of power (via measured use of violence and corruption to neutralise law enforcement) re-stimulated interest in the morphology of organised crime.¹²⁰ Others recognised that interdependent networks of criminal groups, flexible structure, fluid relationships between licit and illicit business enterprises, and the wider political-economic system reflected the complexity of organised and disorganised crime.¹²¹ McIlwain for example, argued for a social network approach that 'transcends' and connects the dominant paradigms (i.e. organisational, patron-client and enterprise theories) that are offered to explain organised crime.¹²² Network theory partly overcomes the problem of assuming 'enterprise' crime is centralised and that crime groups must be organised accordingly. Triads tend to operate as franchise-like arrangements with members acting independently of the affiliation, although owing dues.¹²³

The form of command and organisation in a crime group and the relationships with other crime groups bears on the effectiveness of control over the use of violence. Crime enterprises it might be assumed will seek to

¹¹⁹ D. R. Cressey, *Theft of the Nation: The Structure and Operations of Organized Crime in America* (New York: Harper and Row, 1969).

¹²⁰ The 1985 New York 'Commission' case brought under the 1970 Racketeer Influenced and Corrupt Organizations Act showed that the five Mafia crime families based in New York enjoyed continuity and cooperated together in loose confederacy to minimise competition (and violence) and enhance stability and profits from their illicit enterprises: see J. B. Jacobs, C. Freil and R. Radick, *Gotham Unbound* (New York: New York University Press, 1999); S. Raab, *Five Families* (London: Robson, 2005).

¹²¹ F. J. Ianni and R. E. Ianni, *A Family Business: Kinship and Social Control in Organized Crime* (New York: New American Library, 1973); Reuter and Rubinstein, 'Fact, Fancy, and Organized Crime'; Smith, 'Paragons, Pariahs, and Pirates: A Spectrum-Based Theory of Enterprise'; Reuter, 'The Decline of the American Mafia'. Illicit drug markets are essentially 'disorganised' in the sense that most players have little influence over price and face constant competition.

¹²² McIlwain, 'Organized Crime: A Social Network Approach' draws on J. Albanese, 'Models of Organized Crime', R.J. Kelley, K.L. Chin and R. Schatzberg (eds.), *Handbook of Organized crime in the United States* (Westport, CT: Greenwood, 1994), pp 77-90; see also Morselli, *Inside Criminal Networks*.

¹²³ Chu, *The Triads as Business*, Ip, 'Organized Crime in Hong Kong'; J. McKenna, 'Organised Crime in Hong Kong', *Journal of Contemporary Criminal Justice*, vol. 12, no. 4 (1996), pp. 316-28. For further discussion especially the limitations of the enterprise approach and the broader social functions of mafia-like organised crime see Paoli, 'The Paradoxes of Organized Crime'.

apply violence in rational and measured ways for instrumental or profit inducing reasons; while 'brotherhoods' may also use violence to settle emotive matters of honour and status; and networks may encourage a diverse range of violence perhaps of a hybrid (motive) nature but centred on contract violation.¹²⁴

Gambetta (1993)¹²⁵ argued that Sicilian Mafiosi were not primarily entrepreneurs involved in dealing with or producing illegal goods but in licensing and selling protection to the provider of illicit services or goods. Protection was a tradable commodity that played a role in economic exchange by ensuring that an illicit or licit business deal was undertaken in the absence of legal enforcement. Violence was not only employed for the enforcement of illicit contracts/deals or discipline but also for competition among Mafia protectors to gain the essential reputation required to supply credible protection. Criminal associations that specialised in the distribution of illicit goods and services were more durable than those based on violence and that (irrationally) sought to monopolise illicit markets: the latter ultimately disrupted the markets and shortened their own existence.¹²⁶

HK triad societies were financed primarily by franchising their brand of violence to street-level triad-related gangs to help provide protection services to either legitimate or illegitimate businesses.¹²⁷ The acquisition of illicit markets thus relied on the reputation of the triad 'brand', and a readiness to publicise the violence—violence was essential to enforce contracts and discipline and to eliminate competitors.¹²⁸ Consequently violence, especially between competing street triad-related gangs over protection of vice and other illicit services, centered on matters of honour and reciprocity, competition over territory or markets, enforcement of illicit contracts and internal discipline.

However, crime groups are more than profit-pursuing enterprises; they also fulfil social functions as part of a larger social system.¹²⁹ The sub-cultural or non-economic aspects of crime groups, such as secrecy, loyalty and brotherhood, and 'righteousness', are equally critical to long-term success

¹²⁴ Lee, Broadhurst and Beh, 'Triad-Related Homicides in Hong Kong'; Lee, 'Triad-related Homicide 1989-1998'.

¹²⁵ D Gambetta, *The Sicilian Mafia: The Business of Private Protection* (Cambridge, Mass.: Harvard University Press, 1993). Gambetta's essentialist approach has been criticised by Paoli as ignoring the "polyvalence of mafia groups", Paoli, 'The Paradoxes of Organized Crime', p. 72; see also P. Arlacchi, *Mafia Business: The Mafia and the Spirit of Capitalism* (Oxford: Oxford University Press, 1986).

¹²⁶ A. A. Block, *East Side-West Side: Organizing Crime in New York 1930-1950* (New Brunswick, New Jersey: Transaction, 1983).

¹²⁷ Chu, *The Triads as Business*; McKenna, 'Organised Crime in Hong Kong'.

¹²⁸ Chu, *The Triads as Business*; Yue, 'Reading the Signs: Recognising Triad Punishment'; Paoli, 'The Paradoxes of Organized Crime'; Lee, Broadhurst and Beh, 'Triad-Related Homicides in Hong Kong'.

¹²⁹ A. K. Cohen, 'Concept of Criminal Organisation', *British Journal of Criminology*, vol. 17, no. 2 (1977), pp. 97-111.

and are the foundations of the discipline of the triad society.¹³⁰ The complexity of the connections between triads and crime can be simplified by demystifying the cultural aspects that have tended to obscure their functional nature. Mak,¹³¹ in a seminal study of Malaysian Chinese secret societies, noted that they were both cooperative and competitive groups functionally interdependent ('symbiotic') on other groups and institutions in the larger society. This underworld was characterised by competitive relationships that arose from conflicts over traditional inter-group grievances, ideological differences, and monopolisation. The inadequacy of legal norms in colonial society was the basis for the protective role—the 'strong arm' that ensured the persistence of criminal secret societies as quasi shadow states.¹³²

Lee¹³³ drew on Mak¹³⁴ to describe the nexus between triad societies and their associated youth 'gangs' and crime networks. A dynamic form of symbiosis between triad groups, criminal entrepreneurs and delinquent businesses, officials and professionals was associated with triad-related lethal violence. The mutual-aid orientation of triad societies also engendered a competitive nature that served to link other criminal groups. Triad societies served a protective role (although this could slip to extortion and develop into criminal enterprise) in the command structure of criminal and, in some cases, non-criminal enterprises.

In order to gain control over illicit opportunities, counter threats from other criminal groups or law enforcement, or to expand and develop the common interest, triad societies evolved simple command or corporate-like structures.¹³⁵ The leaders or specialists that hold power in the developing corporate structure of triad societies detached from the ordinary unskilled members and offered their services in illicit markets. The symbiotic participation of triad societies in organised crime was thus facilitated by such individuals. They played a strategic role in both the underworld and the larger society, forming the essential networks that aided illicit business.¹³⁶ Mak called them 'double-role players' who were the most experienced triads with the skills, connections and abilities to contribute effectively to the particular organised crime activity. Profitable roles such as the 'strong arm'

¹³⁰ Paoli, 'The Paradoxes of Organized Crime'.

¹³¹ Mak, *The Sociology of Secret Societies*.

¹³² Hawley's ecological theory of community integrated by Mak with Hobsbawm's analysis of banditry and business and the concept of anomie is retained here as a metaphor of the dynamic symbiosis among competing but sometimes cooperating triads: homeostasis would be rare. See A. H. Hawley, *Human Ecology: A Theory of Community Structure* (New York: Ronald Press, 1950); E. J. Hobsbawm, *Primitive Rebels: Studies in Archaic Forms of Social Movement in the 19th and 20th Centuries* (Manchester: Manchester University Press, 1959).

¹³³ Lee, 'Triad-related Homicide 1989–1998'.

