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民主進步黨
Democratic Progressive Party of Taiwan

China Influence Tracker (XXIII)



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It's Friday, and there are 57 days until Taiwan's elections.

Beijing isn't waiting for Election Day. Investigators are tracing more than \$4 million in suspected Chinese funding tied to KMT-aligned legislator Kao Chin Su-mei's staff, while her former office director remains at large after jumping bail. China threatened DPP Taipei mayoral candidate Puma Shen over a trip to Japan. Beijing also asserted new authority to bar Taiwanese travelers from leaving China. Abroad, Taiwan pushed past Beijing's protests in Italy and at APEC.

Here's what happened in September.

September's Toplines

- ***Beijing's Hand Exposed in Legislature, Local Races:*** Investigators suspect Beijing funneled more than \$4 million into networks tied to an independent legislator's staff; her former office director fled while on bail. The TAO threatened DPP Taipei mayoral candidate Puma Shen over a trip to Japan.
- ***CCP and KMT Take Aim at U.S.-Taiwan Ties:*** An ex-KMT premier spoke at a Beijing tech forum where the TAO offered Taiwanese firms incentives on the condition they accept "One China." Back home, KMT figures questioned Washington's reliability, a narrative the MAC warned Beijing could use to influence November's elections.
- ***Taiwanese in PRC Face Exit Bans, Expropriation:*** Beijing granted itself unilateral authority to bar Taiwanese travelers from leaving China without notice for why they've been barred or how to appeal. A revised mobilization law puts their investments up for expropriation once mobilization is ordered.
- ***Taiwan Engages Abroad on Its Own Terms:*** Vice President Bi-khim Hsiao spoke in Italy despite Beijing's protests, and a European Parliament Vice-President accepted an invitation to Taiwan. Days later, Beijing demanded Taiwan attend APEC under "One China," but Labor Minister Hung Sun-han secured equal treatment.

Beijing's Hand Exposed in Legislature, Local Races

The Taiwan High Court ordered two of KMT-aligned independent legislator Kao Chin Su-mei's aides detained on September 9, and prosecutors confirmed the next day that they were investigating her staff under the National Security Act. Investigators are tracing more than \$4 million in overseas transfers over the past decade, which they suspect financed networks for Beijing. Her former office director, Chang Chun-chieh, allegedly led members of her team to Hong Kong for a training program run by the CCP's United Front Work Department. Chang had already fled after allegedly disabling his electronic monitor while on bail in a separate corruption case. As of Tuesday, 16 people had been apprehended for allegedly helping him hide, and Chang remained at large.

But Beijing's meddling wasn't limited to staff in the LY. With November's local elections less than two months away, it saw further room to interfere. Responding to DPP legislator and Taipei mayoral candidate Puma Shen's visit to Japan, the [TAO vowed](#) to take "all necessary measures" against those it labels "diehard Taiwan independence separatists" and pursue them for the rest of their lives. The Mainland Affairs Council (MAC) [said](#) the threat wasn't meant for Shen alone, but for all Taiwanese. By punishing a candidate for traveling abroad, Beijing aims to intimidate Taiwanese from exercising their political freedoms abroad.

Other candidates got a warmer reception. Records surfaced last month showing that the KMT's candidate for Toufen mayor has [led repeated delegations](#) to China hosted by the TAO and United Front interlocutors. Beijing uses these exchanges to cultivate grassroots political networks, turning those contacts into conduits for CCP propaganda. Down ballot, at least 15 members or affiliates of the Chinese Unification Promotion Party (CUPP) have [registered to run](#) for village and borough chief posts and local council seats. Only two are running under the party's banner, and security officials suspect others are listed as independents or other parties' candidates, downplaying their CUPP ties. CUPP leaders have been accused of taking TAO funding to influence this fall's contests.

This isn't a new tactic. Beijing has co-opted borough chiefs before. In a ruling on September 7, the Supreme Court [upheld sentences](#) for a New Taipei borough chief and a cultural association chairman who took five borough chiefs to China, where PRC officials pressed their guests to support KMT-TPP electoral cooperation. The court found their subsidized travel constituted vote-buying.

Influence like that requires getting money into Taiwan. Ahead of this year's elections, a Ministry of Justice Investigation Bureau (MJIB) [crackdown uncovered](#) roughly NT\$62.87 billion in illicit financial flows, including Chinese funds funneled through underground remittance networks and laundered through e-commerce accounts registered in others' names. That total also covers gambling, fraud, and tax evasion. While those funds haven't been confirmed as election-related, the bureau [pledged to trace](#) their ultimate recipients to prevent potential foreign tampering.

