Study of Understanding the Construction of A Unified National Market in A New Historical Development Stage

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Abstract: This paper started from analyzing the background and necessity of building a national unified market, proposed three paths for building a national unified market, and analyzed three matters needing attention that need to be defined during the building process.

1. What is the Unified National Market?

The remarks came after the Communist Party of China Central Committee and the State Council jointly released a guideline on April 10 on accelerating the building of a national unified market, it has been 7 years since Premier Li Keqiang first proposed "building a unified national market" when he chaired the State Council executive meeting on August 2015. With the gradual downturn of economic situation at home and abroad, the change in the development of the old and new patterns, as well as the dreadful effect and hard hit on the domestic economy in the post-pandemic era, it is imperative and imminent to accelerate push for building a national unified market and make it develop steadily on the track of the rule of law [1].

Many people will wonder, is the unified market a new form of "planned economy"? The author believes that the national unified market and the planned economy are two completely different concepts. At the beginning of the founding of the People's Republic of China, the development of the national economy was backward and there was a serious shortage of funds, under the circumstance of limited national strength, the financial depletion and inflation left by the Kuomintang government need to be solved, through the highly centralized social and economic system, the planned economy, the efficient distribution and utilization of limited resources can be achieved, so as to quickly help the domestic political economy enter into a stable and orderly development stage [2].

The national unified market is to respect and utilize the inherent laws of market economic development to the maximum, based on the uneven distribution and the flow setback of production resources, break down the pain points and blocking points of key parts one by one, and then build a national unified market operation system. and the construction of the rule of law, fully reduce logistics costs, break down trade barriers in various regions and industries through strict law enforcement, thereby promoting the rapid and smooth flow of various production factors across the country, and then driving the full participation, integration and connection of various market players, stimulate the power and vitality of the internal operation of the domestic market [3].

Of course, our national unified market also has unique "Chinese characteristics". First of all, it stems from China's top-down management system, the central government formulates development policies and management disciplines, and local governments implement them under these disciplines, which may have a certain impact on the freedom of the market economy to a certain extent. Second, the horizontal management and competition relationship of all localities, as we all know, the main driving force of domestic economic development comes from local governments, so how to ensure the accessible and indiscriminate circulation of various production factors in various regions under the environment of mutual "involution" among cities, and we will discuss these issues in detail later [4].

2. The Necessity and Urgency of Building a National Unified Market

To some extent the economic downturn and the impact of the post-pandemic era are the inevitable results of the development of the global economy to a certain extent and the external manifestation of major changes in the international economic pattern. In this unstable global environment, social and economic long-term development must look inward for new opportunities, first, solve various drawbacks and contradictions in domestic economic development, and achieve stable growth of the national economy.

2.1. Building a National Unified Market Is an Important Measure to Accelerate the Construction of China's New Development Paradigm

With the continuous changes and development of the international situation, the rise of Western trade protectionism and the global economic adverse current phenomenon caused by the COVID-19 pandemic around the world, the global industrial chain and supply chain are facing huge risks, and unstable factors in the international cycle are also continuously increasing, this also makes us deeply realize that we must speed up our own internal circulation to reduce our dependence on the international market.

As a developing country, China has a huge population, and with the major achievements since the reform and opening up, a super market has been formed within us, whether it is on the supply side or the demand side, it is enough to support the large domestic market to complete a virtuous circle on the track of the rule of law.
For a long time, a large part of China's economic development has relied on foreign import and export trade, after the international financial crisis, with the continuous adjustment of the world trade pattern and industrial division of labor, developed countries have gradually withdrawn their production-oriented and labor-intensive industries in China, resulting in the increase in unemployment, in addition to the impact of COVID-19 pandemic on various industries, the employment problem has become more and more obvious.

Therefore, China must build a new development paradigm that transforms from domestic and foreign dual circulation to domestic large circulation, and domestic and international dual circulation promotes each other.

2.2. Building a Unified National Market Is Conducive to Break Down Local Protectionism and Industry Monopoly Phenomenon

For a long time, due to the particularity of China's political system and the surpassing power of various regions, the phenomena of local protectionism and "small self-circulation" have become more and more prominent. Especially in key industries and fields, many barriers are set up for foreign enterprise to protect the development space of local enterprises, thus creating an industry monopoly to a certain extent and scope. Such phenomena are manifested in all aspects of economic life, and emerge in an endless stream. For example, the nucleic acid test you done in city A will not work in city B, you must do it again in city B to enter.

The formation of local protectionism and industry segmentation is the manifestation and consequence of the local government's excessive intervention in market competition, during the period of rapid economic development, the various drawbacks of local protectionism were covered by superficial phenomena, and the consequent bad effects did not cause serious consequences, but when the economy declines and the market interest space is severely compressed, these high barriers and geographical blockades will directly lead to the decline of product quality and the vicious competition of the whole industry, which will bring a negative impact on the production and life of the people, and even increase market unstable factors and cause social fluctuation.

