



## China braces for growing unrest as economy slows - AFP

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BEIJING — China's security chief has told provincial officials they need to be more prepared for the "negative impact" of slowing growth, underscoring Beijing's concern a slowdown could bring social unrest.

Large-scale strikes have hit China in recent weeks, as workers resentful about low salaries or lay-offs face off with employers juggling high costs and exports hit by lower demand from the debt-burdened West.

Politburo member Zhou Yongkang said authorities needed to improve their system of "social management", including increasing "community-level" manpower.

"In the face of the negative impact of the market economy, we have not formed a complete system of social management," Zhou said in a Friday speech to officials reported by the state Xinhua news agency at the weekend.

"It is urgent that we build a social management system with Chinese characteristics to match our socialist market economy."

China's economy grew by 9.1 percent in the third quarter, down from 9.5 percent in the previous quarter.

Manufacturing -- a key engine of growth -- slumped to its lowest level in nearly three years last month, amid slowing demand from the European Union and the United States.

Beijing has started to implement measures to boost lending and spur growth in the world's second largest economy.

China's central bank last week reduced the amount of money banks must keep in reserve for the first time in three years, after earlier easing lending restrictions on more than 20 small banks nationwide.

Analysts have warned that China's huge army of factory staff -- many of them migrant workers -- will be the first to feel the effects of the global slowdown.

Ji Shao, a Beijing-based labour expert, told AFP recently she had visited Shenzhen and expected many small firms to shut down due to high costs, difficulty accessing loans and the global downturn.

Last week, more than 1,000 workers at a plant in China's commercial hub Shanghai went on strike for at least two days, some clashing with police, to protest at staff being laid off, the US-based China Labor Watch said.

In November, more than 7,000 workers went on strike at a factory in the southern province of Guangdong -- China's manufacturing heartland -- clashing with police in a protest over layoffs and wage cuts.

Details and images of many of the recent strikes have emerged first via Twitter-like "weibo" social networking sites that Chinese authorities are struggling to purge of what officials call "rumours" and "false news."

China has the world's largest online community, with more than half a billion Internet users, and as such news of unrest quickly spreads round the country despite the government's strict censorship regime.