Beyond fall's contests, Beijing's espionage efforts remained fixated on Taiwan's government and military. The Taiwan High Court [sentenced](#) businessman Cheng Ming-chia to 10 years and 6 months and retired EY official Hu Peng-nien to 5 years—finding Cheng helped CCP United Front officials recruit Hu—who then approached military personnel, borough chiefs, and defense contractors on their behalf. Prosecutors said the pair sought military-related information and insight into government and legislative operations, though most recruitment attempts failed.

CCP and KMT Take Aim at U.S.-Taiwan Ties

Twice this month, KMT figures turned up in Beijing as TAO officials made "One China" their price for cross-Straits engagement. At a Beijing-based tech forum, TAO [tied cross-Straits cooperation](#) to the "One China" principle, the "1992 Consensus," and "opposition to Taiwan independence." He unveiled new incentives for Taiwanese firms in R&D, AI, and talent programs. Nine Taiwanese companies [signed on](#). Former KMT Premier Liu Chao-shiuan and former Economic Minister Yiin Chii-ming [pushed](#) for closer cross-Straits cooperation on Beijing's terms. Days later, KMT Vice Chairman Lee Chien-lung attended a Mid-Autumn gathering in Beijing, where TAO Director Song Tao [demanded](#) that cross-Straits exchanges serve "One China" and Beijing's campaign against Taiwan independence.

Back in Taiwan, opposition leaders invoked the Trump-Xi summit to question Washington's reliability. KMT communications chief Charles Chen [accused](#) the government of misleading the public about U.S. ties, citing reported limits on Taiwanese officials' think tank visits in Washington, arms-sale delays, and presidential transit difficulties. American interests, he said, aren't synonymous with Taiwan's. TPP Chair Huang Kuo-chang went further, [complaining](#) that Washington had welcomed Xi with full honors even as it demanded costly arms purchases from Taiwan. He urged Taiwanese to face the reality of China's rise and described Washington and Beijing alike as great powers encircling Taiwan. The Ministry of Foreign Affairs (MOFA) [rejected](#) those claims, saying official channels with Washington remain open and visits continue at every level.

The burden of avoiding conflict, opposition leaders argued, fell on Taiwan. Ahead of the summit, People First Party Chair James Soong [urged](#) Taipei to avoid what he deemed careless remarks and provocative actions while pursuing more cross-Straits exchanges. And last week, KMT Chair Cheng Li-wun [doubled down](#) on her position that Taiwan needn't choose between

being pro-U.S. and pro-China. In her telling, it falls solely to President Lai Ching-te to open the door to talks with Beijing. Yet her own legislative caucus, deriding "resist China, protect Taiwan" as cheap political rhetoric, vowed to use the legislature to block any decision it deems hurts Beijing's interests. The DPP [called on](#) Cheng to stop blaming the victim and help clarify to Beijing that "no one can divide the people of Taiwan."

The MAC [denounced](#) Beijing's attempt to bind Taiwan's future to U.S.-China "strategic stability," and identified China's expansionism and military pressure as the root causes of cross-strait tensions. Deputy Minister Shen Yu-chung [cautioned](#) that Beijing and certain collaborators will keep stoking distrust of Washington and fears of abandonment, casting Taiwan's choices as war or peace, and didn't rule out an indirect effect on November's local elections. Shen was clear that the summit changed none of the fundamentals: Washington and Beijing remain strategic competitors, and senior U.S. officials, including Secretary of State Marco Rubio, have reaffirmed that U.S. policy toward Taiwan is unchanged.

Moscow, too, curiously pushed Beijing's narrative. Before the summit, Russia's representative office in Taipei hosted about 20 Taiwanese journalists, business figures, and academics—for a [screening](#) of an 81-year-old Soviet propaganda film on Japanese militarism. Taiwanese officials warned the screening threatened to amplify Beijing's attacks on Japan and erode Taiwan's trust in its democratic partners. Later, Vice President Bi-khim Hsiao [told Sky News](#) that China's political warfare seeks to undermine public trust in Taiwan's democratic institutions, government, armed forces, and U.S. ties, using disinformation to deepen divisions.

Taiwanese in PRC Face Exit Bans, Expropriation

Taiwanese doing business in China now operate under [new wartime rules](#). China's revised National Defense Mobilization Law, which took effect October 1, grants Beijing unilateral authority to expropriate civilian assets once reserves have dwindled. Local governments can impose controls over finance, transport, telecommunications, and trade. Polish analyst Stan Kwiatkowski [reasoned](#) that Beijing has learned from Russia's invasion of Ukraine, establishing in peacetime the wartime controls Moscow improvised after invading. He warned that foreign firms with offices in the PRC could find themselves unable to move staff, data, and capital out once mobilization is ordered. Taiwanese national security officials [sounded the](#)

[same alarm](#), stressing the law raises their exposure to expropriation. Should Beijing order mobilization, Taiwanese capital could end up in China's war chest.

