

Research on the economic development of modern China

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Abstract: *Modern Chinese society experienced the historical process of transformation from a feudal society to a semi-colonial and semi-feudal society. Western cultural and economic development model and ideology gradually spread in China, and the capitalist situation began to emerge in China's modern economic development. Some patriots and people of insight hoped to make use of the advanced Western economic development concepts. It injected new blood into the modern economy of China. In this regard, in order to fully understand the relevant contents, the article carries out relevant research and analysis through the following.*

Keywords: *China; Modern economy; Development analysis*

1. Introduction

The western powers opened the door of China by force, and many unequal treaties were signed, which forced China into the world economic development system. Their original aim was to turn China into a supplier and market for their raw materials and products, and they did not want China to develop economically independently. However, Chinese entrepreneurs grasped the historical development opportunities, and many new industries began to emerge, and the first batch of industrial industries laid the foundation for the later economic development of modern China.

2. The reason of slow economic development in modern China

2.1 Emphasize agriculture and suppress commerce

The main reason for the development of western society and economy is mercantilism, and remarkable achievements have been made. However, the Qing government in early modern China carried out the policy of emphasizing agriculture and replacing commerce. Faced with the general trend of the continuous development of commerce and handicraft industry worldwide, it suppressed commercial development instead of encouraging it, took agriculture as the foundation of national development, and required officials at all levels to conduct investigations to prevent the rise of This policy of emphasizing agriculture and suppressing commerce led to an increasing number of labor, and the situation of men farming and women weaving firmly controlled people's thoughts and actions, seriously affected the formation and development of the budding capitalism in modern China, and weakened its impetus for scientific and technological innovation ^[1].

2.2 Closed-door policy of the Qing Dynasty

The closed-door policy was a closed-door policy implemented by the Qing government, with the purpose of limiting the influence of foreign forces on China, isolating the mainland people from the outside world, preventing the western colonial forces from stealing their own information and safeguarding their rule. This policy has a profound impact on China's modern economic development, which is basically reflected in the following aspects: The closed-door policy has limited the economic exchanges between China and other countries in the world, and it is difficult to absorb foreign technology and management experience, making modern China's economy backward for a long time. The closed-door policy restricted the commodity trade between China and foreign countries in modern times, which made it impossible for China to obtain foreign commodities and export Chinese commodities to foreign countries, resulting in China's commodity trade lagging behind. The policy has affected China's learning and exchange with other countries, making the development of

domestic science and technology lag behind other countries in the world, and it is difficult to keep up with the industrial revolution and scientific and technological revolution. China's closed-door social system has remained closed and rigid for a long time, which is difficult to adapt to the trend of The Times and affects China's social progress and development. In short, the closed-door policy had a negative impact on China's modern economic development, making China backward for a long time. It was not until the reform and opening up in modern China that it slowly embarked on the road of modernization [2].

2.3 The slow development of science and technology

Science and technology is the primary productive force, and the role of science and technology in promoting economic development cannot be ignored. In modern times, Western countries developed rapidly in science and technology. By the middle of the 19th century, Britain, with the Industrial Revolution, began to monopolize the whole world with science and technology, forming a worldwide factory, achieving rich scientific and technological achievements, and significantly improving productivity, especially after the second Industrial Revolution. The world's science and technology has reached a new level. At the same time, the Qing government of modern China adopted a closed-door policy, emphasized agriculture and suppressed commerce, continued to adhere to conventions, did not pay attention to the development of science and technology, and gradually derailed from the world. With the development of The Times, scientific and technological progress is the primary productive force, and science and technology will promote rapid economic development with magical energy. In modern China, the feudal system restricted people's thinking, the eight-stock selection of scholars, the examination system of the Four Books and the Five Classics affected the development of a group of scientific and technological talents, and China was in a backward state for a long time, and could not use modern scientific and technological means to achieve economic development, and gradually derailed from the world, resulting in an increasingly severe situation of economic backwardness [3].

3. Modern Chinese economic development system

The period of our history between 1840 and 1949 is called modern Chinese history. In this period of hardships and hardships, China's modern economy showed a new development course. It can also be called China's new economic development system.

3.1 Pattern analysis

In modern China, with the invasion of Western powers, the economy was also affected by both sides to a certain extent. Through the signing of unequal treaties and tariff agreements, China obtained economic benefits and extracted wealth. Through military and political invasion, Western powers tried to control the direction of modern China's economic development and shape China into their economy. In other words, the main purpose is to make China a supplier of raw materials, as a second market for sales, not to help China become an economic development power. Although Western countries also carried out the industrial revolution in a sequence, Britain became the first economic power and also impacted other countries to a certain extent [4]. The affected countries have also experienced a long period of social transformation, experienced economic, political, ideological, religious and other changes, and gradually formed their own industrial markets and business models, thus presenting new scientific and technological and economic development achievements. However, China is still fixed in its own way and closed off from the rest of the world. This law does not apply to China. It is behind The Times and cannot adjust quickly. Under the impact of the West, modern China was not well prepared for social transformation. Under the severe impact of the Western powers, it cannot be struck after being struck like other countries. For example, Japan was able to rise rapidly after the shock because of its solid preparation work, launched the Meiji Restoration movement after the shock, and established the goals of capitalist development and reform, while modern China did not have such conditions.

