

HONG KONG TRIADS AFTER 1997

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This paper reports on triad activities in Hong Kong from 1997 to 2004. In opposition to the popular view that mass triad migration to Western countries would occur around the period when Hong Kong was turned over to Mainland China in 1997, what has actually happened is that in the last decade Hong Kong triad members have increasingly been found to enter the Chinese market. There are three general trends of triad activities in Hong Kong. First, triad members from various societies group together to run profitable criminal projects. Second, they team up with legitimate entrepreneurs to monopolize a newly developed market. Lastly, triad members increasingly invest in legitimate businesses. Sun Yee On, Wo Shing Wo, and 14K are selected to be three case studies that illustrate the latest development of triad societies. The data for this paper are largely based on the author's research on triads in the last ten years, and on recent in-depth interviews with anti-triad police officers and different informants in Hong Kong.

Triads as Loose Cartels

According to the records of the Hong Kong police, there were more than 300 triad societies in the region. Most of them were established between 1914 and 1939. Today, around 50 triad societies still exist in Hong Kong—14 of which regularly come to police attention. The most active triad societies are the Sun Yee On, 14K Hau Group, 14K Tak Group, 14K Ngai Group, Wo Shing Wo, Wo Hop To, Wo On Lok (Shui Fong), and Luen Ying Sh'e. While Sun Yee On was believed to be the most powerful triad society in Hong Kong in the 1990s, the Hong Kong Police have paid more attention to the Wo Shing Wo triad society since 1997. In terms of membership, 14K should be the largest triad society in Hong Kong.

It is true that triad societies are secret organizations, but they are in fact loose cartels consisting of a number of independent gangs that adopt a similar organizational structure and ritual to bind their members together. Although various societies are symbolically part of the triad family, they are decentralized in that no one central body is able to unite all triad societies, or to give universal commands. The triads' organizational structure has become flexible and decentralized. The traditional rank system has been largely reduced to three levels. These are called Red Pole, 49, and Blue Lanterns. The initiation

ceremony has been simplified. Most people join a triad society based on an oral agreement with their Big Brother. Today it is no longer possible for many triad societies to enforce strict discipline over their members. Transfer of membership between triads can also be done quite easily. Triad Big Brothers have no obligation to look after their followers when they encounter problems. Triads are still a male-dominated secret society, although a very few females may join through the formal initiation ceremony. Triads may also allow other races who live in Hong Kong to join their societies.

Triad Activities

There is no doubt that triads are a menace in Hong Kong. They thrive on public fear through their mystery and intimidation. In reality, not all organized crime is committed by triads. According to the estimation of the Hong Kong Police, in the last ten years about 3-4% of criminal cases were related to triads. The total number of reported crimes in Hong Kong was 81,315 in 2004, but only 2,346 (2.9%) were triad-related crime cases.

Although triads are known to have long been involved in illegal businesses, the illegal market is not monopolized by triads with a godfather-like figure at the top to control his members for the production of illegal goods and services. There is insufficient evidence to show that triads play a dominant role in the businesses of smuggling goods and people, counterfeiting, swindles,

Table 1

Triad-Related Crime Cases from 1994 to 2004

Year	Total Reported Crime Cases	Triad-related Crime Cases	%
1994	87,804	3,746	4.3
1995	91,886	3,959	4.3
1996	79,050	3,126	4.0
1997	67,367	2,599	3.9
1998	71,962	2,623	3.6
1999	76,771	2,872	3.7
2000	77,245	2,477	3.2
2001	73,008	2,455	3.4
2002	75,877	2,604	3.4
2003	88,377	2,471	2.8
2004	81,315	2,346	2.9

organized illegal immigration, or money laundering. Illegal operations can be headed or run by persons without a triad background.

Triad participation in illegal businesses varies from one to another, or even within the same business. Even if triad members are involved in a specific illegal operation, it is not a society business. Instead, it is strictly a private investment. Profits will remain in the hands of the individual members and will not channel up to the triad hierarchy. Moreover, triad members are free to seek business partners from their own circle, other societies, or non-triad members.

