

Understanding of China's "Double Cycle" Strategic Development in the New Era

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Abstract: As the world economy declines and the COVID-19 epidemic continues to spread, the international political and economic situation is increasingly uncertain and unstable. Theoretical logic and historical experience tell us that it is not only an inevitable trend, but also an inherent requirement for China's sustainable economic development to construct a new pattern of domestic and international double-cycle development with domestic cycle as the main body and linkage cycle, active cycle and dynamic cycle as the emphasis. Based on the national strategy, we will make use of the advantages of China's super-large market and multi-level consumer market to create the internal market power of double cycles. With independent innovation at the core and manufacturing as a new competitive advantage, we should create a double-cycle supporting role for industries and create a high level dynamic balance between higher quality supply and more dynamic domestic demand.

Keywords: circulation, development, economy

1. Introduction

The construction of a new development pattern of promoting domestic and international cycles is a major strategic deployment made by the CPC Central Committee based on changes in the international external environment, the impact of COVID-19 epidemic, and repositioning and thinking on the changes in domestic supply and demand structure.

From the perspective of international development, the overall economic development of the world was blocked in 2020, coupled with the outbreak of COVID-19 epidemic in the world, which has caused a small impact on the industrial chain, the financial market turmoil is frequent and rare in history, the contraction trend of international investment and trade is obvious, anti-globalization and protectionism are rising, and multilateralism has been impacted. Under such an international political and economic background, China, on the basis of its huge population base and market scale, gives full play to its own advantages. At the same time, China will undeviatingly deepen supply-side structural reform to prevent the risk of disruption of the supply chain, and enhance China's ability to adapt to uncertainties in the external environment.

From the analysis of the domestic situation, the impact of COVID-19 epidemic is also huge, but China's economy is still stable, people's life is still normal and huge market potential. Combined with the strong development trend of the national economy, we have strengthened our confidence in the future development. However, through the COVID-19 outbreak to see unreasonable proportion, industrial structure still needs to improve, this needs through the macro policy regulation through production, distribution, circulation, consumption, to create more independent and controllable, safe and reliable supply chain system, to further enhance the internal power of China's economic and social development and the overall ability to resist risks, ensure the overall stability of China's economic and social development. Especially in the current international economic situation, opening to the outside world is facing new challenges, adhere to the "domestic cycle as the main body" is to "concentrate on their own business", by fully stimulate the domestic market potential, build a domestic unified market, to maintain economic prosperity and stability, to cultivate new advantages in international cooperation and improve their international competitiveness lay a solid foundation, create favorable premise, by enhancing the resilience and initiative of our country in the process of opening up, attract more high quality foreign investment in China, finally form a new domestic and international double cycle of mutually promoting development pattern.

In fact, the relationship between the domestic and international cycles is between domestic economic operation and foreign economic development, and the two are interrelated, influence and promote each other. On the one hand, the domestic cycle is the fundamental part of the international cycle. The domestic cycle should be deeply integrated into the international cycle and promote the development of the international cycle. The increase of domestic demand can not only improve the domestic supply capacity, but also expand import, import scale and further create conditions for export, eventually promote the international cycle; when domestic demand from low end to high end, people seek more diversified, higher quality and more technical products, outdated products are gradually replaced by emerging products, forming a new product market, this process will continue to cycle, the international cycle will continue to be optimized. On the other hand, the international cycle provides impetus and support for the domestic cycle to a higher level. First, the international cycle can relieve domestic employment pressure, increase household income level, and then expand domestic demand; secondly, a large part of the domestic production investment scale is driven by the international cycle; finally, the high technical international circulation can improve domestic supply capacity, expand domestic demand diversity, and improve demand quality, and then promote the domestic circulation structure upgrade. In summary, China 's economic cycle is not a single domestic or international cycle, but a mutually reinforcing relationship between the two. They influence and promote each other, like two biting gears, which jointly provide impetus for the high-quality development of China 's economic economy.

The proposal of the new development pattern of domestic and international double cycles is not achieved overnight and unchanged. Instead, we should adhere to the idea of seeking truth from facts, constantly improve and improve according to the economic situation at home and abroad in practical experience, and have been in the process of dynamic adjustment.

In 1988, Wang Jian put forward the concept of the international development strategy of large circular economy, believing that the export of labor-intensive products should be developed, incorporate the transfer of rural labor force into the international cycle, and realize the circular relationship between agriculture and industry through the transformation mechanism of the international market. The introduction promotes the "coastal economic development strategy", which provides the basis for China's catch-up strategy of heavy industry priority to the export-oriented strategy of exerting its comparative advantages. However, practice has proved that although the international big cycle strategy has created conditions for China's economic take-off, it has also paid a heavy price. Under the dual constraints of China's technology and resources, the international cycle has adopted the export-driven strategy characterized by scale expansion, which not only assumes huge external risks, loses the economic advantages of major countries, but also leads to the imbalance in economic structure and low-quality development. Subsequently, the Asian financial crisis in 1997 sounded the alarm call for the development of China's export-oriented economy. China also for the first time put forward policy propositions such as "based on expanding domestic demand and accelerating infrastructure construction". The Eleventh Five-Year Plan and the Twelfth Five-Year Plan also proposed "to further expand domestic demand, adjust the relationship between investment and consumption, enhance the role of consumption in driving economic growth", and "build a long-term mechanism for expanding domestic demand to transform economic growth into the coordinated driving of consumption, investment and export". This fully shows that China 's thinking of the export-oriented international cycle has changed, and the policy focus of China 's economic development has gradually shifted from the international cycle to the coordinated development of domestic and international double cycles. In 2015, China provided the first side structural reform. For corresponding, based on solving deep contradictions and structural problems, in December 2018 the Central Economic Work Conference from the perspective of supply and demand connection, stressed the "consolidation, strengthening, promotion, unimpeded" eight word policy, which unimpeded refers to "smooth the national economic cycle, form the domestic market and production body, economic growth and employment expansion and the virtuous cycle of finance and the real economy". Although the meeting did not clearly distinguish between domestic and international cycles, but from the specific expression, China's policy focus has been further tilted to the domestic economic cycle. At the beginning of 2020, the outbreak of COVID-19, plus the increasing tension between China and the US, and the surge of anti-globalization. Although China's economy is facing great external pressure, the domestic basic plate is basically stable. In this context, on May 14, 2020, General Secretary Xi Jinping proposed to "form a new development pattern with the domestic cycle as the main body and the domestic and international double cycles mutually promoting each other". At this point, the national economic cycle has been further expanded from spatially to a new development pattern of domestic and international double

cycles. The strategic thought of double cycle will also keep pace with The Times and be constantly updated and improved.

In short, the key to solving all problems under the new domestic and international situation depends not only on our own development, but also on exchanges and cooperation with the world. We should make full use of domestic and international markets and resources so as to better expand the space for economic development, promote multilateral economic and trade and promote economic globalization. Based on the domestic cycle, China actively builds a new development pattern of domestic and international double cycles, is conducive to domestic and international circular resources sharing, complementary advantages and mutual promotion, is conducive to the domestic and international markets to prevent and resolve t

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