

Analysis on the Influence of Commercial Circulation on the "One Belt and One Road" Economy

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Abstract: In the new era, China's economic development has made remarkable achievements, and the development of China's commercial circulation industry has also ushered in new development opportunities. The construction of the "the Belt and Road" has created conditions and opportunities for the outward development of China's trade circulation industry, and is of great significance to promote China's trade circulation enterprises to participate in international competition. The arrival of the new era is accompanied by more development opportunities and greater development challenges, and the commercial circulation industry also has new opportunities and challenges with the arrival of the new era. The proposal and implementation of "One Belt, One Road" promotes China's economic development and economic transformation, and also promotes the development of the commerce and trade circulation industry. The Belt and Road Initiative is proposed to meet the needs of national economic transformation, has strategic significance, and has important application value to China's economic development. In order to make full use of the "dividend" brought by "the belt and road initiative", China's commerce and trade circulation industry should actively seek breakthroughs from the perspectives of scientific and technological innovation, e-commerce business promotion and financial innovation, and promote the innovation of China's commerce and trade circulation industry development mode. Through in-depth analysis of investment opportunities, this paper studies the challenges in "the belt and road initiative" and puts forward the measures that should be taken by the commercial circulation industry to participate in the construction of "the belt and road initiative".

1. Introduction

In 2014, the food trade volume between China and countries along the "the Belt and Road" reached US \$21.03 billion, a year-on-year increase of 11.3%. In 2016, the total import and export volume reached US \$953.59 billion. In the steady growth of China's trade circulation industry, the disadvantages of insufficient endogenous power are gradually exposed. How to fully seize the opportunities and meet the challenges in the context of the "the Belt and Road" is a problem that China's trade circulation industry needs to seriously face [2]. In the previous process of economic development, it is not difficult to find that the government has been on the stage of economic development since the emergence of various economic theories. So far, there is still no definite conclusion as to whether its influence on economic development is positive or negative. "the belt and road initiative" has created more opportunities for the development of China's foreign trade, promoted economic exchanges with neighboring countries and regions, and played a certain role in promoting domestic economic transformation. But on the other hand, the high cost of China's international trade logistics, frequent trade protectionism, and retail enterprise platform construction, logistics network construction and other issues have hampered the development of China's commercial and trade circulation industry [3]. From an objective point of view, the growth point of the "One Belt, One Road" strategic area will not be locked in individual fields that develop in isolation, but the result of the cooperation of multiple related fields in an appropriate way. The research object of this paper is the trade circulation. field. In addition, some scholars believe that e-commerce will become the economic engine of the "the Belt and Road" region. They believe that commercial circulation is a means for the development of the real economy. The development of commercial circulation and the construction of the "the Belt and Road" form a complementary

mechanism. The former relies on the good development environment built by the latter, while the latter needs the healthy development of the former to promote its overall progress [4].

2. Trade circulation and analysis of the the Belt and Road

2.1. China's role in economic globalization

In the previous process of economic development, it is not difficult for us to find that the government has been appearing on the stage of economic development since the various theories of economics began to appear. So far, there is still no definite conclusion as to whether its influence on economic development is positive or negative [5]. The implementation of the "the Belt and Road" initiative has broken this pattern, promoted China's export trade to emerging industrial development countries, improved China's internal dynamic contradictions, made up for the small domestic investment pattern, and provided development opportunities for China's trade circulation [6]. The proposal of the "the Belt and Road" initiative is a strategic judgment and choice made by China based on its own development needs and the favorable geographical environment of the East Asian continent. It is an inevitable requirement to adapt to economic globalization. As shown in Table 1, the population, GDP and trade of some countries along the "the Belt and Road" in 2016.

