

# Research on Ningxia Strategic Fulcrum in Silk Road Economic Belt\*

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**ABSTRACT:** *The Strategic positioning of Ningxia in Silk Road Economic Belt contraction is to be the development fulcrum. However, the scientific connotation and orientation of Ningxia strategic fulcrum are still lacking in existing document. How to building Ningxia strategic fulcrum in silk road economic belt becomes more and more urgent to solve. The purpose of the present paper is to analyze the scientific orientation of Ningxia strategic fulcrum based on the real condition of Ningxia, using field research and thematic analysis methodology, it was found out that platform construction, channel construction, characteristic advantage industry development, and big data center establishing were the key strategic fulcrums. This finding will give the relevant government agencies a theoretical reference to better cut into the construction of the Silk Road Economic Belt and find a breakthrough in the construction of strategic fulcrum.*

**KEYWORDS:** *Silk Road Economic Belt; Ningxia Strategic Fulcrum; Scientific Orientation Development Measures*

## 1. Introduction

Ningxia is an important part of the ancient Silk Road and plays an important role in history. In the new era, President Xi Jinping puts forward the important strategy of building the Silk Road Economic Belt. Ningxia, as the first inland open economic pilot zone and permanent host of the China-Arab Expo, should seize the opportunity and actively participate in and integrate into the construction of the Silk Road Economic Belt. On November 8th, 2013, an article *Accelerating the Construction of the Strategic Highland Opening to the West--Learning and Implementing Comrade Xi Jinping's Strategic Conception of Building the Silk Road Economic Belt* published in *People's Daily* pointed out that Ningxia should deeply grasp the status and role of

the strategic concept in the construction of the Silk Road Economic Belt, be brave enough to take the initiative. On March 5th, 2014, the article *Ningxia: Building the Strategic Fulcrum of the Silk Road Economic Belt* proposed that it is important to seize the new opportunities of the Silk Road Economic Belt and make Ningxia the strategic fulcrum of the Silk Road Economic Belt. Wu Sufang (2014) analyzed the advantages of Ningxia in the construction of the New Silk Road Economic Belt, and proposed the strategic choices of Ningxia in the Silk Road Economic Belt should be focus on the construction of China-Arab Expo, the Yellow River Economic Zone, Ningxia Inland Open Economic Pilot Zone, Yinchuan Comprehensive Bonded Zone and so on [1]. Zhang Bawu (2014) analyzed the advantages and difficulties of Ningxia in participating in the construction of the Silk Road Economic Belt, and put forward the ideas of "one road, one meeting, two zones", one road means the Silk Road in the Air of China, and one meeting means the China-Arab Expo, and two zones refer to China-Arab Internet Economic Pilot Zone and China-Arab Financial Cooperation Pilot Zone[2]. Wu Guojun, the member of the Ningxia Political Consultative Conference (2017), suggested that the construction of the important strategic fulcrum of the Silk Road Economic Belt in Ningxia should be given priority to develop the air Silk Road Economic Corridor project, and make more emphasis on promoting the opening of the air corridor to the outside world[3]. However, it is still lack of the scientific connotation and orientation of Ningxia strategic fulcrum in the existing literature, which needs further consideration and exploration. Therefore, the purpose of the present paper is to analyze the scientific orientation of Ningxia strategic fulcrum, and based on which some strategic measures are put forward for consultant.

## **2. The Scientific Connotation of Building Ningxia Strategic Fulcrum**

Strategic fulcrum refers to the key, core or center of the overall strategic situation. To build Ningxia into a strategic fulcrum of the Silk Road Economic Belt, the existing advantages of Ningxia should be fully used. Taking openness as the core, make Ningxia be the key of the Silk Road Economic Belt and the door of opening-up to the west in China. Strategic fulcrum should not only embody the idea of open cooperation, but also reflect the idea of sustainable development. At the same time, it should have realistic basis and operability.

Understanding the strategic fulcrum needs base on the specific background and factors. To build Ningxia strategic fulcrum, it is necessary to make full use of the platform of inland open economic test zone and preferential policies, and promote the formation of all-round opening pattern of Ningxia. Therefore, the strategic fulcrum of the Silk Road economic belt should be defined as a channel and bridge of opening cooperation, a platform and basis of opening cooperation, an information exchange center of opening cooperation, as well as a pioneer and pilot of opening cooperation. The economic and trade cooperation between Ningxia and all countries along the Silk Road economic belt should be enhanced. With the construction of the open channel, the interconnection between Ningxia and Central Asia, Western Asia and the Middle East countries are further fixed, which are benefit for the industrial

restructuring of Ningxia and promote the coordinated development of industries and the free flow of elements.

