Recent Trends in the Smuggling of Chinese Into the United States

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IN THE
SMUGGLING OF CHINESE
INTO THE UNITED STATES

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Fujian's "Overseas Chinese Country"
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INTRODUCTION

In the early hours of June 6, 1993, the Honduran-registered cargo vessel *Golden Venture* ran aground off the coast of New York City’s Queens neighborhood, forcing all 286 Chinese on board to plunge into the Atlantic Ocean.¹ After small boats that were supposed to transfer the ship’s human cargo to shore failed to appear, smugglers in charge of the vessel rammed the *Golden Venture* into the shore off of Rockaway Beach, ordering its occupants to jump in the water and make their own way ashore.² Amid the chaos of plunging into the bone-chilling water, 10 migrants died and many others barely survived.³ Televised images of the tragedy evoked worldwide concern for the plight of the shivering, terrified Chinese.⁴ People around the world were shocked to learn the would-be immigrants had spent four horrifying months amid rough seas and squalid conditions in the vessel’s dank hold, sailing from Thailand across the Indian Ocean to Kenya before making their way around South Africa’s Cape of Good Hope on a perilous 17,000-mile journey to New York.⁵ Even more shocking was the fact that most of the passengers on the unsafe cargo vessel had each agreed to pay smugglers US$30,000 for their perilous and dangerous passage.⁶

Since the *Golden Venture* commanded worldwide attention and sympathy so many years ago, two-thirds of its survivors have been removed from the United States,

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² Liang & Ye, *From Fujian to New York* at 187-188; KWONG, FORBIDDEN WORKERS at 1.
³ Id.
⁴ KO-LIN CHIN, SMUGGLED CHINESE: CLANDESTINE IMMIGRATION TO THE UNITED STATES 62-63 (1999) [hereinafter CHIN, SMUGGLED CHINESE]; KWONG, FORBIDDEN WORKERS at 2.
⁵ CHIN, SMUGGLED CHINESE at 62-63; KWONG, FORBIDDEN WORKERS at 1.
⁶ KWONG, FORBIDDEN WORKERS at 3.
while Cheng Chui-ping, the Chinese-American accused of masterminding the voyage known as “Sister Ping,” was sentenced to 35 years in prison in March 2006 after a jury found she had amassed a fortune of over $40 million smuggling more than a thousand Chinese into the country.⁷ That same year, the plight of the Golden Venture was made the subject of a feature film documentary directed by Peter Cohn.⁸ However, in spite of all the attention and public concern centered upon the Golden Venture incident, the problem of illegal Chinese emigration to the United States has continued to grow.⁹ Today, smugglers are still bringing large numbers of Chinese into the United States, although methods have changed and use of the sea route has “diminished significantly.”¹⁰ Recent research projects published by the preeminent American scholar of illegal Chinese immigration, Rutgers University School of Criminal Justice Professor Ko-lin Chin, have found that Chinese smuggling organizations are believed by U.S. immigration authorities to be operating out of no less than 51 countries covering a diverse geographic range spanning from Myanmar (Burma) to Thailand, Cambodia, Singapore, Russia, Guatemala, Surinam, Bolivia, Peru, Panama and Colombia, as well as the United States and its neighbors Canada and Mexico.¹¹ U.S. immigration officials have been cited as estimating

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⁸ The film made its debut at the 2006 Tribeca Film Festival and was also featured at the Amnesty International Film Festival in Washington DC. See film’s website at http://www.goldenventuremovie.com/ (last visited May 8, 2007).

⁹ CHIN, SMUGGLED CHINESE at 6.

¹⁰ CHIN, SMUGGLED CHINESE at 4; See also Liang & Ye, From Fujian to New York at 187.

that “at any given time, thirty thousand Chinese are stashed away in safe houses around the world, waiting for entry.” While the exact number of Chinese who have entered the United States illegally cannot be accurately ascertained, in 1995 a special U.S. government task force estimated the annual number could be as high as 50,000.

Illegal Chinese immigration is actually one of the oldest issues in American immigration law, dating back to the 19th century when Chinese flocked to the United States in the wake of the California gold rush, railroad construction and the establishment of Chinese communities on the U.S. west coast. Indeed, the first federal immigration statutes ever subjected to judicial scrutiny were the so-called “Chinese exclusion laws” passed by the U.S. Congress between 1882 and 1888 to halt the tide of Chinese immigration amid overt hostility from the country’s majority white population. In 1889, the U.S. Supreme Court handed down a landmark ruling in the “Chinese Exclusion Case,” which for the first time established that the federal government, encompassing the legislative and executive branches, had exclusive and absolute sovereign authority to regulate immigration matters. While the Chinese exclusion acts have since been repealed, many of the principles laid down in controversial early cases involving Chinese immigrants still constitute the foundation of modern U.S. immigration law. Even though extensive studies have been done on emerging trends in illegal immigration and human smuggling from major source countries such as Mexico, scholarly research http://www.ncjrs.gov/pdffiles1/nij/grants/200607.pdf (last visited May 8, 2007) [hereinafter ZHANG & CHIN REPORT]. See also CHIN, SMUGGLED CHINESE at 4; Liang & Ye, From Fujian to New York at 205-206. CHIN, SMUGGLED CHINESE at 4, directly quoting an unnamed “senior immigration official” interviewed by Professor Chin in the early 1990s.

CHIN, SMUGGLED CHINESE at 6.


Id.

Chae Chan Ping v. United States, 130 U.S. 581 (U.S. 1889). See also ALENIKOFF supra note 14, at 171-177.

ALENIKOFF, supra note 14, at 170-177.
focusing on the smuggling of Chinese into the United States “is just emerging” and only
a handful of books and social science research projects have been published in English on
this subject since the mid-1990s.\(^\text{18}\)

This research project will focus on recent developments in the smuggling of
Chinese into the United States. Because of this, a detailed review of the historic and
social development of illegal Chinese emigration will not be presented here in favor of
referring readers to the comprehensive, thoughtful and poignant English-language works
of social science scholars Chin, Zhang, Kwong, Liang and Ye.\(^\text{19}\) It is hoped that much of
the information presented in this research focuses on new trends that have not yet been
widely documented or analyzed in previous scholarly works published in English. This
research begins by describing the origin of most immigrants and what has been dubbed
the “three dimensionalization” ("\textit{liihua}\
立體化) of Chinese human smuggling, a trend
that took hold in the mid-1990s after the United States and China stepped up enforcement
measures against traditional smuggling methods that brought large groups of people by
sea directly from China to the U.S. coast. The “three dimensionalization” of human
smuggling has seen smugglers implement more innovative, flexible and constantly
changing tactics to bring people from China to the United States through a wide variety
of staging areas in third countries by air, sea, and over land through Mexico and Canada.

This research product asserts that many of the factors related to illegal Chinese
emigration are being exacerbated by the lack of normal political and economic relations
between China and Taiwan. While rivalry between China and Taiwan is a product of 20th
century Cold War history, the lack of normal ties between the two sides has produced a

\(^\text{18}\) Liang & Ye, \textit{From Fujian to New York} at 188.
\(^\text{19}\) \textit{See generally} CHIN, \textit{SMUGGLED CHINESE} 1-165, Liang & Ye, \textit{From Fujian to New York} 187-215;
KWONG, \textit{FORBIDDEN WORKERS} 1-239, ZHANG & CHIN REPOR 1-32.
gaping black hole that transnational smugglers take advantage of. Viewed individually, some of the factors are not readily associated with transnational human smuggling, such as the decline of Taiwan’s high seas fishing industry and the massive underground financial sector operating throughout “Greater China.” However, other Taiwan-related factors are more obviously associated with the trade, such as the relative ease in obtaining fraudulent, stolen or “borrowed” travel documents in China and Taiwan for the purpose of illegally moving people across national and regional borders. This research also asserts that loan sharking operations are collecting increasingly large debts for financing illegal voyages.

Occasionally, this research makes anecdotal references to the experiences of Chinese nationals detained in South Florida between 2003 and 2007, whom the author personally came to know by performing pro bono translation services for a local charitable legal aid organization. The author was unable to obtain permission from the Department of Homeland Security to perform a comprehensive survey of the detainees, patterned after Professor Chin’s research method, before most of them were removed or transferred to other facilities around the country in late 2006. However, it is hoped that

20 For the purpose of this research, the term “Greater China” collectively refers to mainland China, Taiwan, Hong Kong and Macau. This report also occasionally refers to the Republic of China (“ROC”), which is the official title of Taiwan’s government and differs from the People’s Republic of China (“PRC”) on the Chinese mainland. “Snakehead” (shetou) is the popular Chinese term for human smugglers, who are further divided between “little snakeheads” (xiao shetou) who recruit and deal with would-be emigrants, and “big snakeheads” (da shetou) who generally remain behinds the scenes organizing and bankrolling human smuggling operations, as well as taking the most profits. See CHIN, SMUGGLED CHINESE at 29-33. People who are smuggled out of China are popularly known as “snake people.” See Liang & Ye, From Fujian to New York at 203-207.

21 By “regional borders,” the author refers to border and immigration controls that remain in place between mainland China, Hong Kong and Macau even though the former British and Portuguese territories were returned to Chinese sovereignty in 1997 and 1999, respectively.

22 As of the summer of 2006, there were as many as 100 Chinese among the maximum 250 detainees held at the Broward Transitional Center (BTC) in Pompano Beach, Florida. (Figure supplied by BTC administration during American Bar Association inspection author participated in as a translator).
the anecdotal information about the detainees’ recent experiences helps paint a more up-to-date picture of the methods used by the human smugglers.\textsuperscript{23}

Much of this research is based upon recent Chinese-language materials, including research papers, academic theses and news media reports from China, Taiwan and Hong Kong. Most of these materials were either obtained from the public domain over the Internet or from a special research library in Taipei operated by the Mainland Affairs Council, a Cabinet-level government agency in Taiwan charged with handling relations with mainland China.\textsuperscript{24} While the author located a great deal of new information on this fascinating subject, many of the Chinese publications have English titles that do not directly correspond to their Chinese names. Since it is common for Chinese researchers to publish short English-language abstracts within Chinese-language research papers, the English titles of some of the papers were taken from these abstracts. In addition, the variety of Romanization systems used for spelling Chinese names and titles can easily lead to confusion, even among those who speak Chinese fluently.\textsuperscript{25} For the sake of facilitating easier future research, the original Chinese names of authors and publications, along with Chinese place names and various Chinese terms used in this research, are presented in Appendix III.

**FUJIAN ORIGINS**

For nearly a century, the vast majority of Chinese who emigrated to the United States came from the southern Chinese province of Guangdong, or more specifically

\textsuperscript{23} Names and personal information about individual detainees have been left out of this research in order to protect detainees’ identities and avoid affecting the outcome of any pending immigration cases.

\textsuperscript{24} The author is deeply grateful to the research assistants at the Mainland Affairs Council Research Library, which is a tremendous source of academic research materials from mainland China, Taiwan and Hong Kong and has recently established a massive electronic database of Chinese-language research materials.

\textsuperscript{25} With the exception of personal and place names in Taiwan, where the Wade-Giles system of Romanization is most commonly used, the author has presented Chinese terms in *Hanyu Pinyin* (漢語拼音), the system most commonly used in mainland China and abroad.
“from the eight counties surrounding the provincial capital of Canton (Guangzhou) along the Pearl River.” Cantonese, the prevalent Chinese dialect spoken in Guangdong, has traditionally been the dominant language spoken in American Chinatowns. However, the leading position of the American Cantonese has recently been displaced by a new group of Chinese immigrants who began arriving in large numbers in the 1980s. Like their predecessors, the newly arrived Chinese have established a large presence in New York’s Chinatown. Today, two major streets running through New York’s Chinatown district, East Broadway and Eldridge, are commonly known to local residents as “Fuzhou No. 1 Street” and “Fuzhou No. 2 Street.”

The specter of millions of “uneducated, inassimilable, illegal” aliens sneaking into the United States from China, a country of massive population, has evoked emotional and fearful reactions among the American public since the 19th century. However, while most Americans are well-aware of China’s vast size and population, they would probably be surprised to learn that since the late 1970s, when China began reopening its doors to the outside world, the overwhelming majority of Chinese illegally coming to the United States hail from a single, rather small area in the northern coastal region of Fujian province approximately the size of the U.S. state of Delaware. Situated in southeast

26 KWONG, FORBIDDEN WORKERS at 19; CHIN, SMUGGLED CHINESE at 111.
27 KWONG, FORBIDDEN WORKERS at 19; CHIN, SMUGGLED CHINESE at 111. While the government of China officially spells the province’s name as “Guangdong,” the province was formerly widely known to Westerners as “Canton,” while the Chinese dialect spoken there is still known as “Cantonese.” Another former popular spelling of the province’s name is “Kwangtung.” The province’s capital city, Guangzhou, was also formerly known to Westerners as “Canton.” Guangdong province is located in southern China and borders the former British territory of Hong Kong.
28 KWONG, FORBIDDEN WORKERS at 19-20, 92; Liang & Ye, From Fujian to New York at 190.
29 KWONG, FORBIDDEN WORKERS at 20.
30 CHIN, SMUGGLED CHINESE at 20.
31 KWONG, FORBIDDEN WORKERS at 3, 13; see also ALENIKOFF, supra note 14, at 170-177.
32 KWONG, FORBIDDEN WORKERS at 9; Liang & Ye, From Fujian to New York at 188-192; CHIN, SMUGGLED CHINESE at 8-9; Where do the Migrants Originate?, undated informational bulletin published by U.S. Department of State, available at
China directly across from the island of Taiwan, Fujian is largely covered by mountains and had a population of 35.58 million as of 2006. The vast majority of undocumented Chinese immigrants presently in the United States hail from the coastal region of Fujian north of the Min River, an area commonly known as “minbei” (閩北) or “north of the Min” or sometimes “mindong” (閩東) or “eastern Min” in reference to the river that bears the name of the ancient Min kingdom that once existed in the region. The Min River has traditionally denoted the geographic boundary between speakers of the Northern Fujian dialect “fuzhou hua” (福州話) widely spoken in the region surrounding the provincial capital Fuzhou (福州), from the Southern Fujian dialect “minnan hua” (閩南話) widely spoken in the region surrounding the southern Fujian metropolis of Xiamen (廈門).

Southern Min is also spoken by nearly 80 percent of people living on Taiwan, who are themselves mostly descendants of immigrants who left southern Fujian for Taiwan in the 17th and 18th centuries. Today, the vast majority of Chinese newcomers in the United States speak Northern Min.

The communities producing the majority of illegal immigrants consist of towns and villages forming a geographic ring around the provincial capital of Fuzhou. Because

33 Fujian was formerly known to Westerners as “Fukien” or “Fookien.”
35 The city of Fuzhou was formerly known to Westerners as “Fuchou” or “Foochow.”
36 The city of Xiamen was formerly known to Westerners as “Amoy.”
37 Id. Most Taiwanese have descended from immigrants who came from Quanzhou and Zhangzhou, areas just north and south of southern Fujian’s Xiamen metropolis. Smaller numbers of Taiwanese descend from immigrants who left ethnic Hakka areas of eastern Guangdong and southern Fujian. Today, most Taiwanese are able to easily communicate in Southern Min dialect with people from southern Fujian. The fuzhou hua dialect spoken in the region of Fuzhou is completely unintelligible to Southern Min speakers. In Taiwan, southern Min is commonly known as “Taiwanese” (taiwan hua or taiyu). Mandarin (putong hua), the native language in most parts of northern China, is the official common language spoken by all Chinese.
38 Liang & Ye, From Fujian to New York at 196.
so many of their inhabitants have emigrated abroad, these towns and villages are
colloquially referred to as “qiaoxiang” (僑鄉), combining the term “huaqiao” (華僑)
referring to the diaspora of Chinese living overseas, and the term “xiang” (鄉), meaning
“hometown” or “home village.”

Looking at a map of Fujian province and beginning at
the island of Pingtan (平潭島) southeast of Fuzhou, the ring moves around northward
across the narrow bay to Fuqing City (福清市) on the mainland, north to Changle City
(長樂市) and the Mawei District (馬尾區) east of Fuzhou, then further north to the
village of Tingjiang (亭江鎮), east to the island of Langqi (琅岐島), northwest to
Lianjiang County (連江縣) and finally west to Minhou County (閩侯縣), which adjoins
the west side of the Fuzhou metropolis.

To borrow common American slang, these
towns and villages taken together make up what could genuinely be called “overseas
Chinese country.”

