

Research on the Impact of “the Belt and Road” Strategy Implementation on China's Trade Pattern

Dandan Ren

College of Arts & Information Engineering, Dalian Polytechnic University, Zhuanghe City, Dalian, 116400, Liaoning Province, China

Keywords: Impact, “the belt and road”, Strategy implementation, China's trade pattern

Abstract: The “The Belt and Road” strategy is an innovative cooperation model advocated by our country and committed to forming large-scale regional cooperation. It is also a development strategy for China to deepen and open up. With the comprehensive advancement of the “Belt and Road” strategy, China's foreign trade has entered a new stage of development. The opening of the Silk Road to the west and south and the expansion of China's entire foreign trade network will have a profound impact on China's foreign trade pattern .

1. Introduction

The ancient Silk Road was an important link between China and Western countries in various aspects. The land Silk Road passed through Central Asia, West Asia, and North Africa, and finally reached Europe and Africa. The Maritime Silk Road passed through Southeast Asia, South, and West Asia, and finally reached Africa. The Third Plenary Session of the 18th CPC Central Committee proposed that the construction of the Silk Road Economic Belt and the 21st Century Maritime Silk Road should be promoted to form an all-round opening pattern in China. The “One Belt, One Road” strategic vision began with a speech delivered by Comrade Xi Jinping during his visit to Kazakhstan in September 2013, and further expanded from the “Belt” to “One Belt, One Road” during a visit to Indonesia in October of the same year. The “The Belt and Road” strategy, as the first innovative cooperation model in China dedicated to the formation of regional cooperation, has a profound impact on the trade pattern of our country, neighboring countries and even the world.

With the determination and comprehensive advancement of the country’s “The Belt and Road” strategy, China’s foreign trade has entered a new stage, and Chinese enterprises have begun to participate more and more deeply in the “The Belt and Road” strategy, which will definitely affect China ’s foreign trade pattern. At the same time, the impact of foreign trade on China's economic and social development will also increase. However, during the development and growth of China's foreign trade, China's foreign trade companies are facing frequent trade frictions, which seriously affects the development of China's foreign trade. Effective prevention of trade frictions is of great significance to China's foreign trade development.

2. Related Concepts

The “The Belt and Road” is an abbreviation of “Silk Road Economic Belt” and “21st Century Maritime Silk Road”. The “Silk Road Economic Belt” connects China ’s Yangtze River Delta, Pearl River Delta and the Bohai Rim Economic Circle and the Asia-Pacific Economic Circle to the east, and passes through the main members of the Shanghai Cooperation Organization (Kazakhstan, Kyrgyzstan, etc.) to reach the Baltic coast, the Mediterranean coast and The Indian Ocean coast connects the European economic circle. The “21st Century Maritime Silk Road” started on the southeast coast of China and connects major economic sectors such as ASEAN, South Asia, West Asia, North Africa, and Europe. The “The Belt and Road” is the longest spanning economic corridor in the world, passing through the Bangladesh-China-India-Burma Economic Corridor, the China-Pakistan Economic Corridor, and the China-Mongolia-Russia Grassland Road. With the deepening of economic globalization, the pattern of international investment and trade is also

constantly changing. Most of the more than 60 countries along the “The Belt and Road” are in the stage of economic transformation and upgrading. There is an urgent need to improve the vitality of economic development and increase understanding of the potential of cooperation between each other. The “The Belt and Road” strategy is in line with the needs of the economic development of the countries along the route and has important practical significance.

3. China's Trade with the Belt and Road Countries

Continuous expansion of trade scale As early as the 1990s, the scale of bilateral trade between China and the countries along the “The Belt and Road” began to gradually expand. After the “The Belt and Road” strategy was introduced, trade volume increased even faster. In the first half of 2015, the total value of imports and exports between China and the countries along the “The Belt and Road” was nearly 3 trillion yuan, accounting for 1/4 of China’s total trade during the same period. From January to June 2015, China’s export value was 6.57 trillion yuan, It increased by 0.9% year-on-year, but during the same period, China’s exports to countries along the “The Belt and Road” such as Bangladesh, Pakistan, Israel, Saudi Arabia, and Egypt reached double-digit growth rates. This shows that the economic and trade cooperation between China and the countries along the “The Belt and Road” is developing to a higher level, and the export situation is obviously better than the overall export level.

