

# Commission Spotlight



U.S.-China Economic and Security Review Commission (USCC.gov)

**July 18, 2025**

## China's Exploitation of Scam Centers in Southeast Asia

### Key Findings

- Chinese criminal networks operate industrial-scale scam centers across Southeast Asia that steal tens of billions of dollars annually from people around the world—a massive criminal enterprise that rivals the global drug trade in scale and sophistication.
- The Chinese criminals behind scam centers have built ties—some overt, some deniable—to the Chinese government by embracing patriotic rhetoric, supporting China's Belt and Road Initiative (BRI), and promoting pro-Beijing propaganda overseas. As a result, Chinese crime syndicates have expanded across Southeast Asia with, at a minimum, implicit backing from elements of the Chinese government.
- The spread of China-linked scam compounds in Southeast Asia is fueling corruption and violence, undermining the ability of governments in the region to control what happens in their territory, and promoting human trafficking.
- China is exploiting the problem of scam compounds to increase its leverage over Southeast Asian governments, conduct intelligence and influence operations, and expand its security footprint in the region.
- Beijing has selectively cracked down on scam centers that target Chinese victims, leading Chinese criminal organizations to conclude that they can make greater profits with lower risk by targeting citizens of wealthy countries such as the United States.
- Americans are now among the top global targets of China-linked scam centers, with an estimated \$5 billion lost to online scams in 2024 alone—a 42 percent increase over the previous year.

### Introduction

In March 2024, an 82-year-old Virginia man named Dennis committed suicide after losing his life savings in an online scam.<sup>1</sup> Dennis had connected with a woman named “Jessie” on Facebook, and the two built a close relationship over months of chatting. Jessie told Dennis she earned money by investing in cryptocurrency and gradually persuaded Dennis to invest his savings too. Then one day, all of Dennis's money—and Jessie—disappeared.<sup>2</sup> Dennis was one of tens of thousands of Americans who have collectively lost billions of dollars to online “pig butchering” scams, in which scammers build personal relationships with victims over months (“fattening the pig”) before stealing their money by convincing them to invest in fraudulent financial schemes (“slaughtering the pig”).<sup>3</sup> According to very conservative estimates, Americans lost at least \$5 billion to such scams in 2024—an increase of 42 percent over the previous year.<sup>4</sup> Unbeknownst to most victims, these pig butchering scams are perpetrated primarily by sophisticated Chinese criminal networks that operate large-scale scam compounds in Southeast Asia.<sup>5</sup>

This Commission Spotlight examines how China-linked scam centers are fueling corruption and violence in Southeast Asia, paving the way for greater Chinese influence in the region, and directly harming Americans in the process. Its findings are based on the Commission's March 2025 hearing on “Crossroads of Competition: China in Southeast Asia and the Pacific Islands”; fact-finding trips to the Philippines, Indonesia, Vietnam, and Cambodia; and open source research.

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## The Rise of China-Linked Scam Centers in Southeast Asia

During the early 2000s, Chinese criminal groups made enormous profits through illicit casinos and online gambling facilities before pivoting to scamming.<sup>6</sup> After General Secretary of the Chinese Communist Party (CCP) Xi Jinping launched his anticorruption campaign in 2012, many Chinese criminal organizations relocated their illicit gambling operations to Southeast Asia—particularly the Philippines, Cambodia, Laos, and Burma (Myanmar)—outside the reach of Chinese law enforcement.<sup>7</sup> Yet as China continued to crack down on online gambling platforms, criminal syndicates turned to scamming as an alternative source of revenue.<sup>8</sup> The first reported cases of “pig butchering” scams, which initially targeted Chinese victims, emerged in China in 2018.<sup>9</sup> According to Chinese reports, between January and August 2019 Chinese citizens lost more than \$500 million to these scams.<sup>10</sup>

During the COVID-19 pandemic, Chinese criminal organizations expanded their scamming operations in Southeast Asia by exploiting forced laborers to target non-Chinese victims around the world. After the outbreak of the pandemic, China recalled many of its citizens from Southeast Asia, depriving Chinese criminal organizations of workers and customers for their casinos.<sup>11</sup> At the same time, China banned cryptocurrency transactions and launched new crackdowns on online gambling and scamming. Chinese criminal groups adapted to these changes in several ways:

