

Research on the Logical Mechanism of China's State-Owned Economy Exerting the Value of Macro Policy

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Abstract. The state economy is the material foundation and political foundation of Chinese socialism, has unique macro-policy value function, is our system advantage. Based on the typical characteristics of state-owned economy, such as wide layout, leading industry, leadership by the Party and solid foundation of development, this paper proposes three advantages of state-owned economy, such as wide range of strategic landing, short time lag of strategic landing and precise and powerful strategic landing, and then analyzes the logical mechanism of its macro policy value and puts forward relevant policy suggestions.

Keywords: State-owned economy, Macro policy value, Logical mechanism.

1. Raise of the question

State-owned enterprises are a common form of enterprise in the world. Even in developed capitalist countries such as Britain and the United States, which advocate liberalization and privatization most, there are a certain number of state-owned enterprises in fields such as electricity and postal service. China is a socialist country. State-owned enterprises are an important material and political foundation for socialism with Chinese characteristics, and they should play a broader and more prominent role in the economy and society. The 20 National congresses of the CPC drew up a blueprint for the great rejuvenation of the Chinese nation through Chinese-style modernization and the building of a high-level socialist market economy, laying out higher policy requirements for the reform and development of state-owned enterprises in the new era. Practice indicates that state economy is the institutional advantage of our country, but the theoretical cognition of this system advantage is still insufficient. Based on typical characteristic of state-owned economy, this study analyzes the logical mechanism of state-owned economy exerting macro policy value, and gives some relevant policy suggestions.

2. The typical characteristic of state economy

Based on the whole perspective of economy and society, the state-owned economy has typical characteristics in layout, system, industry status, development foundation and so on.

(1) From the perspective of distribution scope, state-owned enterprises are widely distributed in many fields of national economy

Different from western capitalist countries public ownership is the main body of our socialist basic economic system. The "main body" is first reflected in the "quantity", that is, the state-owned enterprises that need to maintain a considerable scale and volume in the national economy occupy a large proportion of the national economy. According to the data of the fourth national economic census, the total assets of state-owned holding enterprises in 2018 totaled 474.7 trillion yuan, accounting for 56.3% of the total assets of the national enterprises [1]. Secondly, the "main body" is reflected in the breadth of distribution. In our country, the state-owned economy is widely distributed in agriculture, finance, energy, military, real estate, service and other fields, especially in key fields with great fundamental role and involving the lifeline of the national economy. At the same time, it is also widely distributed in various provinces and most cities and counties in the whole country. Our government at all levels basically owns the corresponding state-owned enterprises.

(2) From the perspective of industrial status, state-owned enterprises are generally leading enterprises in their industries

On the one hand, monopoly fields such as military industry, power grid, oil and gas pipeline network, water supply, heat supply and railway are generally under the absolute control of state-owned enterprises, which are not only leading enterprises, but even the main body of the industry, as they involve national security and the lifeblood of the national economy. On the other hand, even in the field of competitive industries, there are also a wide range of state-owned enterprises, and in many business segments, state-owned enterprises are generally in the leading position of the industry, such as Kweichow Moutai in the field of liquor, Yili in the field of dairy, SAIC in the field of automobile, China National Travel Service in the field of tourism, and CRRC in the field of transportation equipment.

(3) From the point of view of enterprise system, the Party leadership is an important component of the corporate governance system of state-owned enterprises

Under the western modern enterprise system, the corporate governance structure takes "three meetings and one layer" as the basic framework, and the enterprise operation and development takes the pursuit of profit as the nature and fundamental goal, mainly serving the personal interests of shareholders, with obvious limitations. In China, since the Third Plenary Session of the 18th CPC Central Committee, the CPC Central Committee and The State Council have taken a far-sighted view and vigorously promoted the reform of state assets and state-owned enterprises. In particular, strengthening the Party's leadership and improving corporate governance have been combined to constantly establish and improve the modern state-owned enterprise system with Chinese characteristics. With the help of the Party's strong leadership, state-owned enterprises can have the institutional foundation to better serve the national strategy and the interests of the people.

(4) Based on the characteristics of enterprise development, Chinese state-owned enterprises generally develop a solid foundation

At present, compared with domestic private enterprises, Chinese state-owned enterprises especially the central enterprises, obviously enterprise scale, capital strength, technical level, normative management and so on have greater advantages, the development of enterprises should be more solid and solid. In 2021, 135 enterprises from the Chinese mainland (including Hong Kong) are listed in the World's top 500, of which 82 are state-owned enterprises (central and local), accounting for 60.7%. This shows the scale advantage of state-owned enterprises. In addition, according to relevant data, as of June 30, 2022, there are 1,315 state-owned listed companies in China, accounting for 27.22% of domestic listed companies, and the total market value of state-owned listed companies is 37.9 trillion yuan, accounting for 44.6% of the total market value [2]. This fully reflects the quality of state-owned enterprises in operation and management.