Asian countries are the main trading partners. From the specific regions of the countries along the “The Belt and Road”, the countries with the closest trade relations with China are Southeast Asian countries. In 2014, 11 Southeast Asian countries traded with China and accounted for all the “The Belt and Road” countries. 43.9% of the total trade with China. The reason is that, first of all, because Southeast Asian countries are the priority areas for diplomacy around China, the country relations are generally good, which is conducive to promoting bilateral trade. Second, the establishment of the China-ASEAN Free Trade Area has facilitated the strengthening of trade links between Southeast Asian countries and China. platform. The total trade volume between the 19 countries in West Asia and Central Asia and China accounts for 28.2% of the total trade volume between the “The Belt and Road” countries and China. From 2001 to 2014, the average annual growth rate of total trade between China and the countries along the “The Belt and Road” was 22.0%, while the growth rate of the 5 Central Asian countries was as high as 29.8%, even if the average annual growth rate was relatively slow. In Mongolia and Russia, the growth rate can also reach 18.7%. (3) Cultural and institutional differences and regional turbulence have a certain impact on economic and trade cooperation. Many countries along the “The Belt and Road” have relied on Western countries for a long time to develop their religions. And Judaism. The differences in systems, religious beliefs, cultures and lifestyles will have a certain impact on the long-term and stable development of multilateral and bilateral economic and trade relations. Some countries along the “The Belt and Road” have sharp contradictions among religions, races and interest groups, and the regional situation is unstable. Not only are there ethnic conflicts, there are also territorial disputes, conflicts of economic interests, and terrorist attacks from time to time in some countries. Political turmoil will cause investors from all countries to worry and doubt, and it will also become a major risk for China and the countries along the route to deepen economic and trade cooperation.

4. Impact of the “Belt and Road” Strategy on China's Import and Export Trade Pattern

The basic tasks of the “The Belt and Road” strategy construction are interconnection and trade facilitation. Therefore, the implementation of the “The Belt and Road” strategy has a profound impact on broadening trade areas, optimizing trade structure, digging new growth points of trade, and innovating trade methods.

Provide momentum for export growth The “The Belt and Road” strategy radiates 64 economic corridors including China, Central Asia, West Asia, China, Mongolia, Russia, and other countries along the route (excluding China). At the end of 2013, the total population of 64 countries was about 3.039 billion people, and the annual GDP was about 12.81 trillion US dollars, accounting for

43.3% and 17.2% of the global total. In that year, the total merchandise trade was 9.06 trillion US dollars, accounting for 26.18 of the total global trade. %, Is an important global trade place. With the advancement of the “The Belt and Road” strategy, the new economic and trade cooperation network between China and the countries along the route will be closer, and the complementarity of foreign trade will be enhanced, providing new growth points for China's exports.

Increased infrastructure output. Infrastructure connectivity is a priority area of the “The Belt and Road” construction. The transportation system construction, port construction, pipeline laying, power generation facility construction, environmental protection project implementation, energy and resource trade, tourism development, and other aspects of countries along the route, and China 's These aspects have great advantages. The areas of cooperation between China and the countries along Central Asia and Southeast Asia are mainly in the areas of power and electricity, building materials, and transportation. Therefore, the “The Belt and Road” strategy will drive the export of China's labor services and construction machinery, as well as the export of related commodity materials for infrastructure construction, so that the export of infrastructure occupies an important position in China 's foreign trade pattern. The output of industrial products will increase. Most of the countries and regions along the “The Belt and Road” are emerging countries, and industry is still in the development stage. Due to China's good industrial foundation and high cost performance, it has obvious advantages internationally. With the further transformation and upgrading of the industry, China's industrial products will follow the implementation of the “The Belt and Road” strategy, and the export of industrial products will become more important in foreign trade.

Create new trade formats and trade methods The “The Belt and Road” strategy brings new opportunities: new industries bring new business opportunities and new demands, create new cooperation modes, and new trade formats and trade modes, which have huge trade effects. New business opportunities in new industries. The “Belt and Road” strategy promotes the continual enrichment of goods trade, which is conducive to promoting the balance of imports and exports, and will continue to increase in the interconnection and construction of infrastructure such as ports, high-speed rail, new energy, telecommunications, and pipelines; in the development of mineral resources, agricultural cooperation, Two-way investment in food processing, manufacturing, and new energy industries will continue to increase, which will lead to trade demand. New demands create new ways of cooperation. New cooperation methods created by the “The Belt and Road” will face industrial cooperation such as two-way trade and investment cooperation, infrastructure cooperation, industrial parks, modern agricultural cooperation, and mining alliances. In addition, develop new business formats such as cross-border e-commerce, establish and improve a service trade promotion system, and vigorously develop modern service trade.

Accelerating the innovation of export model The “The Belt and Road” strategy is a new measure for China to promote the integration and development of regional economy, which will bring about innovation in the export model. In particular, it will promote the export of labor services in the form of project contracting and advanced innovations in equipment, technology, and management, so that China's exports will complete the transition from low-end manufactured products and consumer goods to high-tech exports, and build a systematic trade industrial chain.