- To replace lost revenue from casinos and online gambling, Chinese criminal organizations expanded their operations to focus more heavily on scamming, converting empty hotels and casinos into compounds devoted specifically to pig butchering scams and other forms of online fraud.<sup>12</sup>
- To make up for the loss of Chinese workers, criminal organizations turned to human trafficking as their main source of labor, forcing trafficking victims to work in scam compounds under conditions observers have described as “modern slavery.”<sup>13</sup>
- As Beijing’s domestic crackdowns made it more difficult to target people in China, Chinese criminal groups increasingly focused on scamming non-Chinese victims in wealthy countries like the United States.<sup>14</sup>

The sophisticated Chinese criminal groups behind scam centers deploy an ever-evolving array of technologies to ensnare victims and evade detection. The perpetrators of pig butchering scams often reach out to potential victims on social media and dating applications.<sup>15</sup> After contacting a potential victim, scammers often move their communication to encrypted messaging services to make their activities more difficult to track.<sup>16</sup> Scamming operations also increasingly use tools such as translation software, generative artificial intelligence (AI) chatbots, and AI-powered face-changing technology to expand their reach and efficacy.<sup>17</sup> After establishing trust, scammers convince their victims to invest in fraudulent investment schemes connected to accounts controlled by the scammers.<sup>18</sup> Finally, the scammers use money laundering services advertised on encrypted messaging apps to move the stolen assets across thousands of digital wallets before laundering it into the formal economy.<sup>19</sup>

### China-Linked Scam Centers in Southeast Asia Have Exploded into an Enormous Criminal Industry

Over the past several years, scam centers have exploded into a massive criminal industry that rivals the global drug trade—including the fentanyl market—in scale and sophistication.<sup>20</sup> An expert working group convened by the United States Institute of Peace (USIP) estimated that pig butchering scams generated \$63.9 billion in global revenue in 2023.<sup>21</sup> Burma, Cambodia, and Laos are currently the epicenter of scamming operations.<sup>22</sup> Scam centers in these three countries produced approximately \$43.8 billion in revenue in 2023, equivalent to about 40 percent of their combined official gross domestic product (GDP).<sup>23</sup> The explosive growth of scam centers in Southeast Asia has also fueled large-scale human trafficking. In August 2023, the Office of the UN Commissioner for Human Rights estimated that 220,000 people from dozens of countries were being held as forced laborers in scam centers in Cambodia and Burma alone.<sup>24</sup> Often lured into scam centers through fake recruitment ads offering positions in fields like “online marketing,” scammers are forced to work long hours in compounds that resemble industrial-scale call centers surrounded by armed guards and subject to brutal beatings if they fail to meet their quotas or attempt to escape.<sup>25</sup> On May 19, 2025, a group of UN experts released a joint statement warning that human trafficking tied to scam centers in Southeast Asia “has reached the level of a humanitarian and human rights crisis.”<sup>26</sup>

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## Chinese Criminal Groups Have Promoted China's BRI and CCP Propaganda to Gain Chinese Government Support

As Chinese criminal networks expanded across Southeast Asia, they developed a mutually beneficial relationship with officials eager to promote China's Belt and Road Initiative (BRI).<sup>27</sup> Known syndicates invested large sums in infrastructure projects branded under the BRI, helping build the physical and digital backbone of their scamming operations in places like Cambodia and the Thai-Burmese border.<sup>28</sup> In turn, Chinese officials and state-owned enterprises (SOEs) backed these projects to demonstrate progress advancing the BRI—despite their ties to transnational crime.<sup>29</sup>

While Beijing has taken action against criminal groups that defy its control, it has often turned a blind eye when syndicates align with the CCP's broader agenda. The cases of two notorious Chinese kingpins—She Zhijiang and Wan Kuok-Koi (“Broken Tooth”)—highlight how criminal actors gained tacit support from Chinese authorities while amassing vast profits from scam centers.