¹³⁴ Mak, *The Sociology of Secret Societies*.

¹³⁵ *Ibid.*

¹³⁶ See for a similar network perspective Milward and Raab, 'Dark Networks as Organizational Problems: Elements of a Theory'.

in a protection market become the stable commodity offered by the triads but other skills such as those of the financier or negotiator were also valued.

THE NEXUS BETWEEN TRIADS, ORGANISED CRIME AND LETHAL VIOLENCE

The complex nexus between organised crime and triad societies may be partially revealed by examining the nature of lethal violence associated with triad membership and organised crime. The production and provision of illegal goods and services are supported by different roles played by illegal entrepreneurs, triad specialists, delinquent professionals, corrupt police and other officials. Illegal entrepreneurs invest and exploit illicit markets and are connected to the customers of these markets by the 'protection' provided by triads. Triads that compete over occupational and geographical territory also develop a simple command structure with leaders as the principal specialists who can mobilise their members for internal tasks or those required by illegal entrepreneurs. Given the activities created by street-level triads and their engagement with other triad actors in illicit/licit business, patterns of violence emerge that are somewhat predictable.¹³⁷

The activities of triads often expose them to contests over status or territory. While violence is common-place in such contests, lethality is seldom intended. Limited access to firearms also reduced the risk of fatalities. Excessive power, territorial or honour contests are disruptive to the market of organised crime and attract unwanted attention by the police and the press. These events may also deter customers from seeking the illicit services provided. Although some triad-related homicides appear 'reckless' (especially between young affiliates), such events contribute to reputation but are significantly less frequent than ever before.¹³⁸ Only triads with a reputation in protection can occupy an enforcement niche in organised crime.

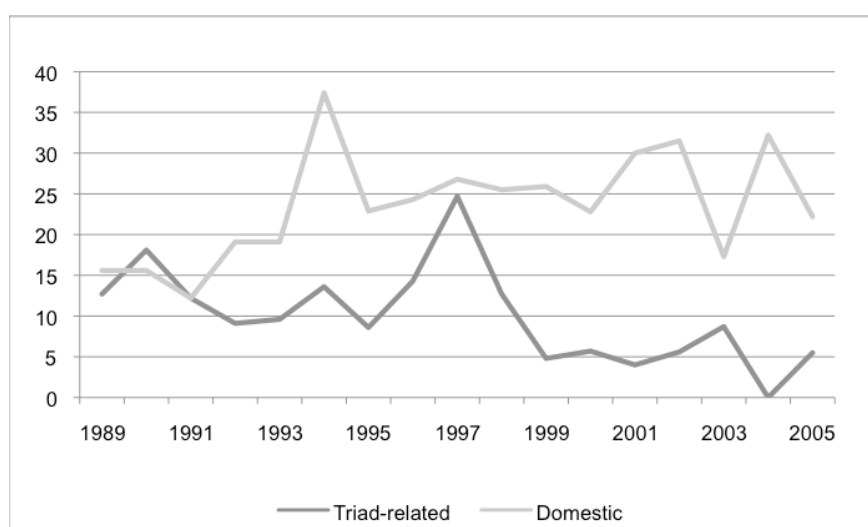
A disproportionate amount of violent crime has been associated with triads but lethal violence appears in decline and in the general context of a significant fall in homicide rates since the early 1990s. Figure 2 describes summary trends in the proportion of triad-related homicides compared to domestic and intimate related homicides. In 1997 about a quarter of homicide victims were triad-related but were less than one in twenty of all homicides in 2001 and no cases were identified in 2004. Although the homicide rate in HK is relatively low, the proportion of homicides involving triads has been high: 12 percent of homicide events (n=95) in the ten-year period (1989-1998), accounting for 13 percent of all homicide victims

¹³⁷ B. Paciotti, 'Homicide in Seattle's Chinatown, 1900-1940: Evaluating the Influence of Social Organizations', *Homicide Studies*, vol. 9 (2005), pp. 229-55.

¹³⁸ The long term average rate of homicide was 1.28 per 100,000 between 1989-2003 at approximately 80 cases per annum but the rate ranged from 2.4 (n=102) in 1990 to 0.64 (n=45) per 100,000 in 2000).

(n=124) involving 504 known offenders.¹³⁹ As, to be expected, most cases involved conflicts between groups and thus a single victim/multiple offenders pattern¹⁴⁰ was the most common, although cases of multiple victims and offenders also occurred and a few involved assassination-like murders where the number of offenders was unknown. In the later period 1999-2005, the proportion of triad-related murders averaged less than half of that in the period 1989-1998 (4.9 percent of all homicide cases). The risk of a triad member becoming a homicide victim, although low, was estimated to be approximately 13 times greater than that of a non-triad member.¹⁴¹

Figure 2: Trends in the proportion of triad-related homicide victimisation in HK 1989-2005



Source: HKHMDB 1989-2005¹⁴²

Since 2005 homicides overall have remained low and triad-related homicides are infrequent;¹⁴³ however, to date a few cases have been reported in 2009

¹³⁹ Lee, Broadhurst and Beh, 'Triad Related Homicide in Hong Kong 1989-1998: A Preliminary Description'.

¹⁴⁰ As few as 8.3 percent of cases were attributed to a lone offender: Ibid., p. 272.

¹⁴¹ Ibid., p. 267, n. 15.

¹⁴² S. L. Beh, R. G. Broadhurst, C. Y. Chan, and K. W. Lee, 'Lethal Violence in Hong Kong: Trends and Characteristics', Li Ka Shing Faculty of Medicine and the Centre for Criminology, University of Hong Kong, unpublished report, December 2006. Note if events rather than victims are counted—the two arson cases in 1990 and 1997 would flatten the trend line to a consistently lower pattern for triad-related homicides (see note 118).

¹⁴³ As few as 18 homicide cases were recorded in 2007, 35 in 2006, 34 in 2005 and 36 in 2008 (HKP Annual Report, 2007); see also 'Overall Law and Order Situation Remains Stable', *Offbeat*, Issue 888 (11-24 February 2009). In 2008, no case of triad-related homicide was identified by the HKP among the 34 recorded to the end of October 2008; P. So, 'Rise in Murder Rate Played Down', *South China Morning Post*, 21 November 2008, p. 3.

in respect to street-level drug dealing and protection in a district wholesale fruit market.¹⁴⁴

In order to illustrate how homicide might be used to understand the significance and role of triad related violence we draw on detailed case descriptions of triad-related homicide in HK over the period 1989–1998. These cases show that the largest number of lethal events (49.5 percent) occurred between competing lower-rank triads often involved in street-level crime. These fatal events were diverse, sometimes combining honour-like contests with long or short-term disputes over territory. Lethal violence between competing illicit entrepreneurs occurred in a fifth of the fatal cases (21.1 percent). The 'discipline' of customers of illicit goods and services also comprised a significant proportion of fatalities (16.8 percent), some associated with unpaid debts.¹⁴⁵ Internal punishment of a triad was less common (13.8 percent) but occurred equally in the context of the street-level group or the network-like syndicate. Overall the use of firearms was relatively rare (9.7 percent or 12 victims¹⁴⁶) and lethality restrained when compared to other crime groups, such as the "armed businessmen" of the *Camorra*.¹⁴⁷ Access to firearms in HK is strictly controlled and limited to the disciplined services.¹⁴⁸

Countermeasures, Social Change and Triad Societies

SUPPRESSION OF TRIAD SOCIETIES¹⁴⁹

Since 1845 HK colonial governments have attempted to eradicate triads by outlawing membership and attendance of meetings of unlawful societies.¹⁵⁰ Concern about the role of Chinese secret societies continued throughout the early colonial period with frequent amendments to the law often prompted by the turmoil created by the weakening Qing imperial state and civil war that followed the formation of the republic. Amendments in 1911, for example, required all societies to be registered or exempted by the Commissioner of

¹⁴⁴ C. Lo, 'Police Brace for Triad Revenge Strikes after Twin Attacks', *South China Morning Post*, 24 July 2009, p. 3; M. Wong and B. Crawford, 'Triad's Murder may Be Linked to Turf War', *South China Morning Post*, 6 August 2009, p. 1.

