

Research on the Sustainable Development of China's Foreign Trade Economy

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Abstract: With the rapid development of foreign trade economy and the promotion of global sustainable development, it is obviously unable to meet the requirements of economic development by relying solely on the increase in quantity. Therefore, it is particularly important to study the sustainable development of foreign trade economy. In view of the sustainable development of China's foreign trade economy, this paper takes Guangxi Province as the research object, and analyzes its foreign trade characteristics, achievements and existing problems, and then puts forward development suggestions, which provides a theoretical basis for the sustainable development of Guangxi's foreign trade.

1. Introduction

With the rapid development of the foreign trade economy, the scale of development of Guangxi's foreign trade is also expanding. According to relevant information, the main products exported by Guangxi are resource products or primary products. Although Guangxi's foreign trade volume continues to expand, this development model cannot meet the needs of China's sustainable economic development. If it is not improved, it will eventually lead to the deterioration of the ecological environment. One of the important components of sustainable economic development is the sustainable development of foreign trade. Therefore, the research on the sustainable development of foreign trade economy in Guangxi Province has important development significance not only for Guangxi but also for China's sustainable economic development.

2. Analysis of the characteristics of Guangxi's foreign trade

At present, the state has launched a series of preferential policies for Guangxi Province. At the same time, with its superior geographical conditions, Guangxi Province has gradually developed its foreign trade into its economic pillar industry. In the process of economic development, the following characteristics are gradually emerging:

- (1) The volume of foreign economic trade has grown rapidly.

Table 1. Total Imports and Exports in 2002-2006 (Unit: 100 million yuan)

	Total import and export	Total export	Total imports
2002	201.1854	124.8137	76.3717
2003	264.2161	163.0853	101.1308
2004	355.0058	198.3071	156.6987
2005	418.2696	232.2127	186.0569
2006	521.9068	281.4418	240.465

From the total import and export volume in 2002-2006, it can be seen that during this period, the import and export volume of Guangxi's foreign trade can increase by more than 20 percentage points per year. Greatly promoted the import and export trade of Guangxi. Simultaneously with Imported goods accounted for 36.2% of total imports, mainly relying on domestic raw materials and advanced production equipment and technology, supplemented by other daily consumer goods. This shows the province of Guangxi the structure of imported goods has been gradually rationalized,

which is conducive to meeting the needs of the people and the needs of China's economic construction.

(2) Private enterprises are the mainstay of import and export.

Table 2. Comparison of import and export of enterprises of different natures in Guangxi in a certain year (unit: 10,000 USD)

	Export amount	Export growth year on year	Import amount	Imports year-on-year growth
State-owned enterprise	143587	29	85057	28.6
Foreign-invested enterprise	109478	34.7	180635	30.1
Collective enterprises	23322	19.7	4485	97.6
Private and other	234846	59.4	146075	45.9

As can be seen from Table 2, the share and growth rate of private enterprises can be regarded as the main body of foreign trade, especially in terms of exports. Since 2005, private companies have surpassed state-owned enterprises, making our country the largest exporter.

(3) ASEAN is China's first trading partner.

With the establishment of the China-ASEAN Free Trade Area, Guangxi Province, as the center of the free trade zone, has increasingly close trade relations with ASEAN countries. In 2008, ASEAN's bilateral trade totaled US\$3.67 billion, an increase of 44.8%; The EU maintains its position as the second largest trading partner of Guangxi, with bilateral trade volume reaching US\$1.31 billion, an increase of 45.9%; Brazil replaced the United States as the third largest trading partner of Guangxi, with bilateral trade volume reaching 950 million US dollars, an increase of 1.1 times. Due to the geographical advantages of Guangxi and the similarities in customs, culture, language, consumption habits and religious beliefs with ASEAN countries, it contributes to the development of the economic market. The main commodities currently traded between Guangxi and ASEAN are: Natural rubber, electromechanical products, vegetable oil, gemstones, medicine, automobiles, tires, cement, etc.

