



# THE MINISTRY OF STATE SECURITY (MSS) IN CHINA

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## *The MSS Missional Operation: Home & Abroad!*

Background Image taken from: [http://zeenews.india.com/slideshow/top-10-%E2%80%93-world%E2%80%99s-powerful-intelligence-agencies\\_55.html](http://zeenews.india.com/slideshow/top-10-%E2%80%93-world%E2%80%99s-powerful-intelligence-agencies_55.html) “MSS has mastered deep uncover operations around the World. Despite their obligation to protect China against foreign threats, it appears that a vast amount of resources go to protecting the Communist Party against domestic threats and spying on political dissidents of non-Communist Party members within the Chinese borders.”

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## DEFINITIONS

CDSA = Central Department of Social Affairs

CIA = Central Intelligence Agency

CID = Central Investigation Department

DOD = Department of Defense

FBI = Federal Bureau of Investigation

FBIS = Foreign Broadcast Information Service

IAPCM = Institute of Applied Physics and Computation Mathematics

MSS = Ministry of State Security in China

STEM = Science, Technology, Engineering and Mathematics

## **PURPOSE:**

The purpose of this paper is to examine the Ministry of State Security in China. During the process of examination it is the hopes of learning/understanding its history, the purpose of creation, modern day missions, how it goes about its operations, what past operations have produced and to draw projective analysis future projections from the data.

## **INTRODUCTION:**

Espionage is a dirty game with a negative connotation if caught. The People's Republic of China is no exception to this rule and has cast themselves onto the World stage attempting to rival the CIA. From deep undercover agents, to fishing emails, intelligence collections, questionable torture methods for answers and spying on its own citizens, the MSS has developed a vast and expansive network of spy rings with deep undercover agents.

With a known official budget of \$4 Billion USD and deeper classified budgets, the MSS is well equipped to play the game. This paper at its very core will attempt to seek the mission/motivation of China in its attempt to manipulate markets, wreak havoc in the free world and promote Communist propaganda while helping the Communist Party of China maintain its own control.

Now it is time to begin the journey into defining and determining exactly what/who is the MSS and the various components/groups that makes up the MSS in China allowing it to continue operations on a mass scale.

## MSS HISTORY

During the history of the present day Ministry of State Security in China, it has been called three different names. Before 1949 it was called the CDSA and mainly operated on internal spying within China. From 1949-1982 it was known as the CID. From 1949-1969 it did engage in covert action, but it was a very limited scope. Starting in 1970, covert activity for the Chinese greatly increased. In 1983 the Ministry of State (MSS) was created and all covert operations were transferred over to the MSS. Each year since, the MSS has gained more power and has increased its covert activity around the world. Its primary goal is to monitor, disrupt and destroy any/all enemies of China and the ruling Communist Party both foreign and domestic.