3.2 Advantages and factors analysis

Although modern China has been in a backward situation for a long time, its market advantages and potential factors cannot be ignored. China has always been famous for its vast territory, abundant

resources and large population. For Western countries, they are very keen on Chinese tea and silk and other products. For a long time, it was an important export commodity, and after a certain position, because similar products in other countries began to appear, the trend of competition between commodities became more severe. China's exports of tea and silk began to decline, but there was a corresponding increase in exports of other local products, such as ceramics, medicine, and tung oil. In addition, China also has a very rich mineral resources, relevant data statistics know that China is one of the world's richest coal reserves. The coal field forecast report shows that China's coal-bearing area is 550,000 square kilometers, of which 286 trillion tons of coal reserves are shallow at a vertical depth of 1,000 meters. At that time, the proven reserves were about 1 trillion tons, ranking third in the world after Russia's 2.5 trillion tons and the United States' 1.5 trillion tons. However, due to technical constraints, many coal mines have not been effectively developed, and the output is seriously low. By the second half of the 1920s, the average annual output was maintained at more than 20 million tons, and 28.82 million tons in 1931 became the highest record at that time. Moreover, many high-quality coal mines in modern China were mostly close to the communication lines and suffered from foreign aggression, such as Fushun coal mine occupied by Japan and Kaiping Coal Mine in Hebei Province occupied by Britain. On average, China imports less coal than it exports. On the eve of the Anti-Japanese War, Hubei, Liaoning and Anhui became the main production bases of iron ore in China, with an average annual output of 2.89 million tons. Among them, the stone content of iron ore in Liaoning Province occupied and controlled by Japan reached 55%^[5].

3.3 Vast market, huge potential for economic development

Modern China has a population of 400 million, the huge population base has become an important support and driving force for economic development, and population consumption demand constitutes a potential market for economic development. At that time, China's territory was coveted by foreigners, and China's economic market was also divided into divisions, and Chinese people with insight and some entrepreneurs with advanced ideas also knew how to make full use of the advantages of resources, the rise and development of tobacco leaf and textile industry is the best evidence ^[6].

As a large cotton growing country, our country's cotton exports are very large every year, but the cotton fiber produced in China is short, and the effect of making high-branch cotton yarn is not good. So we have to buy goods from other countries through imports. After that, American cotton varieties also began to be planted in China, and by 1933, there were 10 American cotton test bases in China. Cotton textile industry became an important pillar of economic development in China, replacing imports of other commodities, but China's cotton textile market was still firmly occupied by foreign investors. Although the import value of cotton yarn and cotton goods has been decreasing, it has correspondingly increased the import value of cotton, especially accounting for a significant share every year. Simply put, the structure of imported goods has changed and become the main structural form of import substitution. On the contrary, imports have not decreased. In short, China had a larger and superior cotton planting market, which played an irreplaceable role in promoting China's modern economic development and paved the way for the formation of the later economic system ^[7].

4. Specific development stage analysis

4.1 Initial stage

From the end of the 19th century to the beginning of the 20th century, China gradually contacted the western capitalist economic model, introduced modern industry and commerce, and formed a certain industrial base and market system. This stage is characterized by the intervention of foreign capital and the change of China's traditional economic structure. With the invasion and colonial rule of Western powers, China was forced to open up trade and sign unequal treaties. A lot of foreign capital flooded into the Chinese market. The intervention of foreign capital gave birth to modern industrial technology and management experience, and accelerated the process of China's industrialization. Moreover, China's traditional economic structure began to change, the agricultural economy began to transform into an industrial economy, accelerated the process of urbanization, and commercial activities continued to flourish. In the meantime, China's economy is facing new challenges and opportunities. The intervention of foreign capital has intensified China's economic dependence, and has also brought the impetus of modernization. China began to establish a certain industrial base and developed important industries, such as textiles, paper, coal and so on. The market system is becoming more and more perfect, the exchange of commodities is becoming more convenient, and economic

activities are becoming more active. It can be seen that the end of the 19th century to the beginning of the 20th century was the turning point of China's economic development, the intervention of foreign capital and the change of China's traditional economic structure jointly promoted the process of domestic economic modernization. This stage laid the foundation for the formation and development of China's later industrialization and modernization, and paved the way for China to enter the world economic stage [8].