3. Analysis of Guangxi's Foreign Trade Achievements and Problems

3.1 Trade achievements

In 2010, Guangxi's foreign trade took the lead in the world economic crisis, achieving rapid growth, and import and export trade reached a record high of US\$17.066 billion. The growth rate was 24.6, which was 7.7 times of the total foreign trade volume of Guangxi in 2000, and the export trade volume was US\$9.61 billion. The growth rate is 14.8, accounting for 0.6% of the total export trade of the country; The import trade volume was US\$8.096 billion, with a growth rate of 28.8%, accounting for 0.58% of the country's total import trade. The total volume of import and export trade ranks 17th in the country and ranks second in 12 provinces and autonomous regions in the west. On January 1, 2010, the China-ASEAN Free Trade Area was established as scheduled. Effectively promoted the formation of Guangxi's opening up pattern. In particular, it has greatly promoted the rapid development of bilateral trade between Guangxi and ASEAN countries. As shown in Figure 1, it is the statistics of the total import and export volume and growth rate of Guangxi Province from 2001 to 2010.

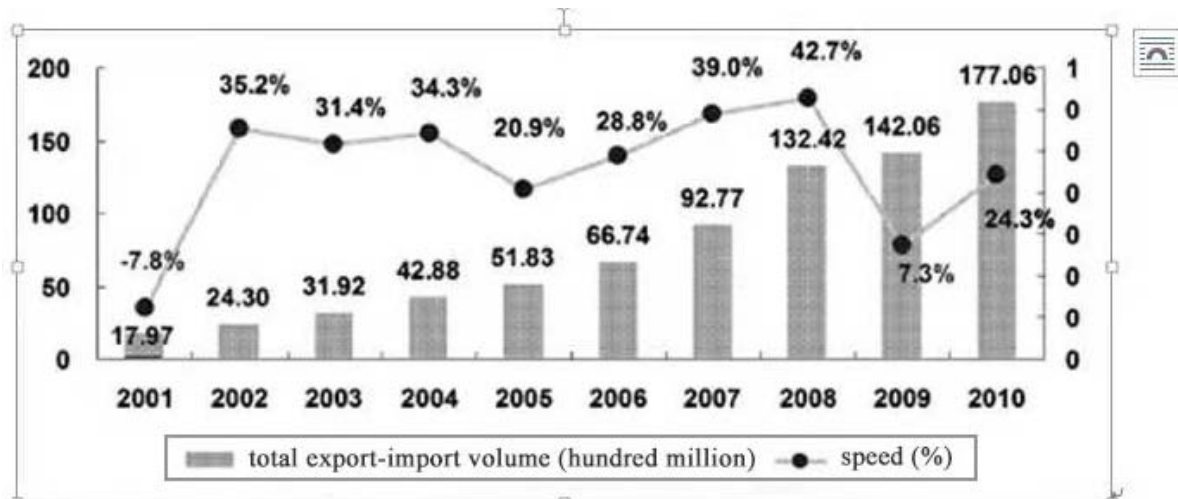


Figure 1. Statistics on the total import and export volume and growth rate of Guangxi Province

In 2009, the total import and export volume of the region was 13.22 billion US dollars, an increase of 42.7 percentage point's year-on-year. Of this total, exports were 7.351 billion U.S. dollars, up 43.8 percent year-on-year; imports were 5.891 billion U.S. dollars, up 41.4 percent year-on-year; and the trade surplus was 1.49 billion U.S. dollars. In 2010, the total volume of foreign trade imports and exports was 17.7 billion US dollars, an increase of 24.3 percentage point's year-on-year. Of which, exports were US\$9.61 billion, up 14.8 year-on-year; imports were US\$8.096 billion, up 37.8 year-on-year; and trade surplus was US\$1.514 billion. This reflects Guangxi's foreign trade import and export maintained steady and rapid growth, showing a stable business situation.

3.2 Problems

According to the Guangxi Data Yearbook, in 2010, Guangxi's agricultural and sideline products accounted for 44% of total foreign trade, accounting for 6% of total exports; Industrial manufactured goods accounted for 40% of total imports, of which household appliances and other electronic appliances accounted for only 1.9 percent. It can be seen from the above data that most of Guangxi's export commodities are labor-intensive products, and the proportion of high-tech products exports is relatively low. The scientific and technological content and added value are low, and the export growth mainly depends on the expansion of the quantity and the overall competitiveness is low.

Currently, The competitiveness of Chinese goods in the international market still depends on lower labor costs, while the comparative advantage of Guangxi exports is still labor-intensive. Exporting labor-intensive products Although Guangxi's export trade has developed rapidly in recent years, most of the enterprises are concentrated in labor-intensive and traditional industries. The layout is chaotic, the structure is similar, the high-tech content is low, and there are common problems. There are few technology-intensive enterprises, low product technology content, insufficient investment in science and technology innovation, and a huge gap with the industrial structure of developed countries.