Table 1 Population, GDP and trade of some countries along the "the Belt and Road" in 2016

country	Population (10,000 people)	GDP (billion US dollars)	Import value (billion US dollars)	Exports (billion US dollars)
Singapore	558.4	2945.6	2968.9	3468.1
Thailand	6898.1	4097.2	1957.4	2136.1
Vietnam	9263.7	2013.6	1909.5	1865.0
Malaysia	3152.3	3092.6	1685.4	1895.7
India	130971.3	22887.2	3566.8	2610.1
Pakistan	18987.0	2699.7	439.9	220.9
Kazakhstan	9856	3251.4	194.4	1533.8
Iran	8046.0	3861.2	438.6	383.2
Russia	14630.0	11327.4	1827.8	3439.1

The Belt and Road Initiative not only creates investment opportunities for domestic enterprises, but also creates investment and cooperation opportunities for different economic entities around the world. China's implementation of the "the Belt and Road" will expand the benefits of Eurasian African Economic and trade cooperation, change the current world economic order and the current global trade and investment pattern, and promote China's return to the central position of the world economy [7]. The countries and regions along the "the Belt and Road" have the historical foundation of cooperative development of trade and trade circulation, and have formed a long-standing Silk Road culture. In order to effectively obtain the economic benefits of cooperative development of trade and trade circulation, the countries and regions along the "the Belt and Road" strategic area should unify standards in terms of hardware facilities, deepen communication in terms of software measures, and make the benefits of trade and trade circulation tend to be sustainable [8]. The implementation of the "the belt and road initiative" Initiative is not only a major plan of China's economic level, but also an important measure to strengthen the good-neighborly and friendly relations between China and neighboring countries, forming a community of destiny between China and countries and regions along the route.

2.2. The impact of the “One Belt, One Road” on the commerce and trade circulation industry

With the development of the economy, the three important path modes of export consumption and investment that China's economic development depends on have gradually changed. The Belt and Road Initiative has gradually become the main frontier of China's export-oriented economy,

and China's foreign trade has begun to undergo structural shifts and regional adjustments. Under the influence of the "the Belt and Road" initiative, the development of the domestic trade circulation industry has gained a new situation and ushered in new opportunities and challenges. Take the food trade as an example, the export volume of domestic food products is increasing. The figure below shows the scale of China's cross-border e-commerce transactions and total import and export transactions:

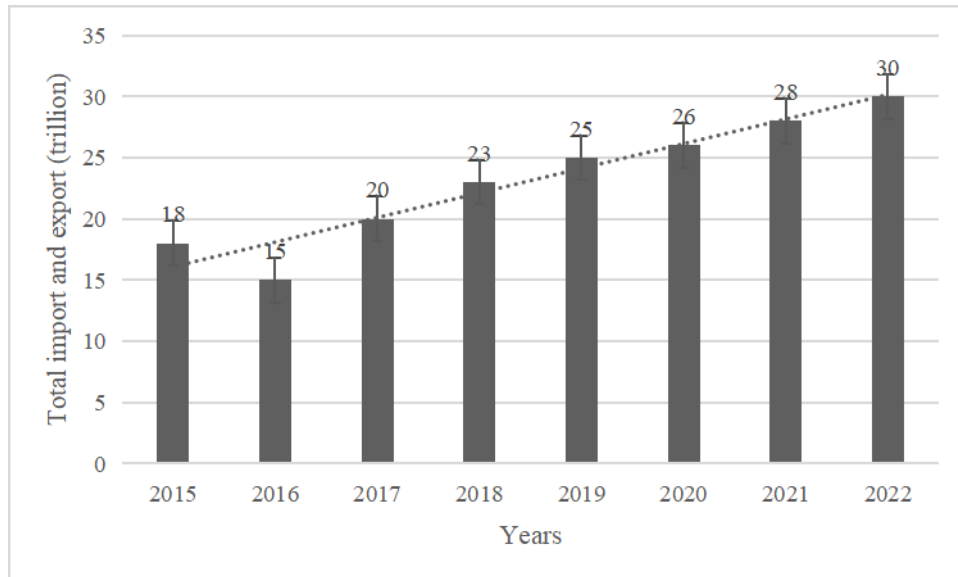


Figure 1 Scale of Cross-border E-commerce Transactions and Total Import and Export Transactions in China, 2015-2022

Complementary resources and complementary advantages are important characteristics of developing foreign trade. Most of the countries along the “Belt and Road” are countries with relatively low levels of economic development and relatively insufficient industrial technology, which provides a broad export market for China’s high-quality industrial products.

