

Research on the Relationship between the Development of Socialist Market Economy with Chinese Characteristics and the World Economic Growth

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Abstract: The development path of China's market economy is a breakthrough in the traditional planned economic system, and the crystallization of the gradual process of realizing the transition to a market economic system. It follows the brand-new characteristics that the market economy is a common law that promotes the development of human society, adheres to the leadership of the Communist Party, takes public ownership as the mainstay, and develops with multiple ownership systems, and effectively exerts the leading role of the state. Over the past 30 years of reform and opening up, the Chinese economy has created a “growth miracle” in modern economic history. It has withstood the impact of the 2008 international financial crisis, further highlighting the importance of China's market economy development path to world economic development.

1. Introduction

Since the reform and opening up, China's economy has continued to grow at a high speed, its overall national strength has been increasing, and the people's living standards have improved significantly. Looking at the great practice of China's economic development for more than 60 years since the founding of the People's Republic of China, the fundamental reason for the rapid economic growth is that we have followed the trend of world development, followed the common law of market economy that is the development of human society, and successfully achieved the traditional planned economic system. The transition to a market economy system has opened up a development path for a market economy with Chinese characteristics. At present, it has been recognized by most countries and regions in the world as a new way to promote economic development. At present, we have successfully walked out of the worst period of the global financial crisis in 2008, which has further demonstrated the great significance of China's market economy development path to the development of the world economy.

2. The Operation Mode and Coordinated Development of Today's World Economy

In recent years, international direct investment has become a very prominent economic development model in the development of the world economy. It mainly manifests in an unprecedented research trend in the economic system and reasonable resource allocation. Multinational companies, as the link between production internationalization and international capital flow, have played a pivotal role in the coordinated development of the world economy and have far-reaching effects [1]. Today, the most fiercely competitive multinational companies have undoubtedly become a sword for countries to give economic benefits. Multinational companies are able to reasonably allocate and flow funds during their economic activities, which greatly improves the effective use of production factors. Multinational companies continue to improve new technologies and domestic and foreign trade ideas to achieve global strategic goals and a highly concentrated development model, actively carry out the theory of product life cycle, make full use of product production surplus, extend the product life cycle, greatly improve product profit, so multinational companies have become an important carrier of today's world economy. Regional economic integration has become a new economic phenomenon under the post-war world economic wave. Today, as the international division of labor continues to deepen and economic life continues to be in line with the world, regional economic integration has come into our eyes. There are two

reasons for the continuous expansion of regional economic integration: one is the uneven development of the world economy and the increasing competition fierce. In order to get rid of the control of big powers, all countries demand their own fair and competitive rights; second, it is caused by the world's multi-polarization. Because of this, regional economic integration came into being.

3. The Development Path of China's Market Economy

The market economy is an economic model in which the market plays a fundamental role in regulating resources. Practice has proved that the economic development of a country or a region is mainly achieved through the adjustment of the market, and the market is an important means of creating benefits. Practice has also proved that the market economy is a common law for the development of human society [2]. The market economy is a commodity economy built on the basis of large-scale socialized production. It is a form and method of economic operation that adapts to the objective needs of large-scale socialized production and the internationalization of the market. It first originated in the Western capitalist countries and has a relatively long history. According to the changes in resource allocation and economic adjustment methods, the history of market economy development can be divided into two main stages: first, from the birth of capitalism in the sixteenth century to the end of the nineteenth century and the beginning of the twentieth century, the resource allocation and economy of the capitalist economy. The mode of regulation is basically spontaneous regulation by the market, that is, a market economy (economic liberalism) dominated by market regulation, which is the laissez-faire market economy advocated earlier by Adam Smith. Under the guidance of this theory, the market economy liberated the constrained productive forces at that time, liberated the vast majority of working people from the rule of feudal society and lords, and freed them from the status of slavery to freely pursue their personal interests and pass them. The pursuit of personal interests to promote the prosperity and development of society has made great achievements in social and economic development. Marx wrote deeply in the “The Communist Manifesto” about this: “Capitalism has created more productive forces in its less than a hundred years of class rule than all the productive forces created by all generations in the past. Second, in the early twentieth century, especially after the 1930s, in order to get rid of the crisis of the Western economic depression, the government added state intervention and macro-control measures in addition to market adjustment methods in resource allocation and economic adjustment methods. That is, the combination of state regulation and market regulation in the market economy has gradually brought Western economic development out of crisis and continued to maintain the prosperity of social and economic development [3]. Although Western countries have experienced many setbacks in economic development, they have always been able to move forward in the direction of a market economy and a perfect market economy. Their achievements in social and economic development are also obvious to all, and need not be repeated. The common law that the market economy promotes the development of human society has also been favored by countries and regions around the world. Almost 200 countries and regions, including China and other socialist countries, have almost all implemented a market economy. Some countries have already established developed in some market economies, some countries have initially established a market economy, and some countries are transitioning to a market economy. In short, from the current practice of economic development of countries and regions in the world and the development trend for a long period of time in the future, the market economy has become a common law followed by the economic development of countries and regions in the contemporary world.

The development path of China's market economy must adhere to the basic socialist system of public ownership. We are a socialist country, and our economic development path must adhere to the basic socialist system of public ownership. However, our national conditions that we are in and will be in the primary stage of socialism for a long time require that we cannot blindly pursue pure and pure public ownership production relations. For this reason, our market economy development path must adhere to the ownership structure with public ownership as the main body and the development of multiple ownership economies. “The socialist market economic system is integrated

with the basic socialist system.” “We are engaged in a socialist market economy, and the word 'socialism' is indispensable, which is not unnecessary. It's not a superfluous thing, but on the contrary, it's the finishing touch. The so-called 'finishing' is to point out the nature of our market economy.” It can be seen that the nature of our market economy is socialism, not capitalism, not to mention other doctrines.