### **3. Strategic orientation of Ningxia Strategic Fulcrum**

#### ***3.1. Establishing the opening platform and door to the West***

China and Arab countries are two important poles of the Silk Road Economic Belt. Ningxia has the leading advantages in economic, trade and cultural exchanges with Arab countries. The establishment of Ningxia Inland Open Economic Pilot Zone, the completion and operation of Yinchuan Comprehensive Free Trade Zone and the successful holding of the first China-Arab Expo have built a new platform for Ningxia opening to the west. Sino-Arab cooperation is the main direction of Ningxia's inland opening. Ningxia should give full play to the role of the platform of Sino-Arab Expo opening cooperation, promotes Sino-Arab friendly cooperation in culture, education, tourism, economy and trade, explore the establishment of Sino-Arab Cooperation demonstration zone, and construct Ningxia's opening door to the West countries in an all-round way.

#### ***3.2. Establishing the Opening channel and the Sino-Arab Air Silk Road***

Channel construction is the premise of modern logistics and the basis of open and cooperative development. On the one hand, Ningxia is located in the Northwest inland, neither bordering nor depending on the sea. There are still some problems in railway transportation, such as few external channels and low road network coverage. Moreover, due to the constraints of transportation capacity, cost and time-consuming, railway and road transportation could not meet the requirements of transportation conditions for fresh agricultural products such as wolfberry and grape. On the other hand, Ningxia is close to the Yabrai International Route and located in the central position of the domestic section of the New Eurasian Continental Bridge. It is the key node of the Silk Road Economic Belt and the most convenient land-air passage from North China and Northeast China to the Middle East and Central Asia. Therefore, Ningxia should take the advantages of air location, strive to build the fulcrum of air corridor, seize the pilot opportunity of opening air rights. Taking Hedong Airport as the main body, expand air routes and speed up the construction of regional logistics hub and China's air portal opening to the west, and taking Yinchuan International Airport Logistics Center as the fulcrum to Central Asia, Western Asia and the Middle East radiate, gradually opens and builds a major international logistics channel, and closes domestic and international economic and trade exchanges [4].

### ***3.3. Establishing the growth pole of tourism industry and cultural industry with Ningxia characteristics***

To build the strategic fulcrum of the Silk Road Economic Belt, improve the self-development ability of Ningxia is very important. The rich national characteristics and natural landscape provide a congenital condition to develop the characteristic tourism industry of Ningxia. Based on the opening environment, Ningxia should actively participate in international and domestic industrial division, give full play to its comparative advantages, and build a modern industrial system with tourism development as the guide, coal electrification and cultural industry as the support. With the Yellow River culture, Xixia culture and red culture as the main line, Ningxia should be built into a unique international tourist destination by focusing on high-end leisure tourism and the construction of characteristic towns.

## **4. Strategic Measures of Building Ningxia Strategic Fulcrum**

### ***4.1. Making the platform of Sino-Arab trade cooperation and cultural exchange***

The China-Arab Expo has become an important platform for China opening to the West and has been widely recognized by countries along the Silk Road Economic Belt, including Arab countries. It is of great significance to give full play to its role as a strategic platform. Firstly, we should break through the thinking of organizing exhibitions for the sole purpose of exhibitions, adhere to the combination of broad knowledge and expertise, and vigorously cultivate the exhibition economy. Secondly, the implementation of brand-driven, promote quality improvement and efficiency. To enhance the brand awareness and influence of China-Arab Expo, to understand the investment intentions of domestic and foreign investors and the project situation of the investors, through the exhibition to bridge the two sides, to achieve a successful project docking; Thirdly, strengthen the policy guidance and stimulate the market vitality. Increase the incentive mechanism to encourage the development of exhibition industry, give full play to the supporting role of financial funds, and encourage and guide more exhibition enterprises. Finally, set up a convention and exhibition system to unite development efforts. Strengthen the linkage with patent, trademark and copyright departments, guide enterprises to register trademarks for exhibition projects, protect their own brands, and establish a credit and efficiency evaluation mechanism for exhibition projects.