Although building a national unified market is conducive to reduce the direct interference of local governments in economic development, moreover, it will increase its public management functions from regulating and adjusting market behavior, which will break the geographical barriers and reduce the possibility of industry monopoly to a certain extent.

2.3. Building a National Unified Market Will Effectively Regulate the Competitive Behaviors of Various Market Participants and Create a Healthy and Orderly Market Environment

For a long time, due to the breeding of local protectionism, as a result, non-local enterprises have been restricted by explicit or implicit local thresholds and cannot participate in the competition with local enterprises through normal channels, this phenomenon is especially unfair to private enterprises and small, medium and micro enterprises. Due to the single operation contents, promotion channels and small amount of funds, small and medium-sized enterprises cannot carry out effective and accurate brand exposure in online traffic promotion and offline promotion activities, in addition, surrounded and contrasted by the huge scale of paid promotion on various online platforms and the "local specialty products" packaged by local governments, their living space is severely squeezed, and good products and services cannot be discovered by consumers, resulting in "the strong get stronger and the weak get weaker".

Secondly, due to the different access thresholds for various industries, different support standards, different regulatory policies, and lack of supervision of commodity sales channels, there are many "three no" products both online and offline, elderly groups with weak anti-fraud awareness are especially prevalent, high-tech means and illegal marketing methods are to sell various health foods, medicines, and spoiled and shoddy commodities, which seriously disrupts the market competition order and damages the physical and mental health of the people.

Building a national unified market, through a series of unified market discipline and access standards, block all kinds of bad competition behaviors and low-quality marketing device to the greatest extent, make all kinds of market players to gain a "place" by improving their products and services without distraction, and maintain the stable, orderly and healthy development of the market.

3. How to Build a National Unified Market

With the rapid development of the global economy and the drastic changes in the world setup, China has rapidly gained the second largest economy in the world in the short 40 years after the reform and opening up, however, the rapid economic development also covered up many drawbacks in the process to a certain extent. Under the new development stage, new historical tasks and new environmental conditions of China, we propose to build a national unified market, which is not only for the purpose of backward "self-examination", and solve many contradictions and "bottleneck" problems that were neglected in the previous rapid economic development, this is also a full preparation for actively adapting to the great changes in the world and meeting new opportunities in the process of economic globalization. The author believes that we should start from the following aspects.

3.1. Seize the First Important Point of "Unity", Implement a Unified Market Access System, and Build Market with Unified Factors and Resources

In recent years, with the rapid development of the real estate and Internet industries, local governments have gradually formed the separate management of state-owned economic departments and non-state-owned economic departments in the competition process of the domestic economy, resulting in the differentiation of different ownership economies and the differentiation of market access mechanisms and even unfair phenomena, it has also become an obstacle to the building of a national unified market.

Therefore, the author believes that, first, build and maintain a fair competition protection mechanism for each market participant through a unified property rights protection system and market access system, and establish standards,
unify the implementation mechanism of various policies, prohibit local governments from issuing local access standards that differ from the unified standards and mechanism content on the grounds of their own experience, and withdraw the local government's right to intervene and make decisions in the local economy, only in this way can the new dual economic structure existing in the governance experience of local governments to varying degrees be broken from the source, ensure that all market bodies are treated alike and equally, ensure the full flow of various market factors, make various resources obtain the effective and even efficient allocation, thereby enhancing the enthusiasm of various market bodies to participate in market competition, thereby driving the vitality and prosperity of local economic development, and lay the groundwork for high-quality economic development.

3.2. Adhere to "High Standard" Construction, High Quality and High Efficiency of Online and Offline Infrastructure Construction, and High Degree of Connection and Integration of Platforms and Various Elements

The author believes that high-level unity is the key to building a national unified market, whether it is the high standards of modern transportation networks, or the high standards of market information interaction channels and trading platforms, they are all ensuring that various unified policies and mechanisms are fully exploited, only through a high-standard hardware transportation network can the elements and resources in the trial production flow fully, they are infrastructure, and they are also the key to the "last mile", only high-efficiency and accurate technology and data services can bring all kinds of goods and services into the market, accept the survival of the fittest in the market, finally complete the accurate delivery of good products and good services, and accomplish their value mission.

The high degree of connection and integration of various market elements are also important driving forces for promoting the optimization and upgrading of the market environment, only full circulation and integration can truly form a healthy competition and cycle, starting from demand, the right to choose is handed over to consumers, only by giving full play to the free circulation of commodities and elements on the price and value scales under the market environment can a healthy and sustainable circulation mechanism be formed within the market, so as to ensure products and services and create a healthy competitive environment.

