

Research on the Import and Export Competitiveness of My Country's Manufacturing Industry under the New Development Pattern of "Double Cycle"

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Abstract

In response to the complex changes in the domestic and foreign trade environment, China proposes to build a "dual cycle" development pattern. Stabilizing foreign trade and expanding domestic demand is an important basis for the high-quality development of my country's economy from the perspective of "dual cycles". It aims to expand the external cycle by smoothing the internal cycle To jointly promote the sound development of import and export trade. Manufacturing is the basic industry of the national economy, and the export competitiveness of manufactured products can be superimposed as the core competitiveness of the manufacturing industry. China's manufacturing import and export trade is an extremely important part of China's import and export trade structure, and the "dual cycle" development pattern has a huge impact on it. For this reason, the import and export trade of China's manufacturing industry should be based on the analysis of the impact of the "dual cycle" development pattern on its own overall trend, and discover the problems that still exist in China's current import and export trade, and seek to improve the competitiveness of enterprises' import and export trade in response to these problems countermeasures in order to promote the high-quality development of China's manufacturing import and export trade.

Keywords

Double Cycle; Import and Export Competitiveness; Manufacturing Industry; Promotion Strategy.

1. Introduction

The manufacturing industry plays a vital role in the national economy. After about 40 years of reform and opening up, China's manufacturing industry is gaining world-class competitiveness. However, in the export categories of major manufacturing products, there are problems such as core technology, product added value, and brand concept. How to improve China's manufacturing industry to enhance the export competitiveness of manufacturing products has become a fundamental issue related to the national economy and people's livelihood. The "dual cycle" development pattern is both a rare opportunity and a severe challenge for the import and export of China's manufacturing industry. For this reason, the import and export trade of China's manufacturing industry should fully grasp the impact of the "dual cycle" development pattern on its overall development trend, make good use of this development pattern, optimize the industry's import and export trade structure, and enhance the competitiveness of import and export trade. Leveraging the dividends of the international and domestic dual cycle strategy has important practical significance.

2. Trend Analysis of China's Manufacturing Export Competitiveness under the New Development Pattern of "Dual Cycles"

2.1. Internationally Competitive in Terms of Industry Scale

After nearly 40 years of reform and opening up, China's manufacturing industry has become world-class competitive in scale. In August 2018, the "International Trade Statistics" released by the World Trade Organization (WTO) showed that the growth rate of Asian trade volume in 2017 was 8.1%, which was much higher than the world average of 4.7%; China's trade volume ranked first in the world, and in 2016, In 2017, China became the world's largest exporter, and it was in a trade surplus; the export ratio of manufacturing goods was 93.7%, accounting for the vast majority of merchandise trade exports, and the main export destinations were the United States and the European Union (28 countries).

According to statistics from the National Bureau of Statistics, the added value of China's manufacturing industry in 2018 was 26.5 trillion yuan, accounting for about 30% of GDP for many years. Manufacturing is undoubtedly the pillar industry of China's national economy. The added value of China's 22 major categories of manufacturing industry is in the forefront of the world, among which the added value of industries such as textiles, clothing, leather, and basic metals account for more than 30% of the world's total. Among the 19 major categories of manufacturing industries in the United Nations, China has 18 This category has surpassed the United States and become the world's number one. In 2018, the added value of China's manufacturing industry accounted for 28% of the global manufacturing value added, ranking first in the world. During the same period, the United States accounted for 17%, and Japan accounted for 9%. China's manufacturing industry has already possessed international competitiveness in terms of scale. Before the "low-hanging fruits" of science have been picked and new epoch-making technological innovations have not yet appeared, scale itself means advantages. The evolution of global manufacturing centers has been the replacement of large-scale economies for small-scale economies. China already has almost all citizens who have experienced the baptism of globalization, the most complete industrial system, the largest industrial workers, and countless factory technologies, all of which have become the main basis for narrowing the gap in manufacturing competitiveness with developed countries.

