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JACK ANDERSON

Hong Kong Crime Bosses Flee to U.S.

Hong Kong capitalists aren't the only ones who are fleeing the British colony before it is taken over by communist China in 1997. The city's organized crime bosses are also packing up, doubtless spurred by the spectacle of Peking's policy of capital punishment for crimes that are all in a day's work for underworld professionals.

The businessmen have been reluctant to transfer their assets and operations to the United States, mainly because taxes would be about three times what they're used to paying. Unfortunately, the crime bosses, having no such concerns, are moving to our shores as fast as they can.

My associate Donald Goldberg has obtained several internal and confidential law-enforcement reports that detail the crime lords' activities.

The Chinese crime gangs are known as "triads." According to one Customs Service analysis, "Triads are secret fraternal Chinese associations which traditionally engage in gambling, narcotics, prostitution, loan sharking, rackets, protection and anything else worthy of exploitation."

Although composed of professional criminals "who without hesitation will use violence to further their illegal activities," the triads often avoid direct involvement in criminal acts, limiting their participation to bankrolling the illicit ventures "as long as they are assured of a percentage of the fruits of the crime."

If that sounds like the latter-day Mafia, it is. Perhaps the most significant difference between the two underworld networks is that the triads manage to avoid the turf wars that occasionally upset the Mafia's smooth-running operations.

One of the most notorious triads is Wo Lee Wo, described in a confidential crime commission report as a "criminal 'Mutual Aid Society' assisting organized crime figures and operations with currency transactions, and providing other services."

Wo Lee Wo was founded in the 1930s in Hong Kong's central district, initially concentrating on gambling and narcotics. By the end of World War II and the return of British rule, Wo Lee Wo also controlled prostitution in its area. The triad is believed to number about 2,000 members.

Intelligence analysts know the identity of one Wo Lee Wo kingpin, described by Hong Kong police as "probably the most successful operator of illegal gambling in Hong Kong during the period 1969-1976." In addition to operating illegal casinos in the colony, the Wo Lee Wo boss was a bookie who clearly had good connections. He was described by police as "the largest bookmaker in the stands of the Royal Hong Kong Jockey Club."

The crime boss settled in this country in 1979, and U.S. authorities began to show an interest. "It is probable," said a Hong Kong intelligence report at that time, "that he is using his position in the United States to act as broker for other vice-crime personalities in Hong Kong, who wish to transfer their earnings overseas without having them recorded by bank transactions."

A four-year investigation of the Wo Lee Wo boss ended in frustration when he returned to Hong Kong in 1983. But recent information indicates that the flow of illegal funds continues.