

Assessing and Explaining the Resurgence of China's Criminal Underworld

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Based upon collected crime statistics, this paper provides a sketch of China's criminal underworld during the past two decades and a quantitative assessment of its current state. Through examining the organised criminal groups, it also assesses the hardcore of China's criminal underworld – the mafia-style criminal syndicates and their greater base – the underworld society. It argues that a challenge from the criminal underworld has increasingly posed a serious threat to Chinese society. It also provides explanations for the recent resurgence of the criminal underworld in China through a perspective of political science – placing emphasis on the state-failure factors.

Keywords underworld; crime; organised crime; criminal groups; state; China

Crime has been growing in China since the early 1970s, and this ascending wave has risen to a new plateau in every five to eight years ever since. Alongside it has been the resurgence of the criminal underworld. After more than three decades of obscurity in the public consciousness, the criminal underworld has been returning to the arena of Chinese society, encroaching upon the economy and infiltrating politics. These developments prompted a long and heated debate on the scope and cause of the criminal underworld in China during the 1990s, which has intensified after it entered the new

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millennium and drawn attention from Greater China and the international scholarly community.¹

Differing from the case studies that most recent works on China's criminal underworld have adopted, this paper will take the national surge of organised crime as the unit of analysis, namely, the totality of organised crime (to borrow the methodological tactics from Durkheim in his *Suicide*) during the last two decades or so. By combing through the official crime statistics – imperfect but the only longitudinal data available, this paper will seek for meaningful information to describe and explain group crime in China. Based upon that, it intends to construct a more systematic and quantitative assessment of the criminal underworld in China during a period of more than two decades (1970s to the present). Accordingly, an explanation will be proposed from the basis of political science – namely placing more emphasis on state and political power – for the mega-trend of the criminal underworld in contemporary China. I will argue that mainly due to the structural flaws in the political system and the ineffectiveness of government anti-crime policy, a rising criminal underworld has emerged as a new dynamic force shaping the future of China's transition. As "social stability" has been taken as the highest imperative for governing, "public security" as a criterion for officials' promotion, the fact that the Chinese government has struggled with the criminal underworld for the upper hand points to a serious paradox and crisis in its governance.

The Concepts

The underworld is defined as the part of society that is engaged in and organised for the purpose of crime and vice. *Heishehui* (dark society) – the Chinese equivalent of criminal underworld – is an ambiguous and versatile word, which

1. For works in Chinese, see: Shaoqing, C. (ed.) (1998) *Zhongguo Mimi Shehui Gaiguan* [A Survey of Secret Societies in China], Zhejiang Renmin, Hangzhou; Qinglian, H. (1998) *Xiandaihua de Xianjing* [Pitfalls of Modernization], Jinri Zhongguo, Beijing; Qinglian, H. (2003) *Zhongguo Xiandaihua de Xianjing* [Pitfalls of Modernization in China], Broad, Hong Kong; Shuhua, K. (ed.) (1998) *Dangdai Youzuzhi Fanzui yu Fangzhi Duice* [Contemporary Organised Crime and Responses], Zhongguo Fangzheng, Beijing; Bingsong, H. (2002) *Youzuzhi Fanzui Yanjiu* [A Study of Organised Crime], Fazhi, Beijing; Bingsong, H. (2003) *Heishehui Fanzui Jiedu* [Analyzing the Criminal Underworld], Zhongguo Jiancha, Beijing; Wei, Z. (2001) *Heishehui Diaocha* [Investigations of Underworld Society], Guangming, Beijing; Simeng, K. & Qing, C. (2003) *Zhongguo: Tiaozhan Heishehui* [China: Challenging the Underworld Society], Guangxi Renmin, Nanning; Ping, H. & Zhaojun, W. (1993) *Zhongguo Dalu Heishehui* [The Criminal Underworld in Mainland China], Shibao Wenhua, Taiwan; Chong, X. (ed.) (2002) *Zhonggong yu Heishehui* [The Chinese Communist Party and Underworld Society], Xiafeier, Hong Kong. For works in English, see: Chin, K.-L. (1999) *Smuggled Chinese*, Temple University, Philadelphia, PA; Shiu-hing, L. (1999) 'Cross-Border Organised Crime in Greater South China', *Transnational Organised Crime*, vol. 5, no. 2, pp. 176-194; Zhang, X. (2001) 'The Emergence of Black Societies Crime in China', *Forum of Crime and Society*, vol. 1, no. 2, pp. 53-72; Lintner, B. (2002) *Blood Brothers*, Palgrave Macmillan, New York; Lintner, B. (2004) 'Chinese Organised Crime', *Global Crime*, vol. 6, no. 1, pp. 84-96; Chen, A. (2005) 'Secret Societies and Organised Crime in Contemporary China', *Modern Asian Studies*, vol. 39, no. 1, pp. 77-107; Xia, M. (2004) 'The Criminal-Political Nexus in China', *Wilson Centre Asian Program Special Report*, vol. 124: pp. 12-18.

can mean secret society, organised crime (OC), and the criminal underworld. In the Chinese *Criminal Law* passed in 1979, there was no mention of OC as well as criminal groups. But in a local circular issued by the Shenzhen Municipal Government in 1981, the term “criminal underworld” appeared for the first time in an official document. In 1986, the Ministry of Public Security (MPS) used this term in an official document with no specific definition. There seems to be a consensus among law enforcement officials that until 1992 criminal underworld had not started to emerge in China.

OC is generally defined as crime committed by organised criminal groups (OCGs). An OCG, according to the *United Nations Convention against Transnational Organised Crime* (2000), “shall mean a structured group of three or more persons, existing for a period of time and acting in concert with the aim of committing one or more serious crimes or offences... in order to obtain, directly or indirectly, a financial or other material benefit.” This UN definition is roughly equivalent to the connotation of “criminal group” (*fanzui jituan*) in Chinese legal practice, stipulated by the MPS for the first time in 1980 and later incorporated into the articles on criminal groups in the revised 1997 *Criminal Law*. Because China has been a signatory country for this UN Convention, my inquiry will treat criminal groups as the focal point.

In the official discourse, the Chinese government still denies the existence of typical mafia groups or the criminal underworld in China. Until today, it only uses the term “criminal groups with mafia characteristics” (or “the mafia-style criminal syndicates”). In 1992, the MPS defined “mafia-style criminal syndicates” with six characteristics.² On December 4, 2000, China’s Supreme Court interpreted “mafia-style criminal syndicates” as those with the following four characteristics: (1) relatively coherent organisational structure: numerous members, a clear organizer and leader, stable core members, and relatively strict organisational rules; (2) sizable economic resources gained through illegal economic activities or other illicit means; (3) seeking political protection from state officials through bribery, threat, and other methods; (4) having monopoly control over a certain region or professional field and using violence, terror, and harassment to damage the order of economic and social life.³

In contrast to the strict interpretation of criminal underworld as “mafia-style criminal syndicates” in the official discourse, journalists and the populace take the meaning of “underworld” in a more liberal manner, which in addition to criminal groups also includes those people who “roam the rivers and lakes” (*jianghu*, e.g., fortune-tellers, beggars, unlicensed roving performers, and prostitutes), whose deviances are not considered crimes but law-violations (more like misdemeanours in the West), the former dealt by the criminal code and the latter by public security regulations.

2. Bingson, H. (2001) *Kongbu Zhuyi, Xiejiao, Heishehui* [Terrorism, Cult and the Underworld], Qunzhong, Beijing, p. 329.

3. *The People’s Daily* (2000) Dec. 10.

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The underworld is embedded in a larger social context and contiguous to the upper world. It is more like a spectrum radiating out from die-hard professional criminals to petty crooks, sometimes with only blurred boundaries insulating one from another. However, criminal groups are the backbone of the Chinese criminal underworld. This paper will follow three routes to gauge the scope of the underworld in China: First, based upon the statistics that the Chinese PSAs (public security agencies) have compiled since the early 1980s, I will estimate the extent of the criminal underworld by examining criminal groups. Then, by applying a stricter criterion, the criminal underworld as “mafia-style criminal syndicates” and by a more elastic criterion, the underworld society will also be discussed.

Data and Methodology

The criminal underworld as the “dark society” naturally resists our efforts to examine in this area and to shed light on it. The secretive nature of the Chinese system, the system of public security in particular, has made empirical research on this subject more difficult.⁴ The Chinese government has laid out strict parameters for any research that discusses the dark side of the Chinese state and society. Even some scholarly monographs written by Chinese researchers are classified for internal use only; researchers affiliated with overseas institutions attempting to utilize them run the risk of being charged for national security reasons. Under such circumstances, my research had to begin by combing through government publications, gleaning numbers from scattered and obscure venues, and then aggregating them into analyzable data. The most important source certainly is *The Law Yearbook of China* [*Zhongguo Falü Nianjian*], initially published in 1988, the first time that the PSAs revealed crime rates and other related figures. Various yearbooks [*nianjian*] and almanacs [*difangzhi*] of provinces, most initiated in the mid-1980s, also provide valuable data.