2.2. The Scientific and Technological Innovation Capabilities of Manufacturing Export Products Continue to Increase

Since 2017, the export scale of China's low-end manufacturing products has been stable, while the export volume of high-end manufacturing products has continued to increase. According to the "National Innovation Index Report 2013" issued by the China Academy of Science and Technology Development Strategy, China's innovation capabilities have gradually improved, and the national innovation index has risen to 19th among 40 major countries in the world. Third, the export ratio of high-tech development industries ranks first in manufacturing exports. Compared with other industries, China's manufacturing industry not only has the support of national policies, but also has strong competitiveness in the international market. In terms of product structure, the output of some high-tech manufactured products (including OEM products) has already accounted for a large share of the world's total output, such as mobile phones, computers, chemical fibers, color TVs, cement, crude steel and other products have exceeded the world's total output. 50% of production. Some high-end manufacturing industries with independent intellectual property rights, such as high-speed rail technology, bridge-building technology, and medical material technology, are gradually becoming famous all over the world. Decades of manufacturing development has enabled China to accumulate a huge team of engineers who can quickly transform designs into products, becoming a major core competitiveness of my country's manufacturing industry. Matching with the manufacturing

process, a series of factory know-how (Know-how) strengthens the cost advantage of products made in China.

2.3. The Policy Support System is more Perfect

In the critical period of climbing over the hurdles, in the face of the rampant "anti-globalization" myth, China has introduced systematic policy support, and strives to change the situation that China's manufacturing is big but not strong within 30 years. On May 19, 2015, "Made in China 2025" (Guo Fa [2015] No. 28) issued by the State Council is the first ten-year plan. The plan proposes that in order to enhance comprehensive national strength, ensure national security, and build a world power, it is necessary to create an internationally competitive manufacturing industry, and must adhere to the "six ones", that is, one road - new industrialization with Chinese characteristics; one theme - Promoting the innovation and development of manufacturing; one center - improving quality and efficiency; one main line - accelerating the deep integration of new generation information technology and manufacturing; one main direction - promoting intelligent manufacturing; one goal - meeting social and economic development and construction National defense needs for major scientific and technological equipment. To achieve the strategic management goal of China's manufacturing power, we must adhere to problem orientation, make overall plans, highlight key points, accelerate the transformation and upgrading of manufacturing enterprises, and comprehensively improve product quality and product core competitiveness.

3. Problems Existing in China's Manufacturing Export Trade under the New Development Pattern of "Dual Cycle"

3.1. The Situation of Big But not Strong has not Fundamentally Changed

Although China is a big manufacturing country, it is not yet a strong manufacturing country. It still focuses on low-end manufacturing at the product level, adopts traditional manufacturing techniques in process flow, is still relatively backward in management level, and chooses two ends in trade methods. The value chain span of overseas processing trade is still short, and the share in value acquisition is still low. Therefore, the overall competitiveness of China's manufacturing industry needs to be improved urgently.

Chinese manufactured products and manufacturing companies also have some major problems that need to be improved, such as: 1) lack of core manufacturing technology and low added value of products; 2) weak brand concept; 3) insufficient manufacturing talents; 4) low-end products and The output of high-end products varies too much; 5) Insufficient innovation ability, traditional manufacturing products dominate; 6) Simplification of products, unreasonable design of product market structure, etc. It can be said that the lack of world-class manufacturing companies and core manufacturing brands is still the pain of my country's catch-up economy.

3.2. The Large Gap between Supply and Demand Leads to Excessive Dependence on Foreign Trade

China's economy has always maintained a huge supply-demand gap between the total supply and total demand of the society. In 2003, Professor Wang Jian, then executive deputy secretary-general of the Chinese Society of Macroeconomics, pointed out that the biggest structural contradiction in China is the misalignment between the employment structure and the output value structure of the three industries. Judging from the characteristics of the proportion of output value (representing social supply capacity), it is already 3000 per capita. However, from the perspective of the proportion of labor force and rural population (representing purchasing power), it is still a typical feature of a country with a per capita GDP of less than

500 US dollars. However, China's high economic growth has always been driven by exports, and the main high-growth sectors are highly concentrated in capital and technology-intensive industries such as electronics, machinery, metallurgy, and chemicals.

