



Battles broke out between protesters and soldiers in Nigeria's northern city of Kano on April 18 following the country's presidential election. Protesting youths challenged soldiers deployed to the streets, who sought to push them back. SEYLOU DIALLO/AFP/GETTY IMAGES

Post-election violence breaks out in Nigeria

By DAVID SABATINI
Epoch Times Staff

Hundreds have been killed and thousands displaced following Nigeria's presidential election in which incumbent Goodluck Jonathan was called the winner.

Post-election violence erupted and quickly spread to several cities in northern Nigeria on Monday following allegations that Jonathan and his ruling party rigged elections in Africa's most populous nation.

Although observers deemed the recent polls in Nigeria as one of the fairest in years, angered youth, supporters

of Muhammadu Buhari, a former military ruler, took to the streets of the largely Muslim northern region of the country early on Monday, building barricades and burning properties.

Businesses and banks were reportedly shuttered due to fears of more violence and destruction.

A riot broke out on Monday in Kaduna, a northern Nigerian city. Security forces were sent in to restore order and a 24-hour curfew was announced by Kaduna's state Gov. Patrick Yakowa in a live broadcast, according to the BBC. Kaduna is the home state of incumbent vice president and Jonathan's running mate, Namadi Sambo.

Riots reportedly erupted almost simultaneously at Wuse Market, Abuja's central market, and in the city's Utako District. Several bomb explosions were heard. Violence also escalated to Deidei, a satellite settlement of Abuja, and to Suleija, a city in Niger state, just north of the capital, according to what an eyewitness told the African Herald Express.

Amnesty International reported incidents of rioting also in Kano, Gombe, Adamawa, Bauchi, and the plateau states and the Federal Capital Territory.

Prior to the elections, Nigeria's two main opposition parties—Congress

for Progressive Change (CPC) and the Action Congress of Nigeria (ACN)—had attempted, but failed, to form an alliance that they hoped would be able to defeat Jonathan.

The main presidential contenders in Nigeria's Saturday elections were Jonathan, Buhari for CPC, and Nuhu Ribadu, a former anti-corruption chief, for the ACN.

Ribadu, 50, the youngest presidential candidate, has strong support in the southwest, while Buhari's support comes mostly from the north. The ruling People's Democratic Party (PDP), however, has ruled Nigeria since taking power in 1999.

Amnesty International released a statement on Monday urging the Nigerian military not to use excessive force to quell the post-vote riots and demonstrations.

"The security forces' response to this unrest must not lead to further human rights violations. The police and military must respect human life and use proportionate means to police demonstrations," Tawanda Hondora, Amnesty International's deputy director for Africa, said in a statement.

Sectarian and political violence ahead of presidential and parliamentary elections in Nigeria have been common.

France can block immigrant trains from Italy, EU says

By JACK PHILLIPS
Epoch Times Staff

France's decision to block trains carrying migrants from Italy does not violate the law, said the European Commission on Monday.

Last Sunday, a train carrying Tunisian immigrants from Italy to France was halted, causing "an escalation of an international dispute," as the commission described it. As a result, Italian officials launched a complaint saying the move was against the law.

Under the European Union's border code, states have the right to do police checks in their own countries and can thus halt any incoming trains.

The Italian government has made pleas to its neighbors regarding its burgeoning migrant situation. On the tiny Mediterranean island of Lampedusa, thousands upon thousands of immigrants have arrived, which Amnesty International has called an "appalling" humanitarian crisis.

Reports emerged that many immigrants were sleeping on the ground, did not have proper access to bathrooms, and that food and water are scarce.

Late last month, Amnesty said that some 20,000 immigrants have reached the small island near Sicily since former Tunisian President Zine El Abidine Ben Ali was ousted from power.

Lampedusa has received a large number of migrants from North Africa, mainly out of Tunisia, over the past several months resulting from the waves of uprisings in the region. The island is the closest European soil to North Africa.