¹⁴⁵ The proportion of 'customer' deaths is amplified by the multiple fatalities of unintended victims arising from the arson of a nightclub and mahjong parlour that occurred during the study period. Cases of this type accounts for the especially high number of triad-related deaths that occurred in 1990 and 1997 (see Figure 2).

¹⁴⁶ Lee, Broadhurst and Beh, 'Triad related homicides in Hong Kong', p. 4.

¹⁴⁷ R. Saviano, 'Reply', *Global Crime*, vol. 10 (2009), pp. 276-9, p. 277.

¹⁴⁸ Firearms and Ammunition Ordinance (Cap. 238, Laws of Hong Kong).

¹⁴⁹ Several versions of the Societies Ordinance have been in force since 1845, including changes in 1887, 1911, 1920, 1964 and 1997. The 1964 amendment recognised the breakdown in the traditional triad structures and the need to widen the scope to include imitators and proto-triad groups that appropriated triad nomenclature to instil fear (Traver, 'Controlling Triads and Organized Crime in Hong Kong'; Bolton, Hutton and Ip, 'The Speech-Act Offence: Claiming and Professing Membership of a Triad Society in Hong Kong', citing the HK Police Commissioner's Report for 1965/1966).

¹⁵⁰ Societies Ordinance (No 8 of 1887).

Police (the Registrar of Societies) and defined 'society' very broadly—an unregistered society was thus unlawful. Amendments in 1920 specifically made it unlawful for any society to "excite tumult or disorder in China or excite persons to crime in China".¹⁵¹ After triad-incited riots and the rapacious conduct of triads during the Japanese occupation of 1941–1945, the early anti-triad legislation was further modified and the Societies Ordinance enacted in 1949 to prohibit triad society. The Societies Ordinance (s. 18) defined an 'unlawful society' as:

a triad society, whether or not such society is a registered society or an exempted society and whether or not such society is a local society; or a society in respect of which, or in respect of whose branch, an order made under section 8 is in force¹⁵² ... every society which uses any triad ritual or which adopts or makes use of any triad title or nomenclature shall be deemed to be a triad society.¹⁵³

The offence of membership or acting as a member of a triad (s 20(2)¹⁵⁴) has been deliberately "caste wide...to enable triad type activities to be stamped out" (*HKSAR v Chan Yuet Ching* 2008¹⁵⁵). The prosecution need not prove that a person was a society member but rather acted "in a manner which emulated the actions of a member of a triad".¹⁵⁶ The HK courts have been consistent in recognising the inherent difficulties in establishing formal membership and readily admit the evidence of police officers who undertake the dangerous work of infiltrating triads.

Initially, the primary role of the colonial police was to protect British interests by ensuring a stable environment for trade in an inherently unstable milieu exemplified by the disastrous Tai-ping rebellion of the 1850s and the civil

¹⁵¹ Societies Ordinance (No 47 of 1911) and Societies Ordinance (Chapter 8 of 1920).

¹⁵² Section 8 (1) more broadly authorises that "The Societies Officer may recommend to the Secretary for Security to make an order prohibiting the operation or continued operation of the society or the branch (a) if he reasonably believes that the prohibition of the operation or continued operation of a society or a branch is necessary in the interests of national security or public safety, public order or the protection of the rights and freedoms of others; (b) if the society or the branch is a political body that has a connection with a foreign political organisation or a political organisation of Taiwan". The final part of section 8 reflects HK's change of sovereignty and concerns about limiting the role of foreign actors (amendments retrospectively made in 1999 for effect from 1 July 1997).

¹⁵³ Section 19 prohibits anyone being or professing to be an office-bearer or managing such societies and s. 20 precludes any triad membership, attending a triad meeting or providing assistance of any kind. The maximum penalty is a fine of HK\$100,000 and imprisonment for three years.

¹⁵⁴ Section 20 (2) reads "Any person who is or acts as a member of a triad society or professes or claims to be a member of a triad society or attends a meeting of a triad society or who pays money or gives any aid to or for the purposes of a triad society or is found in possession of any books, accounts, writings, lists of members, seals, banners or insignia, of or relating to any triad society or to any branch of a triad society whether or not such society is established in Hong Kong, shall be guilty of an offence and shall be liable on conviction on indictment", Societies Ordinance Cap 151.

¹⁵⁵ *HKSAR v Chan Yuet Ching*, Magistracy Appeal No 313 of 2008.

¹⁵⁶ *Ibid.*

war in the 1940s. Managing the public order consequences of the political and social instability in China was thus partly addressed by the Societies Ordinance and, according to Traver, encouraged a tradition of viewing triads as a domestic problem amenable to a local policing solution.¹⁵⁷ However, in the post-war period the legitimacy of colonial government was also premised on the promise of good governance, and efforts were directed at ensuring a corruption-free government, especially among its most visible service—the police.

Suppression of corruption and bribery among police had been a significant priority of the first post-war Commissioner of Police D. W. MacIntosh¹⁵⁸ and his successors, in particular Commissioner Charles Sutcliffe (1969), but despite genuine efforts by the HKP Anti-Corruption Office to manage anti-corruption (in accordance with the Prevention of Bribery Ordinance 1971¹⁵⁹) a series of scandals involving corrupt officers led to political intervention and the establishment of an independent agency (i.e. ICAC).¹⁶⁰ Following the Sino–British agreement (1984) on the return of HK to China, further efforts were made to improve and legitimise governance in the colony, for instance through the localisation of the police, the rapid promotion of Chinese officers and similar changes in other public services. Attempts to recast the colonial gendarmerie into a service-style policing agency were largely successful although the effectiveness of community policing approaches were limited in curtailing triad activity.¹⁶¹ These reforms greatly enhanced the legitimacy of the HKP and it now enjoys one of the highest approval ratings of any police service surveyed by the United Nations International Crime Victim Survey (UNICVS).¹⁶²

With the establishment of the ICAC in 1974, and its enabling ordinance, a significant outcome was to sever the symbiotic link between the police and

¹⁵⁷ Traver, 'Controlling Triads and Organized Crime in Hong Kong'.

¹⁵⁸ Commissioner D. W. MacIntosh referred to the widespread prevalence of corruption: "Lack of assistance from the public gravely hampers suppression of this evil in which certain elements of the public play so large and guilty a part as accomplices and active instigators. These, who would seek to corrupt the public servant to ease circumvention of the law, are amongst Society's worst and most despicable enemies, yet the degree of tolerance accorded them by the community which they endanger is astonishing", Annual Report of the Commissioner of Police 1950-1951, Government Printer, HK, at para. 133.

¹⁵⁹ A specialised Anti-Corruption Bureau had been set up in 1952 to enforce the 1948 Prevention of Corruption Ordinance (Chapter 215) but not an entirely independent body of the ilk of the Corrupt Practices Investigation Bureau established in Singapore about the same time and a model for the ICAC.

¹⁶⁰ Lethbridge, *Hard Graft in Hong Kong*, provides a comprehensive account of the events surrounding the establishment of the ICAC and the *cause celebre* case of Chief Superintendent Godbar who was able to flee HK while under investigation by the ICAC for corruption.

¹⁶¹ R. W. K. Lau. 'Community Policing in Hong Kong: Transplanting a Questionable Model', *Criminal Justice*, vol. 4. (2004), pp. 61-80.

¹⁶² J. M. Van Dijk, J. N. van Kesteren and P. Smit, *Criminal Victimization in International Perspective: Key Findings from the 2004–2005 ICVS and EU ICS* (The Hague: Boom Legal Publishers, 2008).

triads.¹⁶³ The ICAC was zealous in enforcement despite a proto-mutiny of many police in response to its special powers that led to a controversial 'partial amnesty' being granted for minor corruption that had taken place prior to November 1977.¹⁶⁴ Along with powers to compel witnesses and to examine unexplained wealth that placed the burden of establishing the bona fides of the income on the defendant, the anti-corruption agency became a model for anti-corruption reforms.¹⁶⁵

However, the breakdown of the systemic corruption in the HKP initially led to a crime wave in the mid 1970s and also peak arrests for triad-related offences. The symbiosis between police and triads, Lethbridge argued, was strengthened in the critical 1967 Maoist riots when the triads become 'allies' of the police and subsequently criminal enterprise and police corruption increased.¹⁶⁶ Thereafter the increase in crime was also accounted for by Traver: 'To the extent that the business of organised crime is business, it was in the interests of both organised crime and the police that order be maintained. Peace breeds profits'.¹⁶⁷ In addition, the existence of triads could also justify increases in resources and police powers—so amplification of the threat of the triads remained a resource.¹⁶⁸ In such a symbiotic stage, the legitimate political and economic sectors become dependent upon the once parasitic crime network. Organised crime and corruption was no longer only a law enforcement problem (at least at the senior level), but an acute problem of public policy.¹⁶⁹

The colonial government's reliance on the Societies Ordinance to suppress triads was premised upon the persistence of hierarchical command structures described by Morgan in the 1950s and an under-estimation of the extent of the corruption problem. Morgan's informants were for the most part displaced Nationalist triads whose involvement in illicit markets established

¹⁶³ P. N. S. Lee, 'The Causes and Effects of Police Corruption: A Case for Political Modernization', in Lee (ed.) *Corruption and its Control in Hong Kong*, pp. 105-30; T. S. Cheung and C. C. Lau, 'A Profile of Syndicate Corruption in the Police Force', in Lee (ed.) *Corruption and its Control in Hong Kong*, pp. 181-93; Lethbridge, *Hard Graft in Hong Kong*, Chapters 2-4.