There are strong calls for structural adjustment, but the implementation is still insufficient. After more than 10 years, this huge supply-demand contradiction has not been significantly reversed. Such a huge difference has led to any disturbance in the international market that can have a systemic impact on Chinese manufacturing. At present, China is in the stage of cultivating domestic demand, but due to the large initial gap, China's manufacturing industry relies too much on the international market. For example, changes in the international economic situation have led to a significant decrease in orders, coupled with difficult and expensive financing and other problems. Enterprise cash flow Once broken, it can only be withdrawn from the market. Taking the sudden and protracted COVID-19 as an example, it has had a huge impact on China's manufacturing supply chain and exports, and the global industrial chain and supply chain of the manufacturing industry have been restructured. For the entire Chinese manufacturing industry, this restructuring may be an opportunity to seize the beachhead, but for individual manufacturing companies (except for a few industries related to health and epidemic prevention) , it can be said that crisis outweighs opportunity, and the transformation and upgrading of the industry Often at the expense of some enterprises exiting the market.

3.3. Lack of Core Manufacturing Technology and Insufficient Product Innovation

In view of the fact that China is a developing country and a catch-up economy, in order to give full play to its latecomer advantages, it naturally has insufficient accumulation of original innovation, and focuses on integrated innovation and introduction, digestion, absorption, and re-innovation. Therefore, in the traditional market, it is often due to It is difficult to master the core technology and transfer most of the value of the industrial value chain.

The output difference between low-end products and high-end products is too large. As of 2019, China still has the problem of a surplus of low-end products, because China's manufacturing industry is mostly labor-intensive, and most of the manufactured products are handmade products with low prices. The lack of high-end manufacturing products is due to the immaturity of high-end manufacturing research and development technology. Although high-end manufacturing in high-speed rail and bridge building has been proud of the world, it is stretched to greatly increase the overall national strength in aircraft carriers, aircraft and numerical control technology.

3.4. The Supply Chain Span is Short and the Added Value of Products is Too Low

Due to the main control of the manufacturing link, the processing and assembly link at the middle end of the smiling curve, and the research and development, design, procurement, material links at the front end and the brand, logistics, sales, and financial links at the back end are often difficult to control, resulting in the isolation of export products. There is a huge difference between the landed price and the final consumer price. Taking the production of Barbie dolls, which is the most commonly used example by Chinese people, the price difference between the two is as much as 10 times, and the profit margin is dozens of times different.

3.5. Insufficient Brand Concept and Path Dependence

In order to expand the overseas market, many manufacturing enterprises chose the relatively easy expansion strategy of OEM operation in the early stage, instead of promoting their own brands from the very beginning. Over time, a kind of " path dependence " has formed, and brand awareness has become more and more indifferent , completely reduced to the role of foundry.

3.6. The Demographic Dividend is Weakening, and the Quality Needs to Be Improved

According to monitoring data from the National Bureau of Statistics, the number of newly added population in China in 2018 was smaller than that in 2017, the proportion of the population over 60 years old reached a record high, and the number of working population also declined for the first time. At the end of 2018, the total population of mainland China increased by 5.3 million compared with 2017; the new population decreased by about 2 million compared with 2017, and the birth population in 2017 was about 17.23 million, compared with about 17.86 million in 2016. shrinking. The industrial manufacturing industry in developed countries started early, has a long history of educating and manufacturing talents, and the quality of manufacturing talents is extremely mature. However, my country's manufacturing industry has only slowly entered the right track after the reform and opening up, and it lacks experience in personnel training, shortage of manufacturing talents.

4. Countermeasures to Enhance the Export Competitiveness of China's Manufacturing Industry under the New Development Pattern of "Dual Cycle"

4.1. Unswervingly Promote the " Belt and Road " Initiative and the "Made in China 2025 " Plan

China is the most staunch promoter of globalization, and has even elevated the open economy to a level that concerns the well-being of mankind. The " One Belt, One Road " initiative has created a whirlpool of development, and more and more countries have participated in expanding China's geopolitical economy. Starting with infrastructure cooperation, it has rapidly expanded to new areas such as customs union, RMB convertibility, and industrial cooperation. cooperation theme. More and more countries have joined this cooperation system, creating important conditions for our country to open up new international markets. China-led organizations such as the Asian Infrastructure Investment Bank and the Silk Road Fund have gradually changed the economic and trade relations of relevant countries and extended China's foreign cooperation network. The "Made in China 2025 " plan is the top-level design and roadmap for the transformation and upgrading of China's manufacturing industry, and it is a policy guarantee for promoting the overall competitiveness of the manufacturing industry and the transformation and development of manufacturing enterprises. After 30 years of development and hard work, it should be able to reverse the situation that China's manufacturing industry is large but not strong, from Made in China to Created in China.