Increased complementarity of agricultural product trade with the continuous strengthening of political and economic and trade cooperation with the countries along the route, the scale of agricultural product trade will continue to expand. From the perspective of agricultural product trade structure, China's agricultural products trade with the countries along the route has strong trade complementarity. For example, the five Central Asian countries, due to their abundant land resources, have comparative advantages in exporting land-intensive products such as grain and cotton, while inferior in processing food products that require a lot of labor and capital. China has a comparative advantage in exporting processed food and other labor- and capital-intensive products, so imports of land-intensive products that do not have an advantage in production have gradually increased. China's main exports to Central Asia are meat and meat products, coffee, tea, cocoa spices, fruits and vegetables, miscellaneous foods, and textile fibers and unprocessed materials. The

complementarity of agricultural product trade structure determines the prospects for agricultural product trade between China and the countries along the route.

5. Impact of the “the Belt and Road” Strategy on China's Foreign Trade Regional Structure

Changes in trade targets China's trading partners are mainly concentrated in several major economies, such as the European Union, the United States, and Japan, and most of them are developed countries. With the implementation of the “The Belt and Road” strategy, China's trade market structure will change accordingly. The “The Belt and Road” are mostly emerging economies and developing countries, with a total population of about 4.4 billion people and a total economic volume of about 21 trillion U.S. dollars, accounting for 63% and 29% of the world 's total. band. In the next ten years, the countries and regions along the “The Belt and Road” will generally be in a rising period of economic development, the process of industrialization and urbanization will accelerate, and the demand for infrastructure investment will be strong. In transportation, communications, agriculture, chemicals, textiles, energy, finance, science and technology Many other fields have different comparative advantages, have broad prospects for mutually beneficial cooperation, increase each other's share and status in trade, and further consolidate the diversified pattern of China's exports.

Improved trade environment The smooth flow of trade is the key content of the “The Belt and Road” strategic construction, to achieve trade facilitation, to build a good business environment within the region and to countries, and to establish free trade zones with countries and regions along the route to stimulate the release of cooperation potential . The elimination of intraregional trade barriers and the simplification of trade links will greatly reduce intraregional trade costs and promote regional trade liberalization. 90% of China's trade needs to be transported by sea. The safety and convenience of maritime transport channels are particularly important. China's estuary has only the Malacca Strait with a complex environment, opening up strategic trade channels for the sea, and shortening the shipping distance by 80% between the China-Pakistan Corridor will greatly save costs, improve time efficiency and transport security, and effectively expand China's trade development space.

Promote energy trade cooperation with the countries along the route With the in-depth implementation of the “The Belt and Road” strategy, China has further strengthened its cooperation with Central Asia, East Asia and the Middle East in the field of energy, which has provided greater motivation for Chinese oil companies to develop and operate overseas markets. And opportunities. Driven by the “The Belt and Road” strategy, China 's diversified oil and gas import channels and trade networks are gradually being established, and the oil and gas trading centers formed on this basis will also develop rapidly, creating a favorable position for the formation of oil and gas pricing centers in the Asia-Pacific region. Condition and good environment.

New changes in foreign trade frictions The “The Belt and Road” strategy has been promoted, and China will increase exports of infrastructure and large industries, which will cause Chinese enterprises to confront the major industrial exporting countries such as Germany and Japan. In the process of seizing the infrastructure and large industrial markets, China will inevitably generate trade frictions with these countries, making China's foreign trade enterprises facing the challenge of intensifying and escalating trade frictions. The implementation of the “The Belt and Road” strategy is inseparable from financial support. The trade frictions facing China will gradually extend from the field of physical trade to the field of monetary finance, and will begin to involve economic and financial competition among the world's major powers.

6. Conclusion

The “The Belt and Road” strategy is to realize a point-by-point approach, from the line to the film, and gradually form regional cooperation to build a community of interests, a community of destiny, and a community of responsibility with political mutual trust, economic integration, and cultural tolerance. With the advancement of the “The Belt and Road” strategy, the impact on

China's foreign trade will become more extensive and profound. Therefore, it is necessary to seize the opportunity, meet the challenge, and enlarge the trade effect of the “The Belt and Road” strategy.

References

- [1] Han Yonghui, Zou Jianhua. Status and prospects of trade cooperation between China and West Asian countries under the background of the “The Belt and Road” [J]. *International Trade*, 2014 (8): 21 -28.
- [2] Wang Qiang. New Trends in Sino-US Trade Frictions and Countermeasures to Reduce Frictions [J]. *Foreign Trade and Economic Practice*, 2013 (3): 42-45.
- [3] Chen Xiulian. Research on the Complementarity of Service Trade between China and ASEAN Countries [J]. *Finance and Trade Economy*, 2011 (6): 74-80.
- [4] Zhou Guojian. Opportunities for Economic and Trade Cooperation between China and the Middle East in the Development of the Western Region [J]. *World Economic Research*, 2010 (11): 81-86.
- [5] Yu Peng. Research on the Optimization of China's Foreign Trade Market Structure [J]. *International Economic Cooperation*, 2014 (4): 15-20.