¹⁶⁴ *Ibid.*, pp. 134-45.

¹⁶⁵ J. R. Heilbrunn, 'Anti-Corruption Commissions: Panacea or Real Medicine to Fight Corruption?' (Washington, DC: The International Bank for Reconstruction and Development /The World Bank, 2004) Stock No. 37234; T. W. Lo, *Corruption and Politics in Hong Kong and China*.

¹⁶⁶ Lethbridge, *Hard Graft in Hong Kong*, p. 73; such an alliance was reminiscent of the role of the green gang in the suppression of the communists in 1927 in support of the nationalist government and there-after with the full support of the international settlement Shanghai Municipal Police: see Wakeman, *Policing Shanghai 1927-1937*, pp. 123-4.

¹⁶⁷ H. Traver, 'Crime Trends', in H. Traver and J. Vagg (eds), *Crime and Justice in Hong Kong* (Hong Kong: Oxford University Press, 1991), p. 18.

¹⁶⁸ Bolton, Hutton and Ip, 'The Speech-Act Offence: Claiming and Professing Membership of a Triad Society in Hong Kong'.

¹⁶⁹ N. S. Lee, 'The Causes and Effects of Police Corruption: A Case for Political Modernization'; H. C. Kuan, 'Anti-Corruption Legislation in Hong Kong—A History', in Lee (ed.), *Corruption and its Control in Hong Kong*, pp. 15-44; P. A. Lupsha, 'Transnational Organized Crime Versus the Nation-State', *Transnational Organized Crime*, vol. 2, no. 1 (1996), pp. 21-48.

through war-time profiteering was limited by a focus on politics, ritual and fraternity. This cultural focus under-emphasised the symbiosis that arose within the dynamic forms of risk-averse crime groups—many with no triad affiliation. Triad rituals and symbols were readily disguised and display curtailed. In short, the traditional tactics of suppressing triads via outlawing membership was not particularly effective in curbing organised crime in the context of widespread corruption. Attempts to weaken triads through a widely promoted and innovative renunciation scheme during the 1980s may have been more effective in severing ties and helping de-stigmatising known triads if the Triad Renunciation Scheme had been better resourced and continued for longer.¹⁷⁰ Few 'active' triads, however, participated¹⁷¹ and so little knowledge was gained that might have been used against triads.

Ngo¹⁷² has argued that the general context upon which crime control operated was the powerful influence of the commercial and financial class in the form of a state–capital alliance, with a laissez faire ideology that reflected the trade priority of the colonial government—one that was reluctant to overly regulate enterprises, even dubious commercial activities that often involved triad societies.¹⁷³ Although this non-interventionist stance characterised HK government policy, it was not able to prevail in the changed circumstances where the legacy of the (British) rule of law and independence of the public service were crucial to the dignified retreat of the colonial state. The pro-business rationale of the colonial state was reformed around the notion of neutrality in respect to the governance of both British and Chinese enterprises and the promotion of competitiveness. Goodstadt argued that this re-legitimisation resulted in a greater protective role for the late colonial and neo-colonial state—one that drove it to take action in many areas of HK life that it had previously left alone.¹⁷⁴ Liu and Chiu considered that the old alliance between business and government had become fragmented after 1997, creating in turn tensions within the emerging new elite of local Chinese and later mainland business enterprises.¹⁷⁵ These new business elites (some prone to rent seeking), as well as public expectations

¹⁷⁰ A. S. Huque, 'Renunciation, Destigmatisation and Prevention of Crime in Hong Kong', *Howard Journal of Criminal Justice*, vol. 33, no. 4 (1994), pp. 338-51. The 1989 crime victim survey found that 72 percent of respondents knew about the Triad Renunciation Scheme and 48 percent felt it had helped lessen the power of the triads although a significant number disagreed (31 percent) or didn't know (21 percent): Census and Statistics Department, *Crime and Its Victims in Hong Kong 1989* (Hong Kong: Government Printer, 1990).

¹⁷¹ Personal communication HKP, 9 July 2009.

¹⁷² T. W. Ngo, 'Industrial History and the Artifice of Laissez-Faire Colonialism', in T. W. Ngo (ed.), *Hong Kong's History* (London: Routledge, 1999).

¹⁷³ M. S. Gaylord, 'City of Secrets: Drugs, Money and the Law in Hong Kong', *Crime, Law and Social Change*, vol. 28 (1997), pp. 91-110.

¹⁷⁴ L. Goodstadt, *Uneasy Partners: The Conflict Between Public Interest and Private Profit in Hong Kong* (Hong Kong: Hong Kong University Press, 2005), pp. 119-27; see also Miners, *The Government and Politics of Hong Kong* (Hong Kong: Oxford University Press, 1986), Chapter 1; Lethbridge, *Hard Graft in Hong Kong*.

¹⁷⁵ T. L. Lui and S. W. K. Chiu, 'Governance Crisis in Post-1997 Hong Kong', *The China Review*, vol. 7, no. 2 (2007), pp. 1-34.

about greater inclusion from an indigenous government, combined to deliver real politics to a government needing to reassure business and community that it would play fair.¹⁷⁶ The three pillars of governance in HK—rule of law, personal freedom, and an effective and corrupt free civil service—became the focus of greater public scrutiny.

LEGAL DEVELOPMENTS: NEW POLICE POWERS

Developments in the criminal law in the United Kingdom (UK)¹⁷⁷ and Australia¹⁷⁸ in the late 1980s and early 1990s, where growing concern about mafia-like and other serious crime was re-shaping the policing response, also led to an acceptance of greater policing powers to counter organised crime. Harfield suggested that the creation of the national UK Serious and Organized Crime Agency in 2005 with enhanced powers recognised the limitations of conventional Anglo-Saxon policing in addressing the problem of organised crime. In this context, unburdened by the numerous policing agencies and complexities of UK policing, the HK government was able to proceed more quickly with increased investigative powers, and the prosecution of illegal entrepreneurs and others who fund, assist and derive criminal proceeds from organised crime became possible.¹⁷⁹

Thus not until nearly fifty years after the overhauled Societies Ordinance of 1950, but before HK's sovereignty was transferred to the PRC in 1997, did the colonial government enact specific measures to counter serious 'organised' crime. The enactment of the Drug Trafficking (Recovery of Proceeds) Ordinance in 1989,¹⁸⁰ the Organized and Serious Crimes Ordinance (OSCO) in 1994¹⁸¹ and later amendments and statutes granted law enforcement agencies further powers to investigate and prosecute patterns of unlawful activities associated with organised crime.¹⁸² Ancillary

¹⁷⁶ Mitchell, *Velvet Colonialism's Legacy to Hong Kong 1967 and 1997*.

¹⁷⁷ See C. Harfield, 'Paradigms, Pathologies, and Practicalities: Policing Organised Crime in England and Wales', *Policing: A Journal of Policy and Practice*, vol. 2, no. 1 (2008), pp 63-73.

¹⁷⁸ For example the establishment of the National Crime Authority (now the Australian Crime Commission) and the extension of investigative powers in respect to interception of communications were known by many police and ICAC through attendance at the Australian Institute of Police Management (Manly); see for details of the 'new investigators' M. Findlay, 'International Rights and Australian Adaptations: Recent Developments in Criminal Investigation', *Sydney Law Review*, vol. 17, no. 2 (1995), 278-97.