Currently, the major obstacle to the study of the Chinese criminal underworld is that hard data suitable for empirical and statistical analysis are unavailable. Journalists, academicians, and governmental agencies have compiled a huge amount of anecdotal information; however, most of them are fragmentary in terms of geographical heterogeneity and the lack of longitudinal follow-up. If we are lucky enough to have gathered some figures, we have to treat them with a grain of salt due to the lack of professionalism in China’s statistical work in general, and crime statistics in particular.⁵

First, different government offices often give dissimilar numbers on the same subject, sometimes even on the same page of supposedly authoritative publications. Second, many numbers are given without a baseline or a reference

4. Chen, ‘Secret Societies and Organised Crime’.

5. See Ni, H. & Marshall, I.H. (1997) ‘Social Production of Crime Data: A critical examination of Chinese crime statistics’, *International Criminal Justice Review*, vol. 7, pp. 46-63; Yu, O. & Zhang, L. (1999) ‘The Under-recording of Crime by Police in China: A Case Study’, *Policing*, vol. 22, no. 3, pp. 252-263.

point. It is a common practice for the PSAs to mention the percentage change of crime without giving its actual number, to give an aggregate number without specifying the duration, or to give numbers of a few months without the context of the year. Third, some numbers seem to be about the same subject, but due to vague definitions, careful clarification has to be applied to ascertain the exact meaning. Finally, some numbers are bluntly cooked and cannot be trusted in lieu of the bigger context. Børge Bakken tells of his frustration in researching Chinese crime: "[T]here is much uncertainty about the accuracy of the official crime statistics. There is every reason to regard the official figures with due scepticism. Different sources give different figures, and it is not entirely clear how the official figures have been established."⁶ During my interview trips, one criminologist who specialized in OC reminded me of the "politicization of numbers." Another criminal investigation bureau director from a municipal government in Sichuan commented that they could give any number to suit the needs of their leaders. Lü Zuo, director of the provincial bureau of public security in the same province, called these tricks "playing the game of numbers," "practicing fraud" and "filing cases in accordance to the expectations and quotas from above."⁷

That being said, I do not intend to surrender completely to scepticism and give up meaningful empirical research on crime in China. Such daunting challenges simply force researchers on crime to be more creative and ingenious. Donald R. Cressey, a prominent authority on OC, advises that the society of organised criminals "must be studied by methods not ordinarily utilized by social scientists." He continues, "In this kind of study, social scientists will have to borrow methodological techniques from archaeologists and geologists, who manufacture data by reasoning that knowledge about inaccessible affairs can be obtained from considering affairs that are accessible to study."⁸ Basically I have applied several strategies to the research process: (1) Understanding the logic of reporting crime data. The basic rationale for the Chinese government to manipulate crime data is due to its concern for political repercussions: on the one hand, the domestic constituency could panic over the serious crime figures; on the other hand, the international community could utilize the numbers for political purposes. Both reactions could cause political disturbances and jeopardize the regime legitimacy. Due to this political and structural reason, the Chinese government tends to under-report the crime rates. Therefore, when interpreting the official data, we can assume that they are on the underreporting side. (2) Cross-examining the aggregate data with sectional ones. With a continental size, China is not an easy place for the central leadership to manipulate crime data consistently across the entire nation and over a long period of time. As time goes by, historical authentic data have gradually surfaced. For example, regarding the destroyed criminal groups and arrested members during the first "Severe Strike"

6. Bakken, B. (2000) *The Exemplary Society*, Oxford University Press, Oxford, p. 377.

7. 'Public security agencies face seven big challenges in the new century' [*Xinshiji Gongan Mianling qida tiaozhang*] (2001) *Fazhi yu Xinwen* [Legal System and News], vol. 83, no. 4, p. 7.

8. Cressey, D. (1995) 'Methodological Problems in the Study of Organised Crime as a Social Problem (1967)' in *Organised Crime*, ed. N. Passas, Dartmouth, Aldershot, UK, pp. 3-4.

campaign (1983-86), the often-quoted numbers were 197,000 and 876,000 respectively.⁹ But in a newly released report sponsored by the MPS in 2004, these two numbers were revised to more than 300,000 and at least a million (see note 21). Thus, it is reasonable to value numbers about the past more than that of the most current developments. Also, some Chinese provincial units have performed better than others with regard to the rule of law, transparency, and statistical quality. Those in the coast or with more advanced economies, such as Shanghai, Beijing, and Zhejiang, have equipped their police stations with networked computers, therefore, enabled them to document crime incidences immediately and to simultaneously share the information with the headquarters. Cheating has become more difficult there and their crime statistics carry more reliability than that of poor inland provinces with both large population and territory. (3) Relying on the insiders or those scholars who have access to the classified information. The MPS, its provincial bureaus and their affiliated police academies and research institutes have in-house researchers who enjoy the access to the classified information. They have published papers and books, some for the public audience and some for a more restricted audience of police officers (for example, the Chinese People's Public Security University Press and the Masses [Qunzhong] Press have been active in publishing such important data). Many numbers from these documentations are more reliable. A few renowned scholars, such as Cai Shaoqing of Nanjing University, Kang Shuhua of Beijing University and He Bingsong of the Chinese Political Science and Law University, are consulted by the Chinese law-enforcement agencies. Carefully reading their writing between lines, we can identify some revealing information. For example, based upon my research, I suspect that an important classified investigation and assessment report on the current status of OC in China was circulated among the top leaders as a background document for the "campaign of striking mafia-style syndicates and eradicating dark forces" campaign in 2000. The sketch of major conclusions and policy suggestions can be detected from reading books by He Bingsong, Kong Simeng (an official working for the Office of the Central Political and Legal Commission), and the reports by Chen Zhengyun and Miao Chunrui (two officials in the Supreme People's Procuratorate) and others.¹⁰

Since the statistical data are so scattered, in dealing with them and working to build an aggregate database, a crime researcher has to work somewhat like a crime detective. To rely on the database I have made based upon figures released by the governments at different levels and revealed by Chinese researchers about the destroyed criminal groups, this paper intends to assess the functioning criminal underworld. However, due to the very nature of crime statistics, a caveat applies to my observation and conclusion in the paper: My estimation is an approximation or

9. Bingsong, H. *Youzuzhi Fanzui Yanjiu*, p. 102.

10. Bingsong, H. (2004) *Youzuzhi Fanzui Yanjiu and Heishehui Fanzui Jiedu*; Kong Simeng and Chang Qing, *Zhongguo: Tiaozhan Heishehui*; *Zhongguo Fanzuixue Yanjiuhui Yufang Zhiwu Fanzui Zhuangye Weiyuanhui* [The Special Committee of Professional Crime Prevention, the Criminological Society of China], *Zhongguo Zhiwu Fanzui Yufang Diaocha Baogao* [Investigative Reports of Professional Crime Prevention in China], *Zhongguo Minzhu Fazhi Chubanshe*, Beijing, pp. 670-704.

a guesstimate by following the parameters I have identified above; the evolution described and the trends gauged are more illustrative than definitive.

The Assessment

Today's criminal underworld in China is a part of the long and thick tradition of Chinese secret societies. Chinese secret societies have a history of 2,000 years with two traditions: gangs and societies (seditious associations, *huidang*) and religious cults (*jiaomeng*). Without acknowledging this context of historical continuity, we cannot fully understand the enormous momentum, speed, and scope that the surging criminal underworld has demonstrated during the past two decades. Communist brutal suppression did not break this continuity; if in terms of the subculture and mentalities of rebels and outlaws, it was even amplified under the rule of Chinese Communist Party. The recent retreat of the Chinese state merely removed the lid over the highly compressed underworld society and caused a strong rebound proportional to the force of suppression.

Generally speaking, secret societies (e.g., neighbourhood gangs, hoodlums, mutual aid societies, guilds, or religious cults) became more widespread during the Tang and Song dynasties (7th-13th century). However, massive secret societies, especially their involvement in crimes and illicit trades, came into being after the Ming Dynasty (1368-1644) turned into the Qing. In the mid-Qing, secret societies continued to mushroom. Entering the 19th century, secret societies organised massive rebellions and shook the Qing dynasty to its eventual downfall in 1911.¹¹ The Republican Era (1911-1949) was the most plagued by underworld society in Chinese history so far. In the late 1940s, the KMT (Kuomintang) government estimated unbelievably that there were 80 million members of secret societies. Besides, there were more than two million bandits and 300 religious cults nationwide.¹² The criminal underworld also enjoyed the greatest influence upon the KMT government; the political-criminal nexus was formed solidly.

The Communist take-over in 1949 abruptly reversed the fortunes of Chinese secret societies. Many members fled China due to the collapse of the KMT regime in the mainland. In addition, as a result of numerous campaigns ("closing down prostitution houses," "raiding bandits," "banning opium," "three-antis campaign," and "cracking down on religious cults and superstitious sects") in the early 1950s, most secret societies perished and some went underground.¹³ The official propaganda claimed that the underworld society disappeared for a quarter century (from the 1950s to the late 1970s) and meantime

11. Baoqi, Q. & Songlin, T. (eds) (2002) *Zhongguo Mimi Shehui* [Secret Societies in China], Fujian Renmin, Fuzhou, vols 1-7; Yumin, Z. & Yong, S. (1993) *Zhongguo Banghui Shi* [History of China's Secret Societies], Shanghai Renmin, Shanghai.