The historic and economic motivations for people in the Fuzhou region to
emigrate abroad have been widely analyzed by social science scholars writing in the
English language, such as Chin, Zhang, Kwong, Liang and Ye. These scholars have
cited factors including Fujian’s historic ties to the outside world, including widespread
emigration to countries in Southeast Asia and even as far away as Vladivostok, Russia
and Cuba, during the 19th and early 20th centuries, as well as extensive economic

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40 Chin, Smuggled Chinese at 11-13.
41 The term for “country” (xiang) can infer the opposite of “city” or “urban,” or can be used as its English
counterpart is in a typical American phrase such as one often heard in South Florida, “this is ‘hurricane
country’.”
42 See supra note 19.
connections between people remaining in Fujian and their cousins who have emigrated abroad.\textsuperscript{43} After the Chinese Communist Party drove the Nationalist government off the Chinese mainland and established the People’s Republic of China in 1949, and again during a period of turmoil in the early 1960s, Fujian’s coastal ports were a common departure point for refugees fleeing communist rule.\textsuperscript{44} After China reopened its doors to the outside world in the late 1970s, large numbers of Fujianese who had emigrated abroad returned to the province to visit family, do business and invest in their hometowns.\textsuperscript{45} Researchers have found that local people in Fujian, especially peasants living in the countryside, have been deeply impressed by the wealth of overseas Fujianese returning to the region.\textsuperscript{46}

Another factor widely attributed to increasing emigration from Fujian is the social phenomenon of “relative deprivation,” a social science theory under which each individual is thought to make “judgments about his or her own welfare that are based not only on his or her absolute level of material possessions (such as income) but perhaps more important on the relative level of welfare in reference to others in the community.”\textsuperscript{47} An analysis of average incomes in the five main immigrant-sending

\textsuperscript{43} Liang & Ye, \textit{From Fujian to New York} at 192-195; Kwong, Forbidden Workers at 42-43. Today, “80 percent of Chinese in the Philippines, 55 percent in Indonesia, 50 percent in Burma, and 40 percent in Singapore are of Fujian origin.” Liang & Ye, \textit{From Fujian to New York} at 193; \textit{See also} Zhou Yu’e and Wang Xianfeng, \textit{A Case Study on the Cause of the Modern Illegal Emigration Movement in China’s Fujian Coastal Area, Around Southeast Asia} 72-75 (Guangxi, China) (Mar. 2004) [hereinafter Zhou & Wang Case Study] available at http://www.ims.sdu.edu.cn/yiminluntan/0027.pdf (last visited May 8, 2007).

\textsuperscript{44} Zhou & Wang Case Study at 72-75.

\textsuperscript{45} Id.

\textsuperscript{46} “They stay in luxury hotels, bring fancy gifts from abroad, give hong bao (red purses, money) to friends and relatives, go to karaoke clubs, and have big feasts in expensive restaurants for relatives.” Liang & Ye, \textit{From Fujian to New York} at 199.

\textsuperscript{47} Liang & Ye, \textit{From Fujian to New York} at 197, citing earlier research works of Samuel Stouffer, Ted Gurr, Charles Tilly, Oded Stark and J. Edward Taylor. Chinese research also makes reference to this phenomena. \textit{See} Li Minghuan, \textit{Qiaoxiang}, supra note 36.
regions of Fujian, conducted by Zai Liang and Wenzhen Ye, revealed that incomes in the *qiaoxiang* do not vary greatly from those in Fujian province as a whole, and indeed “with the exception of Pingtan, rural households in these regions enjoy an advantage in per capita income, especially in Fuqing and Changle.” However, Liang and Ye also found that income inequality ratios in the main immigrant-sending areas were high, partly due to remittances sent back from relatives living abroad. Liang and Ye cited research on Fujian incomes by scholar Thomas Lyons who had found that between 1983 and 1995, “the county coefficient of variation (a measure of relative disparity in income) in rural households had increased from .209 in 1983 to .273 in 1995.” Fujianese with relatives living abroad generally enjoy higher standards of living, with bigger houses with better living conditions and amenities, and even “fancy tombs” built for their ancestors. Fujianese who do not have access to remittances therefore experience “a sense of relative deprivation,” providing “further impetus for going abroad.” As Professor Chin put it, “[f]or the relatively deprived, the only way to *fanshen* (restore one’s social status) is for a family member to go abroad and send home foreign currency.”

A research project published in China in 2004 by Chinese scholar Zhou Yu’e, a professor at the Institute of Ethnic Chinese Studies at China’s Jinan University, and Jinan

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48 Zai Liang is a sociology professor at Queens College, City University of New York, and Wenzhen Ye is a professor of economics at Xiamen University in Fujian. *From Fujian to New York*, the article Liang and Ye contributed to *GLOBAL HUMAN SMUGGLING: COMPARATIVE PERSPECTIVES* (*supra* note 1), as well as a biography of both authors, has also been posted on the U.S. State Department’s website, available at [http://usinfo.state.gov/eap/Archive_Index/From_Fujian_to_New_York_Understanding_the_New_Chinese_Immigration.html](http://usinfo.state.gov/eap/Archive_Index/From_Fujian_to_New_York_Understanding_the_New_Chinese_Immigration.html) (last visited May 8, 2007).

49 Liang & Ye, *From Fujian to New York* at 195-196.

50 *Id.* at 198.

51 *Id.*

52 *Id.*

53 *Id.*

54 CHIN, SMUGGLED CHINESE at 21.
University doctoral student Wang Xianfeng,\textsuperscript{55} noted that many economies in transformation from developing to developed status often produce large numbers of emigrants during the transition period.\textsuperscript{56} Zhou and Wang cited statistics showing that an estimated two million South Koreans and Taiwanese illegally emigrated to the United States between the mid-1960s and 1995.\textsuperscript{57} “By the 1990s, these two regions had created more employment opportunities and retained their own people, starting to reduce the pressures for emigration… This is one explanation for why many of the [Fujianese] illegal immigrants are not especially wealthy, yet do not come from especially poor families, either.”\textsuperscript{58}

Zhou and Wang’s research also confirmed the existence of wide income disparities directly attributed to increasing illegal emigration. Citing statistics obtained from a Fujian Academy of Social Sciences researcher, Zhou and Wang reported that “Fujian snake people who sneak out of the country are mostly low-income residents whose monthly incomes do not exceed RMB 500” (the equivalent of about US$64).\textsuperscript{59} Since they can earn more than US$1,000 a month if they successfully make it to the United States, these immigrants earn at least over 15 times what they could make at home.\textsuperscript{60} Since income disparity levels of just one to ten encourage a trend of illegal emigration, the impetus for Fujianese to earn more money in the United States is hardly surprising.\textsuperscript{61}

\textsuperscript{55} Zhou & Wang \textit{Case Study} at 72-75.
\textsuperscript{56} Zhou & Wang \textit{Case Study} at 73.
\textsuperscript{57} \textit{Id.}
\textsuperscript{58} \textit{Id.}
\textsuperscript{59} Zhou & Wang \textit{Case Study} at 73.
\textsuperscript{60} \textit{Id.}
\textsuperscript{61} \textit{Id.}
A research project published in 2001 by Zhu Meirong, an academic researcher working for the Fujian Provincial Government’s Development Research Center, demonstrates the truly massive scale of remittances sent to the *qiaoxiang* by Fujianese who have gone abroad, both through the state-owned Bank of China and through black-market financial networks known as “*dixia qianzhuang*” (地下錢莊), literally meaning “underground money houses.”

Taking the overseas Chinese in the United States as an example, the amount of U.S. currency remitted through the Bank of China has increased every year. Statistics show that in Changle City, annual income from overseas Chinese remittances totaled US$16 million in 1991 and US$230 million in 1998. If funds remitted through ‘underground money houses’ are figured in, the total could range between US$500 million and US$600 million, far in excess of the Changle municipal government’s annual income of RMB 280 million [about US$36.3 million]. Even in Mingxi County of Sanming City [a less developed region immediately west of Minhou County], the amount of foreign currency remitted by new emigrants and placed into savings accounts totaled US$3.11 million.

According to Zhu’s research, tremendous amounts of money have been brought back to Fujian by émigrés making business investments in their hometowns. Between 1995 and 2001, authorities in Fuzhou City approved 1,327 foreign investment projects for which US$3.27 billion in foreign currency was actually brought into the country and invested. Of these investments, over 70 percent were classified as originating from “*qiao, gang, ao*” (僑, 港, 澳), a classification grouping together overseas Chinese, Hong Kong and Macau residents. “In major *qiaoxiang* such as in Fuqing, this source of investment

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63 The Chinese name of this institution is *Fujian sheng zhengfu fazhan yanjiu zhongxin* (福建省政府發展研究中心).
64 The significant role of “underground money houses” and the black market economy in the human smuggling trade is discussed in detail starting on page 40.
65 Zhu Analysis at 67.
66 Zhu Analysis at 67.
67 Id. at 67.
68 Id. at 67.
accounted for more than 90 percent of the total.” In addition, Zhu cited “incomplete statistics” finding that over RMB 800 million (about US$104 million) worth of charitable donations had been given in the Fuzhou area by overseas Chinese donors between 1993 and 1998. The scale of foreign currency remittances to Fujian is therefore not only massive, but is also forming a crucial part of the province’s local economy. Zhu’s mention of “underground money houses” estimated to be bringing more than half of the foreign currency remittances back into China on behalf of the illegal emigrants is also significant for reasons that will be discussed and analyzed separately starting on page 40.

Newspapers and magazines in China frequently report on subjects related to illegal emigration from Fujian and other provinces. One recent magazine report focused upon the issue of why people from “more economically developed regions” such as Fujian were leaving the country. According to the magazine report, wealth that has been generated by large numbers of Fujianese has resulted in a “social bias” among Fujianese people in favor of illegal emigration, since many people have personally witnessed neighbors getting rich as a direct result of family members sneaking out of the country.

“Those who sneak out completely refrain from talking about incidents where migrants have died and do not talk about how those who sneak out are treated in foreign countries,

69 Id. at 67.
70 Id. at 67.
71 Id. at 67.
72 A search performed at the Mainland Affairs Council’s Research Library’s computerized catalog system turned up several hundred reports on the subject published over the last decade in Chinese news media outlets ranging from the official Xinhua News Agency to the semi-official China News Service, newspapers around the country and web portals reprinting news stories from various sources.
74 Id. at 53.
making it seem as if all migrants succeed and earn huge stacks of U.S. dollars and Japanese yen.”

The “relative deprivation” theory has also been applied to Fujian’s economic status when compared to its geographic neighbors. Fujian is geographically sandwiched between some of the wealthiest regions of Greater China, including Guangdong province to the west, which itself surrounds the wealthy former British and Portuguese enclaves of Hong Kong and Macau, as well as Taiwan to the east. Fujian is the closest Chinese territory to the island of Taiwan and until hostilities between China and Taiwan started easing in the late 1970s and early 1980s, Fujian was long regarded as a “front-line” province where war could break out at any time. As a result, even though incomes in Fujian are higher than the average across China, Fujian’s economic development has still lagged behind its far wealthier neighbors as a result of its geographic and historic position. Chinese authorities have implemented incentive policies aimed at attracting Taiwanese investment in neighboring Fujian. However, the Taiwan government’s policy of discouraging large-scale Chinese investments, based around Taipei’s continued reluctance to become economically dependent on China, has been widely attributed to Fujian’s relative lack of development.

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75 Id.
76 Li Minghuan, Qiaoxiang at 41-42; Liang & Ye, From Fujian to New York at 194-195.
77 Liang & Ye, From Fujian to New York at 194; Zhang Lianshun, Research on Illegal Emigration From Fujian’s Coastal Region, 2007 law journal article by East China University of Politics and Law professor, original publication unknown, reposted on the Peking University Legal Information Center’s CHINALAWINFO website [hereinafter Zhang, Research], available at http://article.chinalawinfo.com/article/user/article_display.asp?ArticleID=37280 (last visited May 8, 2007). Since there were no page numbers in the reprint, this research refers to page numbers 1-6 as they appeared on a standard computer printout of the article.
78 Zhang, Research at 1-6. In Zhang Lianshun’s view from Shanghai, “Fujian’s coastal cities are not as developed as we think they are.” See also Liang & Ye, From Fujian to New York at 194-196.
79 Chin at 11.
The displacement of labor caused by sweeping economic reforms in China has also been listed as a factor behind increasing illegal emigration from Fujian.\(^{81}\) While the mostly mountainous province has long suffered from a shortage of arable land, “a large amount of farmland in the Fuzhou area has been converted into industrial areas or special economic zones, displacing farmers from their land.”\(^{82}\) Farmers unable to remain on their land experience difficulty competing against younger, better educated migrants for factory jobs in urban areas of Fujian.\(^{83}\) A prime example of this phenomenon is the island of Langqi (琅岐), which strategically sits at the Min River’s entrance to Fuzhou City and began construction of a large new industrial zone in 2002.\(^{84}\)

Research published in 2007 by East China University of Politics and Law Professor Zhang Lianshun also refers to how Fujianese receiving remittances from relatives abroad enjoy the revered social status of “qiaojuan” (僑眷), meaning “families of overseas Chinese” who enjoy a higher social status and better material possessions than neighbors lacking relatives abroad.\(^{85}\) Chinese scholars such as Li Minghuan, a professor at Xiamen University’s Institute of Population Studies,\(^{86}\) have found that many Fujianese have high regard for those who make it out of the country and remit money back home, while persons who stay at home are thought to be lazy and lacking ambition.

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\(^{81}\) Chin, Smuggled Chinese at 15.

\(^{82}\) Id. at 16-17.

\(^{83}\) Id. at 17.

\(^{84}\) See “Fujian’s ‘Overseas Chinese Country’” map presented at the beginning of this research. See also Industrial Economy (工業經濟) section of informational web page on the Langqi Village Government official website, available at [http://www.8min.com.cn/fjtown/fuzhou/98/xz8101032.htm](http://www.8min.com.cn/fjtown/fuzhou/98/xz8101032.htm) (last visited May 8, 2007). The author has translated affidavits from Chinese asylum applicants in South Florida claiming to have been evicted from family homes on Langqi Island.


\(^{86}\) Li Minghuan, Qiaoxiang at 38-49.
a conclusion shared by their Western counterparts. Surveys of Fujianese immigrants living in the United States have revealed strong family pressures to emigrate, since most of them were motivated to boost the living standards for their entire families by coming, rather than just to improve their own lots. In the magazine report, Lin and Yuan also confirmed that besides enjoying higher social prestige, qiaojuan also enjoy an increased ability to borrow money because local creditors have more confidence in the ability of qiaojuan to repay loans.

American scholars who conducted interviews in immigrant-sending communities in Fujian have found there is a strong sense in Fujian that qiaojuan are better protected against the possibility of the Chinese government taking away their possessions or subjecting them to persecution if the current era of reforms and openness were ever to end. Professor Ko-lin Chin found that the “lessons of the Cultural Revolution,” an era of political and social chaos that engulfed China between 1966 and 1976, “had not been lost on these people.” Chin’s research also found that some Fujianese families engaged in economic activity generating large amounts of income, but which might not be “considered totally legitimate under Chinese law,” were taking advantage of being qiaojuan to “justify their families’ wealth in China,” since they could claim to be receiving remittances from relatives abroad if ever investigated by Chinese authorities.

Another factor scholars widely attribute with Fujian emigration trends is the region’s seafaring tradition and culture of risk-taking, as many Fujianese earn their living

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87 Those who successfully make it out are said to be “you benshi,” (有本事) a colloquial term referring to people who have what it takes to succeed. See Li Minghuan, Qiaoxiang at 41. See also CHIN, SMUGGLED CHINESE at 9-10.
88 CHIN, SMUGGLED CHINESE at 18.
89 Lin & Yuan, supra note 70, at 54.
90 CHIN, SMUGGLED CHINESE at 15.
91 CHIN, SMUGGLED CHINESE at 15.
92 CHIN, SMUGGLED CHINESE at 16.
from fishing and other sea-based activities and thus Fujianese in general, even the majority of people who are not themselves fishermen by trade, are accustomed to the idea of staking their fortunes at sea.\textsuperscript{93} According to Zai Liang and Wenzhen Ye, some 54 percent of the total agricultural output value in the five major immigrant-sending regions can be traced to fishing, accounting for as much as 69 percent in Lianjiang County and 75 percent on Pingtan Island.\textsuperscript{94} Since people in these regions, even those who are not themselves fishermen, are deeply familiar with voyages out to sea, “this familiarity prepares them well for the sometimes dangerous journey to the United States or other destination countries.”\textsuperscript{95} Zhou and Wang put it this way: “Because they prefer going out to sea and taking risks, they [the Fujianese] have been called ‘the Jews of China.’”\textsuperscript{96}

The approving attitude of many Fujianese toward the human smuggling trade and snakeheads has been listed as another important factor fueling the growth of illegal migration.\textsuperscript{97} While government authorities regard human smuggling as criminal activity, many ordinary Fujianese view snakeheads as benefactors and protectors who take responsibility for successfully helping their relatives seek better lives abroad.\textsuperscript{98}

“They [the snakeheads] are often regarded as the ‘capable people of Fujian,’ the ‘saviors of their countrymen’ and receive ‘respect.’ Local snakeheads within the country often enjoy a high degree of prestige within their communities, and some of them even have strong bonds with local government officials.”\textsuperscript{99}

\textsuperscript{93} Liang & Ye, \textit{From Fujian to New York} at 200-203. See also Zhou & Wang \textit{Case Study} at 73.
\textsuperscript{94} Liang & Ye, \textit{From Fujian to New York} at 203.
\textsuperscript{95} Id.
\textsuperscript{96} Zhou & Wang \textit{Case Study} at 73. Scholars of overseas Chinese affairs are fond of making comparisons between the experiences of overseas Chinese and Jewish communities around the world.
\textsuperscript{97} “The derogatory term ‘snakehead’ used by outsiders to describe organizers of illegal emigration lacks any derogatory meaning in Changle.” Zhou & Wang \textit{Case Study} at 74.
\textsuperscript{98} Lin & Yuan, \textit{supra} note 70, at 54.
\textsuperscript{99} Id.
Ye Rongqin, an official at the Jimei District People’s Prosecutorate in Xiamen, Fujian Province, published a research report in 2001 that provided an insight into how Chinese prosecutors have contended with tolerant attitudes toward the human smuggling trade in Fujian province. According to Ye’s report, “not only ordinary people, but even many law enforcement personnel believe the act of sneaking out is a violation of the law, rather than the commission of a crime.”

