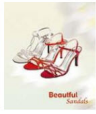


## Hong Kong shoe company loses footing in China

Yu Tang

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A land dispute in Huidong area, Guangdong province has lasted for 6 years. It involves over 200 original land owners, 2 companies, and local government.

Local media reported that the local government sold the land which belonged to the villagers, twice to business owners, leaving both businesses fighting for the land while the villagers have received no compensation from the government after being evicted from their homes 6 years ago. Villagers are exposing the local government fraud on the web to ask for help.

A Hong Kong registered company, Circle Shoes, bought 400 thousand square metres of land from Huidong local government 6 years ago aiming for commercial development of the site. According to China Finance News, Circle Shoes spent 3 month and millions of yuan clearing the land ready to build, when the Huidong local government asked Circle Shoes if it could offer a corner piece of about 6 hectare from their land because an ink company called Meilihua needed land to build a factory urgently.

The Huidong government would compensate Circle Shoes with an eight hectare parcel of land, adjoining its holding.

Circle Shoes accepted the Huidong government's request and received a letter from the government office to formally thank the company for helping local development. The local government also took the land certificate from Circle Shoes and told the company that they will re-issue the adjusted land certificate.

But after Meilihua Ink company bought the land to build its 'urgent' factory, nothing was built on its purchase for 5 years, and the Huidong government did not return the adjusted land certificate to Circle Shoes, but changed the zoning of the land from commercial to industrial.

Last week, the local government ordered police to pull down the stone company sign on the land that belonged to Circle Shoes. Circle Shoes employees resisted the police action and 40

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protesters were arrested. According to Miss Tian from Circle Shoes, the police had released some people after 12 hours, but 6 were still missing. “We have not received any documents (from the police), and we don’t know where are they?” Miss Tian told media.



*Villagers and workers protesting at the land grab by local government. (internet photo)*

Local villagers also joined the protest but they could not attract the notice of communist leaders. According to a local villager, Mr. Zhou, in 2003, the local government forced villagers to sell the land to the government and forcibly evicted them.

The villagers have still not received any compensation from the government after 6 years.

Chinese journalists Li Wei and Ma Yuzhong have tried hard to investigate this case but were only able to get the below responses:

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An officer from the propaganda office of Haidong government told the journalists that the person in charge of the case is "not in." When dialing the mobile phone of this official, his deputy answered the phone, and later his driver answered.

Lawyer for the local government, Rao Yiping replied to the questions: "the local county government is only accepting orders from the provincial government. Only the provincial government has the rights to issue land certificates." When asked why the Meilihua Ink Factory needed the land 'urgently' but had not built for 5 year, there was no answer.

When the journalists left Guangdong, they received a text message: "Hope to discuss Huidong issue with you in private."

**Editor's note:** Another example of the corruption that is rife in China from the top down - you invest in China at your peril!