## MSS ORGANIZATIONAL STRUCTURE

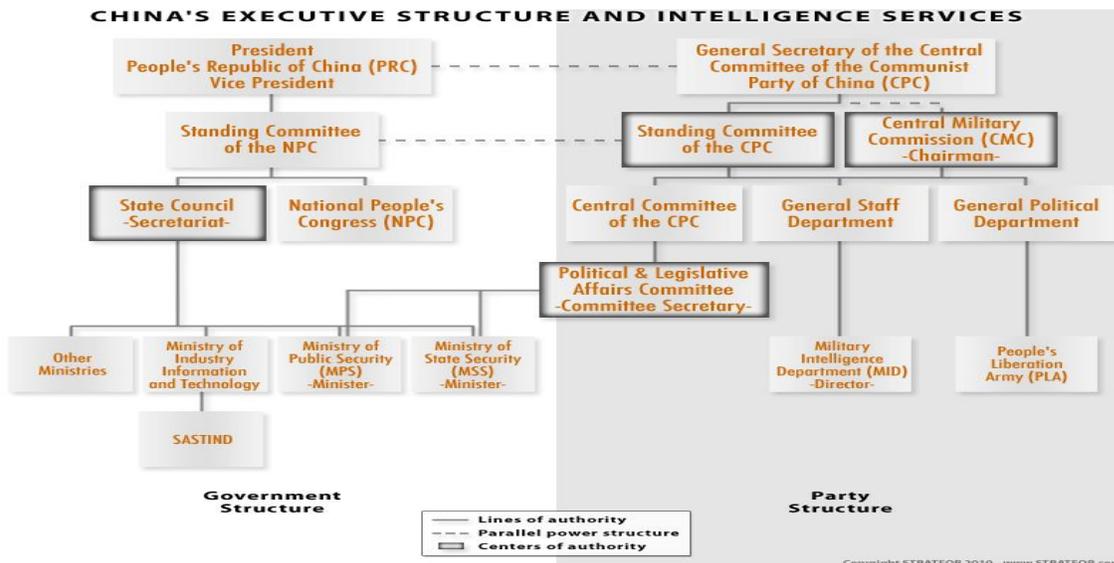


Image from: stratfor.com on August 28<sup>th</sup>, 2017 at 10:37 A.M. Central Time: Accessed at: [https://www.stratfor.com/sites/default/files/main/images/China\\_org\\_intel.jpg](https://www.stratfor.com/sites/default/files/main/images/China_org_intel.jpg)

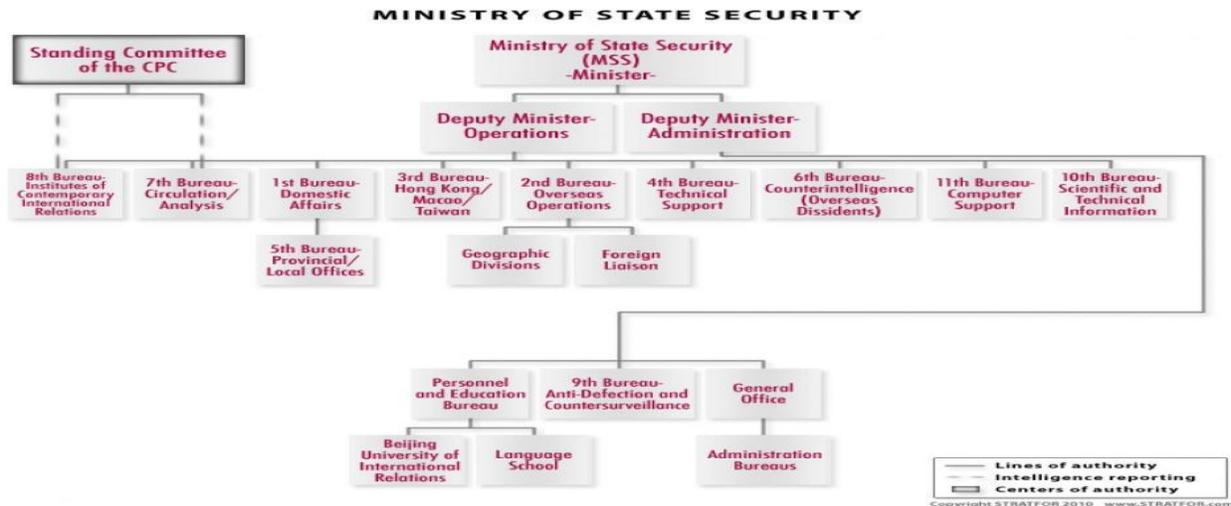


Image taken from [Chinawatchcanada.blogspot.com](http://chinawatchcanada.blogspot.com) on August 28<sup>th</sup>, 2017 at 10:39 A.M. Central Time. Accessed at:

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**The Beijing University of International Relations** was founded in the year 1949.

Officially it is listed as part of the Ministry of Education however, it is highly speculated and denied by the Chinese government that part of its funding comes from the Ministry of State Security (MSS). When going to the official website <http://en.uir.cn/> the school brags about its closeness to the Imperial Gardens and Summer Palace. The school specializes in International Politics, International Relations, Economics, Trade, Foreign Languages, International Law, Culture, Communication, Public Management and STEM. While the MSS publically denies funding the University of International Relations, they do acknowledge graduates of the university are employed at MSS and at times they ask professors and select students to perform research for them. In addition, it is fact that most students enrolled at the university spend a semester or more abroad. This serves as an intelligence tool to move assets/people undetected and serves as a training center with selective admissions for training MSS agents.

**1<sup>st</sup> Bureau: Domestic Affairs and targeting Chinese Citizens:** Within mainland China, this branch monitors nonmembers of the Communist Party, people considering leaving the Communist Party and any/all enemies of China that want to carry out mass public attacks.