### From a “Model BRI Project” to a “City Built on Scams”: She Zhijiang's Yatai New City Project

The case of Chinese criminal kingpin She Zhijiang's “Yatai New City” project in the town of Shwe Kokko on the Thai-Burmese border illustrates how the Chinese criminal groups behind scam centers secured Chinese government support by embracing BRI.<sup>30</sup> In 2017, She Zhijiang, a convicted criminal with a long history of involvement in illegal gambling operations in the Philippines and Cambodia, launched a \$15 billion project to construct a “smart city” in Shwe Kokko, which he promoted as part of China's BRI.<sup>31</sup> Despite She's criminal history and reports that Yatai New City was designed to host illicit activities, Chinese officials embraced the project. China's official Xinhua news agency promoted the Yatai New City project as “a model for deep economic and cultural cooperation between China and Myanmar,” and China's state-owned *Global Times* extolled the project as a model example of private entrepreneurs contributing to BRI.<sup>32</sup> Senior Chinese Embassy officials participated in the signing ceremony for the project, which was held in front a large banner promoting it as part of China's BRI.<sup>33</sup> Multiple Chinese SOEs signed lucrative contracts to help construct Yatai New City.<sup>34</sup> By 2021, the development in Shwe Kokko had become “the largest hub for sophisticated Chinese online scam syndicates” in Southeast Asia, which international media has described as a “city built on scams.”<sup>35</sup> After Shwe Kokko became synonymous with transnational crime, Beijing retroactively claimed that the Yatai New City project never had any links to BRI, and in 2022 China issued an international warrant for She Zhijiang's arrest. Nevertheless, She Zhijiang's Yatai New City Project illustrates how a known Chinese criminal obtained Chinese government support and resources to help build a development that now houses one of the largest clusters of scam centers in Southeast Asia.

### The Patriotic Crime Boss: Broken Tooth's Pro-CCP Criminal Network

The case of Macau-born Chinese crime boss Wan Kuok-Koi (“Broken Tooth”) demonstrates that China has been willing to look the other way for criminal networks that expand Chinese influence and promote Beijing's narratives in Southeast Asia.<sup>36</sup> Previously the head of the 14K triad, one of the most notorious criminal groups in Asia, Broken Tooth spent 14 years in prison before reestablishing his criminal operations in Southeast Asia.<sup>37</sup> In 2019, Broken Tooth reached an agreement with the Karen Border Guard Force in Burma to establish the Dongmei Zone near the Thai-Burmese border, which was initially billed as a high-end tourism project but quickly became a notorious cluster of scam compounds.<sup>38</sup> As Broken Tooth was rebuilding his criminal empire based on scam centers, he also strategically rebranded himself as a patriotic pro-CCP businessperson. In 2017, Broken Tooth founded the World Hongmen History and Culture Association in Cambodia, which claims to be dedicated to promoting the “great rejuvenation” of the Chinese nation and which frequently disseminates articles echoing Beijing's propaganda on issues such as Hong Kong and Taiwan.<sup>39</sup> Broken Tooth famously stated, “I used to fight for the cartels, and now I fight for the CCP.”<sup>40</sup> Broken Tooth has reportedly laundered profits from his criminal enterprises into business ventures in China, including investing in China's struggling real estate and construction sectors.<sup>41</sup> To date, China has not taken any action to crack down on Broken Tooth's criminal enterprises, suggesting Beijing is willing to tolerate Chinese criminal groups that use the profits from scam centers to help support its agenda.<sup>42</sup>

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## China-Linked Criminal Operations Undermine Security and Fuel Corruption in Southeast Asia

Scam centers operated by Chinese transnational criminal organizations have become one of the most significant problems undermining security and governance in Southeast Asia. According to a 2025 survey of Southeast Asian policymakers and elites, “global scam operations” ranked as the region’s second most important geopolitical concern, only behind aggressive behavior in the South China Sea.<sup>43</sup>

### China-Linked Scam Centers Drive Violence in Burma

In Burma, scam centers have helped finance both the military and ethnic armed organizations (EAOs).<sup>44</sup> Since Burma’s military junta overthrew a democratically elected government in a 2021 coup, Chinese criminal groups have exploited the country’s lawless environment to build clusters of industrial-scale scam centers near Burma’s borders with China and Thailand.<sup>45</sup> Jason Tower, USIP’s Country Director for Burma and a leading expert on Chinese transnational crime, testified before the Commission that scam centers in areas controlled directly by armed groups have “brought in billions of dollars in revenue annually,” with both the military and EAOs using their cut of the profits to purchase weapons.<sup>46</sup> According to a 2024 USIP report, scam centers in Shwe Kokko provide the Karen National Army, which controls the surrounding territory along the border with Thailand, with about \$192 million annually, half of which it hands over to the military junta.<sup>47</sup> Reports based on phone geolocation data gathered in 2024 showed regular movement between scam centers and central government buildings, suggesting the military government coordinates closely with the criminal groups operating scam centers.<sup>48</sup>