Professor Zhang Lianshun’s research sheds light on another aspect of the relationship between snakeheads and snake people based on contractual ties:

“[T]here is also a contractual relationship between illegal migrants and the snakeheads. Although we think this kind of contract is illegal and cannot receive legal protection, for the illegal migrant, the contract is their tool for evading criminal responsibility and gives them psychological comfort. ‘If I get caught, their organization will get me out.’ This kind of psychological escapism provides some confidence to each illegal migrant.”

Other factors attributed to the growth of illegal emigration from Fujian resemble those of other immigrant-producing countries, such as the spread of migrant networks and the “cumulative causation” effect. These phenomena have been collectively referred to as “chain migration” in Chinese-language research, with scholars commonly

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100 The Chinese name of this prosecutor’s office is Fujian sheng Xiamen shi jimei qu renmin jianchayuan (福建省廈門市集美區人民檢查院). The official website of Xiamen’s Jimei District Government identifies Ye Rongqin as being in charge of political affairs and discipline at the local prosecutor’s office in his capacity within the office’s Chinese Communist Party’s branch organization. See Xiamen Jimei Party and Government Organs (廈門集美黨政機構), available at http://www.jimei.gov.cn/myoffice/dzjgColumn.do?departmentId=F1196 (last visited May 8, 2007).


102 Ye’s observation makes a contrast between the Chinese phrases “weifa xingwei” (違法行為), a less serious term literally meaning “behavior in violation of the law,” and “fanzui xingwei” (犯罪行為), a more serious term literally meaning “criminal behavior” or the “act of committing a crime.”

103 Zhang, Research at 4.

104 CHIN, SMUGGLED CHINESE at 19-22.
using “one brings ten, ten bring a hundred” to describe how those who successfully get out often encourage friends and relatives to join them.\textsuperscript{105}

Chinese scholars have presented statistics estimating just how many Fujianese have illegally emigrated abroad in the modern era, although figures vary widely due to problems such as excluding those who emigrated legally. Li Minghuan has cited Fujian provincial government statistics stating that 533,500 Fujianese had emigrated abroad between the People’s Republic of China’s 1949 establishment and 1996, of which “over 90 percent left the country after 1979.”\textsuperscript{106} Of the 500,000 or so who had left after that year, slightly less than half originated from the region around Fuzhou City.\textsuperscript{107} “If the number of new emigrants since 1996 were added in, along with those without documents who did not follow formal exit procedures, then from 1979 to the present, the total number of people from the Fuzhou area who left by normal and non-normal means would exceed 500,000 people.”\textsuperscript{108} Zhou and Wang have cited Zhu Meirong’s statistics estimating that “about 200,000 to 400,000” Chinese illegally emigrated between 1978 and 1995, while “at least 220,000” Fujianese left the country illegally between 1979 and 1998.\textsuperscript{109} Taken together with those who left the country legally, by the time Zhu Meirong’s research was published in 2001, the estimated 500,000 Fujianese living abroad accounted for “one-third of the entire country’s new émigrés, yet only account for 1.5

\textsuperscript{105} Zhang,\textit{ Research at 5}; Li Minghuan,\textit{ Qiaoxiang at 40}; Zhou & Wang,\textit{ Case Study at 74}.
\textsuperscript{106} Li Minghuan,\textit{ Qiaoxiang at 39}.
\textsuperscript{107} Id.
\textsuperscript{108} Id. Professor Li cited statistics from the Chinese Ministry of Public Security stating that “at least 600,000” Chinese citizens from all around the country had established residence abroad between 1949 and 1996, while the Chinese Foreign Ministry had estimated the number to exceed one million for the same period. The Overseas Chinese Affairs Office of the State Council estimated in a report published in 2002 that 2 million Chinese had emigrated since 1949, and Xiamen University overseas Chinese affairs scholar Zhuang Guotu has estimated that as many as 4 million Chinese have emigrated since the 1970s, of which 2.5 million emigrated legally and at least 500,000 to 700,00 emigrated illegally. Li Minghuan,\textit{ Qiaoxiang at 39}, note 4.
\textsuperscript{109} Zhou and Wang,\textit{ Case Study at 15}, citing Zhu Meirong,\textit{ Analysis at 65}. 

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percent of Fujian’s entire population.” In 2007, Zhang Lianshun estimated that “between 30,000 and 50,000” Fujianese were leaving China illegally every year.

While statistics about how many Fujianese have left are hard enough to come by, it is even more difficult to estimate how many of them ended up coming to the United States instead of other popular destinations, such as Japan and Taiwan or countries in Europe and Southeast Asia. Professor Chin has cited U.S. government statistics estimating that 500,000 Chinese were illegally present in the United States as of 1991. However, this figure included “smuggled Chinese not only from China, but also from Taiwan, Hong Kong, and other countries.” A special Interagency Working Group set up by the White House in 1995, during the administration of President Bill Clinton, estimated that as many as 50,000 Chinese were being smuggled into the United States every year. If that figure is taken to be correct, the total number of Chinese smuggled into the United States between 1995 and 2007 could be as high as 600,000. While it is impossible to estimate how many of the Chinese illegally present in the United States today hail from Fujian, it is widely assumed that the vast majority of them hail from northern Fujian. The Fujianese have a humorous saying: “The Taiwanese fear Pingtan. The Japanese fear Fuqing. The Americans fear Tingjiang. The British fear Changle. The whole world fears Fujian.”

110 Zhu Meirong, Analysis at 65.
111 Zhang, Research at 1.
112 CHIN, SMUGGLED CHINESE at 6.
113 Id.
114 Id.
115 Id.
THE ‘THREE DIMENSIONALIZATION’ OF CHINESE HUMAN SMUGGLING

After China began its era of reform in the 1970s, the business of smuggling Chinese into the United States was originally conducted mostly by sea, with converted cargo ships and fishing vessels transporting several hundred migrants at a time.\(^{116}\) As scholars Zhou and Wang put it, the years leading up to the mid-1990s were “an era of climbing aboard boats,”\(^{117}\) a phenomena demonstrated by U.S. authorities intercepting eight large transport vessels carrying nearly 1,900 migrants in the year 1993 alone.\(^{118}\) According to Professor Chin’s research, by the year 1998 U.S. authorities had intercepted 41 vessels at sea carrying more than 6,300 people.\(^{119}\) After the U.S. Coast Guard stepped up efforts to intercept and even divert human smuggling ships from reaching the U.S. coast, some of the smugglers became “more reckless” and, instead of ferrying their clients from the mother ships to the U.S. coast on smaller craft, they began sailing mother ships directly into U.S. ports and unloading human cargoes on the docks.\(^{120}\)

After the Golden Venture tragedy prompted tighter patrols by the U.S. Coast Guard and China began cracking down on human smuggling rings operating out of Fujian ports, the practice of transporting Chinese directly to the United States by sea was gradually abandoned in favor of other, more indirect methods.\(^{121}\)

After 1996, China had strengthened international cooperation to combat illegal emigration and effectively deterred large-scale illegal emigration phenomena. It was no longer possible to conduct illegal emigration on the scale of hundreds of people in a single group. But in another aspect, since China and the rest of the world were increasingly opening up to each other, Chinese became able to leave the country by legal means for a variety of purposes such as visiting relatives, studying abroad, tourism or business inspection trips. After this, new

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\(^{116}\) Zhou and Wang, Case Study at 16.
\(^{117}\) Id.
\(^{118}\) Id.
\(^{119}\) CHIN, SMUGGLED CHINESE at 63.
\(^{120}\) "In May 1993, for example, a smuggling ship dropped 250 smuggled Chinese at a San Francisco Bay pier in the middle of the night and fled.” CHIN, SMUGGLED CHINESE at 63-64.
\(^{121}\) Zhou and Wang Case Study at 74; Zhou and Wang Analysis at 16.
forms of illegal immigration, such as illegally remaining or illegally working in the target country, have become increasingly common.\textsuperscript{122}

After the watershed year of 1996, Chinese human smuggling entered the current stage of development, which has been dubbed the “three dimensionalization” of human smuggling (litihua 立體化) by Chinese scholars\textsuperscript{123} and China’s news media.\textsuperscript{124} This term refers to the abandonment of a simple one-dimensional tactic of taking people by boat from one place to the other in favor of adapting dozens of different operational modes. In research published in 2001, Huang Run-long of the Nanjing College of Population Program Management (南京人口管理幹部學院) described this trend as “moving toward internationalization, group formation, organization and size reduction.”\textsuperscript{125} In their research, Zhou and Wang found that after 1996, smugglers adopted a “complicated” variety of methods usually employing a combination of travel by sea, air and over land through third countries and areas to get snake people into the United States and other countries.\textsuperscript{126} While methods for getting their clients out of China vary widely, the usual pattern is to take snake people to one or more third countries or areas where they are provided with new travel documents and then brought in to the United States by air or sea,

\begin{footnotesize}
\begin{itemize}
\item[\textsuperscript{122}] Zhou and Wang Analysis at 16.
\item[\textsuperscript{123}] Id.
\item[\textsuperscript{124}] The term “litihua” has become common in Chinese news reports about the tactics used by human smuggling organizations. See Wang Po, Difficult Road for Chinese Illegal Immigrants in New York, undated report in Cankao Xiaozi Tekan, republished on XINHUANET, Aug. 26, 2004, available at http://big5.xinhuanet.com/gate/big5/news.xinhuanet.com/world/2004-08/26/content_1887612.htm (last visited May 8, 2007). Cankao Xiaozi, literally meaning “Reference News,” is a widely circulated daily newspaper published by the official Xinhua News Agency that is also the only publication in China authorized to reprint articles from foreign news organizations. Before the mid-1980s, Cankao Xiaozi was only circulated among Communist Party cadres, but has since been made available to the general public. See Erwin Atwood and N. Lin, Cankao Xiaozi: News for China’s Cadre, 59 JOURNALISM QUARTERLY 240, 1982.
\item[\textsuperscript{125}] Huang Run-long, The Problem of China’s Illegal Migration, POPULATION AND ECONOMICS 20 (China) (No. 1, 2001) [hereinafter Huang, China’s Illegal Migration].
\item[\textsuperscript{126}] Zhou and Wang, Analysis at 16.
\end{itemize}
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or taken through Mexico or Canada to cross the U.S. border over land. The smuggling operation is therefore divided into stages, each of which is usually handled by different groups of people operating in different countries. Citing figures obtained by Ko-lin Chin, Huang Run-long’s research reported that U.S. immigration officials estimate that at any given time, about 4,000 Chinese nationals are temporarily waiting in Bolivia for documents and arrangements that will take them into the United States, while another 4,000 are waiting in Panama and thousands more are believed to be waiting in Haiti, Peru and various Caribbean countries. In March of 2007, China’s Foreign Ministry confirmed at a news conference that the Chinese government was actively cooperating with authorities in Peru, Colombia and Argentina to verify the identities of Chinese nationals detained in those countries on immigration violations before they could be repatriated to China.

Human smuggling organizations employ a wide variety of different means to bring snake people out of Fujian to staging areas in third countries. One commonly used route takes snake people from Fujian to southwestern China’s Yunnan province, which shares a long land border with Myanmar (Burma). Since China and Myanmar both encourage border trade between the two countries, it is easy for Fujianese to cross overland into Burma, where they are taken on a long and difficult overland journey into neighboring Thailand. In Thailand, which in recent years has “emerged as one of the criminal world’s main sources for fake and altered passports,” arrangements are made to

127 Id.
128 Huang, China’s Illegal Migration at 17.
129 Id.
131 Zhou and Wang, Analysis at 16.
132 Id. See also CHIN, SMUGGLED CHINESE at 53.
obtain falsified documents so snake people may board commercial flights to other third
countries or head for the United States itself.\textsuperscript{133} Often times, snake people are routed on
flights traveling through a variety of third countries on their way to the United States in
order to avoid raising suspicions about originating in Bangkok, apparently since this is a
common embarkation point for snake people.\textsuperscript{134} Thailand is also a common embarkation
point for sea voyages across the Pacific Ocean to Mexico and Guatemala, from which
snake people are transported to the U.S. border and taken into the country over land.\textsuperscript{135}

Another common method for getting snake people out of China and into the
United States is to have them fly or travel over land to Hong Kong or Macau, where they
take commercial flights headed for a variety of destinations in Latin America or the
Caribbean that serve as way stations on the path towards their ultimate objective, the
United States.\textsuperscript{136} Popular way stations include Bolivia, Venezuela and Colombia, where
immigrants are usually put in a hotel or a private home with other snake people while
smugglers prepare travel documents they can use to fly out.\textsuperscript{137} Some snake people are
flown to Central American countries neighboring Mexico, such as Guatemala, where they

\begin{itemize}
\item \textsuperscript{133} CHIN, SMUGGLED CHINESE at 53. As explained below, this often means obtaining a falsified Taiwan
passport. For a description of criminal gangs producing large numbers of falsified passports, see Alisa Tang,
\textit{Thailand Now Fake Passport Capital For Criminal Underworld, Terrorists}, ASSOCIATED PRESS, Sept. 8,
2005, reprinted on THE IRRAWADDY website, available at
\item \textsuperscript{134} \textit{Id.}; CHIN, SMUGGLED CHINESE at 53.
\item \textsuperscript{135} The ill-fated \textit{Golden Venture} voyage originated from a port in Thailand. See KWONG, \textit{FORBIDDEN
WORKERS} at 1, 77; CHIN, SMUGGLED CHINESE at 62-65.
\item \textsuperscript{136} CHIN, SMUGGLED CHINESE at 49-52. One Chinese interviewed by Professor Chin described staying in
Hong Kong for two days, then flying to Singapore and staying there for a week, then flying to Bangkok,
Thailand and remaining there for 20 days before finally boarding a flight bound for New York with forged
Chinese passports. \textit{See CHIN, SMUGGLED CHINESE} at 51.
\item \textsuperscript{137} CHIN, SMUGGLED CHINESE at 49-52. According to Professor Chin’s research, the amount of time spent
waiting in third countries has varied widely from just a few days to as long as a year or more. Sometimes
smugglers who are unable to obtain the needed documents “sell” their clients to other snakeheads en route,
causing further delays. \textit{See CHIN, SMUGGLED CHINESE} at 32.
\end{itemize}
are taken across into Mexico and brought across the U.S. border over land.\textsuperscript{138} Other routes have taken Chinese by air from Hong Kong to Costa Rica, Panama and Nicaragua, or to Brazil, where Chinese were previously exempt from needing to obtain visas for tourist visits of up to 90 days.\textsuperscript{139} Despite Cuba’s reputation for strict political controls, Chinese smugglers have used Cuba as a way station and launching point to bring Chinese by boat to the southeast coast of Florida.\textsuperscript{140} Yet another neighboring way station is Canada, where Chinese can be smuggled across the country’s broad land border with the United States.\textsuperscript{141} For example, in December of 1998, the U.S. Immigration and Naturalization Service announced its agents had uncovered an international smuggling organization that had brought over 3,600 Chinese from Canada to New York by guiding them through a lightly guarded Mohawk Indian reservation straddling the border.\textsuperscript{142}

Recent news reports indicate that snake people have been handed boarding passes and falsified travel documents inside the transit lounge at Hong Kong International Airport.\textsuperscript{143} In August of 2006, a Taiwanese woman checked in for a flight to Taiwan and another flight bound for the United States using a falsified Taiwan passport containing a

\textsuperscript{138} An example was related to the author by one of the Chinese in detention in South Florida, who described how he and another Chinese were accompanied by a woman on a flight to Paris, then changed planes to end up in Guatemala, then were transported by van into Mexico and by bus to the U.S. border somewhere near Texas. When he reached the U.S. border, two ethnic Chinese men on the U.S. side called to him and directed him to cross through a hole in the border fence. After he made it across, the two men had vanished and he was arrested by U.S. Border Patrol agents.