4. Policy development recommendations

In response to the problems of Guangxi's foreign trade, this paper summarizes the following solutions and development proposals:

(1) Strengthen the sense of competition and give full play to its own advantages. Although Guangxi has a superior geographical position and obvious location advantages, it is far from enough to rely solely on this to develop Guangxi's foreign trade economy. In addition, Guangxi is also facing competitive pressures from countries and regions such as Yunnan, Guangdong, Hong Kong, Macau and Taiwan as well as Vietnam. Therefore, Guangxi can't just be at the stage of exploiting

foreign trade with comparative advantage, nor can it simply serve as a channel to connect Southeast Asia and the mainland. In order to occupy a larger share of trade, it is necessary to establish a simple development model based on comparative advantage, enhance the sense of competition, and establish a correct concept of competitiveness. Disperse the import and export market, reduce risks, strengthen opening up, focus on the coordination of economic benefits and social and environmental benefits, and focus on long-term interests.

(2) Improve infrastructure and promote economic development in Guangxi. As a western province, Guangxi's infrastructure is relatively backward. Some backward therefore urgently need edit

(3) Accelerate industrial development and develop advantageous industries. To give full play to the industrial advantages of Guangxi, industry is also an industry dominated by import and export trade. Accelerate the development of coastal industries in the North-South coastal economic zone and improve the industrialization level of Guangxi.

(4) Strengthen industrial development cooperation, promote the further development of Guangxi and ASEAN, and take advantage of its superior geographical and humanistic advantages. Adhere to "going out" and "bringing in" and strengthen economic cooperation with neighboring provinces, autonomous regions and municipalities. Realize the two-way undertaking of industrial transfer between China and ASEAN.

(5) Strengthen the guiding role of the government. The China-ASEAN Expo exchange platform provides a good foundation for the establishment of an information service system and a comprehensive understanding of foreign markets and investment environment. It will better promote the development of Guangxi's foreign economy, enhance Guangxi's international visibility, and attract foreign investment. The government should play the role of serving enterprises and guiding policies, and choose a group of enterprises with development prospects to support enterprises. Participate in international competition and gain a comparative advantage. At the same time, we can consider using the financing channels of the domestic securities market to establish special technology industry investment funds to support the development of high-risk high-tech industries. Let enterprises have no worries when earning foreign exchange; when establishing a foreign trade system environment, a fair and transparent legal system should be established; Provisions concerning local development should be based on the WTO agreement and the relevant foreign trade regulations promised by the Chinese government. The establishment of Guangxi foreign trade industrial enterprise management system will provide an institutional environment for the rapid development of Guangxi's foreign trade.

(6) Strengthen the quality management of export products and foster brand effects. The government should provide policy and financial support for branded products; Export enterprises should attach importance to brand building, strengthen financing capabilities, ensure the continued supply of funds, change the concept of backwardness, and establish brand awareness. Focus on the quality of the product, not just the increase in quantity. Actively invest in neighboring countries to build factories, realize human resources localization, product design and marketing, highlight product brands that adapt to local needs, and build Guangxi independent brands.

5. Conclusion

The current border trade policy is not standardized, the management system is not perfect, and the infrastructure of the border trade mutual market is still relatively backward. Under this circumstance, Guangxi border trade will also face greater impact. With the rapid development of the foreign trade economy and the promotion of global sustainable development, it is obviously unable to meet the requirements of economic development by relying solely on the increase in quantity. Therefore, it is particularly important to study the sustainable development of the foreign trade economy. Although Guangxi's foreign trade volume continues to expand, this development model cannot meet the needs of China's sustainable economic development. If it is not improved, it will eventually lead to the deterioration of the ecological environment. One of the important components

of sustainable economic development is the sustainable development of foreign trade. This paper focuses on the sustainable development of China's foreign trade economy, taking Guangxi Province as the research object, and analyzing its foreign trade characteristics, achievements and existing problems. Furthermore, the development proposal is proposed to provide a theoretical basis for the sustainable development of Guangxi's foreign trade and has important practical significance for the sustainable development of China's economy.

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