American stationery giant brought to its knees in China

STATIONERY CONTINUED FROM A1

And some days later, in the dead of night, a truck entered the facility and stole some of the million-dollar manufacturing tools used to make the shredders, some of which weigh several tons.

The joint venture partner "proceeded to destroy our business," according to CEO James Fellowes at a Congressional Hearing on March 31.

Now on the Fellowes Inc. website, several of the personal shredders and all the commercial shredders are accompanied by a "Limited Supply" icon and a note by Mr. Fellowes humbly apologizing that the company "is unable to produce some of its shredders which are made in our primary manufacturing operation in China."

Fellowes' paper shredders are a US\$168 million (C\$160 million) business, and when the company was taken over in China it lost US\$100 million (C\$95 million), according to Fellowes.

James Fellowes is the third-generation owner, a descendant of Harry Fellowes who started the company in 1917 with \$50 making Banker's Boxes. Before the recent takeover in China the company employed 2,700 workers in 16 countries, including 625 in the U.S.

It introduced its patented line of paper shredders in 1982, and in an attempt to cut costs it was an early entrant to the China manufacturing scene.

Fellowes, the man and the company, won't talk about the case except for a public congressional testimony. But The Epoch Times spoke with a number of people familiar with the case, under condition of anonymity because of political sensitivities involved.

JOINT VENTURE

In 1998 a former Fellowes employee struck a deal with a company called Jinsen, in Changzhou, China, to manufacture paper shredders. Later a second business, Jinxun, was formed. In the beginning they made a cheaper line of shredders.

Both companies are owned by the Zhou family, specifically the two brothers Zhou Liqun and Zhou Licheng. The Zhou's are well-connected politically.

Business went well, and in 2006, meaning to expand the enterprise in China, Fellowes established a joint venture with Jiangsu Shinri Machinery Co., Ltd., in Changzhou. Shinri is owned by the Zhou family, part of the New United Group conglomerate, also owned by the Zhou family.



Congressman Don Manzullo (centre) with Congressman Eni Faleomavaega (right), and one of Mr. Manzullo's aides, at a congressional hearing on March 31. Reps. Manzullo and Faleomavaega drafted a letter seeking redress for the treatment Fellowes received in China. MATTHEW ROBERTSON/THE EPOCH TIMES

'The Chinese government has failed to do anything to protect the rights of this investor in China.'

— Congressman Don Manzullo

attempted to force through a series of radical changes to the contract, which would have shifted power, control, and profits to the Chinese side. It was an effort to "extort more profit and ultimately control Fellowes' global shredder business," according to Fellowes' testimony.

These included, beginning in early 2010, illegally seizing the company seal and business licence to control all legal transactions and trying to force Fellowes to hand over its 100 percent-owned assets to the joint venture, including its production tools, which are the intellectual property of Fellowes.

Zhou also insisted that Fellowes assign to the joint venture other business interests it had in China. He tried to raise the prices on the products by 40 percent, demanded

that Fellowes invest an additional \$10 million into the business, and he cut a \$3 million payment dividend. When Fellowes demurred from carrying out those demands, Zhou escalated the pressure.

The dramatic moment came in early August 2010, when Zhou, under the aegis of Shinri, blocked the gates of the joint venture facility with security guards and trucks, preventing people from going in and goods going out, effectively shutting down production.

Shinri expelled and confined the managers, moved funds from the joint venture to a Shinri-controlled bank account, sent packing the 1,600 joint venture employees, and at night, drove a truck into the facility and stole Fellowes-owned injection moulding tools, some of them weighing several tons.

The worth of the products already manufactured and blocked—what Fellowes in his testimony said are "feature-rich, IP-protected"—is \$100 million. This includes 70,000 completed paper shredders going to rust in the factory.

Shinri also won't let Fellowes recover the over 1,000 custom moulding tools, the fruit of decades of refinements of engineering designs, worth \$10 million. And those familiar with the case say Zhou intends to obtain these high-value items in a fire sale enforced by the local court that he has influence over.