12. Yong, S. (1997) *Zhongguo Huidaomeng* [Religious Cults and Superstitious Sects in China], Shanghai Renmin, Shanghai, p. 348; p. 452.

13. Lieberthal, K. (1973) 'The Suppression of Secret Societies in Post-Tientsin', *China Quarterly* vol. 54, pp. 242-266 provides one such case.

China became a country without the criminal underworld.¹⁴ But as more archives about this period are becoming available from local almanacs and gazettes, this myth has increasingly revealed holes. The Chinese communist regime had never won the final war against the so-called evil cults and superstitious sects – whose resistance and restorations sought every opportunity to sneak back in the 1950s and 1960s; scattered activities in the 1970s were recorded by the PSAs even though they themselves were smashed and ceased to function until 1973.¹⁵ Even under the most repressive years of Mao's totalitarianism, criminal groups of speculators, roving criminal groups, prostitution gangs, groups that smuggled women and drugs during the late 1960s and 1970s were reported in local public security almanacs.¹⁶ Nevertheless, it is true that the massive resurgence of underworld society occurred after the 1970s.

The People's Republic has undergone six crime waves throughout its entire history (see Table 1). The first three happened in 1950, 1961, and 1973, respectively. In 1981, more than 890,000 crimes were filed, indicating the coming of the fourth wave of crimes in China. In 1991, criminal cases increased to 2.5 million and brought China to its fifth wave of crimes.¹⁷ In 1999, the sixth wave picked up steam and registered crime cases passed 3.5 million in 2000 and 4.4 million in 2001. The resurgence of the criminal underworld in China has ridden the tide of the latest four crime waves. Contrary to the official argument that group crime resurged as a side effect of the open-up policy, more evidence indicates that criminal groups were germinating during the last four years of the Cultural Revolution.

Alerted by the deterioration of public order in Chinese cities, on November 22-26, 1979, the central leaders convened an important meeting in Beijing to address the issue of lawlessness and disorder and kicked off a campaign for law and order in large and medium-size cities nationwide. Based upon the statistics from 64 cities, 3,400 criminal groups were destroyed in 1980.¹⁸ Later on, China applied numerous efforts to target criminal groups, trying to curb the further deterioration of public security. However, the anti-crime efforts did not fundamentally correct the situation. The Chinese top leadership, especially Deng Xiaoping, deemed it necessary for a more draconian strike. The first national "severe strike" (*yanda*) campaign was started,

14. Qing & Tan, *Zhongguo Mimi Shehui*, vol. 1, p. 6; Snow, E. (1963) *The Other Side of the River*, Victor Gollancy, 1963, pp. 529-530.

15. Tan, *Zhongguo Mimi Shehui*, vol. 7, pp. 68-116; Lebin, Y. (1997) *Huidaomen Neimu* [Inside Stories of Religious Cults and Superstitious Sects], Qunzhong, Beijing, pp. 8-22, 250-270.

16. *Gansu Shengzhi-Gongan Zhi* [Almanacs of Gansu, Public Security], pp. 439-440; 168-177, 448-449; *Hunan Shengzhi-Zhengfa Zhi* [Almanacs of Hunan, Political and Legal Affairs], pp. 275-277 & p. 401; *Anhui Shengzhi-Gongan Zhi* [Almanacs of Anhui, Public Security], pp. 249-256. On Jan. 13, 1973, the State Council even issued a circular on strictly banning the cultivation, selling, and use of opium, see: *Yearbook on Chinese Communism* (1979), Taiwan, Taipei, section 8, p. 94.

17. Feng, C. (1997) *Diwici Gaochao* [The Fifth Wave: The Crimes in Contemporary China], Jingri Zhongguo, Beijing, pp. 3-14; Dutton, M. [translation] (1997) 'The Basic Character of Crime in Contemporary China', *China Quarterly*, vol. 149, pp. 160-177.

18. *Dangdai Zhongguo de Gong'an Gongzuo* [Public Security Work in Contemporary China] (1992) Dangdai Zhongguo, Beijing, p. 31.

Table 1 Crime rate in China (1950-2002)* (criminal cases per 100,000 persons)

1950	93	1962	62 (48)	1979	64.80	1991	209.44 (215)
1951	59	1963	36	1980	76.30	1992	138.60
1952	42	1964	35 (31)	1981	89.37	1993	140.30
1953	50	1965	33 (30)	1982	74.02	1994	142.83
1954	65	1966-72	40-60	1983	59.81	1995	144.04
1955	37 (53)	1972	46	1984	49.91	1996	135.12
1956	23 (29)	1973	60	1985	52.06	1997	134.98
1957	58 (46)	1974	57	1986	51.91	1998	159.13
1958	120 (32)	1975	52	1987	54.12	1999	178.65
1959	35 (30)	1976	53	1988	77.41	2000	280.80
1960	33	1977	58	1989	181.49	2001	349.27
1961	35 (64)	1978	55.30	1990	200.90	2002	337.61

*In 1992, the Chinese Ministry of Public Security adjusted the value involved in theft from 25 Chinese yuan in the countryside and 80 yuan in the urban area to 300 and 600, respectively; therefore, the crime rate was dramatically affected. The numbers in brackets are different estimates from some other scholars. Source: Bakken, B. *The Exemplary Society*, p. 378; figures from 1998 to 2002 were calculated by the author.

which lasted three and a half years (from August 1983 to the end of 1986).¹⁹ As a result of this campaign, 1.647 million cases (criminal and counter-revolutionary) were closed, 1.772 million culprits were arrested, 322,000 of them were sent to the "education through labour" camps, and more than 15,000 underage law-breakers were sent to the detention centres for youths. Tens of thousands of criminal groups were cracked down on. For example, in Shanxi, more than 8,000 criminal groups were destroyed. In Henan, the number was 17,628, and in Ningxia, 444. In Jilin, 6,597 criminal groups were destroyed, with 27,424 members. In Anhui, the numbers were 6,249 groups with 27,506 members; in Jiangxi, 4,880 groups with 23,265 members; in Qinghai, 783 groups with members of 3076; in Gansu, 3,128 groups with members of 15,502. In Shandong, 9,120 criminal groups were destroyed and more than 30,000 members were rounded up. Guangdong – second only to Henan – dealt with more than 12,000 groups with 52,000 members.²⁰ Nationwide, during these three years, more than 300,000 criminal groups with more than one million group members were uncovered and destroyed.²¹

To everyone's surprise, this massive and ruthless "severe strike" campaign only reversed the crime trend in the first year. In the later duration (1985-1987), the

19. Tanner, H. M. (1999) *Strike Hard!* Cornell East Asian Series, Ithaca, NY; Tanner, M. S. 'State Coercion and the Balance of Awe', *China Journal*, vol. 44, pp. 93-125.

20. *Dangdai Zhongguo de Gong'an Gongzuo*, p. 37; *Shanxi Sishinian: 1949-1989* [Forty Years of Shanxi], p. 1-203; *Henan Shengzhi* [Almanacs of Henan], p. 66; *Ningxia Nianjian* [Yearbook of Ningxia, initial volume] (1998), p. 203; *Jilin Nian Jian* [Yearbook of Jilin] (1987), p. 251; *Anhui Shengzhi: Gong'an Zhi*, p. 307; *Jiangxi Shengzhi: Jiangxisheng Gong'an Zhi* [Almanacs of Jiangxi, Public Security], p. 215; *Qinghai Shengzhi: Gong'an Zhi* [Almanacs of Qinghai, Public Security], p. 84; *Gansu Shengzhi: Gong'an Zhi*, p. 316; *Shandong Shengzhi: Gong'an Zhi* [Almanacs of Shandong, Public Security], p. 227; Fuhai, L. (2004) *Zhujijiao Heishehui* [Exterminating the Criminal Underworld], Nangfang Ribao, Guangzhou, Guangdong, p. 110.