Today, Hong Kong triads have become adept at adjusting themselves in a changing environment. There are three general trends of triad activities in Hong Kong. First, triad members from various societies tend to group together to run profitable criminal projects. A typical example is the operation of underground casinos. As underground casinos need to float from one place to another to avoid police detection, the operation does not rely solely on triad territorial basis for protection against extortionists or fellow competitors. Underground casinos tend to operate in the form of a joint venture. Second, they tend to team up with legitimate entrepreneurs to monopolize a newly developed market. Their active participation in interior decoration; the selling of new residential flats; the intimidating of popular film actors in order to take control of the film industry during the 1990s, demonstrates that they are now able to team up with business entrepreneurs to run large projects when a lucrative market emerges. Lastly, triad members increasingly invest in legitimate businesses such as bars, nightclubs, restaurants, dance halls, and the film industry. However, it is not clear to what extent there is triad involvement in these legitimate businesses.

Violence, Corruption, and Politics

In Hong Kong young triad bosses may use violence to establish their reputation in the community. However, different triad groups tend to use "settlement talk" to solve their disputes. Although triad bosses may mobilize a large number of their followers or hire other gangsters to demonstrate their power in the settlement talk meeting, serious mass triad gang fight cases have not been documented in Hong Kong in the last decade. In fact, firearms are tightly controlled by the Hong Kong government, and triad members seldom use firearms to kill. According to police records, relatively few homicides have been committed by triads. In Hong Kong, one cannot find a single case in which police officers or government officials were killed by triads because of their job duties in recent years.

Hong Kong has a clean civil service. Criminal justice professionals are well paid, and the system to monitor the proper functioning of the legal procedure is also well established. The Independent Commission Against Corruption

(ICAC) is a powerful law enforcement agency to combat corruption. There are no indicators that large-scale corruption syndicates exist within the Hong Kong criminal justice system. Nor do the Hong Kong triads seem to be interested in involving themselves in politics. We cannot find any triad group that is able to manipulate politicians and the political process in either Hong Kong or abroad. There is also no evidence to support the fear that triads have managed to get their members elected to the Legislature.

Triad Transplantation?

Since the Italian Mafia is no longer the dominant force of the international underworld, Western law enforcers are quite concerned that Hong Kong triads—the so-called *Chinese Mafia*—will replace the Italian Mafia as the most powerful criminal organization in the twenty-first century. They predicted that a number of triad members would emigrate to their countries before Hong Kong reverted to Chinese control on July 1, 1997. However, there was no indication that mass triad migration did happen before 1997. According to the Hong Kong Police, to date, their major triad targets have no intention to leave Hong Kong for Western countries.

Opposed to this popular view, in the last decade Hong Kong triad members were increasingly found to be entering the Chinese market. The main reason is that there is a huge potential market to make fast money in both legal and illegal businesses since China introduced its Economic Reforms in the late 1970s. Although it is clear that Hong Kong triads have increased their activities in China, particularly in Guangdong Province, we cannot jump to the conclusion that Hong Kong triads have systematically branched out on the mainland. In many cases, it is individual triad members who take the initiative to enter the Chinese market, and their purposes vary.

It is also not true that Hong Kong triads are taking over China's underworld. It should be noted that China is a big country and it has had a long tradition of secret societies and organized criminality before the Chinese Communist Party came to power in 1949. Many gangs based on traditional secret society ritual, or simply on their ethnic and dialect connections, have emerged in mainland China in response to the market economy. If these gangs are protected by corrupt government officials, they are powerful enough to fight with imported triads and other overseas gangs. Therefore, it seems impossible for Hong Kong triads to play a leading role in the Chinese criminal market.