\textsuperscript{139} Huang, \textit{China’s Illegal Migration} at 15. China has since been removed from the list of countries whose nationals do not need a visa to enter Brazil for tourism purposes. \textit{See Tourism Visa Exceptions}, informational bulletin posted on Embassy of Brazil in the United States official website, available at \url{http://www.brasilemb.org/consulado/consular_visa_exception.shtml} (last visited May 8, 2007).

\textsuperscript{140} This information based on author’s knowledge gained from interaction with Chinese detained in South Florida.

\textsuperscript{141} Liang & Ye, \textit{From Fujian to New York} at 206.

\textsuperscript{142} \textit{Id.}; see also David W. Chen, \textit{China to Chinatown via Canada: Smuggling Arrests Expose Immigrant Pipeline on Indian Land}, N.Y. TIMES, Dec. 20, 1998, Sec. 1 at 49.

fake U.S. visa. Inside the transit area, she handed over the passport and boarding passes to a Taiwanese man, who then supplied them to a Chinese woman in exchange for her Chinese passport and original boarding pass for a flight bound for Guangzhou, China. The Chinese woman’s original travel documents and plane ticket were found discarded in a public toilet at the airport.

Boarding pass-switching schemes have also been discovered by Taiwan law enforcement officers at Taipei’s international airport. On November 5, 2004, police at Taiwan’s Chiang Kai-shek International Airport arrested and deported two Chinese women in the transit area after they attempted to board a flight to Los Angeles using falsified Taiwan passports containing valid US visas. According to a report published in Taiwan’s Liberty Times newspaper, the two women used their own legitimate Chinese passports to enter Hong Kong, where they boarded a flight to Taipei, and then after arriving at Taipei’s international airport, they met with a man in the transit lounge area who supplied them with the fake Taiwan passports, as well as tickets and boarding passes for a China Airlines flight bound for Los Angeles. The two were discovered and deported back to Hong Kong because a smudgy-looking stamp on the passports aroused

144 Id.
145 Id. The Taiwanese man was sentenced by the Hong Kong District Court to serve 26 months in a Hong Kong prison, the Taiwanese woman received a 22-month jail sentence and the mainland Chinese woman was sentenced to 20 months.
146 Id.
147 Chen Pei-hsiung & Wang Jui-teh, Chinese Women Attempt to Pass Customs With False Taiwan Passports, LIBERTY TIMES (Taiwan), Nov. 6, 2004, at 1.
148 Id. China Airlines is a Taiwan-based international airline, not to be confused with mainland China’s Air China. Taiwan’s government recently changed the name of Chiang Kai-shek International Airport to “Taiwan Taoyuan International Airport.” See Cabinet Approves New Name for Taiwan’s Main International Airport, ASSOCIATED PRESS, Sep. 6, 2006, reprinted on INTERNATIONAL HERALD TRIBUNE website, available at http://www.iht.com/articles/ap/2006/09/06/asia/AS_GEN_Taiwan_Airport_Name.php (last visited Apr. 28, 2007).
suspicion when they passed through pre-boarding inspection. According to the same newspaper report, on November 3, 2004 police at Taipei’s international airport deported five Chinese, including two women traveling with their three small children, after noticing they had been waiting in and wandering around the airport’s transit area for more than a day. The two young mothers, who came from Fujian, had flown in from Hong Kong on November 2 and told police they had arranged to meet a smuggler in the transit area who would supply them with passports and boarding passes for a flight to Canada. The group spent the night sleeping on transit area chairs after the smuggler failed to turn up and the flight for Canada had departed. Taiwan police officials said they had been discovering increasing numbers of Chinese using this method to board flights bound for third countries.

Countries in Southeast Asia have become a popular place for another new and innovative method of human smuggling involving the “loaning” of valid Taiwan passports, which are eventually returned to their legitimate holders. In August of 2005, Taiwan’s Criminal Investigation Bureau arrested 15 people, including five main suspects, after completing a five-month investigation into an elaborate scheme for loaning Taiwan passports to Chinese illegal immigrants. According to a report in Taiwan’s United Daily News, the smugglers took advantage of aborigines living in eastern Taiwan, who were taken on free trips to countries in Southeast Asia, such as Vietnam, and even given spending money during the trips in exchange for loaning their valid passports to the

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149 Chen Pei-hsiung & Wang Jui-teh, *Chinese Women Attempt to Pass Customs With False Taiwan Passports*, LIBERTY TIMES (Taiwan), Nov. 6, 2004, at 1.
150 *Id.*
151 *Id.*
smugglers. Under this scheme, the passports were loaned to Chinese nationals, who used the documents to fly to Europe and continue on to Canada. Once the user was safely in Canada, a courier would fly back to the country where the original passport holder was still staying and actually return the passport to the holder, who would then be flown back to Taiwan. The scheme was discovered in March of 2004 after a Chinese woman attempting to use one of the passports was discovered after arriving in Europe on her way to Canada and immigration authorities in Taiwan were tipped off about the incident. During their investigation, Criminal Investigation Bureau agents discovered that in addition to aborigines, many young Taiwanese women who worked in so-called “special businesses,” a euphemism for hostess clubs and other sex-related businesses, had loaned their passports to the smugglers. During one of these trips, a Taiwan guide accompanied ten Chinese illegal immigrants, including nine women and one man. The guide was reported to have been paid US$3,000 for each trip made.153

The same newspaper report cited Taiwan’s Criminal Investigation Bureau confirming that smugglers frequently obtain Taiwan passports through the “traditional” method of paying Taiwanese to supply their national identification cards, which were then used for fraudulent applications to obtain valid passports from Taiwan’s Ministry of Foreign Affairs.154 This method is made possible because Taiwan citizens do not have to apply in person for passports at the Bureau of Consular Affairs, the agency of Taiwan’s Foreign Ministry that issues passports.155 In practice, it is common for Taiwanese to have

153 Id.
154 Id.
travel agencies obtain passports on their behalf, and part-time student employees of travel agencies, known to locals as “gongdusheng” (工讀生), as well as couriers may turn in passport applications, often batches at a time, as long as they supply copies of their own national identification cards while doing so. Since it is easier for Fujianese to try and pass themselves off as Taiwanese travelers, Taiwan passports are among the most common forged travel documents issued by smugglers to the snake people. Not surprisingly, Taiwan passports are highly valuable, especially if they contain valid U.S. visas. According to Professor Ko-lin Chin, who was interviewed by Taiwan’s *United Daily News* in January of 2000, a Taiwan passport containing a valid US visa fetched about US$11,000 on the black markets of Southeast Asia at the time. Ye Rongqin, the Chinese prosecutor who published a study on the problem in 2001, reported that smugglers had “offered high prices for passports from non-law abiding foreign tourists, who deliberately reported them as being lost so that snake people who looked somewhat like them sneaked out of the country in their place.”

The popular use of Taiwan passports to smuggle Chinese to the United States and other third-country staging areas is also highlighted by large-scale theft of the documents. In October of 2006, an employee of a Taiwan-based travel agency claimed to have been robbed by armed men who took two bags he was carrying containing over 500 passports belonging to members of 27 different tour groups planning to travel abroad during the

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156 *Id.*
157 Huang, *China’s Illegal Migration* at 15.
159 Ye, *Research Report* at 98.
Autumn Moon Festival holiday.\textsuperscript{160} Police in Taiwan estimated the stolen passports were worth more than NT$20 million (about US$601,000), more than twice the amount of money the travel agency claimed it would have to pay out to its customers unable to travel because their passports were taken.\textsuperscript{161} Since the same travel agency had reported that 77 Taiwan passports were stolen from an airport counter in a similar incident in 1999, police did not rule out the possibility “of the collusion between some unscrupulous staff in the company with outsiders.”\textsuperscript{162} More recently, officials with Taiwan’s National Immigration Agency received administrative punishment for the “‘suspicious’ disappearance of sensitive documents amid speculation that human trafficking rings have positioned moles in key posts throughout the agency.”\textsuperscript{163} In March of 2007, a clerk in the National Immigration Agency’s predecessor, the Bureau of Immigration, was indicted for “colluding with human traffickers” who brought mainland Chinese prostitutes into Taiwan.\textsuperscript{164}

Another common method of operation mentioned by Ye Rongqin is known as “first exiting legally, then entering illegally.”\textsuperscript{165} This method has been employed with success since 1999, when authorities in Fujian began implementing stricter measures against snakeheads operating inside the province.\textsuperscript{166} Under this method, snake heads arrange for Fujianese to receive letters of invitation or other documents from foreign countries, mostly Russia, Poland, Hungary, states of the former Yugoslavia or other

\begin{footnotesize}
\begin{enumerate}
\item[161] Id.
\item[162] Id.
\item[164] Id.
\item[165] Ye, Research Report at 98.
\item[166] Id.
\end{enumerate}
\end{footnotesize}
Eastern European countries, enabling them to receive legal Chinese passports and obtain visas to enter these countries for purposes of tourism, business visits or study abroad, a process that is “not difficult.”\footnote{\textit{Id.}} “For example, for the payment of only RMB 300 [about US$38.85], a ‘letter of invitation’ can be obtained from a company in Moscow.”\footnote{\textit{Id.}} Once the snake people arrive in Russia or Eastern Europe, snakeheads obtain visas or forged travel documents so the emigrants can proceed to their target country.\footnote{\textit{Id.}}

The increasingly common phenomena of Chinese working legally as contract laborers overseas has led to the emergence of numerous labor broker agencies operating in Fujian that sometimes help smugglers get Chinese out of the country legally so they can move on to the United States from third countries later on.\footnote{\textit{Id.}} An example of this method was a detainee in South Florida who described to the author how a labor broker got him a work permit in the Bahamas, where he worked as a cook in a Chinese restaurant for a few months while waiting to be smuggled into the United States.\footnote{\textit{Id.}} He was eventually put on board a “fast boat,” which was intercepted by the U.S. Coast Guard in international waters of the coast of Florida.

Perhaps the most curious and sensational report on the innovative methods of Chinese human smugglers was the “Chinese Charter” story published in Hong Kong’s \textit{South China Morning Post} on March 15, 1993.\footnote{\textit{Greg Torode, Triads Use HK Agency For Illegals, SOUTH CHINA MORNING POST} (Hong Kong), Mar. 15, 1993, at 1.} Citing research prepared by Canadian immigration officers stationed in Hong Kong, the newspaper reported that Hong Kong’s Sun Yee On triad gang was planning to work through an affiliated Hong Kong-based
travel agency to charter Boeing 747 aircraft, which would transport hundreds of Chinese from an airport in southern China directly to the Central American nation of Belize for the price of US$50,000 each.\textsuperscript{173} The report said that under this scheme, passengers would be “split into smaller groups for the final leg of their trip to either the U.S. or Canada.”\textsuperscript{174} The report cited a “diplomatic source” as saying that while the “logistics of such flights are quite incredible,” a charter plane scheme was still “certainly conceivable, given the involvement of a third country such as Belize.”\textsuperscript{175} While nothing more has surfaced about the alleged “Chinese Charters” since the sensational report was published, the report demonstrates the high degree of concern immigration officials shared when rumors of the charters first surfaced.

**THE ECONOMICS OF CHINESE HUMAN SMUGGLING**

Given the wide variety of methods being used by smugglers to bring people into the United States, which often requires taking them between third countries and areas for extended periods of time, it is not surprising that fees charged by snakeheads have risen dramatically in recent years. As recently as the 1980s, when Fujianese began leaving their homeland in large numbers, US$18,000 was the standard amount charged to smuggle a Chinese into the United States.\textsuperscript{176} At the time, the common Chinese nickname given to the newly arrived Fujianese immigrants was “\textit{wanba ge}” (萬八哥), meaning “the “Eighteen-Thousand-Dollar Man.”\textsuperscript{177} Since that time, the average fees charged by smugglers have more than doubled, and by 2001 scholars were reporting that usually fees

\textsuperscript{173}\textit{Id.}
\textsuperscript{174}\textit{Id.}
\textsuperscript{175}\textit{Id.} The newspaper’s source added: “Any end results would be simply spectacular, and something we’re all worried about.”
\textsuperscript{176}KWONG, FORBIDDEN WORKERS at 30.
ranged between US$30,000 and US$45,000, going as high as US$100,000. In that year, 
Huang Run-long cited statistics estimating that smuggling of Chinese worldwide was 
estimated to generate US$7 billion a year in profits for snakeheads. In 2006 and 2007, 
when the author frequently visited Chinese detained in South Florida for immigration 
violations to provide translation services for a charitable legal aid organization, the 
detainees spoke of being charged between US$50,000 and US$70,000 each by their 
smugglers, with most claiming they had paid US$60,000. The figures given by Chinese 
in South Florida are well above the US$50,000 average listed by scholar Zhang Lianshun 
in research published within the past year. With fees charged by smugglers reaching 
new heights, it is no surprise that Chinese scholars use the term “bao li” (暴利), meaning 
“extravagant profits,” to describe the high profitability of the human smuggling trade.

The business of smuggling people out of China has become so lucrative that con 
men and kidnappers have also gotten into the business by pretending to be “seasoned 
snakeheads” and recruiting large numbers of people who make down payments only to 
discover later they have been tricked, or even worse, kidnapped and held for ransom. 
According to Ye Rongqin, a group of five people from Langqi Island were tricked into 
flying to Thailand after being told they would be put on a flight to the United States. 
After they arrived in Thailand, the five were confined in a dark house, where they were 
beaten and shackled until they agreed to telephone relatives in China and claim to have 
safely arrived in the United States. The kidnappers made off with US$200,000 in

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178 Huang, China’s Illegal Migration at 20.
179 Id.
180 Zhang, Research at 2.
181 Ye, Research Report at 99.
182 Id.
183 Id.
smuggling fees paid by the relatives, while the five were sent back to Hong Kong, where they could only beg for help in the street before authorities discovered them and arranged for them to be sent home.  

While smugglers are charging higher fees and employing increasingly complicated methods for smuggling Chinese into the United States, their rate of success has been estimated to range only between 20 percent and 40 percent.  

“Because of this, lots of people are paying, but not achieving their objectives.”  

Statistics released within China show that large numbers of people have been caught trying to illegally leave the country. According to Huang Run-long, an average of more than 10,000 snake people and more than 400 snakeheads have been arrested in China each year during the 20-year period between 1978 and 1998. Statistics cited by Chinese scholar Ye Rongqin show that in Fujian province alone, law enforcement authorities arrested 568 persons accused of being snakeheads in 1999, while another 332 accused snakeheads were arrested during the first six months of 2000.  

Since then, authorities in Fujian have organized special campaigns focusing efforts of police, immigration authorities and even the general public on capturing snakeheads and their associates. In October of 2003, the Fujian Public Security Bureau launched an unprecedented campaign offering cash rewards for the public’s assistance in tracking down the “Ten Big Snakeheads.”  

