

# The Traditional Economic Management Thoughts for Contemporary Enlightenment of Economic Management Practice

*He zhenhua*

*Xinhua college of Ningxia University Ningxia Yinchuan 750021 China*

*E-mail:647809696@qq.com*

**Abstract:** The traditional economic management thought is lack of systematicness and accuracy in modern western economics and management theory, but as a result of our country's economic management practice, some excellent contents of traditional economic management thought can be used as reference for modern economic management activities. And to the Western mainstream economic management theory to produce an important complementary role. This article from the relationship between economic system and natural environment, institutional environment's influence on the economic behavior and economic system from three aspects, such as its traditional economic management thoughts for contemporary economic management practice of the enlightenment.

**Keywords:** Traditional thought; Economical management; Economical system

## 1. INTRODUCTION

In the modern western mainstream economics, the management theory widespread dissemination, and by our country's economic management personnel gradually transforms into the management practice today, the traditional economic control thought some content still has the reference significance. The contemporary mainstream economic by the open market economic system took the supposition premise, by the price mechanism took the analysis the core, to factors and so on system and natural environment lacks the attention. While our traditional economic management ideology and the economic system as a and natural environment is closely linked to the system, the country faces political and legal systems of the environment as the impact on economic development as an important variable in these important parts to play in the mainstream western economics of a bridging role. In this article, through system, natural environment and economic relationship and from three aspects of the economic system itself, to explore traditional economic thoughts to the contemporary significance of reference to the economic management practices[1].

## 2. PAY ATTENTION TO INSTITUTIONAL AND POLITICAL FACTORS ARE IMPORTANT

### ADVANTAGES OF TRADITIONAL MANAGEMENT THOUGHTS

(1).The traditional thinker and the statesman, the reformer often compare pay attention to each kind of element of production the property right question

Mencius in exploring the property relations on the social impact of governance, emphasized that "there is a constant property of perseverance". He proposed the property in the role of the allocation of resources, in fact, discovered the property to the phenomenon of incentive and constraint the behavior of property owners. After the spring and autumn period and the warring states period in China began a based on land private ownership and free trading system of the feudal society. Land private property rights and free trading system development and liberation of the agricultural productivity, make the highly development of small-scale peasant economy in China, also makes the feudal society of our country to be able to continue for a long time. The enlightenment on our country's economic management and the researchers in the field of economics and management, and the functions of property rights system, and in some sense is a kind of cross-cultural, interracial universal law, the protection of private property system is not only the western market economy countries in the history and practice of the breed a kind of system arrangement, is also a system framework of Oriental society need. And based on the relevant theory of mencius's final goal is to put forward a set of Kings management scheme, the characteristics of modern economic scholars and managers should clear property rights system's ultimate goal is to form a set of social governance system in the field of economy. Property rights system should become a pillar of the stable social order, and not just a means of promoting economic development. Under the condition of socialist market economy, how to establish a subject to public ownership, but also can fully protect private property right institutional framework, it should become China's current economic management thinking.

(2). Thinkers and politicians in the view of traditional economic management problem, not the related question as an independent, economic management behavior can be converted to an integral part of the

organic whole of society as a whole, the traditional economic thought of legalist school, Confucianism, in fact is a part of the whole statecraft, different economic claims behind is different by the management goal and social governance objectives. The traditional theory of heavy agricultural inhibition is in fact a kind of economic extension which can bring about a very powerful social integration function. The business itself is not easy to control, the business also has the characteristics of high volatility. The merchants profit, which makes it difficult to form on a national or regional loyalties, development of business for the ancient monarchs and bureaucratic mechanisms, is challenging[2].

In order to achieve a stable authoritarian centralized systems, the establishment of self-sustaining economic activity in the decentralized mechanisms to enable members of the community, loosely organized, the lack of outreach, has become a necessary means. And small-scale peasant economy is able to ensure that countries can be stable for fiscal revenue and men, for is in the unification war stage of warring states is a kind of economic development strategy better. The enlightenment on our country's economic management scholars and workers shall be extended to the whole society in the view of the own development goal and found that different economic theories behind a policy objective, to explore the socialist road with Chinese characteristics is the main channel of China's current construction of socialist modernization drive. This means that when economic construction is carried out, the theories used by managers should coincide with the basic situation of our country, and some experiences of the mature Western market economy countries will inevitably produce an acclimatized problem[3].

(3). In the different stages of historical development, the transformation of economic thought also hints that our economic managers should find different objective conditions in different periods, grasp the different principal contradictions under different conditions in the formation of feudalism in our country at the beginning of the national reunification war and feudal forces annexation of the brutal and violent war, It was decided that the feudal state needed to mobilize all its forces to confront it. In the Song dynasty in order to be able to maintain a stable diplomatic relations, the weakening of national minorities in the north and sailed down to the central government brought about by the crisis of survival, the feudal countries to encourage the development of commercial and economic ties through the strengthening of national minorities in the north to the south of the country's dependence on the central government, thus weakening the nation's attack capability. That reflects the international relations and political factors on the impact of the economic system and economic management mode. This suggests the macroeconomic management of our

country cannot in a simple economic logic view and analysis of macro economy and international economic issues, should consider the competition in today's world is a kind of comprehensive national strength competition. The comprehensive national power is based on economic strength, but it should also pay attention to the dialectical relationship between economic strength and other power. Simply taking the logic of the market to analyze the problem, and ignoring the political and military relations between the countries, often make economic strength under certain conditions into a secondary strength.