21. Liqiang, Q. (2004) *Shehui Wending de Anquanfa* [Safety Valves for Social Stability], Zhongguo Gong'an Daxue, Beijing, p. 101.

crime rate defied the ongoing campaign and kept creeping up. Once the campaign ended, the crime rate bounced back with stronger momentum. For example, in 1988, the filed criminal cases reached 827,594, an increase of more than 10% in comparison to the 1983 figure. The number of destroyed criminal groups grew from 30,000 in 1986 to 150,000 in 1994; the number of arrested members also increased from 114,000 to 570,000. From 1992 to 1999, the PSAs nationwide destroyed more than a million criminal groups with members of 3.76 million (see Table 2). Those provinces where the criminal underworld has been rampant had important achievements. In Hainan, 7,816 criminal groups were cracked with 30,751 members in the first decade since becoming a province (1988-1998). In Guangdong, 58,000 criminal groups with 187,000 members were destroyed from 1996 to 2000. In Guangxi, 55,581 criminal groups were destroyed from 1997 to the first half of 2004. In Hunan, more than 28,000 criminal groups were destroyed from April 2001 to April 2003.²²

Meanwhile, the number of gang-related crimes rose, too. In 1990, Sichuan reported that in some places criminal groups were responsible for 50% of the solved serious criminal cases.²³ According to 1995 statistics, the crimes by groups accounted for 26% of all of those that were solved; the captured group members accounted for 37% of all captured criminals. These percentages became higher in coastal provinces, where criminal groups committed 70-80% of exceptionally serious and large crimes.²⁴

Referring to Table 2, a stable climb-up of the recorded number of destroyed criminal groups indicated their expansion in the Chinese society. However, the national figures of destroyed criminal groups released by the central government do not match well with those reported by provinces (see Table 3). For example, according to the MPS, in 1986, 30,476 criminal groups were reportedly destroyed nationwide. However, the combined number (11,908) from only six provinces (Shanxi, Liaoning, Jilin, Guangdong, Guansi, and Shaanxi) accounts for 39.07% of the national figure. Considering the absence of several giant provinces (e.g., Sichuan, Henan, Shandong, Hunan, Anhui, and Zhejiang), it is not convincing that 20.68% of provincial units with 17.3% of the total population of that year can account for more than one-third of the total number of destroyed criminal groups. Based upon the figure of these six provincial units to its population proportion, I believe that the total number of destroyed criminal groups that year was probably around 68,000. This tendency of underreporting by

22. Kang, *Dangdai Youzuzhi Fanzui*, p. 94; Weiting, H. (1996) *Zhongguo de Yinxing Jingji* [The Hidden Economy in China], Zhongguo Shanye, Beijing, p. 52; *Dadi* [Good Earth] 8 (2001) Available at: <http://www.people.com.cn>; Hainan Provincial Statistical Bureau (1999) *Hainan Wushinian, 1949-1999* [Fifty Years of Hainan], Zhongguo Tongji, Beijing, p. 176; 'Guangdong Tongji Xinxi Wan' (2004) [Statistical Information Network in Guangdong] Available at: <http://www.CDSTATS.GOV.CN>, accessed on 4 June 2004; the Bureau of Public Security, Guangxi (2004) Available at: <http://www.gazx.gov.cn>, accessed on 30 July 2004; *Sanxiang Dushi Bao* [Sanxiang City Gazette, Hunan] (2003), July 14.

23. *The Provincial Yearbook of Sichuan* (1991) p. 167.

24. Xiaoqin, Z. & Guoling, Z. (2001) *Dangdai Zhongguo de Fanzui yu Zhili* [Crime and Its Management in Contemporary China], Beijing University, Beijing, p. 18; Bakkan, *The Exemplary Society*, p. 392.

Table 2 The numbers of uncovered criminal groups and their members

Year	Uncovered Criminal Groups (G)	Number of Members (M)	Ratio (M/G)
1985	27,000	106,000	3.93
455 1986	30,476	114,452	3.76
1987	36,000	138,000	3.83
1988	57,229	213,554	3.73
1989	97,807	353,218	3.61
1990	100,527	368,885	3.67
1991	134,000	507,000	3.78
460 1992	120,000	462,000	3.85
1993	150,000	575,000	3.83
1994	150,000	570,000	3.8
1995	140,000	540,000	3.86
1996	136,225	670,000	4.92
1997	105,915	n.a.	n.a.
465 1998	102,314	361,927	3.54
1999	95,000*	n.a.	n.a.
2001	73,000	n.a.	n.a.

Source: Shuhua, K. *Dangdai Youzuzhi Fanzui yu Fangzhi Duice*, p. 94; Weiting, H. *Zhongguo de Yinxing Jingji*, p. 52; *The Law Yearbook of China*, 1993, p. 26; 1996, p. 164, p. 166; 1999, p. 157; the 1985 figure is from Michael Dutton, "The Basic Character of Crime in Contemporary China," p. 175; figures for 1996 and 1998 are from He Bingsong, *Terrorism, Cult and the Underworld*, p. 306; figures from 1986 to 1995 are from: Wenyan, L. & Hongjie, T. (2001) "Dahei Chu'e" *Xingshi Falu Shiyong Jieshuo* [Interpretations and Applications of Criminal Law Clauses for Striking against OC and Eradicating Dark Forces], Qunzhong, Beijing, p. 34 and p. 40.

*The figure for 1999 is calculated by the author based upon the aggregate number of one million of destroyed criminal groups from 1992 to 1999.

the MPS lasted until the early 1990s. Since 1993, the national figure and the figures from provinces match much better. I believe that the crime statistics during the mid-1990s were more reliable than the previous and the latter years.

480 According to Kang Shuhua, former president of China's Criminological Society and author of the first systematic study on OC in China, in the mid-1990s, "OC has expanded to every province of the country in Mainland China. In some provinces, it has engulfed every city and township in countryside."²⁵ He Qinglian, another acute observer of contemporary Chinese underworld society, assessed in the late 1990s that the criminal underworld had "developed from nothing to something, from small to big, from isolated to well organised. In every province and every district nationwide there were criminal secret societies."²⁶

485 After entering the new millennium, among leading Chinese researchers has formed a consensus that OC has been surging with alarming speed. The accelerating crime rate, which the formation of criminal groups also follows, 490 was unbelievable. Crimes committed by groups have climbed up and their

25. Kang, *Dangdai Youzuzhi Fanzui*, p. 99.

26. Qinglian, H. (1999) 'Zhongguo dai lu heishehui zuzhi' [The criminal organisations in mainland China], Available at: <http://www.speednet.net/~frankwet/wwwboard/messages/786.html>, accessed on 30 October 1999.

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Table 3 Number of destroyed criminal groups: Official and projected

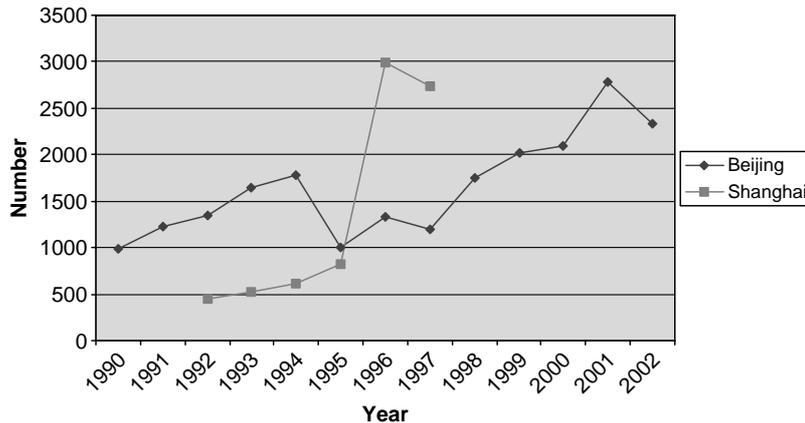
Year	National Figure (N)*	Combined Figure of Available Provinces (C)	Percentage of C/N (Population % of provinces in nation)‡	Projection (Rounded) (P)†	Differential between N/P
1986	30,476	11,908 (6 provinces)	39.07% (17.3%)	68,000	45%
1987	36,000	18,097 (7 ps)	50.27% (30.82%)	58,000	62%
1988	57,229	27,487 (10 ps)	48.03% (36.63%)	75,000	76%
1989	97,807	47,290 (10 ps)	48.35% (40.54%)	116,000	84%
1990	100,527	82,083 (17 ps)	81.65% (61.5%)	133,000	76%
1991	134,000	85,268 (13 ps)	63.6% (51.59%)	165,000	81%
1992	120,000	85,200 (15 ps)	71% (60.21%)	140,000	85%
1993	150,000	105,278 (19 ps)	70.19% (66.3%)	158,000	95%
1994	150,000	105,068 (20 ps)	70.05% (65.34%)	160,000	94%
1995	140,000	109,278 (23 ps)	78.06% (61.11%)	178,000	79%
1996	136,225	116,780 (25 ps)	85.72% (79.46%)	146,000	93%
1997	105,915	86,590 (25 ps)	81.75% (78.19%)	110,000	96%
1998	102,314	73,721 (22 ps)	72.05% (85.9%)	85,000	120%
1999	95,000	48,389 (13 ps)	50.94% (46.44%)	104,000	91%
2000	n.a.	33,257 (15 ps)	n.a. (40.23%)	82,000	n.a.
2001	73,000	33,705 (14 ps)	46.17% (45.16%)	74,000	98%
2002	n.a.	39,697 (18 ps)	n.a. (70.39%)	56,000	n.a.

Explanations:

*National figures are from the official releases, except the figure for 1999 was calculated by the author based upon the aggregate number of one million destroyed criminal groups from 1992 to 1999.

†Projection is made based upon the combined numbers of destroyed criminal groups in provinces with available data divided by population percentage of these provinces in the nation.

‡The national population figures and population figures of each province each year are from *Zhongguo Tongji Nianjian* [China Statistical Yearbooks] of 1987 through 2003.



Data Source: This graph was created by the author by using information from *Beijing Nianjian* [Yearbook of Beijing, various years], *Zhongguo Falü Nianjian* [Law Yearbook of China, various years], *Shanghai Nianjian* [Yearbook of Shanghai, various years], and *Shanghai Kuashiji Shehui Fazhan Wenti Sikao* [Reflections upon the Issues of Social Development in the New Century in Shanghai] (1997), Shanghai Shehui Kexueyuan Chubanshe, Shanghai, p. 418.

