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Death of a Briton Is Thrust to Center of China Scandal

By SHARON LAFRANIERE, JOHN F. BURNS and JONATHAN ANSFIELD.

BEIJING — The mysterious death of a 41-year-old British businessman in a Chongqing hotel room late last year was thrust to the center of the biggest political scandal to hit China's Communist Party in a generation on Tuesday, as the authorities declared the death a murder and named the wife of one of China's most powerful men the leading suspect.

The death of the businessman, Neil Heywood, initially attributed to alcohol poisoning, is now considered an "intentional homicide," the Xinhua news agency announced. That made the case the most sensational in a series of charges against the family of Bo Xilai, who was until March the Chongqing party chief and seen as one of the handful of rising leaders slated to run China.

On Tuesday, Mr. Bo was suspended from his post on the Politburo, the 25-member body that runs China, and from the larger Central Committee, on suspicion of serious disciplinary infractions, the government announced. His wife, Gu Kailai, who is a lawyer, was being investigated in the killing of Mr. Heywood.

Not since the purges after the crackdown on democracy protests in 1989 has the Chinese leadership been exposed to so much turmoil. Excruciatingly for top officials, who prize unity and secrecy above all, this one involves foreigners in an embarrassingly intrusive way — both the death of a British citizen and also the attempt by a senior police official to seek American asylum.

That official, Wang Lijun, a onetime close aide to Mr. Bo who was himself under investigation for corruption, fled to the consulate of the United States in Chengdu in February and spent more than 30 hours there. He said Mr. Heywood had been poisoned and revealed what he knew about the death — and about jockeying for power inside the country's closed political system, several people briefed on the matter said.

Although he handed over a treasure trove of intelligence, Mr. Wang was told he could not be granted asylum. He left the consulate and was taken into custody, where he has been since.

Mr. Bo has also been under some form of confinement since mid-March, and his wife, too, has been detained. No one representing any of the three could be reached for comment.

Mr. Heywood was an elusive business consultant who married a Chinese woman and carved a lucrative career in Beijing and Chongqing while keeping other British businessmen guessing about how he made much of his money, and he hinted of deep links to the Bo family.

When his body was found in a hotel room on Nov. 15 in Chongqing, the "alcohol-poisoning" death certificate was issued, although friends said Mr. Heywood rarely drank. His relatives said that they had been told he died of a heart attack, and that the body was cremated with their consent, without autopsy.

The announcement of an "intentional homicide" appeared to surprise the British government, which had seemed anxious in recent weeks to distance itself from a major Chinese political scandal, saying that suspicions about the death they had passed to the Chinese were those of other Britons in China, not anything they could substantiate on their own.

After an urgent huddle with other British officials, William Hague, the British foreign minister, told reporters in London: "It's a death that needs to be investigated, on its own terms and on its own merits, without political considerations. So I hope they will go about it in that way, and I welcome the fact that there will be an investigation."

Xinhua's statement appeared to confirm one of the swirling rumors in the case, that Mr. Heywood's death was linked to business dealings gone awry. The Chinese news agency said Ms. Gu and her son, Bo Guagua, had had close relations with Mr. Heywood but later had "a conflict over economic interests." But Xinhua did not specify how Mr. Heywood died, or what business interests were involved. The only other suspect in his death, Zhang Xiaojun, was described as an "orderly" working in Mr. Bo's home.

The shock of the Chinese announcement — claiming that a member of the ruling elite was linked through his wife to a possible murder, and that the killing grew out of private business interests of the kind that have made many Chinese officials rich — had far-reaching implications for the way that China is governed. The impact was amplified since China is facing a once-in-a-decade shift in power this fall to a new generation of leaders. Mr. Bo, 62, had become a contender for a seat in the inner sanctum of power, the nine-member standing committee of the Communist Party's Politburo.

A charismatic figure, Mr. Bo tried to build his political stature by taking a page from the political playbook of Mao Zedong, presenting himself as a populist attuned to the interests of ordinary people and stirring up nostalgia for the hugely destructive Cultural Revolution of the 1960s and '70s, waged in the name of ordinary people against the Communist Party elite.

At the same time, Mr. Bo presided over a state-led economic boom in Chongqing, a provincial-level metropolitan region in southwestern China, and, detractors said, perverted the law enforcement process in what was billed as a campaign against organized crime. As the son of the legendary revolutionary leader Bo Yibo, he built a following among others with ties to Mao, as well as those unhappy with the get-rich-quick culture of recent decades — among them, top generals and unreformed leftists in the Communist elite.