Rewards offered for each of the “Ten Big

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184 Id.  
185 Zhang, Research at 2.  
186 Id.  
187 Huang Run-long at 18.  
188 Id.  
189 Id.  
Snakeheads” were worth between RMB 50,000 to RMB 80,000 (about US$6,475 to US$10,360), and the campaign resembled “ten most wanted” lists commonly issued by American law enforcement agencies.\(^\text{191}\) Within eight months, seven of the ten “big snakeheads” had either turned themselves in or been apprehended based on tips provided by the public, along with 30 more that had not been included on the high-profile list.\(^\text{192}\) On July 7, 2006, the ninth of the ten “most wanted” was arrested at the Beijing airport after being deported back to China from an unspecified foreign country, while the lone remaining subject of the campaign, Zheng Hongli, remained at large.\(^\text{193}\)

In 2006, the Ministry of Public Security, China’s highest law enforcement body, launched a three-year nationwide law enforcement campaign dubbed “aiming gubian” (愛民固邊), literally meaning to “love the people and strengthen the borders.”\(^\text{194}\) Under the ongoing campaign, Chinese law enforcement authorities are working to strengthen ties with communities situated along the country’s border regions in order to gather better intelligence about cross-border criminal activities including the smuggling of people and goods in and out of the country.\(^\text{195}\) In July of 2006, China’s official news media reported that 2,459 people caught in the act of attempting to illegally emigrate had been arrested around the country over the past year, crediting the “aiming gubian” campaign for deterring would-be snake people from trying to leave the country.\(^\text{196}\) In Fujian, local

\(^{191}\) Id.
\(^{192}\) Id.
\(^{195}\) Id.
\(^{196}\) Zhang Ximin, Number of Illegal Emigrants Arrested Reaches 2,459 Since Last Half of Last Year, CHINA NEWS SERVICE, Jul. 18, 2006.
authorities reported that 119 would-be illegal emigrants and 97 snakeheads had been arrested in connection with eight illegal emigration schemes discovered as a result of the “aiming gubian” campaign. While the actual connection between “aiming gubian” and the arrests may amount to some policy puffing by China’s government, which remains fond of launching national mobilization campaigns from time to time to reinforce the Communist Party’s rule over the country, this particular campaign’s focus on apprehending snakeheads and illegal emigrants shows that the Chinese government has officially made the human smuggling problem a national priority.197

One of the most important elements of the Chinese human smuggling trade is the way that illegal voyages are financed. According to Peter Kwong, in former times smugglers were willing to let their clients provide a down payment and pay off the rest their smuggling fees in monthly installments after successfully arriving and starting to work and earn money in the United States.198 But by the 1990s, smugglers would require their snake people to put up a down payment before leaving and then demand payment in full as soon as they arrived at their destination in the United States, usually New York.199 Professor Chin also found this to be the most common form of payment among the Chinese he surveyed in the New York area.200 The standard method of collecting smuggling fees involves holding the illegal immigrant in a “safe house” where they are held under guard until relatives in China or the United States pay their balance in full.201

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197 At the news conference discussing the campaign, Border Control Forces commander Chen Weiming openly stated that the Chinese border forces are responsible for “solidifying the ruling position of the Communist Party.” See supra, note 91.
198 KWONG, FORBIDDEN WORKERS at 81.
199 “These days, smugglers insist on the full final payment before releasing the illegals. They prefer to shift the responsibility of keeping track of the debt payments to other enforcement parties, be they relatives, local gangs, local loan sharks, or village associations.” KWONG, FORBIDDEN WORKERS at 81.
200 CHIN, SMUGGLED CHINESE at 101.
201 KWONG, FORBIDDEN WORKERS at 81-82.
After the immigrants are allowed to call relatives to confirm their arrival and ask for payment to be made to the smugglers, they usually have a “grace period” of between three days and a week before the smugglers begin charging additional fees of up to US$100 per day and making life in the “safe houses” absolutely miserable by intimidating, abusing, beating and raping people until their relatives finally pay up. Common tactics include beating the immigrants during calls to their families so relatives will hear their screams over the telephone, and pouring cold water over the immigrants and leaving them “to shiver in the cold.”

**UNDERGROUND FINANCE AND THE TAIWAN CONNECTION**

Smuggling fees have more tripled since the days of the “Eighteen Thousand Dollar Man” and by many recent accounts, loan sharks and “underground money houses” (“dixia qianzhuang” 地下錢莊) operating in Fujian are playing an increasingly prominent role in financing the voyages, as well as remitting money from successful migrants back to their families. According to the American scholar Peter Kwong, smugglers now generally collect their fees all at once on arrival and “prefer to shift the responsibility of keeping track of the debt payments to other enforcement parties, be they relatives, local gangs, local loan sharks, or village associations.” In China, Zhou and Wang found that “underground money houses” commonly operating in coastal areas “put up the capital for illegal emigrants, while simultaneously collecting debts for international human

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202 CHIN, SMUGGLED CHINESE at 97-110. Since snake people held in “safe houses” are each worth several tens of thousands of U.S. dollars, it is common for local Asian gangs to kidnap newly arrived snake people and demand payment of ransom from their smugglers. See CHIN, SMUGGLED CHINESE at 98.

203 CHIN, SMUGGLED CHINESE at 107.

204 Zhou and Wang, Analysis at 18. The author admits “money house” may not be the best way to translate “qianzhuang” (錢莊), as the word “zhuang” (莊) can vaguely refer to a business establishment, a manor or estate, or a person involved in the banking business. “Underground money house” seemed to be the best fit for the phrase, rather than “underground money bank,” at least to avoid confusion by distinguishing it from the term “underground bank” (dixia yinhang 地下銀行) commonly used in mainland China.

205 KWONG, FORBIDDEN WORKERS at 81.
smuggling groups.” As noted above, Zhu Meirong’s research estimated that “underground money houses” were also handling the majority of foreign remittances to Fujian and cited the example of Changle, where only US$230 million of the estimated US$500 million to US$600 million remitted to the city in 1998 was routed through the official Bank of China. A returnee who was sent back to China on a flight chartered by U.S. authorities in 2006 was reported to have committed suicide under the pressure of paying off the debt of passage.

While scholars have made many references to loan sharks and “underground money houses,” no scholarly research specifically detailing how black market financiers operate in the human smuggling trade was available at the time this research was completed. However, articles have been published in China, Hong Kong and Taiwan that shed light upon the massive and growing scale of China’s underground financial sector, including “underground money houses” that have rapidly spread from Taiwan into mainland China in recent years, as well as home-grown “underground money houses” and “underground banks” (“dixia yinhang” 腳下銀行) that accept deposits in addition to providing loans, remittances and laundering money like their Taiwanese counterparts.

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206 Zhou and Wang, Analysis at 18.
207 Zhu Analysis at 67.
208 Zhang, Research at 1.
211 Zhu Zhanghai (朱彰海), ‘Underground Money Houses’ Overrun Villages (‘地下錢莊’橫行鄉村), FRONTLINE MONTHLY (Hong Kong), May 1, 2002 (Issue 136), at 28-29.
While China began opening its doors to foreign trade and investment in the late 1970s, the country’s banking industry remains tightly controlled by the Chinese state.212 In particular, Beijing retains tight controls over exchange and remittance of the national currency, the yuan (popularly known as renminbi literally meaning “people’s currency,” or “RMB”).213 Reasons for maintaining tight controls over foreign exchange include keeping the exchange rate low to encourage exports, maintaining economic stability and preventing urgently needed capital from flowing outside of China.214 China’s controls over domestic foreign exchange and banking industries are often blamed by major powers, especially the United States, for exacerbating trade imbalances.215 One consequence of China’s strict controls over foreign exchange and the banking industry has been rapid growth in illegal financial organizations that operate entirely in the black market.216

The sheer scale of China’s underground financial sector is massive. An investigative report published in 2005 by Hong Kong’s Bauhinia Magazine cited International Monetary Fund statistics estimating that between RMB 200 billion and 300

212 A recent news report estimated that 80 percent of the shares in China’s largest banks, including those listed on the Hong Kong Stock Exchange, are owned by the Chinese government. In addition, the Chinese Communist Party operates committees within each bank. Sundeep Tucker, Investing in China’s Banking System Requires Act of Faith, The AUSTRALIAN, Nov. 6, 2006, available at
213 See China Relaxes Foreign Exchange Control, PEOPLE’S DAILY ONLINE (English), Apr. 14, 2006, available at
billion, the equivalent of US$26-39 billion, was being “laundered and sent out of the country” from China every year.217 According to the magazine, China’s underground financial market is primarily divided into four main sectors, namely: (i) smuggling out or laundering illegally earned domestic income (annual value estimated at RMB 970 billion, or US$9 billion); (ii) laundering bribes and illegal income earned by corrupt officials (annual value estimated at RMB 30 billion, or US$3.8 billion); (iii) sending out profits earned legally by foreign investors in order to avoid paying taxes on outbound remittances (annual value estimated at RMB30 billion, or US$3.8 billion); and (iv) laundering money earned domestically by illegal gambling syndicates, as well as gambling funds either to be taken out of the country for use in casinos or in the form of casino winnings being brought back into China (report unable to estimate total annual value).218 The “underground money houses” operating within China were further divided into three main types, including (i) those primarily engaged in exchanging RMB for foreign currency and remitting funds in and out of China (based in parts of China that are close to hard currency regions, including Guangdong next to Hong Kong, Fujian near Taiwan and Shandong province near South Korea and Japan); (ii) those primarily engaged in soliciting deposits and loaning out funds (located country-wide and especially common in Fujian, Zhejiang, Jiangsu, Yunnan and Sichuan provinces); and (iii) those primarily engaged in loan sharking and pawn loans (mostly in Hunan, Jiangxi and other inland provinces).219 While the loan sharks are notorious for their violent methods of debt collection, underground money houses specializing in currency exchange and remittances

217 Bauhinia Report at 47.
218 Id.
219 Id.
are reputed to be cheaper and more efficient than traditional banks, even forming strong bonds with their networks of customers.220

In Taiwan, news stories about law enforcement operations against “underground money houses” have long been commonplace. For example, in April of 2007 a court in Kaohsiung sentenced the reputed “Godfather of Underground Money Houses,” 42-year-old Wan Chung, to seven years and ten months in prison.221 Wan earned the “Godfather” nickname for the harsh methods he employed to pressure clients into paying debts, such as hiring gangsters to assault or kidnap them, leaving dead cats and dogs on their doorstep, or on one occasion, tossing a plastic bag containing a live poisonous snake at a debtor inside a small hotel room.222

According to Lin Gengsheng, a professor at Fujian Agricultural and Forestry University, China’s black market financial sector can be traced back to before the establishment of the communist-ruled People’s Republic of China in 1949, when they were known as “gaolidai” (高利貸), literally meaning “high-interest loans,” and were rather common in rural villages.223 While the underground bankers were presumably shut down after China collectivized agriculture and abolished most private economic activity in the 1950s and 1960s, the loan sharks returned in greater force following rapid economic development of China that started in the 1980s.224

In August of 2003, authorities in Fujian shut down a network of 18 underground money houses operating around the province that received constantly updated foreign

220 Bauhinia Report at 49.
222 Id. The debtor was an executive of a failing Taiwanese company famous for selling canned pineapple.
223 Id. at 27.
224 Bauhinia Report at 47. The presumption that underground loan sharks disappeared during the years when private economic activity was abolished is the author’s own.
exchange rates and took instructions from a central office in Fuqing that functioned like a "central bank." In another major bust, Chinese authorities broke up an “underground money house” in Dongguan, a popular area in Guangdong province for Taiwan-owned businesses and factories, that converted an average of RMB 2 million (US$259,000) into foreign currency every day at “branch offices” spread out as far as Hunan, Fujian, Beijing, Jiangsu and Zhejiang.

"Underground money houses” are often associated with Taiwanese people who have investments in mainland China or frequently do business on the mainland, since they rely heavily on the black market to circumvent Chinese government controls on borrowing money and remitting profits back to Taiwan. China’s strict controls over foreign exchange and its domestic banking industry, combined with the Taiwan government’s longstanding policy of discouraging and restricting investment in mainland China, have prompted many Taiwanese businesspeople not to make their mainland investments through “proper channels,” therefore generating more business for China’s underground financial sector. Between the late 1980s and the late 1990s, large numbers of Taiwanese businesspeople set up small- and medium-scale businesses in mainland China, ranging from downstream manufacturing and service industries to restaurants, shops and nightclubs, by operating through shell corporations purportedly owned by mainland Chinese figureheads (known as “rentou” 人頭) to avoid Taiwan’s restrictions,

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225 Bauhinia Report at 50.
226 Bauhinia Report at 49. No date was given for the operation.
228 Id. at 36-37.
as well as red tape and bureaucratic hassles within China.\footnote{Jason Blatt, Law Enforcement Cooperation as a ‘Transnational Factor’ in Cross-Taiwan Strait Relations (May 2003) (unpublished master’s thesis project, Master of International and Public Affairs Program, University of Hong Kong) (on file with author) at 66.} The murky legal status of these small- and medium-sized businesses prompted many of their proprietors to get involved with organized crime so they could bring their money in and out of China and resolve business disputes that inevitably arose after they began operating there.\footnote{You Xinpei, Taiwan Compatriots Victimized: A Disturbing Social Law and Order Problem, CROSS-Straits Relations Monthly (Beijing), May 1999 (No. 23), at 10-14.}

The admitted inability of governments in Beijing and Taipei to accurately estimate the amount and nature of Taiwanese investment in mainland China demonstrates the massive scale of underground investment during this period. In 2005, Taiwan’s Government Information Office reported that 33,155 Taiwanese business entities had received approval from Taiwan’s government to invest US$41.25 billion in mainland Chinese ventures between 1991 and 2004, ranking Taiwan as China’s fifth-largest source of outside capital.\footnote{TAIWAN YEARBOOK 2005, Ch. 6, Taiwan-China Relations, Cross-Strait Exchanges, available at http://www.gio.gov.tw/taiwan-website/5-gp/yearbook/p088.html#1 (last visited May 8, 2007).} However, these statistics only reflected projects that had received official approval from the Taiwan government. In practice, many Taiwanese businesses routed their investments through third areas such as Hong Kong, Bermuda, the Cayman Islands, Samoa and the British Virgin Islands without seeking approval from authorities in Taiwan.\footnote{In a recent legislative hearing, Taiwan’s Mainland Affairs Council admitted it was “impossible to calculate” how much money had been invested in China: “If the underground economy were included, it (the total) would be several times more.” See Financial Supervisory Commission Considers Conditional Easing of 40% Limit on Mainland Investment, EASTERN TELEVISION (Taiwan television news channel website), May 8, 2006, available at http://www.ettoday.com/2006/05/08/185-1938876.htm (last visited May 8, 2007).} A report issued by the Chinese government’s Taiwan Affairs Office in 2004, which officially ranked Taiwan as China’s sixth-largest source of outside capital, openly
acknowledged Taiwan should rank much higher on the list because it was “difficult to estimate the true scale” of Taiwanese investment.233

Another reason why Taiwanese “underground money houses” are rapidly spreading in mainland China is due to the lack of access that many Taiwanese businesses have to conventional bank loans and financing.234 Businesspeople who did not obtain approval from Taiwan’s Ministry of Economic Affairs before making investments in China are unable to obtain loans from Taiwan banks for their mainland-based operations.235 In mainland China, local banks are generally short on supplies of RMB and domestic Chinese industries generally get priority to borrow whatever funds are available, leaving precious little RMB that can be loaned to Taiwanese and foreign investors.236 This situation has led to the emergence of black market financiers who cater to the Taiwanese operating in China by helping them borrow funds in RMB, as well as remitting their profits back to Taiwan.237 A Taiwanese magazine report published in 1997 said loans at the rate of 2 percent to 3 percent monthly compounded interest could be obtained simply by writing a check, or even by “supplying a fingerprint” on an IOU.238 “Another channel that has recently emerged is ‘borrowing money from local people.’ The interest rate is 11 percent to 12 percent, and most Taiwan businesspeople use merchandise as collateral.”239

234 Id.
235 Id.
236 Id.
237 Id.
238 Id.
239 Id. at 37.
Another impetus for “underground money houses” serving Taiwan clients is the relative speed and lower cost of illegal transactions when compared to routing funds through conventional banks. Before 2002, Taiwan’s government had required all transactions involving conversion between Chinese renminbi and New Taiwan dollars to be conducted through third countries or areas, usually Hong Kong or the United States. This effectively required renminbi to be first converted into another currency, usually U.S. dollars, and then converted again into New Taiwan dollars. As a result, legal transactions were made more costly and each transaction usually took between three and five days to complete. However, transactions routed through underground channels could skip the “RMB-USD-NTD” step and get completed in just a day or two. For those who enjoy a good reputation with their black market bankers, the transactions go even faster. According to the Bauhinia Magazine report, “[s]ome wealthy businessmen who are well-known and enjoy a good reputation can take their mainland funds to an ‘underground money house’ in Shanghai and get the money from an ‘underground money house’ in Taiwan on the very same day.”

According to the magazine’s investigation, underground financiers employ a wide variety of methods to transfer funds in and out of China, such as spreading large amounts of money among hundreds of legitimate bank accounts, using bank-issued credit cards to withdraw funds outside the country, setting up “empty shell corporations” to conduct fictitious import and export deals, and simplest of all, hiring couriers to carry cash.