Because the shipments were

blocked, the joint venture was unable to pay its suppliers—the 120 odd Chinese businesses that deliver all manner of metals and plastics that are the makings of the shredders. So 80 of these suppliers sued, and the joint venture became insolvent.

The Changzhou Intermediate Court has started proceedings to liquidate the joint venture, auction off all its assets, including the equipment, land, moulding tools, and those unshipped shredders, to satisfy the debts of the joint venture accrued as a result of Shinri's activities.

SHINRI PRAISED BY PARTY LEADERS

On the U.S. side several congressional representatives have written letters on behalf of the embattled company. However, little has been done.

"The Chinese government has failed to do anything to protect the rights of this investor in China," Congressman Don Manzullo said at the congressional hearing. "We're really at loggerheads with the Chinese government to get them to recognize the valid rule of law."

Congressman Ed Royce said: "I don't think quiet diplomacy is working, we're going to have to find another strategy."

Part of the reason the barrage of mail has had no effect may have to do with the privileged political relationships enjoyed by the Zhou family. Individuals familiar with the case who spoke to The Epoch Times said they had heard anecdotes about how Zhou had strong political connections. Simple search forensics on the Chinese-language Internet seem to validate the claim.

Shinri, and the Zhou's holding company, the New United Group, is comprised of significant enterprises in China that have attracted regular visits and praise by high-level Communist Party leaders.

A long list of Party luminaries have toured the factory and heaped praise on Shinri's achievements. Chinese managers and low-level officials regularly prominently display these visits as a way of advertising their connections and ability to network—called "guanxi" in Chinese—with high-level cadres.

Visiting apparatchiks include powerful men like Minister of Public Security Meng Jianzhu, future premier of China Li Keqiang, current premier of China Wen Jiabao, propaganda czar Li Changchun, and the local Shanghai Party boss, among many others. An unnamed "expert" from the 863 Program, a centrally coordinated scheme which aims to make China independent from foreign sources of technology, also dropped

by, according to Shinri's website.

Li Keqiang visited in August 2010, the same month that Shinri impounded Fellowes' equipment in China. He urged Shinri to continue "working hard" in making "new contributions to the nation's manufacturing industry."

Because Fellowes' joint venture in China went bankrupt after shipments were blocked, the Changzhou Intermediate Court has begun liquidation proceedings.

But this violates a crucial clause in the joint venture contract, according to people familiar with the matter.

The joint venture agreement stipulated that in the event of managerial disputes, there would be recourse to arbitration. Arbitration is an independent process that aims to resolve business disputes amicably and before they reach litigation, which can come with exorbitant costs.

But sources say the court is ignoring this clause possibly at the influence of Zhou; as a local powerbroker it is in Zhou's interest that the case proceed in Changzhou.

The court also prevented lawyers in China, retained by Fellowes, from participating in the proceedings. Some of those restrictions were later loosened.

Congressmen who wrote letters on behalf of Fellowes are now trying to prevent the auction from going ahead. If it does, all the assets of the joint venture, including Fellowes' moulding tools, as well as the 70,000 shredders sitting inside the facility, would go to the highest bidder.

And since such an auction would almost certainly not be independent and fair, this would potentially allow the Zhou family to pick up the equipment on the cheap.

Fellowes has mostly written off the China business and is starting another manufacturing facility in Illinois.

Meanwhile, Shinri, or the New United Group, appears to have begun using some of the tools it stole to manufacture its own paper shredders. The Epoch Times, in scouring the Chinese-language Internet for traces of the companies' activities, discovered a multitude of pages that appear to show this.

On one, a Chinese Wikipedia-like website updated in July 2010, lists "American Fellowes" as New United's partner for producing paper shredders. Other pages introducing New United and its products, some from early 2011, have the word "Fellowes" removed but contain numerous references to the sale of simply "paper shredders," which New United hadn't made previously.