

Analysis of Influencing Factors of Unbalanced Regional Economic Development and Countermeasures

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Abstract: Xi Jinping pointed out in the Party's Report to the 20th CPC National Congress that Chinese-style modernization is a modernization in which all people are prosperous together, and common prosperity is still our unremitting pursuit. Although China has built a well-off society in an all-round way in 2020, today's well-off society is still incomplete. The uncoordinated development of regional economy and the unbalanced development within the region still restrict the realization of the goal of common prosperity. For this reason, this paper divides the influencing factors of regional economy into three aspects: policy governance factors, regional endowment factors and capital investment factors. Regional economy is based on capital investment and regional endowment factors, and is restricted and guided by policy governance factors. The three factors are in unity of opposites and form an organic whole together, so we can specifically analyze regional economic situations in different time and space on this basis. At the same time, from these three aspects, this paper puts forward some countermeasures and suggestions for developing regional economy, such as constructing multi-level and all-round cooperation pattern, consolidating resource endowment, promoting the optimization and upgrading of regional industrial structure, and promoting the construction of regional innovation system, so as to gradually realize common prosperity under the coordinated development of regional economy and the continuous compensation of development differences between and within regions.

Keywords: Common Prosperity, Regional Economies, Influencing Factor, Countermeasures

1. Introduction

October 22, 2022, held in The 20th National Congress of the Communist Party of China(CPC). This is a conference held by the Party at a critical period of building a socialist modernized country in an all-round way and promoting the great rejuvenation of the Chinese nation in an all-round way. General Secretary Xi Jinping pointed out in Report to the 20th CPC National Congress that during the period of 2012-2022, Socialism with Chinese characteristics entered a new era, the Communist Party of China (CPC) officially passed the centennial mark, and China's first centennial goal of building a well-off society in an all-round way was also announced. At the same time, the general secretary also stressed that "Chinese-style modernization is a modernization in which all the people are prosperous together, and it is a modernization in which material civilization and spiritual civilization are coordinated". We still have to "realize, safeguard and develop the fundamental interests of the overwhelming majority of the people, firmly grasp the most direct and realistic interests of the people, ..., improve the basic public service system, improve the level of public services, enhance the balance and accessibility, and solidly promote common prosperity"^[1].

Literally, common prosperity includes "common" and "prosperity", in which "common" refers to the scope of its realization, that is, whether it covers all people and material and spiritual life; "Wealth" refers to the degree of its realization, that is, whether the final per capita disposable income, household consumption rate, etc. meet the established standards. China is still in the primary stage of socialism for a long time, and the contradiction between people's growing needs for a better life and unbalanced development is still the main contradiction in our society. Based on this, common prosperity is particularly important. Common prosperity is Socialism with Chinese characteristics's strategic choice, and China's choice of common prosperity is not only the requirement of the nature of a socialist country, but also an important way to maintain social stability, which promotes the development of productive forces and enhances its overall national strength.

Although China has built a well-off society in an all-round way in 2020, we must be soberly aware that there are still some parts of our current well-off society that are not fully balanced. Building a well-off society in an all-round way is a dynamic process, and it is a well-off society for the whole people, the whole region and all directions^[2]. Although the development trend is generally good, the degree of realization in rural areas, ethnic areas and western areas is always lower than the national average level, and even there is still an imbalance of development within the country. Because rural areas and ethnic areas are distributed all over the country, and the western area is a regional concept, in order to cover the above problems and improve the scientificity and rationality of this paper, It is summarized as a regional problem, that is, the regional economic problem is a part that we should continue to pay attention to after building a well-off society in an all-round way, and it is also a problem that we still need to focus on improving in the process of building a modern socialist country and realizing common prosperity.

2. Analysis of Influencing Factors of Unbalanced Regional Economic Development

Regional economy takes a certain region as its scope, and is affected by both internal and external factors. From the definition point of view, the regional economy is limited by the geographical scope, and it is a comprehensive economic situation of a region. Therefore, all regional economies will jointly constitute the national economy, that is, the national economy is carried out based on regional units. At the same time, with the deepening of the economic system and market mechanism, the regional economy has gradually changed into an interest entity, which has a more profound impact on the growth rate and development of the national economy. Based on this, regional economy has become an important foundation for realizing common prosperity, and common prosperity is also the value and ultimate goal of regional economic development. Only by firmly grasping the internal and external factors that affect regional economic development can we promote regional coordinated development and finally realize common prosperity.

2.1 Analysis of the Current Situation

As an important part of national development, regional economy has always been the focus of domestic and foreign scholars. In the research, scholars generally believe that there are economic differences among regions, but they have different views on the influencing factors of regional economy. The regional economy is within a certain region and is affected by both internal and external factors. Therefore, the regional economies in different regions and different periods need to discuss the influencing factors and their influence degrees respectively.