Figure 1 Trend of destroyed criminal groups: Beijing and Shanghai.

percentage of all crimes has also increased. More importantly, this surge is accompanied by two phenomena: (1) “the iceberg situation,” where most researchers (including those in-house researchers for the PSAs) believe that the uncovered criminal groups are only the tip of the iceberg and the unidentified ones are certainly much bigger; and (2) the “chive-chopping phenomenon” (or “cutting off Medusa’s head” in Western parlance), which means as you cut harder, more will grow.²⁷

However since 1998, one aberration occurred to Chinese crime statistics (see Table 3): The projection based upon the sum of the available provincial figures on the destroyed criminal groups was far below the national figure. Now it seems that the provinces tended to underreport. Also, the nation as a whole and most of the provinces witnessed bell-curved patterns, in which the peak reached around 1994 and then a downturn occurred, despite that the national data on filed crimes shot up. How do we interpret these developments? In particular, how will the interpretation be reconciled with the observation that OCGs “are expanding at a breathtaking pace”?²⁸

The developments in Beijing and Shanghai give us some clue. In these two metropolises (as shown in Figure 1), the numbers of destroyed criminal groups in the 1990s constitute an upward trend. Since Beijing and Shanghai have the largest

27. The in-house researchers of the PSAs did all these assessments. See: Guangdong Jingcha Xuehui [Guangdong Association of Police] (2002) *Guangdong Heishehui Fanzui Wenti Yanjiu* [Studies on Organised Crime in Guangdong], Zhongguo Renmin Gong’an Daxue, Beijing, pp. 39-40; Liu, *Zhujijiao Heishehui*, p. 247, p. 336, p. 357; Gang, C. & Yu, P. (1997) *Dangdai Zhongguo Shaohei Jishi* [Reports on Campaigns against the Criminal Underworld in Contemporary China], Qunzhong, Beijing, p. 10.

28. Lintner, ‘Chinese Organised Crime’, p. 84.

and best-equipped police force (there are 35 and 33 police officers per 10,000 residents respectively, in comparison to the national average of 12 per 10,000),²⁹ it is unreasonable to attribute the declining numbers in provinces to their improvement of public security. There are three possible explanations: First, the Chinese government did not release the true numbers. It is not uncommon that the Chinese government issues one set of figures for the public but another for "internal use."³⁰ Only as time goes by and desensitizes the numbers, numbers closer to reality would be released. Second, the central government has lost control over accurately filing and reporting crime data in many provinces. Due to the introduction of public security responsibility system, especially the one vote veto system in 1991, local police departments had no incentive to record and report the real crime statistics.³¹ For Chinese provinces where many administrative layers exist for a huge population and a vast territory, falsification of crime data could be easily done. Third, the Chinese government has increasingly lost control over the OCGs, a proposition that more supported by empirical data. It is more logical that, considering the trends in Beijing (from 1990-2002, the increase rate of destroyed criminal groups on average is 9%) and the national crime situation (from 1973 to 2002, the increase rate for filed criminal cases on average is 16.97%), we may infer that many criminal groups could have been destroyed but the absence of rigorous law enforcement had allowed them to escape unpunished. In Beijing, from 1994 to 2002, the numbers of destroyed criminal groups increased by a total of 53.61% (annual average 5.96%). If we apply Beijing's annual average growth rate to the year 1994 as a baseline, for the following nine years (1994-2002) a half million more criminal groups could have been destroyed in the nation, had all provinces kept the same momentum of chasing after criminal groups as before or as in Beijing and Shanghai. Therefore, the loss of destroyed criminal groups actually reflects the loss of control by the Chinese law enforcement agencies over the criminal underworld. No matter which explanation is truer or all of them are valid, China's public order faces a big crisis.

At the turn of the new millennium, Cai Shaoqing, an authority on the criminal underworld in China, estimated there were at least a million denizens in the criminal underworld.³² If Cai's figure was a shock to many Chinese, unfortunately, my study

29. News report from *Ming Pao* (Hong Kong) (2004) Available at: <http://mingpao.com>, accessed on 11 November 2004.

30. Bakken, B. (ed) (2005) *Crime, Punishment, and Policing in China*, Rowman & Littlefield, Lanham, MD, p. 70.

31. According to the principle of "one vote veto," if local government cannot meet the targeted index of public security and serious incident occurred in the jurisdiction, the promotion of local leaders will be vetoed. See Yang, X. (1996) *Zhongguo Xingshi Zhengce he Celue Wenti* [Policies and Tactics of Criminal Justice in China], Falü, Beijing, p. 124; M. Dutton in Bakken, *Crime, Punishment, and Policing in China*, p. 207.

32. Perry, E.J. (1999) 'Crime, Corruption, and Contention,' in *The Paradox of China's Post-Mao Reforms*, eds. M. Goldman & R. MacFarquhar, Harvard University, Cambridge, MA, p. 323; Ning, L. & Huiming, T. (2001) *Zhongguo Zhi Tong* [Pains of China], Wenhua Yishu, Beijing, p. 105.

points to a much more serious situation after carefully cross-examining the following pieces of information. First, the official crime rate offers a primary clue to estimate the size of the criminal underworld. Entering the new millennium, the filed criminal cases reached beyond four million. Meantime, the case-cracking (detection) rate kept dropping to below 50%. Early in 2004, the MPS acknowledged that this rate had even gone down to about 30%.³³ Second, it is common practice that many cases are not filed or are filed after they have been solved. The MPS found out that from 1985 to 1990 almost one-third of the criminal cases had not been reported or recorded.³⁴ Criminologists in China estimated in the late 1990s that the number of filed cases accounted for only about one-third of the incidence of crime reported to the police.³⁵ In other words, every year at least two million cases were not filed and another two million cases were not solved if filed. The perpetrators responsible for these at least four million cases were not brought to justice. Third, studies on hidden crime in China estimated that the police often have information about 10-20% of crimes (In the category of prostitution, roughly 25-30% of cases were caught by the police. This higher achievement probably can be attributed to the fact that prostitutes have become milk-cow for local PSAs to make up their budgets).³⁶ Due to the existence of the dark figure of crime, then, the officially publicized numbers of destroyed criminal groups roughly tell less than a quarter of the reality.³⁷ Fourth, by using the 1994 figure of destroyed criminal groups (which reflects the relatively normal performance of Chinese law enforcement) and considering that half a million of criminal groups might be destroyed since 1994, given the average size of criminal groups is around four,³⁸ my guesstimate about the current state of functioning criminal groups in China is that they are about one million; the active

33. Xinhua News Agency (2004) Available at: <http://www.xinhuanet.com>, accessed on 5 November 2004.

34. Feng, S. (2001) 'Crime and Crime Control in a Changing China', in *Crime and Social Control*, eds. L. Jianhong *et al.*, Greenwood, Westport, CT, pp. 123-124.

35. Shuhua, K. (ed.) (1998) *Fanzuixue* [Criminology], Qunzhong, Beijing, p. 401.

36. Huang, *Zhongguo de Yinxing Jingji*, p. 48; Kang & Wen, *You Zuzhi Fanzui*, p. 237.

37. This number is 24% in Bakken, *Crime, Punishment, and Policing in China*, p. 76.

38. This figure is based upon available information from some provinces in 2001 and 2002; Table 2 confirms this estimate. Specifically referring to "criminal groups with mafia characteristics," in 2001 the Supreme Court tried 350 cases with 1953 defendants, with an average of 5.5 persons for each case. Comparing to the conventional knowledge about OC in the West, this number is relatively low. Several factors are working here: First, in terms of the nature of crime, most criminal groups in China are still involved in violent predatory crimes (robbery, homicide, and rape), only a minority of them are in the market-based (or so-called victimless) crimes such as drugs, prostitution, gambling, money-laundering, and smuggling (both human beings and commodities). The former tends to organize them as small tight knit cliques; the latter can become much bigger in terms of size, for example, huge criminal networks and contacts with the upperworld are often created. Second, the market-based OC tends to implicate government officials; the criminal-political nexus impedes the investigation and prosecution of such groups. Therefore, the Chinese have complained that only little shrimps got caught, big sharks are let be free. Third, the Chinese law-enforcement agencies have applied the traditional bureaucratic model to search for Mafia-style pyramid-like organisations; this approach tends to neglect the criminal networks. Without being aware of the linkages among criminals and their interactions with the market (both legitimate and black), the Chinese crime intelligence and crime analysis have done a poor job to monitor and mine members and associates of OC groups.

members around four millions (Though it is worth bearing in mind that in the first “severe strike” campaign, more than a million criminal group members were rounded up). Corroboration to my estimate comes from an internal investigation done by the MPS that revealed two to three million of criminal group members scattered in Guandong, Hubei, Henan, Anhui and other major provinces in the year 2004.³⁹ My estimation, although much higher than Cai Shaoqing’s, is more sanguine than some scholars who have argued that today’s criminal underworld does not pale in comparison to that of Qing dynasty and the Nationalist Republican era.⁴⁰