3.3. Local Governments Should Strictly Implement the Management Model of "One List Across the Whole Country", Stick to and Play Their "Base Tower" Role, Fully Improve Their Administration Capacities, and Strengthen Their Law Enforcement Function

Building a national unified market does not mean that local governments can "lie down" in economic development. Under the national one-list management model, local governments seem to lack dominance over the market, but there is still a long way to go from the formulation of rules to full implementation, the building of a unified market not only does not reduce the management functions of local governments, but to a certain extent, it puts forward higher requirements for management methods and law enforcement standards, creating greater room for play. In the past, due to various obstacles in the system and mechanism, local governments blindly pursued profits in the process of continuous "involution", did not put forward reasonable plans for the long-term development of cities, ignored the real material and spiritual needs of the people, and economic development fell into bottleneck, the people's happiness index dropped seriously, forming a vicious circle of development.

When the rules are unified, the local government only needs to concentrate on the guidance of the policy, by fully improving the administration capacity and strengthening the law enforcement work to ensure a fair and just market competition environment, strive to create a good and harmonious market atmosphere, focus on creating a healthy and beautiful living and working environment for the people and enterprises by creating an intercommunication technology and service platform, and solve their worries, this is the focus and core of government management in the context of a national unified market.


From the root of the building of a unified large market is to achieve the free circulation of commodities and factors through a nationwide unified market, this is also the continuous deepening of China's market-oriented reform and a new requirement for the development of the market economy in the new historical stage. More than 40 years of reform and opening up also produced many contradictions and difficulties while bringing about the rapid development of Chian's economy. How to achieve high-quality economic development in the context of the market reform of "one list across the whole country", the author believes that attention should be paid to the synchronization and coordination of the following aspects.

4.1. Special Emphasis Is Placed on the "Marketization and Liberalization" of the Market

The proposal and building of the national unified market is not only an inevitable demand for China's economic development to a certain stage, but also a process of deepening the market economy system. According to the law of market operation, various market factors will be affected by market size, transaction form, and access system, therefore, in order to ensure the effect of the market economy, we need to cultivate various market administration and competition systems. With the building of a unified national market, the model of "one list across the whole country" will be gradually formed to complete the formation of the market administration mechanism.

Therefore, under the premise of the healthy operation of the administration model, how to maximize the role of market operation can ensure the full circulation of market elements to the greatest extent, thereby driving the participation enthusiasm of market participants, and realize a virtuous circle of market ecology. The balanced allocation of price,
consumption and labor force is completed through the market law of supply and demand balance, promote its healthy operation, so that commodities are allocated to the most effective places, consumption power is strongly stimulated, and labor resources are fully utilized. Therefore, the maximization of social interests is achieved and the realization of the social goal of common prosperity is promoted.

4.2. Fully Guarantee Its "Openness and Compatibility"

A national unified market should be "fully open", although what we are building is an internal unified large market, it does not mean that we need to close our doors to seek development, much less "closed country", as the world's second largest economy, China is still an indispensable part of the world's economic development, especially in the wave of global economization, we must stick to participate in the building of a community with a shared future for mankind, and always maintain an open mind and measures to face the development and changes of the international situation.

The building of a national unified market is a big project that is constructed step by step, from the technical level, we are still far behind developed countries in cutting-edge technology, big data construction and other core technologies. We still need to deeply participate in and learn external development models in some industries, realize the replacement of various production factors in the international market can be distinguished, effectively utilize global factors and market resources, and connect the domestic market with the international market in an all-round way, and reversely promote the building of a national unified market.

4.3. Allow All Regions to Play Their Comparative Advantages and Carry Out Differentiated Competition

No reform can be accomplished overnight, in the context of the global economic downturn, it is impossible for the Chinese economy, which has experienced rapid development for 40 years, to achieve 10% growth as usual, maintaining stable economic growth and forming a sound and healthy development trend will become the main contents of promoting the economy for a long time to come.

Although China has a super-large domestic market, the phenomena of uneven economic development in various regions are still severe, especially in recent years, although the rise of online shopping has led to the improvement of people's consumption power, it has also caused major shocks to the development of the offline real economy, a large amount of online income is flowed into a few large cities such as Beijing, Shanghai, Guangzhou and Shenzhen, where the distribution of online stores is dense and the logistics industry is the most developed, however, due to the disadvantages of geography, products, and transportation, inland and remote provinces, they are not only unable to develop the online economy, but also lose the development momentum brought by offline consumption.

The development of a unified, high-quality, high-standard online platform and offline logistics system brought about by the national unified market, as well as policy subsidies and inclinations, which may make up for the lack of technical platforms and hardware facilities in backward areas to a certain extent, however, we still have to admit that each city has a different development foundation and advantages, and even there are huge differences and gaps in people's consumption habits and the development capacity of enterprises. Therefore, under the premise of "unity", all localities still find their own advantages, not blindly catch up, do not blindly compare, develop differentiated advantages in the national market by giving full play to its different dimensions such as regional customs, advantageous industries, and historical origins.

References