In China's economic development, the pattern of the "troika" of exports, investment and consumption is changing. The endogenous driving force of consumption has not played a substantial role, and investment has evolved from a dominant role to a restrained behavior in China. , the traditional trade with Europe and the United States has also been greatly affected by the financial crisis [9].The great circulation of "the belt and road initiative" is the endogenous power of economic globalization. The change of investment pattern has brought opportunities for the transformation of commercial circulation industry. The foreign investment of commercial circulation industry has more obvious industrial and geographical attributes, which is highly consistent with the national strategy. The profit-seeking nature of funds will guide funds to the high-yield areas, which is more obvious between the Belt and Road, which are not equal opportunities but have certain differences [10]. According to statistics, the GDP of more than 60 countries along the "the belt and road initiative" accounts for about 16% of the global GDP, and foreign trade accounts for 21.7% of the total global trade. Not only in the economic field, the construction of the "the Belt and Road" has also played a role in promoting the social construction of countries and regions along the line. Economic development has led to employment. The increase in income can promote the improvement of the lives of local residents, and the level of education has been improved, gradually reversing the poverty situation in some regions and promoting social progress.

2.3. The important influence of trade circulation on "the belt and road initiative" strategic area

The “One Belt, One Road” strategic area is an area with a relatively lagging development level in the world economic structure, and has a strong development appeal. To promote scientific and technological innovation in China's commercial and trade circulation industry, it is necessary to not

only have institutional support, but also stimulate the initiative of enterprises. The establishment of the system has always been a difficult problem, and it is also an issue that has never stopped being discussed. Really establishing an effective innovation incentive system is the fundamental way to promote scientific and technological innovation in the commerce and trade circulation industry. Under the modern economic model in which information technology and Internet platforms are efficiently utilized, this development desire may be realized quickly, and the gap with other regions may be further widened. The key lies in whether it can adapt to the modern economic model. Focusing on cooperation and efficiency improvement in the field of trade circulation can screen out advantageous markets to realize value for resources and products in the "the Belt and Road" strategic area. At the same time, it can provide information on changes in market demand for producers in the area, provide consumers with diversified choices, and enable economic entities to adjust production and operation structure and enhance competitiveness in line with the market. Strengthening business model innovation and product innovation in the development of China's commercial circulation industry is the core to promote the development of China's commercial circulation industry, and it is also the core to participate in international competition and gain the initiative. With the continuous success of the construction of "the belt and road initiative" and the gradual formation of regional development pattern, the opportunities for international exchange and development of the commercial circulation industry have increased, and more investment opportunities will become an important strategic opportunity period for the development of China's commercial circulation industry.

3. Challenges and measures in the context of the "the Belt and Road"

3.1. Trade friction and unbalanced development

Trade friction is a common problem in international trade, and traditional trade friction has always been at the center of trade friction. The trade friction problem in the circulation industry is one of them, and there are many solutions. Generally speaking, it mainly includes two aspects: First, it should be solved with the support of the state; The second is to strengthen the promotion of our own strength, guarantee the quality of existing products and so on to safeguard our own rights and interests. China has many years of experience in dealing with trade frictions. In view of the frequent trade frictions, on the one hand, we need to rely on the response of the national level, on the other hand, we need China's commercial circulation enterprises to strengthen their own management, and fully apply various rules in national trade to safeguard their legitimate rights and interests on the premise of ensuring product quality. Under the "the Belt and Road", to give full play to China's contribution to world economic development, China must have the right to formulate rules. Only in this way can it have the right to speak and take the initiative in international trade. Under this background, the foreign trade of China's commercial circulation industry will have a more relaxed and safe economic environment. Unbalanced regional development is an important problem in China's economy, which results from the differences in the level and efficiency of regional economic links. In the modern economic environment, the trade circulation efficiency is one of the keys to realize the product value. The trade circulation efficiency of "One Road" in China is significantly higher than that of "One Belt".

3.2. Low efficiency of commercial circulation and blind investment

Compared with developed countries, China's commercial circulation efficiency is low. At present, in the field of commodity circulation, China still focuses on manual sorting and traditional distribution, with frequent problems such as lost goods, warehouse explosion and damage. Non-specialized commodity circulation media keeps the product loss rate high. There are three main types of factors that cause the inefficiency of commercial circulation, namely, market demand, infrastructure, employees, etc. Lack of effective market demand, the basic function of trade circulation is the link between supply and demand of products. Lack of demand will directly lead to a decrease in the frequency of trade circulation, and the lack of economies of scale will increase the

circulation cost per unit product.