Building upon the estimate of one million criminal groups with about four million criminal members, we can move to a reasonable assessment of the mafia-style criminal syndicates in China. Some reports, which claimed the MPS as their information source, revealed that in 1990 more than 500 mafia-style syndicates existed; in 1992, that number increased to more than 1,800.⁴¹ In the “campaign of striking mafia-style syndicates and eradicating dark forces” (from December 2000 to March 2003), the PSAs nationwide captured more than 100,000 mafia-style group members, cracked more than 150,000 criminal cases, and confiscated about 5,000 guns and rifles of all types.⁴² From April to December 2001, the courts adjudicated nationwide more than 300 cases implicating mafia-type syndicates and sentenced 12,000 OCG members. According the internal investigation done by the MPS, in 2004 there were about 4,200 mafia-style syndicates operating in Chinese society; more than 60 of them were cross-border, transnational OC groups that are very active in money-laundering, and the smuggling of goods and illegal immigrants.⁴³

According to statistics from the Municipal Bureau of Public Security in Fuzhou, Fujian province, mafia-style syndicates accounted for 1.23% of uncovered criminal groups; their members accounted for 2.15% of total captured criminals; and the cases in which they were involved accounted for 3.46% of total uncovered cases.⁴⁴ Based upon my own calculations from available provinces, 1 to 4% of criminal groups are mafia-style criminal syndicates (whose size varies from several dozen members to more than 100); around 10% are those of “dark forces” (the groups of local tyrants and bullies in villages and urban communities). Therefore, we can believe that there are some hundred thousand professional criminals in a minimum of ten thousand well-organised mafia-style syndicates and at least half a million members in more than 100,000 “dark forces” in China.

As for the broader category of the underworld society in China, it should not be below ten million members. According to a Hong Kong news magazine, in 2002 the

39. Shui, T. (2004) ‘Shiyi shengshi heishili changjue’ [Organised Crime is Rampant in Eleven Provinces], *Chengming* [Hong Kong], Aug., pp. 13-14.

40. Liu, who has worked on various Political and Legal Leadership posts in Guangdong for decades, has made the most alarming assessment so far in *Zhujijiao Heishehui*, p. 23.

41. He & Wang, *Zhongguo Dalu Heishehui*, p. 13.

42. The Xinhua News Agency (2003) Available at: <http://www.xinhuanet.com>, accessed on 7 November 2003.

43. Tian, ‘Shiyi Shengshi heishili Changjue’, pp. 13-14.

44. Kang & Wen, *Youzuzhi Fanzui Toushi*, p. 122.

Chinese leaders estimated the size of Chinese underworld society at more than 30 million. Luo Gan, a top Party leader in charge of legal affairs, reportedly said:

725 There are more than 22,000 groups of mafia-style syndicates and dark forces
about which we already have information. More than 30 million people have joined
the underworld society, including party and government officials at the grassroots
level: villages, and townships. Some officials at the county and department level
as well as the bureau level, and even worse, some officials at the vice governor or
730 ministerial rank, have joined these groups and become their behind-the-scenes
backers and protective umbrellas. . . . Eleven provinces were listed as places where
OC and dark forces are rampant. Guangdong's underworld, the largest in the
country, has about four million members; Henan has more than three million;
Liaoning, about two million; in Hunan and Hubei, about 1.5 million, respectively;
and in Hebei, Shanxi and Guangxi, more than one million, respectively.⁴⁵

735 According to official statistics, the registered cases of law violation and
breaking regulations reached 3.8 million cases in 2000, 4.8 million in 2001, and 5.1
million in 2002.⁴⁶ They indicate an even larger subaltern class thriving on
deviances than that indicated by crime rate. For example, the number of
prostitutes can be huge. In 1999, the PSAs nationwide dealt with 450,000 people
involved in 220,000 prostitution cases. Both numbers increased by 75 and 44
740 times, respectively, if compared to the 1984 numbers. The number of prostitutes
has been estimated as ranging from five, to ten to 30 million. According to a World
Health Organisation report, prostitutes are about six million in China. As its by-
product, the registered sexually transmitted diseases are estimated at close to
eight million cases.⁴⁷

745 Drug-abusers have also been on the rise. In 2002, PSAs nationwide intercepted
110,000 cases of drug trafficking, arresting more than 90,000 drug dealers. Next
year, the accumulated registered drug users reached 1.05 million and the number
of active drug users was at least 740,000. Actually, the real situation can be worse
than the official numbers on paper indicate. For example, in Guangdong province
750 alone, the estimated number of drug users reached 430,000 in 1999. To use a
conservative ratio of 1:5 between the registered drug users and unknown active
drug users that was validated by Chinese legal scholars and practitioners, there
are at least 3.7 million drug users in the society.⁴⁸ From 1998 to 2003, 1.49 million

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45. Ping, L. (2002) 'Heishehui daru zhongyang 25 buwei' [Organised Crime Infiltrated 25 Ministries and Councils in the Central Government], *Chengming*, June, pp. 11-12.

46. *The Law Yearbook of China* (2001) p. 1264; (2002) p. 1245; (2003) p. 1327.

760 47. See: *Nanfang Daily* report, Available at: http://www.cnnews.com/maya/news/ztwz/item/2000_09/394664.shtml; Huang, *Zhongguo de Yinxing Jingji*, p. 48; 'The Sex Industry in China' (2000) Available at: <http://news.sohu.com>, accessed on Oct. 4, 2000; Youmei, Z. (2004) 'Pay Attention to the "Yellow Women Army" in China' Available at: www.chinabulletin.com/luntan/laogong/huangse.txt; BBC news (2004) Available at: <http://BBCChinese.com>, accessed on 2 February 2004; 'China battles sex disease explosion', (2000) from BBC News, 6 November 2000.

765 48. Wei, Y. & Wanxiang, X. (2001) 'Woguo heishehui xinzhì fānzui chéngyīn chūtān' [Exploratory Remarks on the Causes of OC in China], *Huadong Zhengfa Xueyuan Xuebao* [Journal of East China College of Political Science and Law], vol. 17, no. 4, p. 11.

persons (and/or times) were forced to give up the habit of drug abusing in rehabilitation institutions. Among drug users, 80% of males were involved in crimes or law-violating activities; and 80% of females were involved in prostitution. Related to drug use, there were 840,000 HIV and AIDS-infected people; 60% of them contracting the disease from using drugs.⁴⁹

The number of beggars has also exploded in Chinese big cities where within a year (August 2003 to July 2004) 466,751 homeless beggars were picked up and received help in shelters nationwide.⁵⁰ Every year, at least a quarter million of inmates are released from prisons or labor camps (from 1998 to 2002, a total of 1.5 million inmates were released).⁵¹ The questionable criminal justice and penal system created high recidivism (increasing from less than five to ten percent in the 1980s, and 15% in the late 1990s)⁵². Recidivists and habitual criminals often are responsible for a lion's share of crime and provide education to inexperienced criminals and core leadership to criminal groups.⁵³ Since the larger portion of crime and deviance has come from the "floating population" (estimated at 120 million in year 2000 and in many big cities accounted for more than 50% of criminal cases, e.g., 53.6% in Shanghai, and 70% in Guangzhou in 1994)⁵⁴ – those sojourners abandoned the countryside and flooded into the cities for opportunities; the Chinese criminal underworld bases itself upon a bulging underclass. Sometimes, the boundary between the underworld and underclass is fuzzy and shifting, it makes it more difficult to clearly define the parameters of Chinese criminal underworld. Because of this fuzziness, it has also become more challenging to find a solution.

Explanations

As Daniel Bell points out within the American context, OC was based on certain characteristics of the economy, ethnic groups, and politics.⁵⁵ The existence and opulence of crime groups in society need more space created by the established political and social system. The criminal underworld in China also reflects the complex social and political pathologies that are plaguing the country. Researchers have given various explanatory factors to OC, such as poverty, the widening gap between rich and poor, unemployment, migration and a huge

49. Xinhua News Report (2004) Available at: <http://www1.people.com.cn/GB/shehui/1062/2335657.html>, accessed on 12 February 2004.

50. Report from China News Agency (2004) Available at: <http://www.chinanews.com.cn>, accessed on 30 July 2004.

51. *Zhongguo Sifa Xingzheng Nianjian* [Yearbook of Judicial Administration], Falü, Beijing, from 1998 to 2003.

52. Zhang & Zhao, *Dangdai Zhongguo de Fanzui yu Zhili*, p. 509.

53. Dutton, M. (1992) *Policing and Punishment in China*, Cambridge University, Melbourne, pp. 327-328.

54. Hangsheng, Z. (ed.) (2003) *Zhongguo Shehui Fazhan Yanjiu Baogao* [Research Reports on China's Social Development, 2002], Zhongguo Renmin Daxue, Beijing, p. 308; Feng, 'Crime and Crime Control in Changing China', p. 127.

55. Bell, D. 'Crime as an American Way of Life', in Passas, *Organised Crime*, p. 104.

population of migrants, social and economic transition, criminal subculture, the impact of traditional and overseas triads, Western cultural influence, the lagging and weakening moral education, and others. These factors tend to drive an underclass to seek opportunity from crime and deviance.