4. China's Economic Construction under the Global Economic Development Model

The industrial structure is getting on track. Since the reform and opening up, China has continuously innovated and surpassed itself, continuously combined the industrial structure chain with the actual economic framework, and combined the traditional industrial model with the innovative new industrial model to embark on a new industrialization path. Constantly adhering to the concept of high technology and information technology makes our industrial structure more reasonable. Towards an economic path of sustainable development. Due to the emergence of many issues such as the world's environmental resources in recent years, we have to change our original economic philosophy and must unwaveringly embark on a long-lasting economic path, whether in terms of environment, resources or population [4]. Continuously improve the recycling rate of resources, and implement the principles of production, consumption, resource recovery, and resource reuse.

China has broad investment prospects and has created a good investment environment and opportunities for investors from all over the world. China has a vast land, a large population, and rich social resources. Under the correct leadership of the Chinese government, it has a stable social order. It provides a broad space for development for the people of all countries in the world who come to invest. The production cost is relatively low, which provides cheap labor for investors in various countries, better saves investment costs, improves investment efficiency, and greatly reduces unnecessary losses. In the first 7 months of 2013, China's foreign investment absorption increased by 20.7% year-on-year. The overall operation of foreign-funded enterprises in China is in good condition and has achieved rich returns. Many companies have become the highlights of the company's global business growth and the center of profit. Under the global economic crisis, China has demonstrated a responsible and big country style. The rapid development of China's economy will undoubtedly prevent people from all over the world from seeing that China is no longer the original China, but a new China occupying a certain position on the world economic stage. During several financial crises, China has undoubtedly let the people of the world see a responsible China with a great power style. Some foreign media stated that the crisis has accelerated changes in international rights relations and helped China develop towards another global power center [5]. After the downturn of the US financial crisis and the depression of the European debt crisis, China has proven its strength and sense of responsibility to the world again and again. China has not only maintained national economic stability but also maintained the world economic security order to a certain extent. Today, in a world of economic globalization, we must uphold the inevitable development trend of productive forces and social progress. In the days to come, China will continue to inherit the development concept that suits China's national conditions, and develop self-transcending self-inheritance in succession, drawing on the successful experience of various countries in the world to continue exploring, in order to build China into a new type of harmonious country with comprehensive, coordinated and sustainable development struggle. Uncertainty always exists in the process of social and economic development, and crisis events often happen randomly. Therefore, in order to prevent the impact of world economic cycle fluctuations on China's economic growth and fluctuations, it is necessary to establish an early warning mechanism to prevent external shocks, establish and improve a crisis management system, and enhance the government's ability to respond to emergencies. This requires the establishment and improvement of the monitoring system for economic cycle fluctuations, to do shock prediction and monitoring in advance, to grasp the cause and nature of the shock in the shortest possible time period afterwards, to estimate the strength of the shock, and to take scientific and reasonable defensive measures. For the strong negative impact of uncertainty suffered by the economic system, effective measures must be taken

to control the development of the situation, so as not to affect the confidence of consumers and investors, especially to prevent its evolution into a persistent integrity. The impact of this has caused a fundamental impact on the national economy.

The previous research conclusions of this article show that from the beginning of China's reform and opening up, the correlation between China's economic cycle fluctuations and world economic cycle fluctuations is still not strong. This is due to the fact that the current degree of openness of the Chinese economy is not very high, and the transmission path of world economic fluctuations to China is determined by certain obstacles. At the current stage of China's economic construction, the key force that determines China's economic cycle fluctuations still comes from China itself. With the acceleration of my country's economic opening process, the impact of world economic fluctuations on the Chinese economy will gradually increase. The best strategy to resist the shocks of world economic cycle fluctuations is to enhance China's economic strength. The improvement of the strength of the economic system itself is the basis for digesting and resisting exogenous shocks. At present, there is not much time until the WTO commitments are fulfilled. At this stage, we must seriously solve practical problems such as economic structural imbalances accumulated by the Chinese economy for many years, continue to reform and innovate, and enhance the comprehensive competitiveness of the Chinese economy. When the impact happens unexpectedly, it can deal with it calmly. Whether it is the fluctuation of the world economic cycle or the fluctuation of the Chinese economic cycle, it is the embodiment of the inherent laws of the market economy. It is futile to deliberately eliminate the economic cycle fluctuations. We can only follow the objective laws, use the instability triggered by fluctuations and the information brought about to regulate, guide the emergence of new stable structures, or enhance the relative stability of the economic system.

5. Conclusion

Throughout China's economic development, we should follow the trend of the world, follow the common law of human social development, explore a new development of the socialist market economy with Chinese characteristics according to the national conditions and create a miracle of economic growth. In the face of the global financial crisis that has not gone far, the path of China's market economy development is of great significance to the developed countries in crisis and some other developing countries that are seeking economic development. The world economic development model is increasingly updated. China, which has a socialist market economy mechanism, has obviously become an important member of the world economic wave. China has rich resources, vast land and a large population. It undoubtedly holds a pivotal position in the world. China has always inherited the principle of singularity and inclusiveness, and has continuously developed the socialist market economy to achieve coordinated operation between the government and the market. China has shown vigorous vitality, and the people's living standards have grown steadily. China is displaying its most perfect image on the world economic stage and has made great contributions to the common prosperity of the world economy.

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