2.1.1 Researches Based on Spatial Dimension

Considering the spatial dimension, the academic circles usually study the regional economy by plane decomposition and spatial decomposition. The research on plane decomposition mainly takes income as the dividing standard, and divides the region into three parts: intra-group, inter-group and intra-group overlap, so as to analyze its influencing factors. Based on this, scholars have studied the influencing factors such as income scale^[3], loan level^[4] and investment level^[5] respectively, and supplemented by empirical analysis to improve its scientificity and rationality. However, the research on spatial decomposition takes space and income source as the standard for regional division, so scholars have obtained the influencing factors such as market structure^[6], market effect^[7], industrial distribution degree and development process^[8].

2.1.2 Researches Based on Time Dimension

Considering the time dimension, the influencing factors in different periods are different, and their relative importance also changes. Therefore, scholars usually classify the influencing factors into several aspects based on the formation process of regional economy, and then discuss the components and relative importance of each aspect in different periods. The development of regional economy is premised on input factors, which are influenced by factor allocation and factor use efficiency, and change with the change of spatial pattern. Therefore, some scholars classify it as capital investment^[9], factor endowment structure^[10] and so on as input factors, marketization degree^[11] as factor allocation efficiency, factor agglomeration^[12] and division of labor^[13-15] as factor use efficiency. Other scholars divide the influencing factors into "limiting factors", "driving factors" and "general factors" based on the contribution of each factor to the regional economy, in which the limiting factors and the driving factors are opposite and unified, while the general factors are other factors besides the two.

2.2 Construction of the Mechanism

The development of regional economy is a complex and dynamic process, which is influenced by many subjective and objective factors, internal and external factors, so the scientific and reasonable mechanism is particularly important. Based on different literatures and space-time realities, this paper classifies the influencing factors into three parts: policy governance factors, regional endowment factors and capital investment factors. Among them, capital investment factors and regional endowment factors complement each other, learn from each other's strong points, and policy governance factors come from and go into the two. The three factors are interrelated and internally unified, forming an organic whole, and jointly acting on the formation and development of regional economy, as shown in Figure 1.

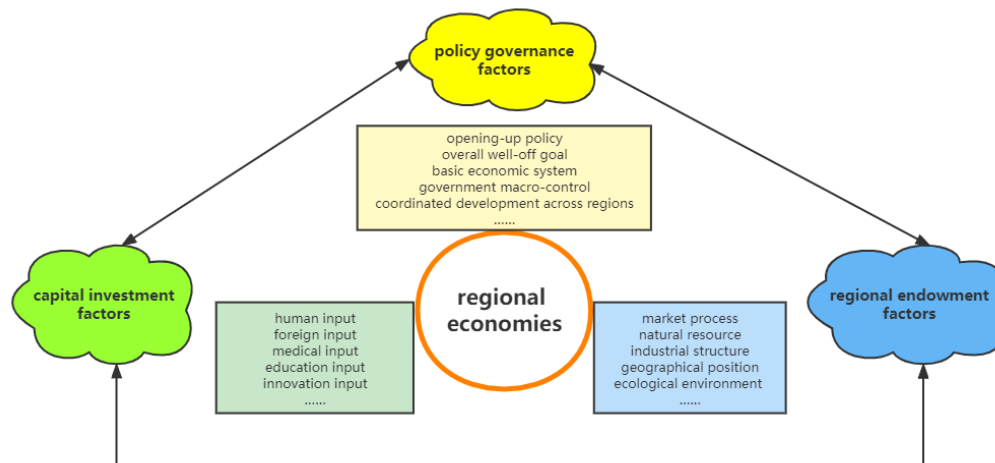


Figure 1: Mechanism of each influencing factor on regional economic development

In the action mechanism, the elements of policy governance refer to the policies and regulations promulgated by countries or regions based on historical experience, regional reality and future development requirements, which are practical, forward-looking and mandatory, and in turn restrict and guide regional economic development. According to the pertinence and specificity of governance, policy elements can be divided into national policies and regional policies, covering politics, economy, culture, foreign exchanges and other aspects. Their contents and relative importance are also adjusted with the change of time and space. Taking the epidemic situation in COVID-19 from 2019 to the present as an example, when analyzing the policy governance elements of regional economy after 2019, we should consider the time and space elements, and focus on the relevant contents adjusted by the epidemic situation.

Regional endowment factors and capital investment factors are the important basis for the formation and development of regional economy. The elements of regional endowment refer to the components of a region and its various advantageous resources, among which the components of a region refer to its geographical location, economic network, economic center or economic belt, while the advantageous resources are the relatively abundant parts of regional resources, including but not limited to natural resources, ecological environment, industrial structure, market process, etc. The capital investment factor is an investment behavior based on the regional endowment factor and the policy governance factor. According to the nature of capital, it can be divided into capital investment and material investment, and according to the use of capital, it can be divided into science and technology investment, education investment and medical investment. By analyzing the definitions of the two, the elements of capital investment can be emphasized and adjusted according to the specific regional endowment, and the regional endowment will also be improved, thus affecting the composition and strength of capital investment. Therefore, when analyzing regional economy, capital investment and regional endowment should be treated comprehensively.

