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China's unending moves can be seen as a continuation of the Civil War and military confrontation since 1949. The everlasting intelligence warfare across the Straits often becomes more tense as time goes by. Picture source: succo, Pixabay,

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## *China's Recent Intelligence Collection and Taiwan's Countermeasures*

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### I. Foreword

A sovereign state needs various means, secret or public, to assure its command of information and intelligence so that it can be aware of, and even alert to, changes in its international surroundings. The main target of the effort of information collection are rival states that pose a potential threat. This kind of security concern can be particularly true for authoritarian regimes and autocratic leaderships. Based on a firm belief in total party control, their state

machinery is more inclined to keep all domestic channels on alert, seeking to actively control and take counter-measures against factors that are harmful to the stability of the regime. Internationally, when it comes to potential threats from rival states, efforts at all-dimensional penetration and information collection will surely be applied. A relevant case is China's deep penetration and information collection of Taiwan. China's unending moves can be seen as a continuation of the Civil War and military





confrontation since 1949. The everlasting intelligence warfare across the Straits often becomes more tense as time goes by.

## **II. A Brief Introduction to China's Means of Intelligence Collection towards Taiwan**

China's intelligence collection in Taiwan can be divided into two tiers—those belonging to institutional practices and those beyond institutions. The former refers to action and measures taken through state or conventional mechanisms; the latter refers to non-governmental institutions, at least superficially purporting to be such, acting out of disguised motives and protection of secrets.

### **1. Institutional Practice**

Institutional means of intelligence collection basically take the form of public inquiries. Here, those who do public inquiries refer to overseas agencies that are legally delegated by a central government. These representative organs overseas, such as diplomats (including military attachés and arms advisors) and foreign correspondents are entitled to collect information related to their areas of responsibilities. They enjoy open access to information and even intelligence in the name of public concern. Without due vigilance nobody may be aware of a potential leak of intelligence when interviewed. Before Hong Kong's return to China, the branch office of Xinhua News Agency in Hong Kong played a crucial role in intelligence collection. It was later replaced by the Liaison Office of the Central People's Government (LOCPG). Today, it is generally understood that news agents dispatched by China into Taiwan are charged with a similar duty. However, we have to point

out that more sensitive intelligence gathering is done through secret means, despite operating under the cover of public enquiries.

Meanwhile, information gathering and intelligence collection may also be carried out by intelligence institutes with a hidden identity given the concern for secrecy in the process of operation. This kind of effort made via hidden institutes can also be divided into two forms. On the one hand, they are equipped with institutional identities open to the public but they collect information under the table. A special agent, for instance, can change into a news agent, who aims at a set target with a view to collection of key information. On the other hand, they may set a trap and wait for an ideal target for key information. Measures to approach such ideal targets include sex traps. We have to admit that the infamous case of Hsieh-che Lo, a former major general in the Taiwanese army, was a typical example in which China spotted that Lo was a horny person. With this, a woman agent was sent to approach Lo, who eventually crossed the red line and revealed key information. Previous studies have indicated that China's Ministry of State Security pays close attention to Taiwanese businessmen who used to be with the military. Taiwanese businessmen, who are broken or caught in lawsuits in Mainland China, may also be exploited and threatened by China for intelligence collection. All these examples have had a serious impact on Taiwan's homeland security.

### **2. Non-governmental Institutional Practices**

Non-governmental institutional means, to put it more exactly, are varied approaches to the



collection of intelligence and information aside from the effort made by the conventional information-gathering bureaucracy. These may be seen as off-and-on duties designated by non-routine personnel on the Chinese side. For instance, the Chinese intelligence units may privately delegate visiting members in Taiwan as proxies to collect data under certain topics. Taiwan-based scholars may also occasionally receive calls from across the Straits, being asked to give comments on current conditions, political vicissitudes and election forecasts.

One of the features of China's intelligence is its all-encompassing effort, spreading into defence, the military, politics, foreign affairs, technology, information, industry, farming and fishery. As a result, it involves a wide range of specialties and identities. In other words, information gathering personnel in the strict sense refers to experts who focus their collecting effort on defense, the military, science and technology. These personnel are relatively low-profile, and their conduct is often regulated by operational norms set by China. By contrast, those intelligence personnel that are more interested in collecting civil and non-military items tend to approach what they need either by cooperation with other bureaucrats, or through contracts, or on a piece-rate system. We have to admit that the second group of information personnel from China are working under the cloak of a legal identity as well as legitimacy. The Taiwanese government would find it difficult to forcefully apply mandatory countermeasures given the fact that there have been no clear-cut statutory provisions so far.