815 All of the socio-economic factors listed above are more predisposing ones that
increase the incentive for crime. In particular, the transition to a market economy
has also created the black markets of vices and illicit goods; in response, many
market-based criminal groups emerged to reap tremendous profits (for example,
820 in 1999 the MPS estimated that the annual expenses on drugs might reach 100
billion yuans in China⁵⁶). Nevertheless, given that China has been a strong Leninist
state for many decades, the hegemonic political structure has a profound impact
on the formation of any power clusters. Criminal groups in China are conditional
upon the ruling apparatus and its ideology. Taking the national wave-like crime
surges as the unit of analysis, it is not coincidental that they all correspond to
825 some crucial historical moments and political events. The first wave interlaced
with the founding of a new People's Republic in 1949 and its involvement into the
Korean War in 1950. The second wave resulted in the failure of the Great Leap
Forward and the Great Famine (1959-1961), which caused 30 million deaths and
20 million urbanites to be sent back to the countryside. And the third wave in 1973
830 came after the Lin Biao Incident (1971), which indicated the failure of Mao's
charisma and the anticlimax of Cultural Revolution. In 1981, two years after the
"open up" policy was adopted and massive exiled youths returned to cities, more
than 890,000 crimes were filed, indicating the coming of the fourth wave of
crimes in China. In 1991, the fifth wave of crimes gained momentum two years
835 after the Tiananmen massacre and the subsequent political regression, criminal
cases increased to 2.5 million.⁵⁷ In 1999, remembered as the year of crackdown on
the Falun Gong, the sixth wave picked up steam and registered crime cases passed
4.4 million in 2001.

840 If we differentiate the causal correlates of the criminal underworld into
proximate and immediate ones, we can certainly argue that the legacies of Mao
Zedong are some of the proximate factors.⁵⁸ His rule destroyed the balance of
traditional values that the Chinese internalized, namely, the "knight-errant
ethic" held in check by Confucian ideals. In the process of the 20th-century
Chinese revolution, as Richard Madsen has argued: "The knight-errant ethic not
845 only survived the course of the Chinese revolution but was even enhanced by the
ideology and organisation of that revolution. The Confucian ethical solutions
to holding that popular ethic in check did not survive the revolution, however."⁵⁹

850 56. Min, C. (ed.) (1999) *Duping Fanzui: Fazhan Qushi yu Ezhi Duice* [Crimes of Drugs: Trends and
Policies], Jingguan Jiaoyu Chubanshe, Beijing, p. 239.

57. Feng, C. *Diwici Gaochao*, pp. 3-14; Dutton, 'The Basic Character of Crime', pp. 160-177.

58. See Schram, S. (1966) 'Mao Tse-Tung and Secret Societies', *China Quarterly*, vol. 27, 1-13; Xuetai,
W. (1999) *Youmin Wenhua yu Zhongguo Shehui* [Vagrant Culture and Chinese Society], Xueyuan,
Beijing.

855 59. Madsen, R (1990) in *Violence in China*, eds J. N. Lipman & S. Harrell, SUNY, Albany, NY, p. 183.

In the aftermath of Mao's rule and the following decades, as the social order lost support from the Confucian ethic, its main fulcrum was the external control imposed upon the Chinese by a strong state. As this state shows weakness, the social order starts to shake. Thus, opportunity for the criminal underworld comes from the state failures. Primarily, four of those are the immediate factors, or triggers.

The Weakening or Loss of the State Capacity (at the Central or Local Level or Both)

The criminal underworld on surge reflects the deepening governance crisis in China. Many important functions that a state is supposed to fulfil are left unattended in China, particularly in the countryside.⁶⁰ Lack of public order, inadequate support for education, a high unemployment rate, and the absence of welfare and medical care systems are direct consequences of the retreat of the state from many issue/geographic areas. Underworld societies and OCGs have demonstrated their strength and potential to fill the vacuum left by the state and in many places functioned as "the second government," "the second court," or "the second police station."

The change in OC data clearly reflects the loss of state capacity. Around 1994, Chinese OC underwent several significant changes and became more sophisticated. The "behind-the-scenes protectors" of criminal groups also came into existence and the political-criminal nexus emerged as a prominent feature of Chinese criminal underworld.⁶¹ Also the tax-revenue reform of 1994 drastically centralized taxing power and left local governments under-funded.⁶² For example, the PSAs at the county and lower levels often got only 50% of their operating costs from the state budget; the other half depended on the police officers to find a way for generating revenue. In Sichuan, a local OC group paid one police station for the patrol cars, fuel, the salary for security guards, and even the detention rooms.⁶³ Consequently, the law enforcement agencies lost capacity (due to inadequate funding for local governments) and incentive (due to the formation of the political-criminal nexus) to put criminal groups under check.

As the size of criminal groups has reached several million members, in contrast, the Chinese police force is overshadowed, casting the governing capacity of the current regime further into doubt. Despite a one-million-member increase in less

60. He, *Zhongguo Xiangdaihua de Xianjing*, Chap. 9; Guidi, C. & Tao, C. (2004) *Zhongguo Nongmin Diaocha* [An Investigative Report on Chinese Peasants], Renmin Wenxue, Beijing.

61. Zhou, *Heishahui Diaocha*, p. 23; Xia, 'The Criminal-Political Nexus in China'.

62. Since 1994, the ratio of central government and local governments in the total tax share was completely reversed: in 1991, 26.10% central taxes vs. 73.9% local taxes, in 1994, 55.2% vs. 44.8%. See: Rongchang, L. & Zhiyun, Z. (eds.) (1999) *Zhongguo Caizheng Lilun Qianyan* [Frontiers of Finance in China], shehui Kexue Wenxian, Beijing, p. 129.

63. *Zhongguo Fanzuixue Yanjiuhui, Zhongguo Zhiwu Fanzui Yufang Diaocha Baogao*, pp. 386-387, provided numerous examples.

Table 4 The number of communist party members investigated by the party discipline committees for corruption and degeneration

<i>Period</i>	<i>Number of Individuals Investigated</i>	<i>Average Number Per Month</i>
1983-1988 (72 months)	655,000	9,236
10/1987-09/1992 (67 months)	874,690*	13,055
10/1992-06/1997 (57 months)	731,000	12,824
1997-2002 (72 months)	846,150	11,752

*This number includes the Party members who were investigated and disciplined for their involvement in the 1989 pro-democracy movement and therefore it is inflated by a special political factor.

Source: Qi, X. (1997) *Lianzheng Zhongguo* [Clean Government in China], Sichuan Renmin Chubanshe, Chengdu, p. 22; Sun, Y. (2004) *Corruption and Market in Contemporary China*, Cornell University Press, Ithaca, NY, p. 47; Zhongguo Fanzuixue Yanjiuhui, *Zhongguo Zhiwu Fanzui Yufang Diaocha Baogao*, p. 459.

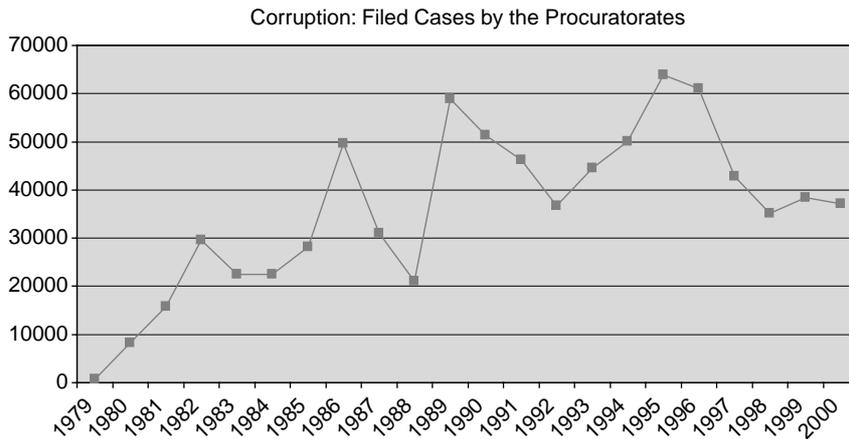
than two decades (from 650,000 in 1986 to 1.7 million in 2004), the ratio between the police and population is only 12 per 10,000, which is only one-third of the average ratio in the West. For example, in the U.S. as many as 31,000 gangs with 846,000 members are being taken care of by over 20,000 police agencies nationwide with approximately 940,000 employees.⁶⁴ Obviously, the Chinese police have an uphill battle to fight. If we also consider that the Chinese police force has been highly politicized to participate in large-scale political campaigns (the crackdown of the Falun Gong is one example), and, as some Chinese law-enforcement officials pointed out, for many officials OC groups have become "economically the cash tin box" and "politically the hit men" against political opponents, things can only get worse.⁶⁵ The most recent cases are that in suppressing right activists and defenders and riots in Sanwei, Guangdong, the government forces were the iron fists, local thugs and gangsters the black gloves.

The Weakening or Loss of the State Capacity to Discipline its Bureaucracy and Control the Rent-seeking Behavior Among its Officials

The underworld does not monopolize crime; the Chinese officialdom has been a hotbed for corruption and organisational crimes. Both the Communist Party internal discipline committees and the state procuratorates have investigated an increasing number of Party members and government officials (see Table 4 and Figure 2). Applying statistical analysis to the numbers of filed crime cases, destroyed criminal groups and the filed corruption cases by the procuratorates from 1985 to 1999 (the complete data available within this period), the

64. Justice J. (2005) Thomas of the Supreme Court of Illinois, dissenting opinion on the case of City of Chicago, *Petitioner v. Jesus Morales et al.*, June 10, 1999; "Police Structure of the United States" at Criminal Justice Megalinks. Available at: <http://faculty.ncwc.edu/toconner/default.htm>, accessed on 14 January 2005.