¹⁷⁹ Van Duyne and Vander Beken, 'The Incantations of the EU Organized Crime Policy Making', pp. 267-8 suggest that the United Kingdom 'discovered' domestic organised crime in 1993, however, by the late 1980s British authorities were engaged in addressing the limitations of the Regional Crime Squads—formations to some extent replicated in HK but greatly simplified by the single police command of the HKP; see Harfield, 'Paradigms, Pathologies, and Practicalities: Policing Organised Crime in England and Wales'; and also M. Woodiwiss and D. Hobbs, 'Organized Evil and the Atlantic Alliance: Moral Panics and the Rhetoric of Organized Crime Policing in America and Britain.' *British Journal of Criminology*, vol. 49 (2009), pp. 106-28.

¹⁸⁰ Chapter 405, Drug Trafficking (Recovery of Proceeds) Ordinance, HKSAR, 1989.

¹⁸¹ Chapter 455, Organized and Serious Crimes Ordinance, HKSAR, 1994.

¹⁸² For example, further changes introduced by the Drug Trafficking and Organized Crime (Amendment) Ordinance 2002, addressed problems in the earlier laws including substantive

laws included witness protection orders and regulated telecommunication interception to investigate crime networks. Laws for restraining and confiscating criminal proceeds initially targeted illicit drug profits and were extended to include many forms of organised crime. The enhanced penalties provided by OSCO and the more frequent use of interception technologies increased the level of risk for triads and crime syndicates.¹⁸³ However, the complexity and uneven performance of the law have led to demands for more effective measures including the introduction of civil forfeiture regimes for the recovery of criminal proceeds.¹⁸⁴ Young has argued that little impact has been made on the extent of money laundering and the presence of triads remains significant.¹⁸⁵

The 1991 preamble to the HK government's Organised Crime Bill acknowledged that the criminal law was not geared towards the prosecution of organised criminals and that police had concentrated their resources on the substantial presence of triads and the perpetrators of organised crime rather than those who influenced or controlled them.¹⁸⁶ This policy recognised the need to target both the 'head and feet' (leaders and soldiers) of organised crime syndicates regardless of triad connections. The OSCO redefined organised crime groups as any triad society¹⁸⁷ or any group of two or more persons associated solely or partly for the purpose of engaging repeatedly in offences such as drug trafficking, loan-sharking, extortion, corruption, blackmail, prostitution, illegal gambling, import of illegal immigrants, robbery, forgery and smuggling. Because a triad-related crime is defined as one that has known or suspected triad involvement,¹⁸⁸ any

and procedural issues with respect to confiscation and restraint orders, notification requirements, and legal privilege: see D. G. Saw, 'Interdicting Tainted Wealth: The Perspective from Hong Kong', *Journal of Money Laundering Control*, vol. 7, no. 3 (2004), pp. 275-80.

¹⁸³ Ibid.

¹⁸⁴ For example, James To, chair of the Legco Security panel cited in Hong Kong Hansard, 25 October 2006, p. 866.

¹⁸⁵ N. M. Young, 'Civil Forfeiture for Hong Kong: Issues and Prospects', in N. M. Young (ed.), *Civil Forfeiture for Criminal Property: Legal Measures for Targeting the Proceeds of Crime* (Cheltenham, UK: Edward Elgar, 2008). An earlier discussion of HK's role in money laundering is provided by Gaylord who notes HK tradition of financial secrecy attracts criticism but its role as a hub for such activities may have been exaggerated by the impact of capital flight in the early 1980s due to the instability created by Sino-British discussions over sovereignty: see M. S. Gaylord, 'The Chinese Laundry: International Drug Trafficking and Hong Kong's Banking Industry', *Contemporary Crises*, vol. 14 (1990), pp. 23-37. A more laudatory picture is provided in Saw, 'Interdicting Tainted Wealth'.

¹⁸⁶ Fight Crime Committee, *A Discussion Document on Options for Changes in the Law and in the Administration of the Law to Counter the Triad Problem*; Secretary for Security, *Explanatory Notes on the Organized Crime Bill* (Hong Kong: Government Printer, 1991).

¹⁸⁷ Previously the HK Fight Crime Committee had used 'organised crime', 'triad society' and 'triad gang' interchangeably to describe triads. OSCO defined 'triad society' as one which uses any ritual commonly used by triad societies, any ritual closely resembling any such ritual or any part of any such ritual; or adopts or makes use of any triad title or nomenclature.

¹⁸⁸ Hong Kong Police, *Crime Enforcement Report 1991-2000* (Hong Kong: Hong Kong Police, 2001).

violence motivated by triad identity, rivalry, revenge, or conflict may fall into the category of organised crime and thus be subject to enhanced investigative powers.

The purpose of the enactment of OSCO was to redefine organised crime offences and target the wealth of criminals and the means to launder illegal proceeds, to enhance penalties, and to prepare the ground for production of evidentiary materials, orders and witness orders. Essentially, it enhanced police capability by creating new powers of investigation and greater control over the proceeds of crime.¹⁸⁹ From enactment to 2005, OSCO enabled 26 witness orders (s. 3), 1304 production orders (s. 4), 263 search warrants (s. 5), 84 restraint orders (s. 15) with value of assets restrained HK\$6482 million, and 16 confiscation orders (s. 8) with value of assets confiscated HK\$131 million. In addition, 324 persons have been subject to the enhanced punishments provided by OSCO. Convictions for money laundering offences have increased from 84 persons in 2005 (\$HK163.28 million restrained) to 248 persons in 2008 (\$HK419.96 million restrained). Altogether 603 persons have been convicted of money laundering offences and \$HK65.67 million recovered between 2005 and 2008.¹⁹⁰ OSCO has also become an effective means of prosecuting commercial crime cases such as the London Gold Fraud, the Pyramid Selling Fraud and the Boiler Room Fraud cases (see Legislative Council Panel on Security 1997, 2005).¹⁹¹ The enhanced penalties have also been recently applied to street deception cases (Fight Crime Committee 2007).¹⁹²

Since the passage of the Prevention of Bribery Ordinance in 1971, the setting up of the ICAC in 1974, the enactment of the Drug Trafficking (Recovery of Proceeds) Ordinance in 1989, OSCO in 1994, the Witness Protection Ordinance in 2000,¹⁹³ Interception of Communications and Surveillance Ordinance 2006¹⁹⁴ and subsequent enhancements in respect to

¹⁸⁹ Young, 'Civil Forfeiture for Hong Kong: Issues and Prospects'.

¹⁹⁰ Data source the Joint Financial Intelligent Unit of the HKP and the HK Customs and Excise Department see <<http://www.jfiu.gov.hk/eng/statistics.html>> [Accessed 11 May 2009].

¹⁹¹ See Legislative Council Panel on Security, *Review of the Organized and Serious Crimes Ordinance 1995–1997* (Hong Kong: HK Government Press, 1997); Legislative Council Panel on Security, *Organized and Serious Crimes Ordinance, Report on Implementation 1997–2005* (Hong Kong: HK Government Press, 2005).

¹⁹² Especially scams such as the "Spiritual Blessing" con that targeted lonely elderly victims; see HKSAR Fight Crime Committee Report No. 27, 2007, <www.sb.gov.hk/eng/pub/fcc/> [Accessed 3 June 2009].

¹⁹³ Chapter 564, Witness Protection Ordinance, HKSAR, 2000.

¹⁹⁴ Chapter 589, Interception of Communications and Surveillance Ordinance, HKSAR, 2006: in the first 4 months of the new law 301 authorisations were made and 209 arrests (109 of whom were the initial targets of the surveillance) for a variety of offences including managing a triad, robbery, theft and bribery; see 'Report of the Annual Report of Commissioner of the Interception of Communications and Surveillance', June 2007, <<http://www.sb.gov.hk/eng/pub/>> [Accessed 11 May 2009].

assets of terrorism,¹⁹⁵ hostility towards the potential organised crime-police symbiotic relationship and crime syndicates, whether triad-related or not, has been sustained. The endemic corruption in government generally noted by numerous inquiries and scholars such as Lethbridge and N. S. Lee is no longer rampant. Corruption had provided the soil upon which the triad flourished; without it growth was limited. In these circumstances corrupt officials and organised crime groups are forced to operate in a more risky environment and thus seek out legitimate business, less hostile markets and delinquent professionals to assist them.