**2<sup>nd</sup> Bureau: Overseas Operations:** Officially this bureau provides support to the Chinese military, embassies, consulates and facilitates talks between foreign government equivalents when it is in China's interest to do so. With that being said, supposedly there is also a division within the department that engages in covert activity and provides intelligence information/services for China and gathers potential target information for other branches of the MSS to pursue.

**3<sup>rd</sup> Bureau: Hong Kong & Taiwan:** This department works hard to gather dissident information on people opposing Beijing trying to have complete rule/control on Hong Kong. It works to expand mainland China's influence in Hong Kong. This bureau also works to bring Taiwan under Chinese control in its one China Policy while funding groups/activities/individuals that interrupt trade and cause chaos/fear in Taiwan. It also funds groups covertly such as "Taiwan's New Party" which supports reunification with China.

**6<sup>th</sup> Bureau: Counterintelligence (Overseas Dissidents):** Officially this department tracks down and attempts to capture/kill criminal/politicians that left/escaped China who disagree with the Communist Party and give non-Chinese news outlets materials to talk bad about China. However this branch of the MSS is similar to what the CIA Covert Operations Department would be in the US. Within the group they create covers. Some are long term international business men that travel frequently. Others pose as tourists in large tourist groups as to not draw attention to themselves and have a travel cover. Still many others are long-term sleeper cell

agents that are given autonomy to live normal lives to avoid detection and then are activated 5-20 years after they are sent overseas.

**8<sup>th</sup> Bureau: Institute of Contemporary International Relations:** This is the public face of the MSS. This is also the branch that allegedly funds the Beijing University of International Relations and facilitates official research for information for The State Council of the Peoples Republic of China. This branch also allegedly runs and operates missions of penetrating foreign governments and facilitates Chinese hackers attempting to gain access to foreign databases and archives such as MI6, the CIA and Japan's government.

**9<sup>th</sup> Bureau: Anti Defection & Counter Surveillance:** This bureau works to create Chinese propaganda to keep its people happy. It also identifies and intercepts/arrests people in key positions or with key knowledge trying to leave China. It also attempts to discourage people that are considering leaving/defecting China as well. This branch actively works to detect/find out about covert action from foreign governments on Chinese soil. Upon arresting said individual they either try to arrest, kill, expel or pass on false information to said person operating within China.

## **ENEMIES/GOALS/TARGETS OF THE MSS**

**Africa Goodwill Program (Goal):** Africa is a continent with vast potential and resources. Most of Africa is still developing. While many countries in Africa have foreign ministries and spy operations, they are small compared to the operations of the US, Western Europe and China. China sees potential in Africa to the point that they are investing in Africa with money, roads and infrastructure all in exchange for the rights to military bases, immunity for Chinese citizens in

Africa, trade rights, mineral rights and to get greater assests for data collection capabilities in more areas within the world. One way China has done this is by building the Tanzania-Zambia railway. (Ministry of Foreign Affairs of People's Republic of China:

[http://www.fmprc.gov.cn/mfa\\_eng/ziliao\\_665539/3602\\_665543/3604\\_665547/t18009.shtml](http://www.fmprc.gov.cn/mfa_eng/ziliao_665539/3602_665543/3604_665547/t18009.shtml) )

**America (Enemy Target):** China wants to be the best and leading country in economics despite its isolationist noninterference policy on domestic matters. China pours major resources into the MSS along with others in a major attempt to unstablize the markets, drive the value/usefulness of American technology down while violating patent laws. While China isn't going to engage America in physical warfare, they do seek to create chaos, cause internal collapse and bring down the American economy.

**Australia Operations (Enemy):** Given the closeness of Australia to the US and its Common Wealth status of the UK along with Western culture/values, the MSS does employ and deploy agents in/to Australia. There is less economic sabotage attempted against Australia than the US, but covert undermining still exists. In addition given the US withdraw from the Trans Pacific Partnership (TPP) which Australia was in talks with along with the Queen aging, Australia might be ready to entertain new ideas on foreign policy talks with nations such as China.

