Chinese police have detained an author for almost a fortnight following the publication of his book about forced relocations in the 1950s, his daughter said.

Officers said they were holding Xie Chaoping, a former journalist, for "illegal business activities" after detaining him at his home in Beijing on 19 August, said Li Mo.

Li said her father had just paid for the publication of his book, The Great Migration, which is about the construction of the Sanmen dam on the Yellow river.

The book charts the struggles of hundreds of thousands of people relocated due to the project, and reportedly accuses authorities in Weinan, Shaanxi province, of embezzling money meant to compensate those affected.

The 55-year-old writer has been transferred to a detention house in Shaanxi. Li added: "The charge doesn't make sense. My father didn't do illegal business. They arrested him for the book. My father just wrote the truth. He didn't just make up things, everything in this book has evidence. He didn't think there was anything wrong with the book. It is quite a shock for him to get arrested."

Xie's lawyer, Zhou Ze, told the South China Morning Post he had been allowed to see his client, who seemed in reasonably good spirits. "Xie thinks he's being persecuted because he's disclosed embezzlement, local government wrongdoing, migrants' suffering and land disputes," said Zhou. "It is another case of abuse of public power to repress public scrutiny and a breach of freedom of publication."

He told another newspaper that even if the book had been printed without official approval, it was the responsibility of the publisher, not the author.

Li Wanmin, an activist who tipped off Xie about the story, said: "The book is an objective account of what has happened to immigrant peasants, a marginalised group among peasants." He said that some of the farmers had to move eight times and that many died of starvation during the great famine in the early 1960s.

Another campaigner for the relocated residents said he taken several thousand copies of the book to Weinan in June, but that officials confiscated them, saying they were cracking down on illegal publications.

According to a reporter at the Beijing News, Xie first tried to write about the corruption allegations in 2006, but officials told the magazine he worked for to suppress the report.
His wife said he then began to collect more material on the issue and decided to publish a book himself. Flash magazine, in Shaanxi province, agreed to publish his work as a supplement if he paid 50,000 yuan (£5,000).

David Bandurski, of the China media project at Hong Kong University, said that many historical episodes remained highly sensitive in China. But he added: "A lot of actions against individual publications or reporters are coming from entrenched local interests [rather than higher officials]. There are so many examples of history being tied in with local immediate interests. You don't have to stretch very far to see how this could be more than a case of remote history which could touch on [local] leaders."

According to the English language Global Times newspaper, Xie's lawyer said the corruption allegations in the book related to residents who were relocated again in 1985.

An official at the publicity department at the Weinan public security bureau told the newspaper that the investigation was continuing, adding: "I have as little information as you do."

The Guardian's phone calls to Weinan public security bureau rang unanswered.