4.2. Optimize the Export Mode and Extend the Supply Chain

The current export-oriented manufacturing enterprises need to take into account two kinds of domestic and international markets and two kinds of needs, continuously improve the technological content and added value of products exported, and enhance the export competitiveness of products. Adopting a competitive advantage-oriented export model is conducive to the development and innovation of the market, finding new market exports for the country's surplus products, seeking more use value for idle and excess productivity and production technology resources, and creating development opportunities for the country's manufacturing industry And employment opportunities, use its own technology, resources, and talents to participate in the international division of labor, so as to obtain the greatest economic benefits and seek greater development space.

4.3. Optimize Product Production Equipment and Processing Technology

Technological innovation is an essential factor for improving the competitiveness of manufacturing production and manufacturing trade. To improve the quality and output of manufacturing products, the production equipment and processing technology of the products must be optimized. First, manufacturing companies should increase investment in research and development of manufacturing equipment and processing technology, establish a sound and long-term guarantee mechanism for manufacturing R&D innovation, and double improve China's manufacturing industry in terms of " quality " and " quantity " . trade competitiveness. Second, manufacturing companies must realize the importance of the manufacturing workshop environment to manufacturing production. In fact, many domestic manufacturing companies have not set up quality assurance equipment and systems in the construction of manufacturing workshops, resulting in high levels of mycotoxins in domestic manufacturing. To this end, manufacturing enterprises should first rectify the production environment of the manufacturing industry to improve the quality of manufacturing products (Xun Xiaoxian, 2022) . Third, manufacturing companies should not only promote the intensive, refined, and large-scale development of the manufacturing industry, but also establish a good cooperative relationship with the scientific research teams of universities, and work together with universities to study the production problems encountered by manufacturing product manufacturers. Improve production equipment and process flow.

4.4. Improve the Level of Intelligent Informatization of Import and Export Trade

Under the " dual cycle " development pattern, Chinese manufacturing enterprises are required to have a certain level of intelligent informatization. Through the establishment of intelligent information platforms and intelligent informatization systems, trade exchanges and exchanges can be strengthened, so that enterprises can respond to uncertain factors in import and export trade in a timely manner. . First, manufacturing companies should use digital technology to establish an e-commerce platform, improve the convenience of import and export of manufacturing products through e-commerce, and improve the security of transactions by improving the transparency of information interaction. Second, manufacturing companies should use intelligent information systems to improve production and management efficiency. Technologies such as cloud computing and big data can help companies achieve accurate and efficient supply-demand matching and efficient use of production resources. The operator adjusts the production point in real time. Third, through information technology, enterprises and enterprises, enterprises and the government, enterprises and society have established a good information flow channel to help enterprises realize industry synergy. Fourth, manufacturing companies can use digital technology to print an identification code with their own characteristics on the packaging of manufacturing products. Through this identification code, buyers can know the production time of manufacturing products accurate to the second, and the product from production to production. Once a problem occurs, consumers can effectively trace the information through the intelligent system in time.

4.5. Consolidate the Talent Base and Effectively Match the Development Needs

In an industry, the human factor is the most important factor, and manufacturing talents are the main body of all innovations. Cultivating high-quality manufacturing talents that meet the needs of manufacturing development in the 21st century is a practical problem that needs to be solved urgently. China's manufacturing industry needs to combine the development needs of the manufacturing industry, improve the structure and depth of academic education and vocational education, strengthen government-industry-university-research cooperation, and

form a talent training system that organically combines classroom education and factory on-site education.

5. Conclusion

The "dual cycle" development pattern is an important strategic measure for China in the medium and long term in the future. The level of regional economic development, financial development, whether there is a cross-border e-commerce pilot zone, the level of transportation infrastructure construction, and foreign demand factors and exchange rate factors The impact on my country's export trade is slightly stronger than the impact on import trade. In order to make better use of the " dual cycle " development pattern and enhance the competitiveness of China's manufacturing import and export trade, enterprises should recognize their own problems in a timely manner, optimize product production equipment and processing technology by reducing domestic manufacturing and related product circulation costs, and improve product production equipment and processing technology. The level of intelligent informatization of import and export trade, the improvement of talent introduction and training systems and other measures will allow enterprises to burst out huge energy in import and export trade, and provide impetus for the production and operation of enterprises.

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