3. The logical mechanism of state - owned economy exerting macro - policy value

Due to the four typical characteristics of state-owned economy mentioned above, state-owned economy objectively has "three advantages" (wide range of strategic landing, short time lag of strategic landing, precise and powerful strategy landing) in the process of playing the role of strategic support. Therefore, it has become a benign link of Chinese policy transmission and a powerful tool of strategic execution.

(1) The first advantage: wide range of strategic landing

The implementation of national strategies is often "connected with the whole body", which requires close cooperation between all walks of life and even enterprises at the micro level. Because the state-owned economy is widely distributed and the leading enterprises in most industries are state-owned enterprises, the state-owned economy in the process of supporting the national strategy landing can fully mobilize all walks of life and various links of the industrial chain and enterprises through

its own direct implementation behavior and indirect driving force and influence, to ensure that the strategy landing has a wide range of emphasis.

(2) The second advantage: short strategic landing time lag

For non-state-owned economy, the path of policy transmission is often "central government - local government - industry - enterprise". For the state-owned economy, the policy transmission path can be "central government-state-owned enterprises" or "central government-local government-state-owned enterprises". Compared with the non-state-owned economy, the policy transmission path is significantly shorter. If strategy execution involves more industries and fields, several parallel transmission processes are often needed, and the relative advantages of state-owned economy are more significant. Therefore, with the help of state-owned economy, the transmission path of policies can be effectively shortened theoretically, the transmission process of policies in different government departments can be reduced, and the landing time of strategies can be effectively shortened.

(3) The third advantage: precise and powerful strategic landing

On the one hand, when the leadership of the Party is effectively integrated into the corporate governance, the strong leadership of the Party can ensure that the decision-makers and managers of enterprises fully and accurately grasp the spirit of the central policies, ensure that the direction and strength of state-owned enterprises to implement national strategies are accurate and in place. At the same time, it can also ensure the consistency of behaviors among various industries and enterprises, and effectively strengthen the industry interaction and enterprise coordination. On the other hand, since the development foundation of state-owned enterprises is solid and many of them are industrial leaders, they can effectively mobilize and coordinate all links of the industrial chain and have strong strategic execution power.

To sum up, it can be said that the state-owned economy can become another "path" different from the general policy transmission path, and is a benign bond with high transmission efficiency and short transmission path. At the same time, it must be a powerful tool for the implementation of national strategies, which has been fully reflected in the recent national strategies such as "carbon peak, carbon neutrality" and the "Belt and Road" Initiative.

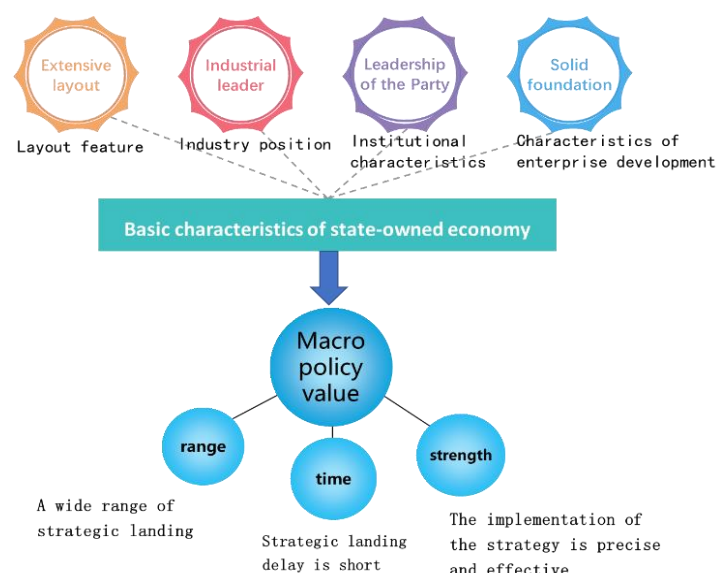


Figure 1. The logical mechanism of state - owned economy exerting macro - policy value

4. The conclusions and recommendations

The Party has blown the horn for promoting the great rejuvenation of the Chinese nation with Chinese-style modernization. As an important pillar of the national economy, the state-owned economy should continue to consolidate, strengthen and give full play to the institutional advantages

of the state-owned economy in playing a strategic supporting role through deepening reform and development.

First, we will continue to optimize the layout and restructure the state-owned economy. On the whole, the state-owned economy has maintained a reasonable growth in volume and quality, and its proportion in the national economy has always remained at the dominant level. We will continue to encourage the concentration of state-owned capital in areas that are vital to national security and the lifeblood of the national economy, as well as in key links of the industrial chain, and encourage the concentration of production resources of state-owned enterprises in competitive enterprises.

Second, we will accelerate the development of state-owned enterprises into world-class enterprises. According to the construction standards of "excellent products, outstanding brands, leading innovation and modern governance", aiming at the market-oriented direction, through deepening the reform of state-owned enterprises, establishing and perfecting the modern enterprise system with Chinese characteristics, accelerating innovation and development and promoting innovation to evolve into the core power source of enterprise development, and giving full play to the driving force and influence of state-owned enterprises. Continuous traction of our industry transformation and upgrading and economic high quality development.

References

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