**Exposing Chinese criminal networks in the Indo-Pacific region**

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A person in a military uniform standing at a podium with microphones

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Stepped-up enforcement by Indo-Pacific authorities is revealing the long reach of Chinese organized crime groups in the region — several linked to the Chinese Communist Party (CCP).

Malaysia’s police chief, Tan Sri Abdul Hamid Bador, pictured, announced the March 2021 takedown of the so-called Macau scam syndicate that resulted in 68 arrests, seizure of more than U.S. $1 million in properties, freezing of 41 bank accounts and the public outing of 34 Malaysian law enforcement officers suspected of having ties to the criminal group. The massive eight-day operation targeted syndicate leader Nicky Liow, an ethnic Chinese Malay, and his co-conspirators engaged in loan sharking, fraud and money laundering under the cover of investment firm Winner Dynasty Group.

To underscore Liow’s extensive ties to Chinese criminal networks, the Malaysian federal police revealed his alleged link to notorious Chinese 14K triad leader Wan Kuok Koi, also known as “Broken Tooth.” In December 2020, the U.S. Treasury Department sanctioned Wan and the Cambodia-based World Hongmen History and Culture Association, known as the Hongmen, for public corruption.

Under the guise of promoting the People’s Republic of China’s (PRC’s) One Belt, One Road (OBOR) scheme, Wan, a member of the CCP-run Chinese People’s Political Consultative Conference, has co-opted elite figures in Southeast Asia to conduct illicit activities. The consultative conference is a central part of the CCP’s United Front system. Wan appointed Liow as vice president of the Hongmen in January 2019, effectively anointing him as his deputy in the criminal enterprise, according to Malaysian police.

The March takedown follows the January 2021 arrest of Wan’s suspected associate Tse Chi Lop, dubbed the El Chapo of the Indo-Pacific, at Amsterdam’s Schiphol Airport. Tse, a Chinese-born Canadian national, is believed to be the leader of The Company, a drug cartel that dominates a U.S. $70 billion illegal drugs market across the Indo-Pacific.

Australia is seeking to extradite Tse to stand trial. The Australian Federal Police believe his organization, also known as the Sam Gor syndicate, is responsible for up to 70% of all illegal drugs entering the country. Wan’s 14K is one of the five triads in Sam Gor, which generated at least U.S. $8 billion in methamphetamine sales in 2018, according to the United Nations Office on Drugs and Crime.

Also of concern is the Zhao Wei transnational criminal organization, which the U.S. Treasury sanctioned in January 2018 for engaging in drug trafficking, money laundering, child prostitution, bribery, and human and wildlife trafficking facilitated through a Laotian casino. Zhao, a Chinese national, operates in the Golden Triangle Special Economic Zone that he helped create. The U.S. Treasury also accused his organization of facilitating the storage and distribution of heroin, methamphetamine and other narcotics for illicit networks, including another U.S. Treasury-sanctioned entity, the United Wa State Army, operating in neighboring Burma.

Exposing the web of Chinese criminal groups connected through ethnic affinity, greed and opportunity is only the beginning, with much work remaining for countries to combat transnational criminal activities. Despite sanctions and arrests, Chinese crime syndicates, like other large criminal organizations, quickly adapt to their evolving operating environment.

Figures such as Liow, Wan and Zhao exploit weaknesses in nations’ laws and policies, according to authorities. Liow is believed to have avoided capture after being tipped off by an informant inside the Malaysian police. Wan, who is also wanted by the Malaysian authorities, put out a video on social media pledging undying support for OBOR projects as a matter of Chinese patriotism days after his U.S. Treasury sanction. Zhao reportedly is involved in PRC-backed infrastructure projects in Laos, including a new international airport along the Mekong River next to his U.S-sanctioned casino.

IMAGE CREDIT: THE ASSOCIATED PRESS