### Scam Centers Fuel Government Corruption in Cambodia, Laos, and the Philippines

According to recent reports, high-level Cambodian officials have deep ties to the Chinese criminal networks operating scam centers in the country.<sup>49</sup> Hun To, a cousin of the prime minister, is on the board of directors of Huione Group, which has been accused of laundering hundreds of millions of dollars in profits from online scams.<sup>50</sup> It has also been widely reported that in 2017, Sar Sokha, who at the time was the son of the Minister of Interior, partnered with Chen Zhi, a well-known China-born criminal, to construct the Jinbei Casino, which became “one of the largest and most notorious scam centers in the country.”<sup>51</sup> Sar Sokha inherited his father’s position as Minister of Interior in 2023 and is now Cambodia’s top government official in charge of cracking down on scamming.<sup>52</sup> Recently published reports indicate that his family remains “deeply and directly implicated” in scam centers.<sup>53</sup>

Chinese criminal groups are also fueling large-scale government corruption in Laos.<sup>54</sup> In 2007, the Laos government agreed to a deal with a Chinese criminal boss named Zhao Wei to create the Golden Triangle Special Economic Zone, which is fully operated by Zhao’s Kings Romans Group, but in which the Laos government holds a 20 percent stake.<sup>55</sup> Long associated with drug trafficking and wildlife smuggling, the Golden Triangle Special Economic Zone has recently become a hub for scam centers. According to a USIP report, the zone houses “tens of thousands of individuals engaged in online scamming operations.”<sup>56</sup> The Laos government has continued to support Zhao Wei as it has profited from his illicit activity, and in October 2022 it even presented him with its “Medal of Bravery.”<sup>57</sup>

In the Philippines, online gambling hubs serving the Chinese market (locally known as POGOs—Philippine offshore gaming operators) were often able to serve as fronts for scam centers by paying off police and officials in the Bureau of Immigration, including funding a large-scale bribery scheme at the Manila airport.<sup>58</sup> In 2024, the Marcos Administration banned POGOs, and the Philippines has since made significant progress cracking down on scam centers.<sup>59</sup> Nevertheless, reports have indicated that local government and police complicity have enabled some of the criminals behind these scam centers to evade punishment.<sup>60</sup>

## China Has Exploited Scam Centers to Expand Its Security Presence in Southeast Asia

China has exploited the problem of scam centers to expand its influence throughout Southeast Asia. In the case of the Philippines, large-scale scam centers were allegedly linked to Chinese espionage. In the mainland Southeast

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Asian countries of Burma, Cambodia, Laos, and Thailand, China has used the presence of transnational criminal organizations operating scam centers as an excuse to expand the role of its security forces in the region.

## **Scam Centers Have Allegedly Enabled Chinese Cyber Operations, Signals Collection, and Espionage in the Philippines**

Numerous reports have indicated that scam centers in the Philippines were likely linked to Chinese espionage efforts. Philippine police have raided POGOs serving as fronts for scam centers near Clark Air Base (a Philippine Air Force Base previously operated by the United States) and Basa Air Force Base, one of the key bases to which the United States has access under the U.S.-Philippines Enhanced Defense Cooperation Agreement (EDCA).<sup>61</sup> According to Philippine Senator Risa Hontiveros, “There is persuasive information from the [Philippines] intelligence community” showing that scam compounds have been used for surveillance and hacking activities.<sup>62</sup> Philippine authorities reportedly seized sophisticated listening equipment during raids on scam centers and found evidence of Chinese state-sponsored hackers operating out of scam compounds.<sup>63</sup> The most well-known example of scam centers serving as instruments of Chinese infiltration in the Philippines is the case of Alice Guo, the former mayor of the rural town of Bamban north of Manila.<sup>64</sup> According to media reports, Guo purchased a plot of land in the town in 2019 and invested in constructing a large-scale compound with a license to operate a POGO.<sup>65</sup> After Guo became mayor in 2022, she granted a permit to a company named Zun Yuan Technology Incorporated to continue operating a POGO out of the compound.<sup>66</sup> In February 2024, Philippine police raided the compound and found what reports called “one of the largest scam hubs ever uncovered in the Philippines.”<sup>67</sup> According to Philippine investigators who looked into Guo’s background after the raid, Alice Guo is actually a Chinese national named Guo Huaping who moved to the Philippines as a child and later obtained a fraudulent Philippine birth certificate.<sup>68</sup> It has since been alleged that Alice Guo was a Chinese spy whose campaign for mayor was “arranged by Chinese state security.”<sup>69</sup>

## **China Has Exploited Scam Centers to Deepen Its Security Presence in Mainland Southeast Asia**

Beijing has used the issue of Chinese transnational criminal organizations operating in Southeast Asia as an excuse to pressure Southeast Asian countries to agree to a greater role for Chinese security forces in the region.

