

China slowdown is 'biggest risk' to Asia

Poll of power brokers reflects critical role of world's 2nd-biggest economy

VLADIVOSTOK – A slowdown in China's economy is perceived as the biggest risk to Asia's economic growth, a survey of regional power brokers showed.

While there were also worries about the weakness in the European and US economies, the survey by think-tank Pacific Economic Cooperation Council (Pecc) said there was more concern over the effects of a slowdown in China.

The survey results were released in the Russian city of Vladivostok ahead of this weekend's Asia-Pacific Economic Coopera-

tion (Apec) leaders' summit.

Mr Donald Campbell, co-chair of Pecc, said the results emphasised China's growing importance in the global economy.

"China is becoming very, very critical in terms of the world economy and growth so you can see the concern over any diminution in growth," he said.

China's demand for raw materials and other goods had sustained factories in Asian countries, which have seen slower exports to the United States and Europe.

But a raft of recent data has

shown the world's second-biggest economy is slowing.

In the Pecc survey, 56 per cent of respondents "are gearing themselves for weaker economic performance from China over the next 12 months", up from 36 per cent in the poll last year.

The poll also showed waning interest in global trade talks in Asia as focus shifts to regional agreements.

Meanwhile, Hong Kong's Chief Executive Leung Chun Ying yesterday cancelled a trip to the Apec leaders' summit, his first scheduled overseas visit since taking office earlier this year, as a proposed national education programme led student protesters to stage a seven-day demonstration.

AGENCE FRANCE-PRESSE, BLOOMBERG