### ***4.2. Building the Outward-oriented Economic Development Platform based on the Yinchuan Comprehensive Bonded Zone***

Yinchuan Comprehensive Bonded Zone is an export-oriented economic region with the highest level of opening, the best policy and the most complete functions in China. It plays a very significant role in promoting the overall logistics service level, improving the investment environment and enhancing regional competitiveness of Ningxia. Therefore, in order to give full play of its platform role, the following

points should be emphasized. Firstly, introduce large-scale foreign-funded logistics enterprises, attract domestic logistics enterprises to gather in the bonded area, and make them become service bases for domestic enterprises to carry out international procurement and supply raw materials for multinational enterprises [5]. Secondly, Second, strengthen the construction of logistics e-commerce platform, create a network information regional environment commensurate with the frontier position of the bonded area, promote the rapid circulation of commodities, and reduce the cost of enterprise inventory management. Thirdly, formulate a negative list of foreign investment facing the whole country and implement the national treatment before the access to foreign capital.

#### ***4.3. Creating characteristic towns to promote the development of characteristic tourism***

Characteristic towns are a new model of new urbanization development, and an effective way to realize industrial agglomeration and promote the integration of production and town development. Under the implementation of the rural revitalization strategy, it is necessary to make a good plan for characteristics towns. Identify the characteristic orientation accurately by taking full account of the natural environment, production and lifestyle, as well as the cultural characteristics. On the one hand, it combines with the development of rural characteristic industries, closely follows the trend of industrial upgrading, identifies and enlarges characteristics, vigorously cultivates "one town, one industry" and "one village, one product". On this basis, it breaks down the boundaries of village groups and promotes the development of multiple villages. On the other hand, with the opportunities of "Internet +", it would be benefit to promote the rural e-commerce development, plan and layout a number of e-commerce service platforms for towns and villages, and promote the e-commerce network marketing of agricultural products. Meanwhile, guiding the participation of social funds, and organically integrate the agricultural products e-commerce and characteristic tourism [6].

#### ***4.4. Build the big data center to promote the development of cross-border e-commerce trade in Ningxia***

The construction of *Online Silk Road* was first time written into the policy outline in the *National informatization Plan* in 2017. It was proposed that by 2020, China and the countries along Silk Road Economic Belt will form a large bilateral economic and trade cooperation channel based on cross-border electricity suppliers and digital trade. To grasp the policy orientation, Ningxia should build a big data center, set up an e-commerce trading platform that can achieve international trade, develop cross-border e-commerce, and realize the Internet international trade with all countries in the region. So far, Ningxia has signed a strategic cooperation framework agreement with Alibaba Group, focusing on the cooperation and exchanges in the fields of e-commerce, cloud computing and big data. In addition, the first phase of Ningxia Intelligent Tourism Project was officially launched,

Ningxia Zhong Guancun Science and Technology Industrial Park, the start of the Western Cloud Base Project, and so on. Therefore, Ningxia should continue to attract and encourage large enterprise groups both inside and outside the region to invest in the construction of e-commerce data centers, communication networks and other Internet infrastructure. Secondly, providing the specialized data services, attract the large-scale Internet sites and well-known domestic and foreign e-commerce platforms reside in Ningxia. Then, lay the foundation for smoothly realizing cross-border e-commerce by speeding up the construction of open channels and the logistics transportation.

## 5. Conclusion

To build Ningxia as the strategic fulcrum in Silk Road Economic Belt, the problem to be solved firstly is the scientific positioning of the strategic fulcrum. Based on the regional characteristics and advantages of Ningxia, the paper proposes the platform construction, channel construction, industrial development and the large data center construction as the breakthroughs of strategic fulcrum construction. Taking the advantages of the inland open economic pilot zone and the permanent hosting site of the China-Arab Expo, a platform for economic and trade cooperation and cultural exchange between China and Argentina should be established. Meanwhile, make full use of the third, fourth and fifth air rights advantages over the United Arab Emirates of Ningxia, and give priority to developing the Silk Road in the air. Efforts should be made to build large data centers and to promote the development of cross-border e-commerce and e-commerce network marketing of agricultural products. Guide the participation of social funds, and organically integrate the agricultural products e-commerce and characteristic tourism. This study further enriches the theoretical research framework of the Silk Road Economic Belt, and provides a theoretical reference for Ningxia to better cut into the construction of the Silk Road Economic Belt and find a breakthrough in the construction of strategic fulcrum.

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