240 Bauhinia Report at 53.
241 Id. at 53.
242 Id.
243 Id.
244 Id.
245 Id.
through China’s borders with Hong Kong and Macau.246 The magazine cited a Macau newspaper as reporting that between 200 and 300 people were believed to be crossing the boundary between Macau and Zhuhai in neighboring mainland China every day, each of which carried as much as RMB 300,000 (US$39,000) at a time.247

In Fujian, where most of the currency exchanges go in and out of Taiwan, the cash couriers are known as “tiao fu” (挑夫), a term referring to the strong men hired to haul the belongings of aristocrats and officials on long bamboo poles in ancient times.248 The currency is usually sent back and forth from Taiwan by boat.249 While reports have not attempted to estimate the total value of underground currency exchange and remittances going between China and Taiwan, Bauhinia Magazine’s investigation estimated that ten or so “underground money houses” run by Taiwanese gangsters in eastern China’s Jiangsu province, north of Shanghai, were trading as much as RMB 10 billion (US$1.3 billion) for New Taiwan Dollars every year.250

Some Chinese RMB is also regularly smuggled into Taiwan, where much of it ends up at pawnbrokers and small shops known as “yinlou” (銀樓) (literally meaning “silver houses”) that provide illegal exchange of New Taiwan Dollars for RMB under the guise of selling and trading jewelry.251 These outlets have been reported to provide currency exchange services on a massive scale due to Taiwan’s refusal to allow most

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246 Bauhinia Report at 51.
247 Id.
248 Id.
249 Id.
250 Bauhinia Report at 53.
banks to trade in the Chinese currency.\textsuperscript{252} In 2004, authorities in mainland China estimated that as much as RMB 80 billion (US$10 billion) in Chinese bills were in circulation on Taiwan’s black market.\textsuperscript{253}

While these reports have provided much insight into the massive scale of underground financial activity, scholarly research on the human smuggling trade makes only brief mention regarding the role of black market financiers.\textsuperscript{254} This research argues that the truly massive amount of foreign currency being exchanged, remitted and laundered by underground financiers operating around Greater China suggests a strong link between the smugglers and black market financiers, who have a strong presence in areas where snake people originate and are well-placed to finance the increasingly expensive voyages by paying snakeheads all at once upon arrival in the United States. Underground finance networks are well-placed to collect debt payments from family members remaining in China, as well as transmit remittances from emigrants who make it to the United States. The lack of regular channels for Taiwan businesspeople to borrow money, exchange \textit{renminbi} for Taiwan currency and remit profits back to Taiwan has greatly inflated the scale underground financial sector. As with many other factors touching upon China’s relationship with Taiwan, this research argues that normalizing financial exchanges across the Taiwan Strait would greatly reduce the amount of funds being channeled through and held by illegal financial networks. This could have an indirect effect on the human smuggling trade, although more will need to be done to figure out how much.

\textsuperscript{252} \textit{Id.}  
\textsuperscript{254} See supra, notes 195-205.
The rapid expansion of “underground money houses” from Taiwan into mainland China has also coincided with the increasing presence of Taiwan-based gangs and fugitives in the mainland, especially in Fujian and other coastal provinces. According to research published in 2001 by a police college journal in Fujian, some 17 major Taiwan-based triad gangs, including major criminal organizations such as the Bamboo Union (zhulianbang 竹聯幫, also known as the “United Bamboo Gang”), Four Seas Gang (sihaibang 四海幫), Pine Union (songlianbang 松聯幫), Yingchiao Gang (yingqiaobang 螢橋幫), and the Tiantaomeng (tiandaomeng 天道盟, also known as “Heavenly Way Alliance” or “Heaven’s Way Alliance”), have established a significant presence in Fujian and other coastal provinces, especially after authorities in Taiwan launched a series of crackdowns against triad gangs in recent years. According to the research project by Ni and Wu, Taiwanese gangs are directly involved in illegal emigration, including trafficking of Chinese women to work in Taiwan brothels. Gangsters from Taiwan have also played a role in resolving disputes between Taiwanese businessmen, often by collecting debts or even kidnapping businessmen until their families pay off their debts. The scale of Taiwan gangs and fugitives crossing into mainland China from Taiwan has also been documented by recent academic research in Taiwan.

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256 Id. at 13. Surprisingly, Ni and Wu included the Taiwan branch of Lions Clubs International on the list of “Taiwan gangs” operating on the mainland.
257 Id. at 13-14.
258 Id.
259 See generally Tsao Chen-chung, Research on Cross-Strait Transnational Organized Crime – The Example of Snakehead Groups as Agents for Illegal Emigrants (May 21, 2004) (unpublished master’s
An especially insightful account of how Taiwan gangsters flooded into mainland China was published in Taiwan in 2001 by veteran *China Times* crime beat reporter Liu Yi-hung, who not only covered the arrests and trials of gang figures large and small, but was also among a handful of journalists who knew them well and frequently had conversations with them. According to his book *A Proper Account of The Business*, Liu wrote that besides fleeing prosecution at home, Taiwanese criminals flooded into mainland China during the late 1980s and early 1990s mostly because there were fortunes to be made. Or as he put it: “Gangsters chase profits and incentives. Places where there’s no ‘grease’ won’t produce any major syndicates or gangsters. This is the unchanging rationality of *jianghu* (the ‘business’).”

While research and various reports have drawn connections between Taiwanese gangsters and the human smuggling trade, little is known about what roles Taiwan gangs may currently be playing in the smuggling of Chinese to the United States. In 1994, *Los Angeles Times Magazine* published an investigative feature story detailing allegations suggesting that Taiwan-based gangs had “taken over” the human smuggling business by around 1991. The magazine report cited U.S. law enforcement and prosecutorial sources as saying Taiwan gangs supplied most of the boats used to transport Chinese to the United States and were also laundering money connected to the human smuggling business.

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260 Liu Yi-hung, *A PROPER ACCOUNT OF THE BUSINESS* at 86 (China Times Culture Publishing Co., Taipei, 2002) [hereinafter “THE BUSINESS”]. The book’s Chinese title *jianghu yi ben zhengjing* (江湖一本正經) uses “*jianghu*,” a term literally meaning “the rivers and lakes” that is commonly used in Taiwan to refer to criminal society in the same way English speakers use phrases like “the Business,” “Our Thing” or “Wise Guys,” etc.

261 THE BUSINESS at 86.

trade.\textsuperscript{263} Citing an unnamed senior official from the former U.S. Immigration and Naturalization Service, the report said: “The behind-the-scenes people who control some of the gangs that pick up at airports, control safe houses and collect money are also Taiwanese.”\textsuperscript{264} While the \textit{Los Angeles Times Magazine} report pointed toward a strong “Taiwan connection,” the flow of illegal Chinese immigration to Taiwan itself has vastly increased since the time the magazine’s report was published.\textsuperscript{265} Therefore, the role of Taiwan criminal organizations in smuggling Chinese to the United States cannot be ascertained with much certainty aside from anecdotal evidence.

\textbf{‘BUCKETS’ FROM TAIWAN}

Another important yet still largely unexplored aspect of the illegal human smuggling trade has to do with Taiwanese fishing boats. Many of the vessels being used to transport snake people from China to the United States or third-country staging areas were originally owned by Taiwanese fishermen and registered either in Taiwan or in other countries.\textsuperscript{266} In January 2000, Taiwan’s \textit{United Daily News} quoted Professor Ko-lin Chin as saying his research showed that “most of the human smuggling boats are from Taiwan.”\textsuperscript{267} However, Professor Chin added that it was “not clear what role the Taiwan boat owners were playing” in the smuggling operations.\textsuperscript{268} Known as “tongzi” (桶子) meaning “buckets,” used Taiwanese fishing boats were reportedly sold to smugglers for between US$200,000 and US$300,000 each: “\textsuperscript{269} ‘No matter whether the snakeheads

\begin{thebibliography}{99}
\bibitem{263} Id.
\bibitem{264} Id.
\bibitem{265} See generally Tsao Chen-chung at note 256.
\bibitem{266} KWONG, \textit{FORBIDDEN WORKERS} at 79-80.
\bibitem{267} Tseng Huei-yen, \textit{Sneaking Into America: Most Mainland Snake People’s Boats Come From Taiwan, UNITED DAILY NEWS} (Taiwan), Jan. 10, 2000 at 9.
\bibitem{268} Id.
\bibitem{269} Id.
\end{thebibliography}
succeed or not, the Taiwanese usually make stable money.\textsuperscript{270} The process of buying and selling was described as follows:

When a ‘big snakehead’ has gathered up enough migrants, he goes to Fuzhou and seeks out a Taiwanese ‘bucket man’ in the business who can help obtain a boat. After both sides reach agreement, the ‘bucket man’ goes back to Taiwan and buys or rents a boat and has it converted into a smuggling boat. The boat is then piloted to Hong Kong, where it is registered and loaded up with food and water. Finally, the boat is piloted to waters off the coast of mainland China. Since the fishing business in Taiwan is in an economic slump, many fishing boats are idle. Snakeheads can rent a boat for 40,000 Hong Kong dollars [about US$5,116].\textsuperscript{271}

The use of Taiwan-owned fishing vessels to transport illegal migrants has been mentioned in Chinese-language scholarly research and news reports. Fujian-based prosecutor Ye Rongqin’s report noted that “the phenomenon of snakeheads using Taiwan boats and foreign boats to transport snake people is very prominent.”\textsuperscript{272} In August of 2000, a Hong Kong-based news magazine published an investigative feature directly linking the emergence of Taiwan-owned fishing boats in smuggling operations to the global trend toward banning driftnet salmon fishing on the high seas that began to take force in 1991.\textsuperscript{273} According to the magazine’s report, since many of the vessels in Taiwan’s high-seas fishing fleet employed driftnet fishing techniques, the ban on driftnet fishing by many market countries put boat owners out of business and their economic needs coincided with an increasing demand for people to be smuggled out of China.\textsuperscript{274} “These boats quickly changed into the ‘Salmon Gang’ exclusively used for the transport of illegal migrants.”\textsuperscript{275}

According to the magazine’s report, boat owners in Taiwan have used a variety of methods to evade prosecution for using their vessels to illegally transport Chinese

\textsuperscript{270} Id.
\textsuperscript{271} Id.
\textsuperscript{272} Ye, Research Report at 97.
\textsuperscript{273} Li Tso-ping, Mainland Illegal Migrants and Taiwan: Inside Taiwan’s Snakehead Organizations, OPEN MAGAZINE (Hong Kong), Aug. 2000 at 51-52.
\textsuperscript{274} Id. at 51.
\textsuperscript{275} Id. at 51.
migrants.\textsuperscript{276} When the boats are mostly operating in international waters, where passengers are transferred to smaller boats to be ferried into staging countries such as Honduras and Panama, there are not many legal grounds for Taiwan’s government to prosecute the boat owners and their crews.\textsuperscript{277} Many boat owners have simply switched their vessels’ registry from Taiwan to other countries, such as Honduras, Panama or St. Vincent and the Grenadines, in order to evade legal hassles in Taiwan.\textsuperscript{278} Besides fishing boats, old cargo vessels have also been brought into the business, while Taiwanese crew members are increasingly being replaced with crew from Myanmar (Burma) and Indonesia.\textsuperscript{279}

During the 1990s, when the international trend toward banning driftnet fishing was becoming more prevalent, Taiwan’s government began rescinding high-seas fishing licenses granted to driftnet boat operators and ordering them to destroy their boats.\textsuperscript{280} However, the magazine’s report found that many owners fraudulently reported destroying their boats, only to have them turn up smuggling illegal immigrants in some other part of the world under different registries and vessel names.\textsuperscript{281} One boat captured by the U.S. Coast Guard on April 9, 1994 off the coast of California with 113 Chinese migrants on board, the \textit{Chin Yi No. 1}, was found to have been officially reported as having been sunk by authorities in Taiwan to make an “artificial reef” off Taiwan’s coastline.\textsuperscript{282} An investigation revealed that the vessel was actually the \textit{Tai Wei No. 6}, whose license to fish for salmon on the high seas had been revoked by Taiwan’s government for illegal

\begin{itemize}
  \item \textsuperscript{276} \textit{Id.} at 52.
  \item \textsuperscript{277} \textit{Id.}
  \item \textsuperscript{278} \textit{Id.}
  \item \textsuperscript{279} \textit{Id.}
  \item \textsuperscript{280} \textit{Id.}
  \item \textsuperscript{281} \textit{Id.}
  \item \textsuperscript{282} \textit{Id.}
\end{itemize}
fishing.\textsuperscript{283} Despite being ordered to remain at port, the boat’s owner had been permitted to take the vessel out of southern Taiwan’s Kaoshiung Harbor for the purpose of a “test drive.”\textsuperscript{284}

Recent trends in the fishing industry strongly suggest that another wave of Taiwanese fishing boats may become available to the human smugglers, this time due to problems with Taiwan’s bigeye tunafish fleet operating in the Atlantic Ocean.\textsuperscript{285} In November of 2005, the International Commission on Conserving Atlantic Tuna (ICCAT) threatened to slash Taiwan’s annual quota of Atlantic bigeye tuna unless Taiwan’s government undertook drastic steps to stop widespread “laundering” of tuna catches by crews who failed to adhere to annual quotas or report their catches, sometimes by falsely claiming the tuna had been caught in the Indian Ocean.\textsuperscript{286} Under a compromise reached to avoid the sanctions, Taiwan’s government promised to scrap 120 of about 650 Taiwan-owned vessels known to be operating on the high seas.\textsuperscript{287} Under Taiwan’s plan, 73 ships were to be scrapped in 2006, of which 67 had been used to catch bigeye tuna, while another 47 would be scrapped in 2007 in order to avoid sanctions from ICCAT.\textsuperscript{288} A special budget was provided to the Fisheries Agency, a department under the Council of Agriculture, a Cabinet-level agency of Taiwan’s government, to reimburse boat owners

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\begin{itemize}
\item \textsuperscript{283} Id.
\item \textsuperscript{284} Id.
\item \textsuperscript{286} Id.
\item \textsuperscript{288} Id.
\end{itemize}
whose boats were ordered scrapped either as the result of internal negotiations or drawing lots within private fishing associations.\textsuperscript{289}

However, the plan to reimburse boat owners in exchange for destroying their boats has run into fierce opposition from Taiwan’s declining fishing industry.\textsuperscript{290} According to a report published in Taiwan’s United Daily News in July of 2006, some 89 tuna fishing boats being stored at the Hsingta fishing port in southern Taiwan’s Kaohsiung County pending destruction were “unable to be scrapped” due to fierce opposition from local residents.\textsuperscript{291} While the boats had been brought back in preparation to be scrapped, the boat owners were complaining that subsidy payments promised to them had not yet been received from the government.\textsuperscript{292} The report also said other boat owners had not brought their vessels back to “blacklisted” Taiwan, choosing instead to re-register in “whitelisted” countries not subject to strict fishing quotas or scrapping requirements.\textsuperscript{293}

The recent trends described above indicate that while Taiwan’s government is trying to cope with systemic problems in its declining high-seas fishing industry, not enough resources have been devoted to adequately monitoring the fishing fleet or ensuring the welfare of fishermen whose catch quotas have been drastically reduced. At the same time, the allure of selling condemned fishing vessels, many of which have been registered in other countries, to human smuggling organizations coincides with an increasing number of illegal migrants seeking to leave China for the United States and

\textsuperscript{289} Details of the reimbursement program are available on an official Taiwan government website, available at \url{http://www.govbooks.com.tw/eguploadpub/eg012009/ch07/type2/gov62/num1/Eg.pdf} (last visited May 8, 2007).
\textsuperscript{290} \textit{89 Tuna Fishing Boats Unable to Be Scrapped Due to Local Opposition}, \textsc{United Daily News}, Jul. 28, 2006, available at \url{http://e-info.org.tw/node/12321} (last visited May 8, 2007).
\textsuperscript{291} \textit{Id.}
\textsuperscript{292} \textit{Id.}
\textsuperscript{293} \textit{Id.}
other destinations. This is another “loophole” in the international system that is making it possible for Chinese migrants to be transported out of China and into the United States, often through third-country staging areas.

**RECOMMENDATIONS FOR FURTHER RESEARCH**

While some very good research has been done to catalog where illegal Chinese immigrants come from and how they get to the United States, there is still precious little information available in English or Chinese regarding how the illegal immigrants finance their voyages, as well as how snakeheads operate their networks in dozens of countries around the world. Most of the information supplied in this research has been pieced together from a variety of different sources, including scholarly research and news articles from the “Greater China” region. Many subjects, such as the decline of Taiwan’s high seas fishing industry, need to be addressed not only on their own, but also in the context of the industry’s illegal association with human smuggling networks. The same concept should be applied to the underground financial networks operating throughout “Greater China.” While these have been studied in terms of money laundering and financing for Taiwan businesspeople operating in mainland China, academic research needs to be performed to ascertain what connections the illegal financial sector have to the human smuggling trade. While all of the factors clearly point toward such a connection, scholars will need to interview more Chinese migrants, as well as access more reliable information compiled by law enforcement authorities in China and Taiwan.