The implementation of the “One Belt, One Road” initiative will inevitably become a hot topic of discussion, and most companies may follow the promotion of the hot spot and make blind investment moves. Therefore, whether an enterprise should follow the “One Belt One Road” initiative brings To develop opportunities, you must first examine your own suitability, proceed from your own strength, and do not blindly follow the development route of international companies, copy the rigid pattern, and always be rigorous and careful, stay awake, and make reasonable decisions. In the context of the implementation of the "the Belt and Road", a large number of investment opportunities have emerged, and the flow of funds to countries and regions along the belt and road has gradually increased. Commercial circulation enterprises should always be sober in the process of participating in overseas investment. They need to operate carefully and should not copy domestic blind investment and overheated investment into the international market.

3.3. Measures

Commercial and trade circulation enterprises need to make full use of various rules in international trade to fight back vigorously, not only to achieve win-win results in cooperation, but also to take a stand on their own interests; product quality management is an issue that all enterprises should pay attention to. As far as trade distribution enterprises are concerned, product quality is the first "pass" to enter the international market. Insufficient commercial circulation is one of the main factors that make it difficult for commercial circulation in the “Belt and Road” strategic area to achieve economies of scale. Focusing on the increase in commercial circulation is an effective measure for strategic areas to approach economies of scale in the short term. According to the analysis results, in the short term, if the "the Belt and Road" strategic area focuses on transportation, warehousing and postal projects, it can quickly promote the development of trade circulation industry. Improve the "quality" of trade circulation practitioners. Based on the current situation of high wages, low labor efficiency and limited labor force in the trade circulation field of the "the Belt and Road" strategic area, and taking into account the particularity of the remuneration of labor production factors, it is feasible to improve the skills of employees rather than increase the number of employees in the short term. Strengthen the professionalism of the training of business circulation talents. Fine division of labor is an important feature of modern economy, and it is also the key to the continuous optimization of economic efficiency. As a field, there are many links in trade circulation, and with the deepening of market economy, each link has a tendency of subdivision.

Practice Made in China 2025. Made in China 2025 is a major strategy to promote a qualitative leap in China's economy under the new normal. At a superficial level, this is China's economic strategy in the face of the downward pressure on the macro economy in the post-financial crisis period; at a deeper level, this is China's internal demand for quality upgrades after long-term quantitative growth. Strengthen the professionalism of personnel training in commercial and trade circulation. The refined division of labor is an important feature of the modern economy and the key to the continuous optimization of economic efficiency. As a field, there are many links in trade circulation, and with the vertical deepening of the market economy, there is a trend of segmentation in each link. At the same time, under the "the Belt and Road" initiative, China's commercial circulation industry should establish a systematic trading platform, establish an information sharing mechanism, make full use of the e-commerce business model and seize the market opportunity.

4. Conclusion

The construction of the "One Belt, One Road" has created conditions and opportunities for the outward development of China's commerce and trade circulation industry, and is of great significance to promoting the extensive participation of Chinese commerce and trade circulation enterprises in international competition. However, the problems of trade friction, enterprise product quality, blind investment and increasing difficulty in supply chain management constitute four prominent challenges to the external development of the commerce and trade circulation industry,

which need to be effectively dealt with by the trade and trade circulation industry. The implementation of the "the Belt and Road" is both a challenge and an opportunity, a risk and a platform for commercial circulation enterprises to improve their self-management and business capabilities. In the context of China's economic transformation and upgrading, the development of the trade circulation industry is facing many challenges. The progress of science and technology and the changes in industry development have gradually formed a "screening mechanism" for enterprises, which is bound to eliminate backward enterprises and push enterprises with the ability to keep pace with the times to a new development peak. This is the inevitable law of economic development in the context of the new era. The market competition of the survival of the fittest will push the enterprises participating in the international stage to a higher peak of development, which is an inevitable phenomenon of development. The positive effects brought about by the Belt and Road Initiative not only exist in China, but also around the world. Therefore, the commercial and trade circulation industry must seize the development opportunities brought by the "Belt and Road" initiative, face challenges bravely, break the existing development pattern, enhance its own development strength, and make its own contribution to the development of the industry.

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