It is undeniable that in the last decade Hong Kong Chinese are found to be increasingly involved in international organized crime including drug trafficking, human smuggling, and economic organized crime like credit card fraud, counterfeiting, and money laundering. Nevertheless, Hong Kong triads are not likely to be the background organizers. In fact, international Chinese organized crime is committed by different ethnic Chinese crime groups. Apart

from Hong Kong Chinese, Singapore and Malaysia ethnic Chinese, Vietnamese Chinese, Taiwanese Chinese, and recently mainland Chinese are also involved in international organized crime. Even if international crime is organized by Hong Kong Chinese, in many cases, they are not triads. In the operation of international organized crime, there is no gang boundary. A group of people, whether they are triads or not, can team up to organize the business if they possess the required resources. There is no reason to believe that Hong Kong triads are directing their overseas triads to undertake criminal activities.

Sun Yee On

Sun Yee On was originally formed by a Chinese minority native group called Chiu Chau in Hong Kong. Today, members of Sun Yee On come from different ethnic Chinese groups. A small number of locally born Indians and Pakistanis are also recruited to the Society as junior members.

Traditionally the Sun Yee On triad society liked to conduct a full initiation ceremony for its newly recruited members. To avoid being detected by the police, however, Sun Yee On has hesitated to arrange formal initiation ceremonies for their new members in the last decade. Compared with other triad groups, senior Sun Yee On members are relatively coherent. They may offer assistance to each other, especially when their members are in legal trouble.

There is evidence that Sun Yee On members are found in the United States, Canada, the United Kingdom, and Australia. In the United States, some individual members may have connections with the Fuk Ching Gangs. However, it should be noted that this is not an organized movement launched by Sun Yee On in Hong Kong. No mass triad migration to Western countries has occurred just before or after 1997. Their connections with overseas criminal organizations are largely based on personal networks and have nothing to do with the Society.

Individual Sun Yee On members may get involved in drugs, street-level selling of pirated VCDs/DVDs, speculative activities in the stock market, money laundering, vehicle theft and smuggling, prostitution, extortion, loan sharking, illegal gambling, and so on. These are their private investments. They are not required to get permission from the Society to conduct these businesses.

In the past Sun Yee On members were known to be active in international drug trafficking, especially the import of heroin from Thailand to Hong Kong, and some of the drugs were smuggled to Western countries. Although individual Sun Yee On members are still engaging in the drug business, there is insufficient evidence to support the conclusion that Sun Yee On members play a significant role in the trade. In fact, members of other triad groups and non-triad people can get involved in this international business only if they have the capital, connections, and skills to do it.

Although indicators have shown that individual Sun Yee On members may have been involved in some specific legitimate businesses such as the catering business, the film industry, or even in the stock market, their roles in the legitimate economy are uncertain. For instance, it is difficult to confirm whether they are simply legal entrepreneurs, using their triad reputation to monopolize the business, or laundering their money through investing in legitimate businesses. Compared with other triad groups, it is quite clear that Sun Yee On members tend to participate in more non-violent crime such as black market crime and economic crime. In addition, they have more connections with legitimate business entrepreneurs and professionals such as lawyers and accountants.

Before 1997, journalists reported that senior Sun Yee On members had connections with some high-ranking Chinese government officials. In the last few years, we have seldom heard these kinds of reports. In short, Sun Yee On has kept a very low profile since 1997.

Wo Shing Wo

Wo Shing Wo was originally an offshoot society of the Wo Hop To triad society which was established in 1908. Wo Shing Wo broke away from Wo Hop To in 1930 and became an independent triad society. Members of Wo Shing Wo come from different walks of life, including a small number of local born Indians and Pakistanis.

Wo Shing Wo has a Central Committee composed of a body of influential and senior officials. The Chairman and Treasurer now known locally as *Cho Kun* and *Cha So*, are often elected from this Central Committee at an annual or biannual meeting. The leadership in the Central Committee may help to settle internal and external disputes but they are unable to dictate to their members which criminal activities that they should get involved in.

It is evident that Wo Shing Wo members are also found in the United Kingdom, Canada, and the United States. According to Hong Kong Police, some individual members may have connections with the Big Circle Gangs in Holland. However, it should be noted that their contacts with overseas criminal organizations are largely based on personal networks and are likely to have nothing to do with the society. There are no indicators that mass Wo Shing Wo triad migration to Western countries took place either before or after 1997.