4.2 Development stage

From the beginning of the 20th century to the middle of the 20th century, China experienced a lot of political turmoil and wars, but at the same time, important economic reform and development paths emerged. During this period, the Nationalist government implemented a series of modernization plans aimed at accelerating industrialization and urbanization. The modernization plan covers railway construction, water conservancy projects, and industrial restructuring. Railway construction has effectively improved the efficiency of transportation and promoted the circulation of commodities and the connection between urban and rural areas. The construction of water conservancy projects helps to raise the level of agricultural production, increase grain output and improve farmers' lives. The relevant measures will help promote China's industrialization process and improve the overall level of the national economy. From the perspective of urbanization, the national government launched a series of urban construction projects to expand the scale of the city, improve urban infrastructure, and strengthen the living standards of urban residents. A range of policy approaches can help attract talent, allow capital to flow into cities, and promote urbanization .

4.3 Transition stage

The economic system of modern China had undergone great changes before the founding of New China. With the rapid development of industry, the economic level has been significantly improved, and China's national strength has been enhanced. Despite the destruction of the conservative forces and the destruction of foreign aggression, China is still firmly on the road to reunification.

The first process of economic restructuring began roughly around the founding of New China in 1949 and ended with the completion of the "three major transformations" in 1956. In the first three years after the founding of New China, the main economic task of the CPC was to stabilize and restore the national economy, and in the second four years, the main task was to carry out large-scale industrialization and reform the ownership system. The essence of this transformation is the transformation of the old Chinese economic system. From the perspective of institutional transformation, there are two core contents of this process: one is to change the composition of ownership and the proportional structure among various components, and the other is to change the status of planning and market in the economic system.

Since 1953, China has embarked on a fast track of economic system transformation. In that year, China began to implement its first five-year Plan. At the same time, the Central Committee of the Communist Party of China put forward the general line for the transitional period and began the socialist transformation of agriculture, handicrafts, capitalist industry and commerce. In 1956, the National Congress of the Communist Party of China officially declared that China had entered a socialist society. According to the understanding at that time, the economy has basically reached two standards: one is to form a single public ownership with the state and collectives as the absolute main body; the other is to begin to fully implement the planned economy.

From the mid-1950s to the mid-1970s, China practiced planned economy for more than 20 years. During this period of time, the development of the national economy fluctuated greatly, did not achieve planned development, and was in a state of shortage for a long time, and the shortcomings of the initial feeling were mainly that this economic power was too concentrated, which was not conducive to mobilizing the enthusiasm of all aspects, and people had obviously felt that the grass-roots production units lacked vitality and the overall efficiency of the economic system was not high. The initial idea of China's economic system reform is to combine planned economy with market economy, giving priority to planned economy in the whole national economy, while paying full attention to the auxiliary role of market regulation. But economic reforms, once initiated, quickly had unexpected results. On the one hand, the reform of the planning system itself is hampered by many factors and the progress is slow. On the other hand, allowing the market to play a regulating role quickly has an effect, creating a chain reaction. Not only was the original planning system affected, but the original structure of single public

ownership began to change.

The decisive breakthrough in China's economic restructuring took place in 1992. The final determination of the goal of establishing a socialist market economic system means that we have entered the stage of comprehensive and systematic promotion. The whole process of reform and opening up has thus become irreversible. The main contents of the reform include: transforming the operation mechanism of state-owned enterprises and establishing modern enterprise system; We will promote the reform of the pricing, fiscal, taxation, financial and foreign trade management systems, reform of the land use system, and cultivate and develop the market system. We will change from a mandatory plan to a guiding plan and establish a sound macro-control system. Establish a reasonable income distribution system, housing system, multi-level social security system, and so on.

In carrying out the above series of reforms, the Chinese government learned the lessons of the late 1980s and attached great importance to the work of establishing a national macro-control system. When inflation pressure resurfaced in 1993-95, the government took a series of strong measures to put the financial house in order. China's economy achieved a "soft landing" in 1996, successfully coped with the impact of the Asian financial crisis from 1997 onwards, and then overcame the unprecedented deflation. In the complex environment of the second half of the 1990s, China's economy basically maintained a sustained and rapid growth situation. This shows that China has initially established a market economy system under the macro-control of the state.

5. Conclusion

In the new economic era, China's economic system has undergone tremendous changes, and its economic development level has begun to take a leading position in the whole world. The achievements of economic development in today's era cannot be separated from the tempering and bedding of modern society. In modern times, China was invaded and deprived by foreign invaders, Chinese society suffered an unprecedented blow, and the people lived in a dire environment. However, as some patriots, they are not willing to accept the shackles of historical reality, and try to promote China's economic development with the help of Western capitalist ideas and concepts, and provide new ideas. The Western capitalist economic system encouraged innovation and development, and China also needed to keep up with the trend of The Times and achieve self-development. It is under this background that a new look of modern China's economic system was formed, and it began to get rid of the constraints and constraints of traditional feudal society and tried to follow the capitalist development model belonging to the Chinese form. Through the study of China's modern economic development, explore the various difficulties encountered in its development, so that future generations will remember this history, feel the powerful charm of China's modern economic development, know how to cherish the present life, and devote more efforts to economic construction and development.

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