Social Change and Displacement

In addition to policing reforms and the establishment of a well-funded effective anti-corruption agency,¹⁹⁶ the transformation of HK's economy to one of the wealthiest in Asia (and as a service-oriented logistics hub) has also influenced attitudes toward violence and corruption. General attitudes have become less tolerant of triad violence.¹⁹⁷ Crime victim survey respondents reported fewer crimes involving triads although such estimates are subjective (see Table 1). The cultural depiction of triads also changed to less patriotic, romantic and more realist form in the popular media.¹⁹⁸ Fear of crime was among the lowest of any city surveyed by the United Nations ICVS in 2005.¹⁹⁹ The overall crime rate had also begun to decline through the 1990s, including those crimes associated with triad activities.²⁰⁰ According to victims, even commonplace triad-related crimes such as criminal intimidation, wounding and assault, blackmail, and robbery were less likely to involve recognisable triads in 2005 than in 1989.²⁰¹ However, HK's low tax system and advanced financial/bank services sector combined

¹⁹⁵ Chapter 575, United Nations (Anti-Terrorism Measures) Ordinance 2002 as amended in 2005 to reinforce seizure of assets and funds of terrorists.

¹⁹⁶ A. S. Huque, 'Organization Design and Effectiveness: A Study of Anti-Crime Organizations in Hong Kong', *International Journal of Public Administration*, vol. 18, no. 4 (1995), pp. 639-57; A. Wu, 'Hong Kong's Fight Against Corruption Has Lessons for Others', *Hong Kong Journal*, no. 2 (April 2006), pp. 1-6, <online www.hkjournal.org> [Accessed 29 May 2009]; Heilbrunn, 'Anti-Corruption Commissions: Panacea or Real Medicine to Fight Corruption?'

¹⁹⁷ Mitchell, *Velvet Colonialism's Legacy to Hong Kong 1967 and 1997*, pp. 32-3.

¹⁹⁸ D. Desser, 'Triads and Changing Times: The National Allegory of Hong Kong Cinema, 1996-2000', *Quarterly Review of Film and Video*, vol. 26, no. 2 (2009), pp. 179-93.

¹⁹⁹ Van Dijk, van Kesteren and Smit, *Criminal Victimization in International Perspective: Key Findings from the 2004-2005 ICVS and EU ICS*; only five percent of respondents felt unsafe or very unsafe walking at night.

²⁰⁰ Broadhurst, Lee and Chan, 'Crime trends in Hong Kong'.

²⁰¹ In 2005, for example, 36 percent of victims of criminal intimidation thought triads were involved compared to 45 percent in 1989 and 15 percent of assault and wounding victims thought triads were involved in 2005 compared to 37 percent in 1989 (Hong Kong Crime and its Victims, 1989, 1994, 1998, 2005). Official police reports of serious assault and wounding also showed some decline in triad involvement; see HKSAR Fight Crime Committee, *Annual Report 2002*; HKSAR Fight Crime Committee, *Annual Report 2007*, <www.sb.gov.hk/eng/pub/fcc/> [Accessed 11 May 2009].

with the absence of currency and exchange controls also encouraged money laundering, especially in aid of tax avoidance for mainland Chinese.²⁰²

Table 1: Percent of crimes reported by victim survey respondents as Triad-involved

Year	All Crimes	All Personal	All Household	Violence	Personal Theft
	% triad (DK)	% triad (DK)	% triad (DK)	% triad (DK)	% triad (DK)
1989	16.8 (34.7)	21.9 (32.7)	10.6 (37.1)	33.5 (22.1)	17.5 (36.8)
1994	15.8 (25.4)	19.4 (26.5)	12.0 (24.2)	31.9 (24.3)	13.7 (27.5)
1998	13.2 (16.7)	17.3 (16.0)	8.2 (17.5)	29.3 (13.5)	12.9 (17.0)
2005	10.2 (31.3)	13.3 (32.6)	5.6 (29.4)	17.9 (32.5)	11.2 (32.6)

Source: HK Census & Statistics Department, *Crime and Its Victims*, 1989, 1994, 1998, 2005; DK= do not know

Some triad-related activities in HK also began to become less prevalent from the 1970s and 1980s with the reduction of criminal revenue due to hostile state policies and disruption to the supply of illicit services and goods—indeed commercial vice had been in deep recession.²⁰³ Business attention shifted to the growing markets offered in Southern China with the opening of the Chinese economy in the mid 1980s.²⁰⁴ Illicit services and goods were more competitive in Southern China and attracted customers away from HK.²⁰⁵ HK residents headed north in ever larger numbers for business and shopping with the liberalisation of cross-border traffic post-1997. Many also sought out illicit services such as prostitution, pirated and counterfeit products, and drugs. For example, many HK drug users headed north to Shenzhen SEZ, the city immediately adjacent the HK–PRC border. The retail price of popular illicit drugs was often less than half the price in HK.²⁰⁶ The steady decline in the use of heroin in HK (and worldwide) since 1996 was not initially matched by the increase in ‘club drugs’, diminishing a previously lucrative market for triads in HK.²⁰⁷ Yet by 2009 ‘ketamine’²⁰⁸ and

²⁰² Bureau of International Narcotics and Law Enforcement Affairs, ‘International Narcotics Control Strategy Report 2007: Country Reports: Hong Kong’, <www.state.gov/p/inl/rls/nrcrpt/2007/vol2/html/80887.htm> [Accessed 3 April 2008]; Y. K. Kwok, ‘An Overview of the Anti-Money Laundering Laws of Hong Kong’, *Journal of Money Laundering Control*, vol. 11, no. 4 (2008), pp. 345-57.

²⁰³ Lethbridge, *Hard Graft in Hong Kong*, p. 132.

²⁰⁴ S. H. Lo, ‘Cross-Border Organized Crime in Greater South China’, *Transnational Organized Crime*, vol. 5, no. 2 (1999), pp. 176-94; Wren, ‘China Attracts Hong Kong’s Money, and Gangsters’; Goldstein, ‘China: Two Faces of Reform’; Vagg, ‘The Borders of Crime: Hong Kong Cross-Border Criminal Activity’; Xia, ‘Organizational Formations of Organised Crime in China’.

²⁰⁵ ‘Business: Mind Games; Counterfeit Goods in China’, *The Economist*, vol. 385, no. 8554 (10 November 2007), p. 102.

²⁰⁶ S. Lee, ‘Youngsters Head North to Escape HK’s Drug Crackdown’, *South China Morning Post*, 3 January 2007; C. W. Lam, K. W. Boey, O. O. Wong and S. K. Tse, *A Study of Substance Abuse in Underground Rave Culture and Other Related Settings* (Hong Kong: Action Committee Against Narcotics, University of Hong Kong, Department of Social Work and Social Administration, 2004).

²⁰⁷ HKSAR Fight Crime Committee, *Annual Report, 2006*; The Fight Crime Committee (Ibid.) noted registered heroin users declined from 16,107 in 1996 to 9,734 in 2006 while other drug

amphetamine occupied the same role as heroin once did and is widely distributed among youth. This occurs at street level, rather than 'nightclubs', where periodic conflicts between triad-related groups occur over protection of local trafficking franchises.²⁰⁹

Economic development in Shenzhen SEZ had attracted millions of rural migrants from all over China, many of whom were unemployed. The state was unable to quickly establish a reliable system of dispute settlement or create the circumstances for effective public order. There was a rapid rise in homicide in the early 1990s.²¹⁰ Elements of the emerging market economy were unprotected by law, creating a market for protection and corruption.²¹¹ In 2003 the PRC abolished the border permits controlling access to Shenzhen and abandoned the custody and repatriation system long used to expel beggars and indigents. The inadequacy of the local procurator's office, the shortage of police and corruption among them made Shenzhen more vulnerable to crime: overall crime surged with over 100,000 offences recorded in 2003. In a single year murder and assault increased by a third and kidnapping by 75 percent. Large numbers of HK visitors also became victims of crime²¹² and the Shenzhen police and courts were overwhelmed until more resources were provided.²¹³

The PRC General Administration of Customs conceded that Shenzhen had become a major gateway for drug smuggling.²¹⁴ The HKP Narcotics Bureau noted that up to a third of drug users arrested in Guangdong were from HK.²¹⁵ Triads were also active in the cross-border shipment of ephedrine²¹⁶

users increased from 3389 to 6310 cases; K. Joe-Laidler, 'The Rise of Club Drugs in a Heroin Society: The Case of Hong Kong', *Substance Use and Misuse*, vol. 40 (2005), pp. 1257-78.