### III. Policy Recommendations

The effort of intelligence collection is an integrated part of state interaction in foreign affairs. Despite their frequency, information leaks need to be strictly prevented since, without this a state's key know-hows, however advanced, cannot effectively play a role in developing competitive industries. To the extent that a state's confidential information is exposed, the whole effort of national security will surely be at risk. Alongside state interaction and national security, effective countermeasures, to name but three, are subsequently called for.

#### 1. Intelligence Integration

Intelligence integration is a diverse effort for information collection and intelligence analysis. We need information strategy and policy directives to integrate the diversity. It is alright to see competition existing among intelligence units. However, a set of strategic goals and directives will help integrate puzzling bits of information into a fuller picture. This is true for counter-intelligence warfare as well. Given the above analysis that identifies that theft of a state's confidential secrets comes from institutional practices and non-governmental institutional practices using multiple channels, countermeasures have to be expanded. We have to integrate counter-intelligence units rather than continue with the conventional forms—only satisfied with single sources of information or a single agency. It is, of course, encouraging to see both the US Homeland Security Department and Taiwan's National Security Bureau undertaking an integrative role as mentioned above. Structurally speaking, we cannot stop here though. Non-governmental institutional practices





and cooperative efforts at information collection and counter-intelligence across departments, require a unit above the Executive Yuan to come out with a view on a possible integration of resources. It is not until national resources are integrated that we can cope with any potential harmful theft of information.

## **2. An All-people-based Counter-intelligence Web**

There is also a need to build an all-people-based web of counter-intelligence. The reason is straightforward. First, intelligence collectors are always behind the scene and not easily spotted. Second, the majority of us are not on the alert before serious hijacks of information take place. Even if information leaks do happen, the incidents/accidents may be addressed like the tip of an iceberg, given concern at their unbearable social impact. One of the examples to indicate the above concern is the computer-virus incident which affected assembly lines at Taiwan Semiconductor Manufacturing Company (TSMC) some days ago. According to insiders, the impact of this unexpected event might be more serious than was reported. The best point about an all-people-based web of counter-intelligence lies in the fact that there are always some traces before the theft of key information. A quick and timely response may neutralize the possibility of key intelligence being hijacked with serious impact on national interests. This paper has to point out that an all-people-based intelligence web is by no means a form of re-construction. More effort, instead, should be placed in connecting civil society and local communities so that they are encouraged to report any unusual situations to policing units or authorities in

charge. With monitors positioned around the corners of streets and in many community zones, and with zealous netizens 24 hours a day characterized by quick responses to information, this paper actually is quite confident that an all-people-based web of counter-intelligence could be a success.

## **3. International Cooperation on Intelligence**

Some of Taiwan's success in cracking spying cases must be attributed to international efforts at intelligence cooperation. The government's decision to arrest Major-General Lo Hsieh-che was based on information supplied by US intelligence counterparts. This highlights the need for routine exchange of bilateral intelligence and the design for cooperative mechanisms with intelligence counterparts. These needs can be even more relevant when the partner states are also under a potential intelligence threat from China. Important matters for the agenda, viewed in this light, may include how to improve the quality of international cooperation on intelligence with a view to valued analysis of intelligence and subsequent threats. It also may include advanced technology for effective counter-intelligence.

This paper also has to remind readers that, although the advanced states may have created preventive mechanisms (and they seem well-prepared) against China's collection of intelligence, the cultural barrier remains a tremendous challenge for them to see China's non-governmental institutional intelligence efforts and planned strategy clearly, let alone when there is a complicated power struggle among rival units domestically. In this respect,



Taiwan's counter-intelligence strength built on decades of experience naturally boasts itself as being in a leading position. Our confidence in quality intelligence is also based upon huge accumulated analyses of China's information collection that is historically featured by its comprehensive use of the United Front and sharp power. It is to these values that the government in Taiwan has contributed, and this is what we would like to share with others.

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