65. Zhongguo Fanzuixue Yanjiuhui, *Zhongguo Zhiwu Fanzui Yufang Diaocha Baogao*, p. 686.



Source: Zhe, L. *et al.* (2002) *Fubai Fanzuixue Yanjiu* [A Study of Corruption Criminology], Beijing University Press, Beijing, p. 97; Zhongguo Fanzuixue Yanjiuhui Yufang Zhiwu Fanzui Zhuangye Weiyuanhui [The Special Committee of Professional Crime Prevention, the Criminological Society of China] (2004) *Zhongguo Zhiwu Fanzui Yufang Diaocha Baogao* [Investigative Reports of Professional Crime Prevention in China], Zhongguo Minzhu Fazhi Chubanshe, Beijing, p. 459.

Figure 2 Corruption in China (1988-2001).

correlation between the filed corruption cases and the filed crime cases is 0.52, the correlation between the filed corruption cases and the destroyed criminal groups is 0.55. The demonstration effect that official corruptions have upon OC, instead of the other way around, was illustrated by the confession of a criminal: "I robbed him 100,000 yuans that he could easily recover in a day."⁶⁶ In a survey conducted in Guangdong province to identify the causal factors of China's OC, 19.2% of the respondents attributed it to the incompetence of local governments, 20.1% to the ineffective control and crackdown of the PSAs, 28.2% to a mixture of social problems, and 32.5% – the highest percentage – to the prevalence of corruption.⁶⁷ Several excellent studies have pointed out the causal linkages between corruption and (organised) crime, or the "interlinked phenomena of corruption and organised crime."⁶⁸ According to incomplete statistics from the Supreme Procuratorate, from April 2001 to April 2003, China's procuratorates prosecuted 557 state officials for involvement in OC cases and acting as the "protective umbrellas" for gangsters. Chinese leaders had to acknowledge that the aggrandisement of organised criminals and dark forces is attributed to "the protective umbrellas and backstage supporters within the Party, government, and the judicial apparatus." One official newspaper concludes: "The protection of

66. Zhongguo Jingcha Xuehui [Police Science Society of China] (1998), *Dangqian Zhongguo Nongmin zhongde Fanzui Yanjiu Lunwenxuan* [Collected Papers on the Current Crime among Peasants], Zhongguo Renmin Gong'an Daxue Chubanshe, Beijing, p. 64.

67. Simeng, K. & Qing, C. *Zhongguo: Tiaozhan Heishehui*, pp. 192-193.

68. He, *Zhongguo Xiandaihua de Xianjin*; Bakken, *Crime, Punishment, and Policing in China*, p. 91.

power is the direct cause of the proliferation of OCGs.”⁶⁹ Many Chinese political critics (such as Hu Ping, Zhang Weiguo and He Qinglian) have warned the new danger that the Chinese governments at all levels have been increasingly acting like mobsters.

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Political Paranoia on the Part of the Leadership Resulted in the State's Over-zealous Effort to Criminalize Civic Associations and its Failure to Protect People's Citizenship and their Civil Liberties, Particularly the Freedom of Association

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An irony is that when the retreating Chinese communist regime reassessed its priority and reallocated its power resources, it deemed the frontal challenge from the democratic forces struggling for an open public space and robust civil society more immediate and threatening than the devious attacks from the shadowy world. Consequently, the tentacles of the state reach far and wide in the first arena; therefore, attempts for a civil society in the Western sense (such as the 1989 pro-democracy movement) were brutally and effectively suppressed. For example, during its “campaign of striking mafia-style syndicates and eradicating dark forces,” the Falun Gong group was identified as No. One target by the Shenzhen Municipal Government; the Muslim and Tibetan independence movements were also identified as the primary targets in Xinjiang, Tibet and Sichuan.

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The suffocation of civic associations and the failure to foster civic virtues tend to damage the state's internal immune system against the invasion of criminogenic factors, and deprive the state of a partner in combating OC. China loses an effective sentinel in the fight against the criminalization of both society and state. Also, the authoritarian political control over the public arena drives many benign associations underground (Christian family churches and pro-Vatican Catholic churches are two obvious cases), bloating the sphere of underground society and making it impossible for the state to use democratic governance to deal with both the civil society and the underworld society.

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Policy Failures in Some Issue Areas

As the state continues to make mistakes on civic associations, it creates more strains for the state, squanders the scarce resource of state power, and causes more policy failures. Some state policy failures, particularly those in the issue areas of education (e.g., lack of state funding for primary and vocational education, particularly in the countryside), loan flow (e.g., urban bias to favour state-owned enterprises and discriminate against private businesses, and the corrupt process of allocating loans), social welfare (e.g., its absence in the countryside and meagre coverage for urban residents), and criminal justice

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69. *People's Daily* (2000) 14 December, p. 4; *Nafang Daily* (2000) 25 December.

(e.g., arbitrary punishment and a corrupt legal process), further deepen the existing social crises and make crime more difficult to be contained. All these policy failures have created a rapidly growing “floating population” that in turn has produced a sizeable underclass, which is vulnerable to the victimisation of crimes and the temptation of OC as a stepladder for social ascent. In 2001 the MPS conducted a survey among 15,000 jailed suspects of “floating population” from eight cities of seven provinces and found that group crimes accounted for 56.6% of the total crimes that the migrants committed. It also found that 38% of them were victims of unfair treatments (not be paid, overworked, be insulted, attacked and verbally abused), 36.4% were victims of illegal activities (be robbed, attacked, etc.), 21.3% reported that their families were victims to illegal activities. A vicious cycle has formed here: the victims of unfair and illegal activities have a stronger tendency to victimize other people as retaliation against the society.⁷⁰

Concluding Remarks

Although comparing to many other countries (even the industrialized West), China still has a relatively low crime rate; it is quite alarming that China has been one of the countries with the highest crime increase during the past 30 years. This surge shows no sign of abatement in the near future and has been increasingly featured with expanding OC. OC and criminal groups work differently than those criminals who act alone. Certainly OC syndicates are often opportunistic, but they invest resources in organisational building, nurture organisational coherence, and worry about their long-term viability (both the survival of the organisation and the exit strategy to escape the punishment of law). Many of them ultimately challenge the established social and political order directly. The criminal underworld that is growing in China has eroded law and order, social stability, the market economy of the country, and the political legitimacy and governance of the Communist Party. In many places, local states have been put under tremendous strains. The upsurge of criminality and the deterioration of the control system indicate that the superstructure of the Chinese communist regime faces a strong wall of resistance and sabotage, in addition to many other forms of contention (such as demonstrations, remonstrations, riots, and social movements) from its infrastructure.

Clearly, as China has been dismantling many of its Leninist legacies, its transition course has generated a complicity of new dynamics that are parallel to, or reinforcing, or crosscutting, or opposing each other. In response to the structural incentive mainly defined by an authoritarian state with declining capacity, there have been two trends in motion: (1) The opening up of the public space, which fosters the development of a civil society. As the totalizing power of China’s Leninist regime fades; space for power of resistance, for self-organisation,

70. Zhiming, W. *et al.* (2002) *Dangqian Zhongguo Liudong Renkou Fanzui Yanjiu* [A Study of Crime of the Floating Population], Zhongguo Renmin Gongan Daxue Chubanshe, Beijing, pp. 128-131, p. 248.

and for autonomous rule has been created, and the public sphere is in the making for a civil society. (2) The swelling of the hidden space that by default breeds a shadowy society mainly consisting of criminal underworld. These two trends created a tension somewhat like between “gentlemen” and “hooligans” who produce both order and disorder respectively.⁷¹ In Elizabeth Perry’s words, as Chinese society has become more deregulated by the strong party-state, the emergence of criminal underworld might end up with a kind of “institutional inversion.” A budding civil society risks being hijacked by a predatory criminal underworld.⁷²

With some resemblance to social entropy, the resurging OCGs today are the accumulation of degraded energy, which cannot be turned into a positive dynamic for Chinese development, but represent a destabilizing energy in the system. As such disorder accumulates, the superficially stable national façade, installed through the brutal crackdown in 1989, will increasingly risk being gnawed away by mounting disorganised forces. Therefore, as we are trying to connect China’s institutional movement to the “historic realms of autonomy,” looking for emerging civil society and alternate civility in Chinese society,⁷³ it is important to realize that the criminal underworld had been the most resilient organisational form of autonomy in Chinese history. Even after half a century of all-encompassing and totalitarian Leninist rule, criminal organisations bounced back with strong stamina. The resilience of uncivil society (or “disruptive communities”) in China deserves its due attention.

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71. Bakken, *The Exemplary Society*, p. 412.

72. Perry, E. (2004) in *Realms of Freedom in Modern China*, ed. W. C. Kirby, Stanford University, Stanford, CA, pp. 139-164.

73. Kirby, *Realms of Freedom in Modern China*.