²⁰⁸ Locally known, as "K-Jai" this drug is an NMDA receptor antagonist that induces 'dissociative anaesthesia'—initially associated with other illicit drugs such as ecstasy and featured in 'rave' and nightclub lifestyles.

²⁰⁹ The loci of drug distribution are in street and school: over half of arrests involve those under 21 years; Personal communication, District Regional Commander New Territories, 27 July 2009.

²¹⁰ X. Tan and K. Xue, 'The Thinking Concerning the Strengthening of Police Force under the New Situation', in *Shenzhen Political and Legal Year Book* (Shenzhen SAZ, 1997) (in Chinese); Zhong, *Communities, Crime and Social Capital in Contemporary China*, Chapter 7.

²¹¹ S. H. Lo, 'Cross-Border Organized Crime in Greater South China'; Shieh, 'The Rise of Collective Corruption in China: the Xiamen Smuggling Case'; Xia, 'Assessing and Explaining the Resurgence of China's Criminal Underworld'.

²¹² For example, around this time as many as thirty HK people per month were kidnapped by Shenzhen criminals: see Editorial, 'Soaring Crime Rate Dims Shenzhen's Luster', *South China Morning Post*, 17 January 2004.

²¹³ Crime rates peaked in 2003–2004, thereafter they declined in line with a surge in the apprehension and detention of offenders. See Zhong, *Communities, Crime and Social Capital in Contemporary China*, Chapter 7; Editorial, 'Soaring Crime Rate Dims Shenzhen's Luster'.

²¹⁴ V. Cui, 'Shenzhen is Key Gateway for Illegal Drugs Trade', *South China Morning Post*, 10 May 2006.

²¹⁵ B. Wong, 'High Rate of HK Party Drug Users Caught in Guangdong', *South China Morning Post*, 23 December 2003.

and the manufacture of amphetamine to meet the demands of the growing domestic and international market.²¹⁷ The vice-director of the Narcotics Control Bureau of the Ministry of Public Security suggested that HK syndicates had been coaching mainland criminal gangs on drug manufacture and trafficking: 'Hong Kong criminals are more experienced and have more capital to conduct the illegal activities ... they are the organisers and masterminds behind drug trafficking activities'.²¹⁸

Despite increased cross-border cooperation between Guangdong Public Security and the HKP—including the opening of a Beijing Office to assist HK citizens arrested and detained in China²¹⁹—the crime problem, including local dark society or triad-related activity, worsened in Shenzhen.²²⁰ Crime in Shenzhen became so serious that a senior police official was forced to apologise over the city's crime problem and some police were involved in providing protection to triads who operated vice premises. For example, the former director of the Public Security Bureau in Lowu (the area in Shenzhen immediately across the border of HK) was removed from her position for receiving millions of Yuan from karaoke clubs, brothels and other entertainment facilities catering to HK residents and for accepting bribes from subordinates seeking promotion.²²¹ A significant number of HK residents were also arrested for participating in HK–Shenzhen cross-border drug-trafficking syndicates, and triads were able to strengthen networks with local criminal gangs and illicit opportunities throughout China.²²² Shenzhen

²¹⁶ Ephedrine is a traditional ingredient of traditional Chinese medicine but also a precursor in the manufacture of amphetamine and, consequently, difficult to monitor as noted by the Director, Anti-Narcotics Division, Ministry of Public Security. See M. Deng, 'Narcotics Control in China: The Present and the Future', in Broadhurst (ed.), *Bridging the Gap*, pp. 227-34.

²¹⁷ L. C. Ip, 'Changing Trends in Narcotics Trade: The Hong Kong Experience', in Broadhurst (ed.), *Bridging the Gap*, pp. 235-9; Z. L. Chen and K. C. Huang, 'Drug Problems in China: Recent Trends, Countermeasures, and Challenges', *International Journal of Offender Therapy and Comparative Criminology*, vol. 51, no. 1 (2007), pp. 98-109.

²¹⁸ A. Lam, 'Drug Gangs from HK Coaching Mainlanders', *South China Morning Post*, 23 June 2006; Z. Xie, M. Hu and X. Zhou, 'Reflections on Cracking Down on Drug Crime in Guangzhou 2003', *Journal of Political Science and Law*, vol. 21, no. 2 (2004), pp. 82-4 (in Chinese); X. Zhou, 'Triad Societies in Guangdong (V)', *Journal of Political Science and Law*, vol. 19, no. 6 (2002), pp. 10-3 (in Chinese); Frederic Dannen, 'Partners in Crime: China Bonds with Hong Kong's Underworld', *The New Republic*, 14 and 21 July 1997, pp. 20, 21.

²¹⁹ Over the period 2002–2004, the Beijing Office (a liaison office set up by Security Bureau and HK Immigration Department) recorded 293 requests for assistance from HK residents detained in the Mainland. Most were arrested in Guangdong (64.5 percent) and 44 percent were detained for smuggling/manufacturing/or possession of narcotic drugs; see 'Examination of Estimates of Expenditure 2005–06: Controlling Officer's (Beijing Office) Reply to Written Question, SB146', HSAR Legislative Council.

²²⁰ Xie, Hu and Zhou, 'Reflections on Cracking Down on Drug Crime in Guangzhou 2003'; Xia, 'Organizational Formations of Organised Crime in China', p. 13.

²²¹ C. Y. Chow, 'Former Shenzhen Police Chief to Face Prosecution', *South China Morning Post*, 7 December 2004.

²²² X. F. Zhang, 'Organised Crime in Mainland China and its Counter-Measures Against Cross-Border Organised Crime', in Broadhurst (ed.), *Bridging the Gap*, pp. 249-53; Chen, 'Secret

therefore, in accord with 'routine activity' theory,²²³ became the initial focal point of triad criminal activity because the absence of a hostile law enforcement environment converged with a ready demand for illicit services and the capacity to supply these services.²²⁴

A United Nations survey of the prevalence of crime victimisation among Chinese businesses in four cities (HK, Shenzhen, Shanghai and Xian; n=5117) showed that the prevalence of crime against business was highest in Shenzhen: bribery and corruption was 2.5 times more likely in Shenzhen than HK.²²⁵ Perceptions about the level of crime and security problems were also highest among Shenzhen business: 58 percent of them compared to 37 percent of HK businesses. The prevalence of extortion, a typical triad-related offence was similar in Shenzhen (3.1 percent) and HK (3.3 percent) but the prevalence of corruption was much lower in HK (2.7 percent) than in Shenzhen (9.1 percent). Extortion in HK was reported almost exclusively by small retail businesses whereas in Shenzhen it was reported by a diverse range of business including medium size enterprises.

Although we lack reliable independent temporal measures of triad-related activity, displacement of commercial vice crime from the hostile environment of HK to Southern China appears to have occurred throughout the 1990s and onward. This displacement process may also be regarded as a form of crime transplantation (or 'colonisation' cf. Varese 2006²²⁶).

Conclusion

Before the enactment of OSCO in 1994, the assumed hierarchical-like structure of triad societies directed most law enforcement resources to attempt to suppress triad subculture but at the same time hindered them from effectively dealing with organised crime as an enterprise. This paper used lethal violence by triad-related groups and individuals to explain some of the features of the nexus between criminal groups and the facilitators of organised crime. We have sought to understand the nature of triad-related 'dark societies' and their enduring forms of criminal society that nurture and service underground capitalism and periodically surface as threats to the

Societies and Organized Crime in Contemporary China'; Xia, 'Assessing and Explaining the Resurgence of China's Criminal Underworld'; Xia, 'Organizational Formations of Organised Crime in China'.

²²³ L. Cohen and M. Felson, 'Social Change and Crime Rate Trends: A Routine Activity Approach', *American Sociological Review*, vol. 44 (1979), pp. 588-608.

²²⁴ Xia, 'Assessing and Explaining the Resurgence of China's Criminal Underworld'; Xia, 'Organizational Formations of Organised Crime in China'.