- On May 25, 2023, China and Laos agreed to strengthen law enforcement and security cooperation to crack down on transnational criminal activities.<sup>70</sup>
- In September 2024, Cambodia’s Minister of Interior Sar Sokha traveled to Beijing and agreed to deepen joint law enforcement cooperation, particularly with regard to transnational crime.<sup>71</sup>
- In January 2025, China hosted a meeting of the Lancang-Mekong Law Enforcement Cooperation mechanism with representatives from Cambodia, Laos, Burma, Thailand, and Vietnam in which the parties agreed to strengthen intelligence sharing and joint operations to crack down on scam centers.<sup>72</sup>

China has successfully exploited the problem of scam centers to pressure Thailand—a U.S. treaty ally that has long resisted allowing Chinese police to operate on its territory—to permit Chinese security forces to work within its borders. After a Chinese actor named Wang Xing was abducted in Thailand and trafficked into a scam center in Burma in January 2025, Chinese tourist arrivals in Thailand reportedly dropped by 33 percent, causing significant harm to Thailand’s economy.<sup>73</sup> Under pressure to reassure Chinese tourists, Thai Prime Minister Paetongtarn Shinawatra met with Xi Jinping in Beijing on February 6, 2025, and vowed to “strengthen law enforcement cooperation with China.”<sup>74</sup> In late February, Thailand allowed high-level Chinese officials and Chinese security forces to participate in cross-border raids on scam centers in Burma that resulted in thousands of Chinese citizens being turned over to Chinese personnel in Thailand and repatriated to China on Chinese charter flights.<sup>75</sup> However, numerous Thai academics and opposition Members of Parliament have since argued that granting China such access violated Thailand’s sovereignty and sections of Thailand’s penal code prohibiting actions that undermine the independence of the state.<sup>76</sup>



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## China's Selective Crackdowns Have Prompted Criminal Groups to Target Americans

Beijing has placed intense pressure on governments in Southeast Asia to crack down on scam centers that target Chinese victims.<sup>77</sup> Yet these selective crackdowns have done little to disrupt the increasing scale and scope of scam centers in the region. Instead, China's focus on protecting Chinese victims has accelerated the shift toward targeting Americans.<sup>78</sup>

### Despite High-Profile Crackdowns, Scam Centers Continue to Proliferate in Southeast Asia

Recent reports have indicated that scam centers in Southeast Asia are expanding at an “unprecedented scale” despite recent crackdowns.<sup>79</sup> An April 2025 report by the UN Office on Drugs and Crimes concluded that the criminal organizations behind scam centers are “rapidly outpacing” government efforts to contain them.<sup>80</sup> Reports have described scamming operations in Cambodia as being on an “explosive growth trajectory,” noting that occasional “show crackdowns” have only served the purpose of alleviating international pressure while the scam industry continues to grow.<sup>81</sup> In Burma, a series of high-profile raids on scam centers has not significantly interrupted their operations. After Chinese law enforcement moved to shut down compounds along the Chinese border with Burma, many simply relocated to the Thai-Burmese border.<sup>82</sup> Attempts to shut down internet access to known scam compounds have likewise proved ineffectual. A *Wired* investigation found that after Thailand began attempting to cut off internet access to scam centers on the other side of its border with Burma in spring 2024, some compounds installed satellite-based internet service to continue their operations without interruption.<sup>83</sup>

### Chinese Criminal Groups Have Shifted Focus to Target Americans

China's crackdowns on scam operations targeting Chinese citizens have incentivized criminal groups to target Americans instead.<sup>84</sup> As Beijing has deepened its surveillance over Chinese social media platforms and tightened controls on its banking systems, criminal networks have found it comparatively less risky to target Americans.<sup>85</sup> In 2024, China reported a 30 percent decrease in money lost to online scams.<sup>86</sup> In the same year, the United States witnessed a 40 percent increase in losses from online scamming.<sup>87</sup> According to a February 2025 USIP report, after recent China-led crackdowns, the criminal syndicates operating scam centers in Shwe Kokko shifted their online recruitment to target individuals with English proficiency to scam Americans and Europeans.<sup>88</sup> In Cambodia, Chinese pressure to crack down on scam centers targeting Chinese citizens has reportedly “had a displacement effect, leading to greater targeting of English-speaking scam victims.”<sup>89</sup> Since 2024, scam centers based in Laos have used fraudulent employment advertisements to lure large numbers of Indians who are able to use English to target European and American victims.<sup>90</sup>