**SOME RECOMMENDATIONS FOR CHINA AND THE UNITED STATES**

In addition to further research that needs to be done to better understand the above-listed conditions and trends, increased cooperation between governments in China
and the United States is obviously needed in order to combat the problem. However, as this research has shown, the problem of Chinese emigration to the United States involves dozens of countries and territories, including many that at first glance appear remote from the Chinese human smuggling trade. While the United States and China continue to differ over sensitive political and human rights issues, the two countries also share a long tradition of agreeing to disagree on contentious political issues so they may proceed with close cooperation in fields of shared national interest. This tradition dates back to the early 1970s, when the administration of U.S. President Richard Nixon initiated contacts with China’s government that eventually led to the normalization of bilateral relations and extensive international cooperation between Washington and Beijing against their common enemy, the former Soviet Union. While the Cold War days are long over and rivalries between Beijing and Washington occasionally rise to the surface, this practical attitude toward cooperation should provide the basis for both governments to identify common interests and pursue stronger cooperation in areas where they are in agreement, such as the need to protect the safety, dignity and livelihood of Chinese citizens being smuggled into the United States. In Chinese, this is known as the spirit of “huayi qiutong,” (化異求同), literally meaning “melting away differences and seeking commonalities.”

While there are major differences in the way Washington and Beijing view human rights issues, both governments should agree that human smuggling between both countries has produced a tremendous amount of human suffering and tragedy amounting to a violation of the smuggling victims’ human rights. With this in mind, both governments share a common interest in protecting the human rights, personal safety and
dignity of Chinese victimized by the smuggling rings. At the same time, both the United States and China share a high degree of concern for the expanding operations and influence of Chinese and Taiwanese criminal organizations operating in both countries. By acting together to curb illegal immigration, both governments would achieve their common objective of combating criminal gangs, first and foremost by cutting off a major source of funds for their operations. In addition, both Washington and Beijing should agree that terrorists of all stripes rely on underground financial organizations to transfer funds across international borders. By jointly acting against underground “banking,” loan sharking and international remittances, both governments would undertake highly effective measures to cut off potential avenues for terrorists to move their money.

While politics may prevent the governments of China, the United States and Taiwan from working closely with each other, authorities in all three places should strongly encourage private sector cooperation among scholars and government officials who deal with illegal emigration/immigration. A joint research effort involving scholars and experts from China, Taiwan and the United States would certainly produce a much more comprehensive understanding of the problems surrounding the smuggling of Chinese into the United States, as well as Taiwan and other areas. Officials from Beijing, Washington, Taipei and Hong Kong should actively exchange intelligence and information with each other. If formal government-to-government cooperation is not politically feasible, a nominally “private” foundation staffed by current or recently retired immigration officials from China, Taiwan and the United States could run a centralized clearinghouse for intelligence and information.
SOME RECOMMENDATIONS FOR CHINA

The government of China has many fundamental reasons for taking more
effective action against the human smuggling trade, first and foremost because the
snakeheads are defying public authority and circumventing China’s controls over its own
borders. At a time when China’s government controls over society have greatly relaxed
amid economic reforms have opened the country’s doors to the outside world, the
Chinese government still needs to retain supervisory control of the entry and exit of
goods and people through its borders.

Another national interest is the reduction of human misery brought about by the
human smuggling trade, as well as threats to the lives and dignity of Chinese who fall
prey to snakeheads’ false promises of wealth and happiness abroad. As shown above,
China’s priority of combating the rise of criminal organizations moving in from Hong
Kong, Macau and Taiwan is well-documented. This research has shown how criminal
organizations are making a fortune from the smuggling of Chinese to the United States,
so combating this trade would effectively help cut off the source of funding for the
gangsters. This would also serve the Chinese government’s strong desire to combat
official corruption, since there would be less “grease money” available to bribe
government officials and public servants. Finally, the Chinese government is chronically
short of funds to finance day-to-day government operations and various public projects
that need to be completed. Taking effective action to pull the rug out from under the
underground financial sector industry would bring billions of U.S. dollars’ worth of
transactions up to the surface, generating desperately needed tax revenues. In addition,
shutting down the underground banking operations would drastically reduce the scale of
black-market transactions, taking control out of the hands of underground financiers, loan sharks and gangsters, and putting control of economic activity within China’s borders back in the hands of the Chinese government. Along these lines, China should work towards legalizing more channels for economic interaction with its neighbors, especially Taiwan, while exercising control by administratively supervising the banking industry.

One specific recommendation for the Chinese government would be to revamp the current system of issuing special entry permits to Taiwan residents known as “Permits for Taiwan Residents Coming and Going to Mainland” but more commonly called “Taibaozheng” (台胞證) meaning “Taiwan Compatriot Permits.” Taiwan residents usually obtain Taibaozheng entry permits by supplying a photocopy of their national identification cards to a local travel agency, which then sends the copy by facsimile to the Chinese government-owned China Travel Service in Hong Kong for processing and issuance of the Taibaozheng, which are sent back to Taiwan by courier. While there are no reports documenting fraudulent use of Taibaozheng, the possibility for fraud appears to be wide open, especially for smugglers who can provide illegal emigrants with new documents and boarding passes once they reach Hong Kong. These documents can easily be used to gain access to Hong Kong, both over land and by air. China should therefore consider implementing a policy of requiring inbound and outbound travelers using Taibaozheng documents to present a second form of identification to immigration

294 An official sample of the Taibaozheng document is provided at the end of this research in Appendix I.
295 Entry regulations in Hong Kong permit holders of valid Taibaozheng to enter and exit the two territories as long as they are on their way in between China and Taiwan or another destination outside the country. See How to Apply For Hong Kong Visas, informational bulletin published by the Bureau of Consular Affairs, Ministry of Foreign Affairs (Taiwan), available at http://www.boca.gov.tw/content.asp?CulItem=123&mp=1 (last visited May 8, 2007).
officers at border checkpoints.\footnote{An official sample of the \textit{Taibaozheng} document, supplied by the Chinese Ministry of Public Security, is presented in this research as Appendix I.} Recent news reports show that once snake people reach Hong Kong, it is easier for them to transfer to other staging countries or obtain additional fraudulent documents within Hong Kong enabling them to board international flights. Indeed, as mentioned above, authorities in Hong Kong have recently discovered and arrested smugglers distributing new documents and boarding passes inside the terminal at Hong Kong International Airport. If Chinese authorities required \textit{Taibaozheng} holders to present a second form of identification before departing China, smugglers would have a much more difficult time passing off their clients as traveling Taiwanese.

The main obstacle to implementing a “second identification” policy is China’s objection to recognizing Taiwan-issued documents, including national identification cards and ROC passports.\footnote{The author has personally witnessed how Chinese immigration officials react when presented with such documents. On one occasion in 2002, when the author’s Taiwanese wife inadvertently handed over her ROC passport together with her \textit{Taibaozheng} to a border inspector at Shenzhen, the inspector chuckled, shook his head, scoffed “Republic of China passport!” and handed the passport back to her.} Given Beijing’s objection to conveying any form of official recognition on Taiwan’s government, it is highly unlikely that China will “recognize” the validity of ROC passports and identification cards anytime soon. In addition, Taiwan has exacerbated the sensitivity of this issue through its demands that Chinese tourists visiting the island present their PRC passports in addition to special Taiwan-issued entry permits, thus implying trips to Taiwan are “international” rather than “domestic.”\footnote{See Lan Hsiao-wei, \textit{State to State… Negotiations: That’s Where It’s Stuck}, \textsc{United Daily News} (Taiwan), Apr. 29, 2007, available at http://udn.com/NEWS/WORLD/WOR1/3823761.shtml (last visited Apr. 29, 2007).} Taiwan’s stance has heavily politicized the documents issue, and both sides should try to be more practical about it. For China, requiring Taiwanese travelers to produce a passport or ID card at the border would enable inspectors to quickly verify if travelers are genuine
Taiwanese. To avoid any political sensitivities about “recognizing” ROC passports, Beijing could issue a low-key administrative order, or perhaps even just a memo to border inspectors advising them to ask Taiwanese to show a “second form of identification,” without specifying in writing what specific forms of identification would be acceptable. Another option would be to put “passport” and “national ID card” inside quote marks, a common method used by Beijing to avoid conferring legitimacy on Taiwan’s government.\textsuperscript{299} This research is not suggesting that Beijing take the politically significant step of actually recognizing the validity of Taiwan-issued identification documents. A suggestion is merely being made to have border inspectors take a quick look at the documents and hand them back to their Taiwanese holders without making any sort of record. This simple action would make it far more difficult for smugglers to take advantage of the political tensions between Beijing and Taipei to smuggle their clients into Hong Kong.

Chinese scholars have suggested the idea of reorganizing various central, provincial and local government departments and offices responsible for immigration matters into a centralized “Immigration Bureau” (\textit{yiminju} 移民局) that would be better able to cope with the challenges posed by human smugglers.\textsuperscript{300} The benefits of tightening coordination between government departments at various levels are obvious, and it just so happens that for largely the same reasons, authorities in Taiwan found it necessary to establish a new National Immigration Agency in January of 2007.\textsuperscript{301} Establishing a new

\textsuperscript{299} Newspaper reports in China frequently refer to the official titles of Taiwan officials, such as mayor, legislator or even president, by putting them inside of quotation marks.

\textsuperscript{300} Zhu \textit{Analysis} at 68-69.

government agency in charge of immigration matters could help Chinese authorities gain tighter control on the issuance of passports, as well as streamline the process of issuing travel documents for legitimate travelers.

**SOME RECOMMENDATIONS FOR TAIWAN**

On the surface, it would not appear that Taiwan stands to gain much from helping the United States and China combat the human smuggling problem. However, it is hoped that this research has effectively demonstrated how many of the problems and social phenomena linked with Chinese human smuggling are greatly exacerbated by the lack of normal political and economic relations between Taiwan and China. While China and Taiwan probably will not resolve their decades-old political rivalry anytime soon, this does not necessarily preclude both sides from seeking to normalize bilateral economic interactions, which have already blossomed to an unprecedented scale. Taiwan-owned businesses operating in gray areas on the Chinese mainland would greatly benefit from becoming fully legalized. At the same time, they would finally gain what they need the most, namely open and legal access to loans and capital and legitimate channels to remit their profits back to Taiwan. Enabling Taiwanese businesses to avoid borrowing and transferring funds through underground financial institutions would also spare them from paying exorbitant interest rates, as well as further sever their links to illegal and unreliable financiers, loan sharks and organized crime. Bringing Taiwanese businesses in China in from the cold would also enable governments in Taiwan and China to finally be able to accurately assess the true scale and nature of cross-strait economic interaction. If a means were found to legitimize such operations, governments in Taiwan and China would also have a firm basis for collecting more tax revenues from these businesses, as
well as taxing legitimate financial institutions that would take the place of black market counterparts.

In many ways, Taiwan is well-placed to give mainland China valuable advice regarding how to deal with underground financial operations, given the island’s experience in greatly reducing the scale and operations of black market banking organizations that, as recently as 15 years ago, were widely used to circumvent the island’s strict controls over the exchange of foreign currency and foreign remittances. Since restrictions over foreign currency exchange and remittances were lifted in the 1990s, most Taiwanese now prefer to exchange and remit foreign currency through proper banks, while the role of pawn shops and so-called “yinlou,” literally meaning “silver houses,” has greatly diminished. Taiwan is also well-positioned to help Chinese authorities better understand how loan sharks and “underground money houses” operate. Even though law enforcement authorities in Taiwan are still dealing with their own loan sharks and “underground money houses” that widely operate on the island, both sides would greatly benefit from exchanging intelligence and information on illegal money operations, since they share many characteristics and indeed often operate on both sides of the Taiwan Strait. Loan sharking and “underground money houses” victimize both mainland Chinese and Taiwanese, and operations on both sides tend to employ similar methods for raising money and collecting debts.

302 In 1989, the author personally exchanged New Taiwan Dollars for U.S. currency in one of the ‘silver houses’ of Taipei, where he witnessed dozens of people lining up at counters in a scene that differed little from a legitimate bank. The underground bank’s entrance was located inside the back of a jewelry shop that had real jewelry for sale in its shop windows, and its tellers traded cash through small windows protected by shiny steel bars, not unlike what would be found in a contemporary pawn shop.

303 However, pawn shops and “yinlou” in Taiwan continue to offer illegal currency exchange services between New Taiwan dollars and Chinese renminbi on a massive scale due to Taiwan’s refusal to allow most banks to trade in the Chinese currency. See Ou Hsiang-yi, supra at note 248.
While governments on both sides of the Taiwan Strait remain unable to overcome political obstacles blocking the reopening of bilateral negotiations, law enforcement authorities on both sides have already been extensively cooperating for many years to combat illegal immigration and organized crime, as well as repatriate each side’s nationals.  

In recent years, judicial authorities in China and Taiwan have also taken substantial action to recognize and enforce each other’s civil judgments and arbitral awards, a phenomenon that is nothing less than remarkable when considering that political tensions remain high. Police and judicial authorities on both sides not only know how to cooperate, but indeed are already cooperating in a number of important fields, including many that touch upon the subjects of this research.

Taiwan’s own serious problem with illegal Chinese immigration into the island highlights the urgent need for Taipei to more closely monitor and supervise its own issuance of identification cards and travel documents, especially passports. In 2006, Taiwan required all nationals to replace their old identification cards with new cards that incorporated better anti-counterfeiting measures. Starting on January 1, 2007, Taiwan’s Bureau of Consular Affairs, the agency of the Ministry of Foreign Affairs that issues ROC passports, ceased allowing Taiwanese to present their old identification cards when

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applying for a new passport. This measure followed the issuance of new machine-readable passports (MRP), which are less susceptible to alteration, by the Ministry of Foreign Affairs starting in January of 1995. However, authorities in Taiwan are still permitting citizens to obtain ROC passports by proxy through travel agencies, who frequently dispatch part-time student employees (colloquially known as “gongdusheng”) and couriers to turn in passport applications at Bureau of Consular Affairs offices, often batches at a time. To combat the widespread use of ROC passports for smuggling mainland Chinese, Taiwan’s government should consider requiring citizens to apply in person when obtaining passports for the first time at the Bureau of Consular Affairs, which maintains offices in four major cities in northern, central, southern and eastern Taiwan. While this may cause some inconvenience for legitimate travelers, other countries, such as the United States, require first-time passport applicants to appear in person when submitting their applications. To make up for the inconvenience of having to travel to one of the four cities where Taiwan’s Bureau of Consular Affairs has offices, the bureau could consider authorizing other state institutions with representation around the country, such as courts, police stations, local government offices or even the post office, to accept first-time passport applications.

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309 Id.


311 Id. In the United States, a variety of government agencies and institutions maintaining operations and offices around the country, ranging from federal and state courts to local government offices and the U.S. Postal Service, are authorized to accept first-time passport applications. Renewals are usually permitted by mail.
The problem with travel documents issued by the Chinese government is much more difficult to address, since Taipei and Beijing have not yet even begun publicly suggesting the prospect of opening government representative offices in each other’s territories. As stated above, the current system is wide open to fraud, since travel agencies in Taiwan send the necessary forms and document copies by mail or facsimile to the China Travel Service in Hong Kong. Both sides would benefit greatly if they found a pragmatic way to utilize proxy organizations that could operate offices in each other’s territories so that Taiwanese could reasonably be expected to apply in person and verify their identification before being issued Taibaozheng entry permits and other travel documents. While this kind of arrangement would be highly unusual, such a regime actually existed and even flourished in British Hong Kong before the territory’s July 1997 handover to mainland China. Indeed, the example of China’s pre-1997 relations with British-ruled Hong Kong provide a good example of how Taipei and Beijing could substantially cooperate without having to make significant political concessions to each other.

For decades, China demanded that Britain return Hong Kong to Chinese sovereignty and refused to open an official consulate in what it considered to be territory that should be returned. However, in practice China maintained de facto consular and representative operations in Hong Kong by means of figurehead companies and offices that performed the functions ordinarily served by a consulate. In the decades leading

up to 1997, people in Hong Kong obtained Chinese entry permits and travel documents from branch offices of the China Travel Service (Hong Kong) Limited (香港中國旅行社有限公司), a travel agency that was authorized by China’s government to issue visas and entry permits, as well as organize transportation and tours into the Chinese mainland. At the same time, China’s official Xinhua News Agency operated a large branch office in Hong Kong that in practice handled Beijing’s political relations with the territory, including negotiations with the Hong Kong colonial authorities, and frequently issued public statements in Hong Kong on behalf of the Chinese government.\textsuperscript{313} This office was known by locals as the “big Xinhua” (大新華社) to distinguish it from a smaller Xinhua office nearby that housed reporting and editing staff who worked for the actual news-gathering organization (known as “little Xinhua” 小新華社). While Xinhua News Agency and the China Travel Service were ostensibly private, they were de facto operated by or on behalf of the Chinese government and effectively maintained a Chinese presence in the territory while conveniently sidestepping thorny political questions regarding the legitimacy of Britain’s rule of Hong Kong, as well as hostility from many local residents who themselves had fled from communist rule in the mainland.\textsuperscript{314} This system operated well before the 1997 handover, after which China opened a Liaison Office of the Central People’s Government and sold off the former “big Xinhua” office building.\textsuperscript{315}

\textsuperscript{313} \textit{Id.}
\textsuperscript{314} \textit{See supra}, note 308.
\textsuperscript{315} The historic building that formerly housed the Xinhua News Agency, situated adjacent to the Hong Kong Jockey Club, has since been converted into a tourist hotel. \textit{See} hotel website at www.cosmopolitanhotel.com.hk (last visited May 8, 2007). The China Travel Service is still operating and continues to issue travel documents in Hong Kong. \textit{See} company website at http://www.ctshk.com/english/index.htm (last visited May 8, 2007).
The government of Taiwan itself continues to be represented in Hong Kong following a highly similar model, with the ostensibly private Chung Hwa Travel Service (中華旅行社) issuing travel documents, maintaining contacts with Hong Kong’s government and making public statements on behalf of Taiwan’s government. The Chung Hwa Travel Service, which functions under the supervision of the Hong Kong and Macau Affairs Office of the Taiwan government’s Mainland Affairs Council, is still operating in Hong Kong and continues to perform the same functions it had before 1997.