²²⁵ R. Broadhurst, K. W. Lee, and J. Bacon-Shone, 'UN International Crime Against Business Survey (UNICBS): Preliminary Results for Four Cities in PR China', 20th Annual Conference of the ANZSOC, 23-27 September 2007, Adelaide.

²²⁶ F. Varese, 'How Mafia's Migrate: The Case of the 'Ndrangheta in Northern Italy', *Law and Society*, vol. 40, no. 2 (2006), pp. 411-44.

state. The violence of the triad or 'dark society' plays a role in the success of the various forms of criminal enterprise that have expanded in the lucrative broader China and international illicit markets. These illicit markets, history would suggest, survive in environments where corruption flourishes and government underestimates,²²⁷ or colludes with the actors in, underground economies—the net becomes so wide that the fish swim through—as the Chinese idiom suggests. Some of these markets are relatively new such as copyright theft, waste disposal, internet-driven gambling or scams while smuggling (including exotic animal species and products²²⁸), adulteration of products,²²⁹ tax avoidance and money laundering continue to evolve and exploit the disconnect between international standards regarding money laundering and local practice.²³⁰

With the advent of the ICAC in the 1970s, the enactment of OSCO and related laws in the 1990s, law enforcement shifted from symbiosis (partial capture) to one of concerted hostility towards organised crime and sustained suppression of triad subculture that helped transform them to less visible and more flexible forms. More research is needed to explore and clarify the impact of the post-OSCO enforcement strategy, the role of penalty enhancement, the effects on triad morphology and the extent of any spillover from the political–criminal nexus in China.²³¹ The presence of triads remains significant, although members are as likely to appear in business suits as sporting tattoos, and to engage in financial manipulation as well as extortion.²³² Nevertheless, we lack the auto-biographical accounts or the transcripts of special commission and the testimony of former triads as has occurred among mafia groups in the United States or Italy.²³³ Thus our key actors in contemporary 'dark societies' with some few exceptions remain elusive and, until comprehensive evidence is assembled, the subject of conjecture rather than clarity.

Attempts at suppression via confiscation of assets and enhanced penalties appear to require strengthening, and vigilance must be constantly

²²⁷ According to Mei, 'China's Social Transition and Organized Crime', many scholars and legislators [e.g. Wang Hang Bing Deputy Chair of the National Congress, PRC] deny that organised crime exists—perhaps as Mei argues because it does not fit the conventional Hung or Qing form.

²²⁸ B. Moyle, 'The Black Market in China for Tiger Products', *Global Crime*, vol. 10, no. 1-2 (2009), pp. 124-43.

²²⁹ Mei, 'China's Social Transition and Organized Crime', p. 212.

²³⁰ Z. P. Sham, 'Money Laundering Laws and Regulations: China and Hong Kong', *Journal of Money Laundering Control*, vol. 9, no. 4 (2006), pp. 379-400; P. He, 'Money Laundering a True Problem in China?', *International Journal of Offender Therapy and Comparative Criminology*, vol. 50, no. 1 (2006), pp. 101-6.

²³¹ T. W. Lo, 'The Political-Criminal Nexus: The Hong Kong Experience', Chin and Godson, 'Organized Crime and the Political-Criminal Nexus in China'.

²³² A trend also noted by Hill, 'The changing face of the Yakuza'.

²³³ Paoli, 'The Paradoxes of Organized Crime'; see however, the judicial reminisces of Liu, *Hong Kong Triad Societies: Before and After 1997*; and Yu, *The Structure and Subculture of Triad Societies in Hong Kong*, with respect to recollections of incarcerated triad.

renewed.²³⁴ Efforts in China to curtail corruption and reduce organised crime will also be crucial and need to be guided by greater clarity in the PRC criminal law, firmer use of Communist party disciplinary mechanisms,²³⁵ genuine transparency in the oversight role of all levels of the CCP Political and Legal committees,²³⁶ and recognition of the impact of globalisation.²³⁷ Periodic 'strike hard' (*Yanda*) mass line anti-crime campaigns by the public security bureau and courts, such as the recent strikes against so-called 'protective umbrella' (corrupt officials) have proven largely ineffective.²³⁸ Countermeasures will succeed only to the extent that corruption can be curtailed and success in mainland China will be equally important in HK's attempts to suppress dark societies. Although the Communist party may not be winning the war against corruption, there was "no evidence that corruption is on the verge of swamping it".²³⁹ However, the planned extension of local elections from townships to the county level will need to guard against the risk of increasing the influence of 'black-gold' politics, vote-buying and corruption. But "crossing the river by feeling for the stones", to quote Deng Xiao-ping, along with continued effort by Beijing will be part of the process of finding a Chinese approach that works.²⁴⁰

The rapid economic development in Southern China disrupted the profitability of illicit services and goods in HK by offering highly competitive markets in Shenzhen and elsewhere. This raw capitalism provided a lifeline for embattled triads and illicit entrepreneurs. Triads, like many business enterprises, headed north to look for safer and richer opportunities in the

²³⁴ Jacobs, Freil and Radick, *Gotham Unbound*.

²³⁵ T. Gong, 'The Party Discipline Inspection in China: Its Evolving Trajectory and Embedded Dilemmas', *Crime, Law and Social Change*, vol. 49 (2008), pp. 139-52; H. M. Cheng, 'Insider Trading in China: The Case for the Chinese Securities Regulatory Commission', *Journal of Financial Crime*, vol. 15, no. 2 (2008), pp. 165-78.

²³⁶ T. Gong, 'Dangerous collusion: corruption as a collective venture in contemporary China', *Communist and Post-Communist Studies*, Vol. 35 (2002), pp. 85-103.

²³⁷ G. Jin, 2004, 'Organizations of a Secret Society Nature and the Characteristics of the Crime They Commit: A Survey Based on 32 Cases of a Secret Society Nature', *Journal of Chinese People's Public Security University*, vol. 112, no. 6 (2004), pp. 68-88. The existence of secret societies or "gangs with the nature of a secret society" continues to be a source of ideological debate; see Xie and Wang, 'Research on Organized Crime: Ten-Year Review, Evaluation and Prospect'.

²³⁸ M. S. Tanner, 'Campaign Style Policing in China and its Critics', B. Bakken (ed.), *Crime, Punishment and Policing in China* (Lanham MD: Rowman and Littlefield 2005), pp. 181-9; S. Trevaskes, 'Severe and Swift Justice', *British Journal of Criminology*, vol. 47, no. 1 (2006), pp. 23-41; M. Manion, 'Lessons for Mainland China from Anti-corruption Reform in Hong Kong', *China Review*, vol. 4 (Fall 2004), p. 5.

²³⁹ A. Wedeman, 'Win, Lose, or Draw? China's Quarter Century War on Corruption', *Crime, Law and Social Change*, vol.49 (2008), p. 24; see also A. Wedeman, 'Anticorruption Campaigns and the Intensification of Corruption in China'; R. G. Broadhurst and J. H. Liu, 'Introduction: Crime, Law and Criminology in China', *Australian and New Zealand Journal of Criminology*, vol. 37 (2004), pp. 1-12.

²⁴⁰ W. Clem, 'Crackdown to Curb Influence of Triads', *South China Morning Post*, 31 July 2009; Chen, 'Secret Societies and Organized Crime in Contemporary China'; M. K. Lewis, 'China's Implementation of the United Nations Convention Against Transnational Organized Crime', *Asian Journal of Criminology*, vol. 2, no. 2 (2007), pp. 179-94.

PRC. Recent declines in the engagement of HK business in Guangdong, especially manufacturing, and the increased interest in land development in the previously restricted 'Frontier Closed Area' in the New Territories may also herald further shifts in the fortunes and scope of HK urban-based criminal entrepreneurs and the triads or dark societies on either side of the border that thrive on the demand for illicit services and goods. More than ever before the task of countering the triad and the growth of serious crime depends on the concerted efforts of the public security authorities in greater China.

Professor Roderic Broadhurst is an Associate Investigator at the ARC Centre for Excellence in Policing and Security, Research School of Pacific and Asian Studies, RegNet, Australian National University. roderic.broadhurst@anu.edu.au.

Lee King Wa holds a PhD on Triad related homicide in Hong Kong and is at the Department of Sociology, Chinese University of Hong Kong.