According to numerous U.S. indictments, associates of Chinese criminal syndicates are operating on U.S. soil to assist with laundering the profits of scams targeting Americans. In December 2023, the U.S. Department of Justice (DOJ) indicted four individuals in California and Illinois for opening shell companies and bank accounts to launder more than \$80 million in losses from pig butchering scams.<sup>91</sup> Since the beginning of 2024, numerous other individuals residing in the United States have been indicted on similar charges related to money laundering for these scams. In May 2024, DOJ announced indictments of two foreign nationals apprehended in the United States for allegedly managing an international criminal syndicate that laundered \$73 million in scam proceeds.<sup>92</sup> In February 2025, the U.S. Attorney's Office for the Central District of California announced the arrest of two individuals residing in Los Angeles for laundering \$13 million in scam profits.<sup>93</sup>

### Chinese Security Forces Have Likely Obtained Sensitive Personal Data of American Scam Victims during Raids

According to Chinese government documents, when Chinese security forces participate in raids on scam centers in Southeast Asian countries, they often confiscate large quantities of devices used by scammers. For example, in 2023 Chinese officials participated in numerous raids on scam centers in Laos and confiscated at least 640 computers and

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phones used for scamming.<sup>94</sup> In August 2024, China’s Ministry of Public Security announced that Chinese security forces had participated in a raid on scam centers in Burma and confiscated a “large quantity” of computers and phones used by scammers, all of which they took back with them to China.<sup>95</sup> These devices likely contain important intelligence pertaining to the Chinese criminal networks as well as highly sensitive private information pertaining to scam victims, including Americans. Jason Tower testified before the Commission that China has been unwilling to share information gleaned from these devices with other countries.<sup>96</sup>

## **U.S. Government Efforts Have Been Insufficient to Protect Americans from the Increasingly Sophisticated Scams Perpetrated by Chinese Criminal Networks**

While the United States has recently implemented several measures to protect Americans from pig butchering scams and combat the Chinese criminal syndicates behind them, the threat from China-linked scam centers to Americans continues to grow rapidly. In January 2024, the Federal Bureau of Investigation (FBI) launched Operation Level Up to identify and notify victims of ongoing scams. As of April 2025, the FBI had notified 5,831 victims of cryptocurrency investment fraud (the vast majority of whom were unaware they were being scammed), leading to an estimated \$359 million in savings.<sup>97</sup> In May 2025, the U.S. Department of the Treasury’s Financial Crimes Enforcement Network (FinCEN) labeled the Cambodia-based Huione Group as a primary money laundering concern and proposed severing its access to the U.S. financial system.<sup>98</sup> The United States has also imposed sanctions on several individuals accused of being key players in scam operations.<sup>99</sup> Nevertheless, these measures have not yet deterred Chinese criminal networks, which continue to steal billions of dollars annually from American victims through increasingly sophisticated scams. As long as Chinese criminal networks believe they can earn higher profits with lower risk by scamming Americans, they will likely continue shifting resources away from Chinese targets and toward U.S. victims.

## **Considerations for Congress**

- Americans are now top targets of Chinese criminal organizations operating scam centers in Southeast Asia. In 2024, Americans lost a conservatively estimated \$5 billion—a figure that is both likely low and continues to climb. Despite this growing threat, U.S. efforts remain fragmented and under-resourced. Without a coordinated push to raise public awareness, equip law enforcement, and take aggressive action to expose and deter these scams, American losses will almost certainly escalate.
- Chinese criminal networks routinely exploit American social media, dating, and job search platforms to identify and ensnare victims of pig butchering scams. When Southeast Asian governments have cut off internet access to known scam centers, Chinese criminal groups working out of these compounds have used a satellite internet provider to continue scamming uninterrupted. The U.S. government needs to work with technology companies and financial intermediaries to develop systems and procedures to detect and stop sophisticated new scams from reaching Americans. Otherwise, Chinese criminal groups will likely continue exploiting their platforms and services to target Americans with impunity.
- Chinese criminal networks are not only undermining governance across Southeast Asia, they are also providing a pretext for China to expand its security presence in the region. Many Southeast Asian countries lack the capacity to counter sophisticated criminal syndicates, making them increasingly vulnerable to Chinese influence. China-linked scam centers offer the United States a strategic opportunity to strengthen law enforcement cooperation with regional partners—especially allies like the Philippines and Thailand—on an issue of shared concern. If the United States does not strengthen its relationships with Southeast Asian countries and help them build the capacity to tackle scam centers, these countries will likely grow more reliant on China to address transnational crime, further entrenching Beijing’s presence and influence.

## Endnotes

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