At the present juncture, Taiwan may still be unwilling to let Beijing open an office similar to the “big Xinhua” in pre-1997 Hong Kong. However, Taiwan would stand to lose little in terms of its national security if a privately run travel agency could be authorized by Beijing and Taipei to issue Chinese entry permits and travel documents on China’s behalf. If Taiwan is still wary about allowing a travel service fully owned by the Chinese government operate on its territory, Taipei could even consider having a fully Taiwan-owned private travel agency issue the documents, which could stay in contact with Chinese government officials by telephone when faced with sensitive decisions. Designating a specific travel agency or agencies for issuance of Chinese travel documents would enable Taiwan’s government to use its regulatory powers to oversee the agency’s

317 Before 1997, the Chung Hwa Travel Service was under the supervision of the Taiwan government’s Overseas Chinese Affairs Commission because Hong Kong residents were formerly regarded as “overseas Chinese” by Taiwan’s government. The author personally interviewed Hong Kong and Macau Office Director William Li Wei- lien about the transfer of authority, as well as Chung Hwa Travel Service’s future, during the months leading up to the handover as part of his duties as former Taiwan Correspondent for Hong Kong’s South China Morning Post. See Jason Blatt, Taipei to Continue Operating Centres, SOUTH CHINA MORNING POST (Hong Kong), Apr. 14, 1997 at 4; and Jason Blatt, Taipei Pledges to Form Strong Ties With SAR, SOUTH CHINA MORNING POST (Hong Kong), Jun. 27, 1997 at 7.
operations and monitor for any signs of fraud or corruption. In the unlikely event that Taiwan’s national security is threatened by such operations, Taiwan’s government could easily shut down the travel agency.

If the government of China were unwilling to go along with such an arrangement, another suggestion would be to utilize some sort of an organization with offices around Taiwan for a “pre-screening” of Chinese travel document applications. For example, the ROC Red Cross or the Straits Exchange Foundation could be authorized by Beijing to accept applications from Taiwan residents for China-issued travel documents. Under such an arrangement, the Taiwan-based organization would merely accept applications and verify the identity of each applicant before being responsible for delivering the applications by registered mail or express courier to the China Travel Service in Hong Kong. After issuing documents in Hong Kong, the China Travel Service could then send the travel documents directly to the applicants by registered mail or express courier. While such a system would not be completely immune to all kinds of fraud, requiring each applicant to show up in person with his or her identification to be verified by the Taiwan organization, as well as sending documents directly to their bearers, would certainly reduce opportunities for fraudulent applications to get approved.

Taiwan’s government also urgently needs to address serious problems presented above with regard to its declining high-seas fishing industry. Specifically, efforts must be made to ensure that fishing boats earmarked for scrapping under the Council of Agriculture’s program are actually destroyed. Since many fishing boat owners are reputed to have strong connections with high-ranking government officials, more political will is required to deal with this serious problem. But at the same time, more
funding should be provided to ensure that fishing boat owners are adequately compensated for what amounts to the loss of their livelihood. Authorities in Taiwan may be wise to transfer at least part of the responsibility for enforcement away from the Council of Agriculture to agencies that are better equipped to enforce the law, such as the National Police Administration or the Coast Guard. Taiwan’s Legislative Yuan should also consider passing legislation that in addition to providing more funding for the program should also further criminalize common practice of making off with boats marked to be scrapped. Authorities in Taiwan can only gain from recovering full knowledge about and control over oceangoing vessels coming in and out of the island’s ports. Tightening up loopholes that effectively allow old fishing vessels to be transformed into smugglers’ “buckets” would also greatly enhance Taiwan’s image abroad.

Finally, while the government of Taiwan only has diplomatic relations with a tiny handful of foreign governments around the world, it is remarkable that many of Taiwan’s diplomatic partners are located in the very same regions where Chinese human smuggling operations are located.\footnote{As of the time this research was completed, Taipei had formal diplomatic relations with a total of 24 foreign governments, including Palau, Tuvalu, Marshall Islands, Solomon Islands, Kiribati, Nauru, Paraguay, Costa Rica, Guatemala, Belize, El Salvador, Nicaragua, Honduras, Panama, St. Vincent and the Grenadines, St. Christopher and Nevis, Haiti, Dominican Republic, Burkina Faso, Malawi, Sao Tome and Principe, Swaziland, Gambia and the Holy See. See Diplomatic Relations Countries List (邦交國), Bulletin of the ROC Ministry of Foreign Affairs, available at http://www.mofa.gov.tw/webapp/ct.asp?xItem=11624&CtNode=1143&mp=1 (last visited May 8, 2007). Significantly, Central America is the only region of the world in which all governments still have formal relations with Taipei instead of Beijing.} For example, all of the countries in Central America have close diplomatic relations with Taipei and receive massive amounts of foreign aid from Taiwan’s government. While Taiwan fears that China will woo away these governments with promises of aid and trade, Taipei and Beijing could achieve an unprecedented breakthrough in law enforcement cooperation if they agreed to shelve their diplomatic
tug-of-war when it comes to the purely humanitarian issue of combating human smugglers. Specifically, both sides could reach an accord, perhaps through their respective Red Cross organizations, granting tacit approval and encouragement from both sides to all foreign governments that take steps to combat the human smuggling trade, regardless of whether those governments recognized Taipei or Beijing. Taiwan and China could even set up a private foundation dedicated to combating human smuggling, to be jointly funded by governments or private organizations on both sides, that could oversee the distribution of aid funds to way-station countries to be used for enforcement and repatriation of smugglers and their human cargoes.

CONCLUSION

While the issue of illegal immigration remains controversial in the United States, most Americans tend to view the issue in simple law enforcement terms, such as building a higher fence along the Mexican border or arresting and removing more illegal immigrants. This research argues that illegal emigration from China is being fueled by a wide variety of factors, including many that cannot be controlled within the United States, as well as some that would not initially appear to be connected to the human smuggling trade at all. The vast and growing underground financial sector of “Greater China,” much of which exists to serve private enterprises lacking legal channels to get loans and make remittances, is a good example of the former, while the decline of Taiwan’s high-seas fishing industry exemplifies the latter. Building high border walls and raiding employers within the United States will accomplish little in dealing with these issues.

This research argues that if governments in the region implement means to divert business away from illegal financiers in Greater China, such as by legalizing transactions
by Taiwanese businesses operating in China, it is possible that far less capital would be available for “underground money houses” to finance illegal emigration to the United States and other countries. This research also argues that the lack of normalized economic and trade relations between China and Taiwan has produced gaping holes for the smugglers to take advantage of, such as with regard to travel documents issued by China and Taiwan. While governments in Beijing and Taipei are unlikely to achieve a final peace agreement anytime soon, finding ways to normalize their already booming economic and people-to-people exchanges would make it far more difficult for smugglers to pass off their human cargoes as Taiwanese. The massive scale of trade, investment and private exchanges between China and Taiwan demands that a better system be put in place to regulate them. At the same time, efforts should be made to ensure Taiwan’s declining high seas fishing fleet does not end up transporting more Chinese illegal immigrants to the United States and other countries.

Finally, more research needs to be done, especially by interviewing Chinese nationals detained in the United States, in order to assess the ever-changing methods employed by the smugglers. Most of the immigrants have suffered through a harrowing tragedy to reach the United States. Those who make it, and even those who do not, are burdened with paying off increasingly high smuggling fees. More needs to be learned about how these increasingly costly voyages are financed so that effective efforts can be directed at cutting off the financing and eliminating the immigrants’ overwhelming debts. Part of this process requires that government authorities in the United States hire more Chinese-speaking personnel, especially those who speak the Fuzhou dialect, and sponsor more research by scholars who speak the language.
Finally, while politics may prevent the governments of China, the United States and Taiwan from working too closely with each other, authorities in all three places should strongly encourage cooperation among scholars and government officials who deal with illegal emigration/immigration. Joint research should be conducted and efforts should be made to establish a joint clearinghouse for the exchange of intelligence. While governments may differ about political issues, protection of the sanctity and dignity of human life is a universal value that everyone should strive to achieve together.
Appendix I

Sample of “Taiwan Compatriot Travel Certificate”
(“Taibaozheng”)

Front Cover

Translation:

“Permit for Taiwan Residents Coming and Going to Mainland”
Inside Front Pages

Translation:

Responsible Departments are Hereby Requested to Grant the Holder of this Permit Convenience of Passage and Necessary Assistance.

Issuing Department:
(seal of the PRC Ministry of Public Security Entry and Exit Control Bureau)

(photograph blurred out)

Control No.
Name
Sex
Birth Date
Occupation
Date of Issuance
Date of Expiry
**Stamps**

A0200027496

One Entry and Exit

Valid through October 4, 2002

(seal of the PRC Ministry of Public Security Entry and Exit Control Bureau)

Date of Issuance: July 5, 2002

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**Stamps**

(stamps affixed by immigration inspector at places of entry and exit)

One Entry and Exit

Responsible Department

(valid through July 18, 2003)

(seal of the PRC Ministry of Public Security Entry and Exit Control Bureau)
Appendix II

Sample of New Taiwan ROC Identification Card

Front Side:

Translation:

(flag) REPUBLIC OF CHINA CITIZEN IDENTIFICATION CARD

(in large red characters: “sample”)

Name: Chen Hsiao-ling

Date of Birth: June 5, 57th Year of the Republic (1968)

Date of Issue: Issued (in Taipei) July 1, 94th Year of the Republic (2005)

Sex: Female

Uniform Control Number: A 234567890
Back side:

Translation:

Father: Chen Teh-ming  
Mother: Wu Chun-mei  
Spouse: Chin Ta-sheng  
Military Service Status: (blank)  
Place of Birth: Taipei City  
Address: No. 218, Alley 165, Lane 283, Sec. 6, Minchuan East Road, Neighborhood 1, Huchou Ward, Neihu District, Taipei City  

(scan bar code)       (symbol)       0000133805
Sample of Old Taiwan ROC Identification Card

Front Side:

Date Name (photo) (flag)
of Republic of China
Birth: Citizen Identification Card

(Seal of Ministry of the Interior)

(Taipei City)

70th Issued on
Year July 1,
of 88th
of ROC Year of
(1981) ROC
(1999)
A 200000003
Appendix III

Chinese-Language Sources, Place Names and Terms

Note: With the exception of personal and place names in Taiwan, where the Wade-Giles system of Romanization is most commonly used, the author has presented Chinese terms in Hanyu Pinyin (漢語拼音), the system most commonly used in mainland China and abroad.

Chinese-language sources (arranged alphabetically):

Sources in the Chinese language are presented here in alphabetical order with their English and Chinese titles for the convenience of future researchers searching for the original works.

Chen Pei-hsiung & Wang Jui-teh, Chinese Women Attempt to Pass Customs With False Taiwan Passports, LIBERTY TIMES (Taiwan), Nov. 6, 2004, at 1. 朱沛雄與王瑞德, 中國女持假台灣護照闖關, <自由時報> (台灣), 2004年11月6日, 第1版.


Cui Yun (), Taiwan’s Underground Money Houses, TAISHENG MAGAZINE (China), Aug. 1, 1995 at 15-16. 崔雲, 台灣的地下錢莊, <台聲雜誌> (中國), 1995年8月1日.


Chinese-Language Media (arranged alphabetically):

BAUHINIA MAGAZINE 紫荊雜誌 (Hong Kong)
CANKAO XIAOXI TEKAN 參考消息特刊 (China)
CHINA LAW INFO 北大法律信息網 (China)
CHINA NEWS SERVICE 中新社 (China)
CHINA TIMES 中國時報 (Taiwan)
CROSS-STRAITS RELATIONS MONTHLY (China)
INVEST IN CHINA MAGAZINE 投資中國雜誌 (Taiwan)
LIBERTY TIMES 自由時報 (Taiwan)
FRONTLINE MONTHLY 前哨月刊 (Hong Kong)
STRAITS OUTLOOK MAGAZINE 海峽瞭望雜誌 (China)
TAISHENG MAGAZINE 台聲雜誌 (China)
UNITED DAILY NEWS 聯合報 (Taiwan)
XINHUA NEWS AGENCY 新華社 (China)

Geographic Names (arranged alphabetically):

Changle City 長樂市
Fuqing City 福清市
Fujian Province 福建省
Fuzhou 福州市
Jiangsu Province 江蘇省
Jimei District, Xiamen City 廈門市集美區
Langqi Island 琅岐島
Lianjiang County 連江縣
Mawei District, Fuzhou City 福州市馬尾區
Minhou County 閩侯縣
Pingtan Island 平潭島
Tingjiang 亭江鎮

Chinese Terms Used in This Research (with page reference):

aiming gubian strategy 愛民固邊戰略 (p. 40-41)
da shetou (“big snakehead”) 大蛇頭 (p. 9)
dixia qianzhuang (“underground money house”) 地下錢莊 (p. 17)
dixia yinhang 地下銀行 (p. 44)
fujian shengzhengfu fazhan yanjiu zhongxin (Fujian Provincial Government Development Research Center) 福建省政府發展研究中心 (p. 17)
gongdusheng 工讀生 (students working part-time) (pgs. 34, 69)
hongbao 紅包 (“red packets” containing gifts of money) (p. 15)
huaqiao 華僑 (“overseas Chinese”) (p. 13)
huayi qiutong 化異求同 (“melting away differences and seeking commonalities,” or agreeing to disagree on contentious issues so parties may work together on issues they agree on) (p. 61)
litihua (“three dimensionalization”) 立體化 (p. 8)
qiao, gang, ao 僑, 港, 澳 (Overseas Chinese, Hong Kong, Macau) (p. 18)
qiaoxiang 僑鄉 (ancestral hometowns of overseas Chinese) (p. 13)
renminbi, yuan (RMB) 人民幣 (Chinese yuan, China’s national currency)
rentou 人頭 (figurehead) (p. 48)
sihaibang 四海幫 (Four Seas Gang) (p. 53)
songlianbang 松聯幫 (Pine Union Gang) (p. 53)
snakehead, shetou 蛇頭 (p. 9)
snake people, renshé 人蛇 (p. 9)
Taibaozheng 台胞證 (台灣居民來往大陸通行證) (Permit for Taiwan Residents Coming and Going to Mainland) (p. 64; Appendix I)
tiandaomeng, Tientaomeng 天道盟 (Heavenly Way Alliance, Heaven’s Way Alliance) (p. 53)
tiaofu 挑夫 (money runners carrying cash between Fujian and Taiwan, term formerly used to describe strong men hired to haul the belongings of aristocrats and officials on long bamboo poles in ancient times) (p. 51)
tongzi 桶子 (“buckets”) or “bucket man” who can procure boats used for smuggling illegal emigrants (p. 55)
xiang (鄉) (“hometown” or “home village”) (p. 13)
xiaoshetou, 小蛇頭 (p. 9)
yinlou 銀樓 (literally meaning “silver houses,” small business establishments in Taiwan that provide illegal exchange of New Taiwan Dollars for RMB under the guise of selling and trading jewelry (pgs. 51-52)
yiminju 移民局 (proposed new “Immigration Bureau” for China) (p. 66)
yingqiaobang 螢橋幫 (Yingchiao Gang) (p. 53)
xianggang zhongguo luxingshe 香港中國旅行社 (Chinese travel agency in Hong Kong that issues Chinese visas, entry permits and travel documents, including Taibaozheng) (p. 71)
zhonghua luxingshe, Chung Hwa Travel Service 中華旅行社 (Taiwan de facto consulate in Hong Kong) (p. 72)
zhulianbang 竹聯幫 (Bamboo Union, United Bamboo Gang) (p. 53).