**Canadian Operations (Enemy):** Given the closeness of Canada to the US combined with lax border crossing regulations, China will usually send agents to Canada first and then move them into the US. In addition, given NAFTA, many Canadian/US businesses are in the habit of sharing information. This allows the Chinese to infiltrate Canadian businesses and steal US

technology. While limited amount of resources and agents are sent to Canada, the role it plays in Chinese covert operations for the MSS is beyond mission critical to the overall goal.

**Chinese Political Dissidents (Target):** The 6<sup>th</sup> Bureau has 4 (four) different options when it comes to dealing with Chinese dissidents overseas once their location is known. The first option is to convince dissidents to voluntarily return to China. The second option is to kidnap/arrest them or request extradition and forcibly bring them back to China. If options one and two fail, then the third option is to kill the person. If that fails, then China publicly labels them an enemy of the People's Republic and reverts to the fourth option of trying to discredit the person by ruining their reputation. While a different branch outside the MSS does this, those branches/government departments can't do it without the authorization of the MSS who provides the official information.

**Cuban Alliance (Goal):** Recently China entered into a massive trade deal (trade with Cuba and the winner is China: <http://www.cubabusinessreport.com/trade-with-cuba-and-the-winner-is-china/>) with Cuba and there are direct flights from Havana to Beijing & Shanghai. The trade deal is officially supposed to flood the Cuban market with Chinese goods and end the shortages of goods on the island. However, in reality, it gets China an ally 90 miles of the US mainland coast and lines the pocket of Cuban Communist Party officials while rarely, if ever, the goods making it to the ordinary Cuban people. While the US could provide the exact same goods for half the price to counter China to improve relations by ending the embargo, which would box China out of the hemisphere, the ordinary Cuban would still suffer from a shortage of goods on the island. As the Soviets had Cuba as a client state, China is reattempting this model.

**Cyber Attacks/Terrorism (Goal):** Cyber Attacks can be done from the comfort of anywhere and cause mass chaos. Through ransomware, it can be a revenue fundraiser OR data stealer while making it impossible for another computer to operate. Through hacking, data can be changed, deleted or stolen. By electronically hitting major retailers, commerce can come to a slow down. China actively promotes hackers who attempt to hack the US and it allows the top officials to remain calm, say they did nothing physical, and claim it was someone rogue not affiliated with the Chinese government. It is a powerful weapon used by the MSS aimed at bringing down enemies or causing losses/slow economic growth of foreign hostile powers.

**Economic Sabotage (Goal):** This can be done by currency manipulation and getting Chinese nationals to buy large amounts of stock at a time before dumping it to cause a stock market fall out. In addition the Chinese think that if they can master economic sabotage they can tip the economic numbers in their favor and control/dominate the global economy. As part of MSS covert action, the Chinese are still working to develop this tool as a goal.

**Intellectual Property Theft (Goal):** From state sponsored pirates to ignoring and lack of enforcement against people that steal/cheaply replicate intellectual property of Westerners, China robs Western companies of high profits since people will buy where they can get goods the cheapest. When profits get robbed, companies have high investment cost and are either unable to pay their bills or start accruing debt on the balance sheet.

**Japan (Enemy):** There has been a long hated history between Japan and China. China is still sore about when Japan invaded the mainland. In addition Japan tends to ally/side with the US & South Korea while the US has a military presence in both countries close to China. The

Chinese run covert activities in Japan to spy on Japanese allies/Chinese enemies, infiltrate/steal Japanese technology secrets and try to employ misinformation campaigns.

**South America (Goal):** China has allied with the failing state of Venezuela, built a soccer stadium in Costa Rica and is starting to entertain talks with various countries for trade deals in an attempt to gain friends in the region. The South America goal is very similar to the Chinese African goodwill policy goal.

**Taiwan (Enemy, Goal & Target):** China wants Taiwan back, doesn't recognize the independence of Taiwan and spends large amounts of funds each year backing politicians in Taiwan that want to reunite with mainland China. In addition China tries to undermine the Taiwan economy and promote riots to create instability throughout the entire island.

