

## TAIWAN SEEKS TO GET IT RIGHT

## BY BILL SHARP

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Taiwan has seen a significant rise in espionage cases, particularly those linked to China. In 2024, 64 individuals were prosecuted for Chinese espionage, a three-fold increase from 16 in 2021. Authorities have also uncovered over a thousand Taiwanese espionage cases in recent years and dismantled several espionage networks, according to the National Security Bureau (NSB). Since 2020, prosecutors have indicted 159 suspected of spying for China, with 60% being active or retired military personnel (Gemini AI Overview). In 2025, Taiwan's national security services estimated there were over 5,000 spies working for China in Taiwan. Chinese espionage is not confined to the opposition KMT (Nationalist Party). During the tenure of the Democratic Progressive Party's tenure Joseph Wu's as foreign minister (2018-2024) there were two DPP assistants who were working for China.

The Chinese Communist Party is following a blueprint that gave it victory in the Chinese Civil War (1945-1949).

Many of the coopted have strong connections with China. Their parents came to Taiwan in 1949 with Chiang Kai-shek. They lived in special villages set up by the government. They went to military-oriented high schools. As a result, they gained admission in to one of the three military academies. After graduation they were guaranteed a job for life. Many of the

graduates assumed that they would return to China after the Communist government fell.

There are three basic approaches which Chinese espionage recruiters use:

- <u>Blue</u> Overcome any ill feeling that the potential target has about the People's Republic of China. Mission obfuscation: Are we fighting to tear down an undemocratic regime or fighting for Taiwan independence? Another is poor military funding which could lead to obsolete equipment.
- <u>Gold</u> Financial inducement cash or a lucrative business connection in China. This one was particularly effective since President Tsai Ing-wen <u>cut military pensions</u>, albeit for sound financial reasons.

## • Yellow – Sex

The most notorious case is that of Gen. Lo Hsien-che, former head of communications and electronic information at Taiwan's Army Command Headquarters. Lo had access to a US-Taiwan communication project called "Po Sheng," considered vital to Taiwan and US defense of the island in the event of Chinese attack. After confessing, Lo was sentenced to life imprisonment in 2011. However, Lo is not the only one of flag rank. These strategies can be combined. Lo's downfall was financial inducement, and he was tempted by a Chinese seductress.

Enlisted personnel have not been spared from Chinese recruitment efforts. Given the relatively low pay they earn, Chinese recruiters have set up operations targeting pawn shops.

Given the history of this problem Democratic Progressive Party (DPP) legislator Chen Kuan-ting has proposed amending national security legislation. Potential gaps in security vetting procedures for personnel with access to sensitive information prompted him to propose the amendments, which would introduce changes to Article 14 of the Classified National Security Information Protection Act.

The amendment would require character and loyalty checks for intelligence personnel prior to employment.

The Ministry of National Defense, the Ministry of Foreign Affairs, and the National Security Bureau's Special Service Command Center, have lost out because Taiwan <u>lacks a unified system</u> for issuing security clearances.

Chen said that Article 14 should be amended to model Taiwan's framework on systems used in the US and Japan by mandating that the central government establish or designate a lead authority to develop a nationwide security clearance framework. The amended standards would apply to political appointees, civil servants and intelligence personnel throughout their service, enhancing overall national security precautions. In this manner, you get a holistic evaluation which includes criminal records, online activity, and social circles the applicant was a member.

In addition, Institute for National Policy Research Deputy Director Kuo Yu-jen compared the amendment with Japan's recently passed Act on the Protection and Utilization of Critical Economic Security Information which took effect in May 2025.

Given the surge of Chinese espionage cases, President William Lai Ching-te has announced reinstatement of military court system and judges that was suspended in 2013. The military court system was suspended in a controversial case involving Corporal Hung Chungchiu. At the time, the military court system was transferred to the local courts. After a period of years, the judges were deemed to not understand the negative military ramifications. Therefore, the cases involving espionage were all moved into the High Court.

President Lai defended the reinstatement of military judges and other measures to stem Chinese infiltration, citing the rising number of cases of Taiwanese involved in the forming of treasonous organizations to aid Chinese armed forces to buildup offenses against Taiwan. Code of Court Martial Procedure was revised to ameliorate the harmful influences left over from military trials during the period of authoritarianism.

Active-duty military officers who commit offenses listed in Part 2 of the Criminal Code of the Armed forces such as offenses against allegiance to the nation, would face military trial. Crimes listed in Part 3 of the code would be handled by the judiciary.

On March 13, 2025, President Lai Ching-te convened a high-level <u>national security meeting</u>, after which he introduced 17 major strategies to respond to five major national security threats Taiwan now faces:

- a) China's threat to national sovereignty
- b) threats from <u>infiltration</u> and espionage activities targeting the military
- c) threats aimed at obscuring the national identity of the people of Taiwan
- d) threats from united front infiltration into Taiwan society through cross-strait exchanges
- e) threats from using "integrated development" to attract Taiwanese businesspeople and youth.

One policy change that Lai did not touch on is that are certain categories of espionage that are deemed less seriously than others, and for which a fine will absolve the charge against you. This system should be done away with. Incarceration should replace it, no matter how long one has to serve.

PacNet commentaries and responses represent the views of the respective authors. Alternative viewpoints are always welcomed and encouraged.