Capital isn't all Beijing can keep from leaving China. New [exit and entry regulations](#), which took effect September 15, authorize exit bans on "Chinese citizens" accused of export-control or technology trade violations that authorities claim could endanger industrial or technological security. Beijing counts Taiwanese among those citizens. Citing national security, authorities can hold them in China without notice for why they've been barred or how to appeal. The rules also allow immigration officials to demand documents and electronic data to verify a traveler's identity and reasons for travel. The [MAC urged](#) Taiwanese businesspeople, semiconductor and other high-tech professionals, frontline civil servants, and members of certain religious groups to weigh these risks carefully.

Frontline civil servants have reason for caution. Two Criminal Investigation Bureau officers were interrogated during their vacation in Harbin for 3 nights about their work and their stance on "unification" and Taiwan independence, the [MAC disclosed](#). Two tax officials were also questioned, and a former military hospital nurse was pressed for the hospital director's home address, the head nurse's name, and doctors' ranks. Civilians aren't spared either. The [TAO defended](#) the hours-long questioning in Shanghai of a Taiwanese man who had worked part-time for Amnesty International, branding the group "anti-China." The [MAC condemned](#) such interrogations as an attempt to pressure Taiwanese into self-censoring.

MAC Minister Chiu Chui-cheng [laid out](#) the strategy behind these moves at the Taipei Security Dialogue on September 9. Beijing, he said, is asserting administrative and judicial authority over Taiwan—embedding its "One China" claims in international institutions and treating Taiwanese as Chinese nationals. Should Xi Jinping secure a fourth term in 2027, Chiu said, Beijing could move more aggressively to erode Taiwan's jurisdiction.

Taiwan Engages Abroad on Its Own Terms

At the United Nations, in Europe, and at APEC, Beijing sought to keep Taiwan off the world stage. As world leaders gathered for the UN General Assembly, Beijing renewed its campaign to turn Resolution 2758 into a sovereignty claim. President Lai [pushed back](#), explaining that the

resolution decided only who holds China's seat at the UN. He urged the legal community to challenge Beijing's distortion. Beijing's Foreign Ministry [dug in](#), citing the resolution alongside the Cairo Declaration and the Potsdam Proclamation. Foreign Minister Lin Chia-lung [spelled out](#) the stakes in a column ahead of the General Debate. Beijing's manipulation, he wrote, keeps Taiwan out of international bodies and could one day serve as a pretext for invasion.

Taiwan found a warm welcome in Europe, where Vice President Hsiao [addressed](#) the Second European Conference of Ventotene for Freedom and Democracy. Beijing [lodged formal protests](#) with Italy and the EU, though they were rebuffed by European Parliament Vice-President Pina Picierno, who decried their interference and [accepted an invitation](#) to visit Taiwan. On her return, [Hsiao explained](#) that the trip had been kept under wraps to limit interference and ensure her safety. Taiwan's EU representative, Shieh Jhy-wey, [later reported](#) that security had removed a woman from the venue three hours before Hsiao took the podium. She claimed to be a cleaner, though organizers had hired none. Shieh suspected she was gathering intelligence for China.

Beijing fared no better at APEC. TAO [declared](#) that Taiwan must attend a ministerial meeting in Nanjing under the "One China" principle, but Labor Minister Hung Sun-han [secured equal treatment](#) under APEC rules. Taiwan's 1991 accession memorandum contains no such principle and guarantees participation on an equal basis, as [MOFA clarified](#) in May. Hung entered China on his meeting invitation, without submitting to a "Taiwan compatriot permit."

September's Throughline? Beijing tried to lay claim to what defines Taiwan's people: their votes, their trust in Washington, their capital and freedom to travel, and their place abroad. At every turn, Taiwan answered. ***Its people are its own.***

In collaboration with the [DPP China Affairs Department](#), the latest DPP U.S. Mission report provides key updates on the evolving cross-strait situation, detailing the escalation of China's military intimidation, gray zone activities, cognitive warfare, and United Front infiltration targeting Taiwan. Enclosed

are the recent developments, offering a comprehensive overview of the current threat landscape, Taiwan's countermeasures, and emerging public opinion trends shaping the strategic environment.

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