## **PAST OPERATIONS:**

**Chinese Moles in the CIA: Larry Wu-Tai Chin:** Larry learned English at a young age and started working for the US in World War II. The US army recruited him as a translator until 1951 when he was assigned to the US Consulate in Shanghai for the State Department to view Korean prisoners before revealing identities to the Chinese. From 1952-1961, Chin was part of the FBIS where he frequently "vacationed" in Hong Kong. In 1962, he was transferred to California where he met a courier in China town who then took the information to Canada and would fly the information back to Beijing. This would continue until 1970 when Chin was granted US Citizenship. In 1970, as a deep undercover agent, Larry had gained the trust of the US government and was trusted with highly sensitive and classified documents in Arlington, Virginia which he routinely leaked to the People's Republic until his retirement in 1981. In 1982,

a Chinese defector came over with documents and revealed the identity of Chin. Chin confessed, was found guilty and killed himself before a sentence could be handed down. For the Chinese, this was a successful operation. For the US, this was embarrassment that they allowed a sleeper agent to leak so much information. For Chin, it cost him his life.

**Tiger Trap:** This was an FBI operation that targeted Gwo-Bao Min of the MSS who posed working for Taiwan. It started in 1975 when he was studying nuclear weapons and missile defense at Lawrence Livermore National Laboratory after checking out books that went beyond the paygrade of the position or study of Gwo-Bao. The tip came from a US diplomat in China. He made numerous trips to China until 1981, when FBI agents apprehended him in the airport and caught him with index cards that contained written answers to five national security questions China had about the US. After questioning him, prosecutors refused to prosecute and the FBI could only investigate. The Tiger Trap investigation would remain in place until 1990 without a prosecution. Min continued to frequently travel to China on “business”. Cleveland the FBI agent who initially interrogated Min, came to an encounter close to the North Korean border while on a State Department mission to China. This was a successful intelligence collection operation for the Chinese and a failure for the US. Min was in custody or under investigation, yet the US Government refused to prosecute which allowed him to continue the mission for nine years.

**Wen Ho Lee: Kindred Spirit:** In 1995 the Department of Energy noticed that its design for the W88 nuclear warhead was out of place and looked touched. An administrative inquiry was opened and in 1996 the FBI joined in the investigation. The investigation was still ongoing in 1998 when it was leaked to the *New York Times* before a story was ran on March 6<sup>th</sup>, 1999. Two days later, Lee was fired and his name was leaked to the press. In addition, Lee had sent

documents to Taiwan that were marked NOFORN while failing to report all foreign encounters with Chinese OR Taiwan individuals. In addition, in 1999, the FBI discovered Lee had temporarily moved files on classified servers/databases to public/unclassified networks for up to six hours at a time before deleting them on the public server. In December of 1999, Lee was arrested and charged with 59 felony charges of violating the Atomic Energy Act & Foreign Espionage Act and denied bail. In August 2000, a retrial took place and he was ordered to be placed under house arrest. On September 12<sup>th</sup>, 2000, Lee struck a plea deal with the federal government for time already served in exchange for pleading guilty. He was then allowed to go free and even sue the federal government. This was a win for China and the MSS by allowing undercover agents to operate on American soil and if caught, only receive a slap on the wrist.

**Peter Lee: Royal Tourist:** Peter Lee was born in China. He moved to Taiwan at the age of 12 and became a US citizen in 1975. While working for the Lawrence Livermore National Laboratory in the 1980's, Peter met with Chinese scientists. In 1985, in a Chinese hotel room, speaking to Chinese scientist, he disclosed information about a classified report he authored. In 1997, Lee was speaking at the IAPCM about microwave submarine detection technology which his contact and non-disclosure agreement with DOD prevented him from discussing. Later that year, Lee was arrested and struck a plea bargain with the FBI for one year in a half-way house, community service and a \$20,000 fine. This was a complete success for the MSS and a partial failure/success for the US. China received classified intelligence while the US was able to actually catch and convict an agent involved in research sharing, but the benefits Lee provided the Chinese government out weight the cost of conviction.

## **MSS CONCLUSION/FINDINGS**

To sum up, the MSS has been operating in the intelligence game for a long time. They employ deep undercover agent tactics and put deep study/training into their agents on how to play the system. The MSS recruits specialist for each of their bureaus and sends covert operatives under the guise of academics, businessmen, and tourists. They have a large budget and have actively stolen state secrets from the US while attempting to control affairs. They help facilitate intellectual property theft and have a long term strategy of buying friendships in both Africa and South America. The MSS of China is a well-run organization and the US needs to do more to increase the price for Chinese operatives/sympathizers caught engaging in espionage activity against the US and or its allies.

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