Individual Wo Shing Wo members may get involved in drugs, street-level selling of pirated VCDs/DVDs, London Gold scams, money laundering, vehicle theft and smuggling, prostitution, extortion, loan sharking, illegal gambling, and so on. These are their personal investments. They will not transfer part of their profits to the Society.

According to police sources, the Wo Shing Wo members' strength is in the pirated VCD/DVD industry. They do not only get involved in street-level dis-

tribution but they are also involved in the manufacturing of pirated VCDs/DVDs. Compared with other triad groups, Wo Shing Wo members tend to participate in more violent crime and tried to be dominant in the street-level organized crime in the last few years. Some journalists reported that Wo Shing Wo has become the most influential triad society in Hong Kong. Although there are indicators that individual Wo Shing Wo members have been involved in some specific legitimate businesses such as the catering and entertainment business, their roles in the legitimate economy are not clear.

14K

14K was formed in Hong Kong in the early 1950s by a group of triad members with a Nationalist Party background in Guangdong Province in China. Compared with other triad groups, 14K is relatively disorganized. It has different subgroups and each subgroup has developed into a separate triad society in its own right. Gang fights among different subgroups are not uncommon.

It is evident that 14K members are found in the United Kingdom, Holland, United States, Canada, and Australia. According to police sources, some individual members may have connections with the Big Circle Gangs in Holland, Yakuza in Japan, and the United Bamboo Gangs in Taiwan.

Individual 14K members may get involved in drugs, street-level selling of pirated VCDs/DVDs, London Gold scams, money laundering, vehicle theft and smuggling, prostitution, extortion, loan sharking, illegal gambling, and so on. Again, these are their private businesses and all profits will remain in their hands.

According to police sources, 14K members have their strength in organizing illegal gambling, including underground casinos and illegal bookmaking. In addition, many uncovered London Gold scams showed that 14K members were the organizers and operators. Compared with other triad groups, 14K members tend to participate in traditional street-level organized crime.

It is true that some 14K members in Hong Kong had a close relationship with senior Nationalist Party members in Taiwan in the 1960s and 1970s. Today, however, 14K members in Hong Kong no longer appear to be interested in political movements.

Combating Triads

In the last few years the Hong Kong Police tried to focus on targeting the sources of the triads' criminal income. Therefore, a number of operations were launched to combat their vice and illegal gambling activities. The Hong Kong Police also sent undercover agents to penetrate different triad societies to collect intelligence about their criminal activities. In addition, financial investigation techniques were regularly employed to trace and confiscate their

criminal proceeds. The Hong Kong Police also maintain close liaison and cooperation with different law enforcement agencies in Mainland China, Macau, and overseas in order to combat cross-border and transnational triad activities.

In his 2004 Operational Targets, the commissioner of police summarized the following measures to fight against triad-related activities: (1) Strengthen the Force intelligence network and enhance cooperation amongst units at all levels; (2) Enhance professionalism in the response to and investigation of triad-related incidents; (3) Continue to mount strategic undercover operations; Proactively target key triad personalities and activities; (4) Optimize the use of the Organized and Serious Crimes Ordinance in investigating triad related cases; and (5) Continue to exchange intelligence with the Mainland and Macau authorities as well as overseas law enforcement agencies.

Public Perception of Triads

Compared with other social issues in Hong Kong, triads and their organized crime activities are always high on the public agenda especially when some collective violence cases take place. Nevertheless, it should be noted that most Hong Kong people do not feel that their everyday life is affected by triads.

Local people strongly believe that Hong Kong is a very safe city. People perceive triads as a menace because they are portrayed as such in sensational media reports and gang movies. For ordinary Hong Kong people, their greatest concern towards triads may not be their organized crime activities, but their influences on the vulnerable youngsters, especially the so-called "triad infiltration of schools."

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