### 3. THE TRADITIONAL CONCEPT OF ECONOMIC MANAGEMENT, FINANCIAL MANAGEMENT CONCEPTS AND INSPIRATION

(1). Chinese ancient concept of financial management mainly includes two kinds of contradictory ideas that "open source" and "throttling"[4]

The so-called "open source" means that countries should try to discover new tax sources, under the established system of taxation, efforts to increase the total amount of the social wealth, achieve the fiscal revenue increased. The "throttle" financial values for a certain period of time is of the view that tax sources are limited, it should be to reduce unnecessary expenditures, the ultimate realization of national financial balance-of-payments and surplus. In ancient China's economic practice, the measures of "open source" tend to be converted to a compete with the people's behavior. The salt-iron camp of the Han Dynasty, the salt introduction and tea introduction system of Song Dynasty, until the late Ming Dynasty, the "mine supervision" system is the expression of "open source", and in the traditional agricultural tax field, "Huang Huang's law" reveals the inevitable result that the agricultural tax reform in our history has led to the increasing burden of farmers. The main idea of the history, Wang anshi[5] is the source of tax increases, but don't have to change the tax base and tax rates. But due to a lack of restraint and supervision mechanism and the limitations of the ancient social production technology, the policy of "open source" tend to be transformed into the form of a burden on people. For the current national economy management, pay attention to the cultivation and development of emerging industries, by encouraging economic increase of the total tax increases, has become one of the important measures for tax increases, but also should pay attention to increase the process of tax sources may produce all sorts of loss prevention and control of.

(2). In the middle of our country ancient times tax administration system lacked to the tax revenue collection cost control

In ancient China's central government tax cost control methods mainly include the official moral constraints, administrative supervision system, and constantly adjust the tax rate. While each of the tax system

changes and reforms, are some of the original local government control program, the people into national plans to control the incoming people. While local governments are eventually through their irregularities expand their income, unplanned never reduce tax cost, while the tax burden is growing. In the neoclassical economic theory, this phenomenon can be understood as similar to focus only on the adoption of the additional elements to increase production, and the lack of attention to the improvement of the production function to reduce the loss of the production process to achieve the income increase is also feasible. This is the lack of attention to practical technology in the ancient society of our country, which only attaches importance to the level of moral education in the process of management selection.

In modern society, how to reduce the cost of taxation, tax collection and management process of the unnecessary expenditures, the use of modern information technology in tax collection and management efficiency, should become a subject of concern. In the history of Mr. Huang's writings, until the late feudal society in China, tax collection and management system is still chaotic. The state has no detailed statistics on its own tax targets, and the concept of the national budget has not been established. Countries can grasp how much financial resources, the supreme ruler is often not clear. This makes the so-called "fire power" as a whole that the generation of fiscal and tax issues. The country does not have a detailed budget system, it will inevitably lead to a large number of taxes in a state of runaway. Short-distance transportation and local government tax transshipment became tax administration on its own characteristics. The waste of resources caused by the inefficiency of the problem of corruption and transport means a huge tax cost, which suggests that modern economic management decision-makers should pay attention to monitoring in the process of tax collection and administration. Tax under the modern financial system has been monetise, but statistics and survey of taxable object still remains to be improved, the scientific rationalization degree of the national budget is yet to be strengthened.

(3).The ancient financial management system of our country always contains a kind of inner contradiction of the heavy rank and the authority.

Today, the problem of matching the governance and financial is still contradiction problem of the finance system in our country. The governance and financial mismatch in fact produced in unclear understanding of the state financial problems. Modern national finance system is to ensure that countries can effectively provide public products of a kind of institutional arrangement. Fiscal expenditure is consistent with the public goods themselves, and governments at all levels should determine the size of

the financial expenditure according to the amount of public goods they provide, and divide the financial resources. At this stage, our local governments at all levels have a lot of work to provide public products, but these products provide the public the cost is heavily dependent on local government, non-earmarked receipts are maintained. The Central Government has enormous financial resources, but many of the public product does not rely on the central government to provide. This in fact caused the local government the risk of potential fiscal bankruptcy, the local government's financial pressure finally through the form of land transfer to the fiber, which also formed the housing price problem of another important push, namely land finance problem. To sum up, the traditional concept of national finance, "open source" and "throttling" between the balance and selection problem always there. After the failure of Wang Anshi's reform, the feudal countries tended to adopt a prudent attitude towards the choice of "open source". This actually prompted the modern state shall encourage the development of emerging industries, stimulate the increase of social wealth, and on this basis to expand the tax base, without any increase in the tax burden of economic individual cases, increase the fiscal revenue. At present, our country should draw lessons from the shortcomings of the traditional national financial system, strengthen the control of the tax collection cost, formulate a more reasonable national budget and reduce the waste of financial resources. To ensure that the finance rights and system, change the understanding of finance itself, can build up to satisfy the needs of the service functions of the government fiscal management system should be one of the focuses of financial system reform in the future.

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