To sum up, the development of regional economy is based on capital investment factors and regional endowment factors, and is restricted and guided by policy governance factors. Therefore, when analyzing the formation and development process of regional economy, we can use this mechanism as an "analysis template", and then adjust the contents and relative importance of different factors according to specific periods and regions.

2.3 Countermeasures of Regional Economic Development

Based on the above three aspects, this paper puts forward some suggestions on developing regional economy.

2.3.1 Build a Multi-level and All-round Cooperation Pattern to Promote High-quality and Coordinated Development of Regional Economy

From 2000 to 2016, China successively put forward the concepts of "four major plates" of revitalizing the northeast, taking the lead in the east, rising in the middle and developing the west, and "three supporting belts" of coordinated development of the belt and road initiative, Yangtze River Economic Belt and Beijing-Tianjin-Hebei, and relevant policies are still being improved and promulgated. China has a vast territory, and the development of regional economy is not only uncoordinated among regions, but also unbalanced within them. In this case, it is particularly important to build a multi-level and all-round cooperation pattern.

To build a multi-level and all-round cooperation pattern, we should first focus on building national central cities, including Beijing, Tianjin, Shanghai, Guangzhou, Chongqing, Chengdu, Wuhan, Zhengzhou and Xi'an. On this basis, we will strengthen all-round exchanges and cooperation among nine cities, and promote regional resource allocation and the flow of production factors through related engineering construction in nine cities; On the basis of the all-round cooperation pattern of the nine major cities, it will drive the economic development of its neighboring areas. By constructing an all-round cooperation pattern of nine national central cities, among nine national central cities, and between nine national central cities and their adjacent areas, we can activate regional endogenous economic development potential, strengthen inter-regional economic exchanges and cooperation, and then form a high-quality coordinated development pattern of regional economy in the whole country.

2.3.2 Consolidate the Sustainable Development of Resource Endowment and Promote the Optimization and Upgrading of Regional Industrial Structure

While promoting the coordinated development of regional economy as a whole, we should also pay attention to the region's own endowment and characteristic development path. Regional economic development has a long way to go, but it also needs to consider the reality and space-time factors. Therefore, all localities should proceed from their own reality and maximize the utility of resource endowment on the premise of ensuring the sustainable development of regional resources, that is, each region should focus on the superior resource endowment as the support and direction of regional characteristic development, so as to improve regional core competitiveness and promote regional economic development.

Besides resource endowment, industrial structure is also an important link of regional economic development. In the process of regional development, the industrial structure should be constructed according to the local reality, and resources should be allocated according to the relative importance of the three major industries to form a rational, orderly and systematic industrial structure. At the same time, the industrial structure should always adapt to the development and changes of the times, and be appropriately optimized and upgraded on the basis of absorbing historical experience, basing on the reality and facing the future direction, so as to further promote the high-quality development of regional economy.

2.3.3 Increase Investment in Education, Science and Technology and Talents, and Promote the Construction of Regional Innovation System

It is an important cornerstone of regional development and progress, and an important means to directly or indirectly improve the quality of workers. Basic education and quality education can produce batches of high-quality human resources for regional economic development. These human resources will be imported into all social strata, making contributions to social, political, economic, cultural and other aspects, and then promoting high-quality coordinated development of regional economy.

At the same time, science and technology are the first driving force for production, innovation is the first driving force for development, and science and technology talents are the key factors to support regional innovation system and promote regional economic development. Increasing investment in science and technology and talents can promote the formation and development of regional emerging industries and clusters of science and technology industries, and create a good atmosphere for innovation and entrepreneurship in the whole society. The human resources generated by science and

technology talents and education will also provide intellectual guarantee and support for their formation and development, thus promoting the construction and continuous improvement of the regional innovation system. With the support of the regional innovation system, the regional economy will constantly explore new ways and modes of development, which will be fed back to the regional innovation system again and again in practice, so as to promote the sustainable circular development of the two.

3. Conclusion

Common prosperity has always been our unremitting goal and pursuit. Although China has built a well-off society in an all-round way, there is still a problem of insufficient imbalance in the well-off society at this stage, that is, the economic development within and between regions still needs to be focused on. With reference to the relevant literature and the actual situation, this paper studies and integrates the influencing factors of regional economy, and thinks that it can be classified into three aspects: policy governance factors, regional endowment factors and capital investment factors, which can be used as an analysis template to specifically consider the corresponding time and space factors. Through the analysis, we can get the formation and development process of regional economy in different time and space, the content and relative importance of the corresponding influencing factors, and then develop regional economy pertinently, form a high-quality coordinated development situation of regional economy, and finally accelerate the realization of common prosperity.

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