With Mr. Bo's disgrace, top power holders in Beijing seem to have quashed his bid for power.

"China is a socialist country ruled by law, and the sanctity and authority of law shall not be trampled," Xinhua said in its announcement of his ouster on Tuesday, attributing the remarks to unnamed senior officials.

"Whoever has broken the law will be handled in accordance with law and will not be tolerated, no matter who is involved."

According to one person who said he was briefly shown a copy of confidential information for party officials that was circulated on Tuesday, Mr. Bo was faulted for failing to oversee underlings, a reference to Mr. Wang, and mismanaging his family, a reference to the Heywood case, and flouting party procedures in those and other cases.

Significantly, the party document did not suggest Mr. Bo was a murder suspect, but rather implied he could have had a role in trying to cover up the killing by obstructing attempts to report the case and stripping Mr. Wang's police powers without party authorization.

The murder investigation appears to be based on information provided by Mr. Wang, who as the top police official in Chongqing was one of Mr. Bo's closest aides — until he sought refuge at the American consulate. Mr. Wang is now being investigated for treason for that, according to Chinese sources familiar with the case, but is being credited with having come forward with evidence in Mr. Heywood's death.

Before Mr. Heywood's death, Mr. Bo and Mr. Wang were already under scrutiny by central disciplinary authorities over corruption and other allegations, according to these sources, and to others with ties to senior party figures. If so, the evidence of a murder would have come as an opportune development in the inner-party struggle over the new leadership lineup.

During more than 30 hours spent at the consulate, Mr. Wang told officials that Ms. Gu had plotted to poison Mr. Heywood, and turned over a police file with highly technical documents, according to people knowledgeable about the case. But Mr. Wang, these people said, also apparently revealed far more: an unprecedented trove of knowledge on the leadership struggle.

A man answering the door on Tuesday at the London home of Mr. Heywood's mother, Ann Margaret Heywood, said she was not available for comment. But 10 days earlier, she rejected any suggestion that her son might have been murdered, insisting that he had a heart attack, like his father at age 63. "I don't know where it comes from, this stuff about his being poisoned and so on," she said. "This is not about Neil, this is about Chinese politics, and people's desire to write about Chinese politics. It is absolutely horrid to be caught up in this side of things."

Friends of Mr. Heywood in Britain and China have said that his habit of giving little away about his business dealings left them with few clues as to what may have gone wrong in his dealings with Mr. Bo's wife, Ms. Gu.

A maverick who chain-smoked, drove a Jaguar and loved sailing with his wife and two children, Mr. Heywood told friends he met Mr. Bo in the northeastern city of Dalian, where Mr. Bo served as mayor and in other posts from 1993 to 2004. He told a friend, a British journalist named Tom Reed, that he sent out letters of self-introduction to a flock of officials and that Mr. Bo answered.

There also Mr. Heywood met Wang Lu, whom he married. Later on, Mr. Heywood told friends, he was instrumental in getting the Bos' son Guagua into his alma mater, Harrow, and in making the contacts that eased the son's way to Oxford.

Ms. Gu, who wrote a book about how she won a case in the United States, is listed as a partner in a Beijing law firm, but a spokesman there said she had not practiced at the firm for 10 years.

Mr. Reed said in an interview that the exact nature of Mr. Heywood's relations with the Bos was always unclear. "I didn't get the impression it was anything commercial," Mr. Reed said. "I got the impression it was much more informal." He said that three nights before Mr. Heywood's death, they met for dinner in suburban

Beijing. Mr. Heywood said he had not seen Mr. Bo for about a year because of a falling out, and that back then "someone in Bo's inner circle was talking against him because of fears of his influence over Bo."

Mr. Heywood acknowledged that at one point he had been concerned, and even considered leaving China with his family, Mr. Reed said. But, Mr. Reed said: "I got the impression that Bo had moved on, and Neil had moved on. He couldn't have seemed less worried."

Sharon LaFraniere and Jonathan Ansfield reported from Beijing, and John F. Burns from London. Ravi Somaiya contributed reporting from London, and Michael Wines from Beijing. Edy Lin, Li Bibo and Mia Li contributed research.