

# *Thoughts on the Improvement of Business Environment in Minority Regions of China Against the Background of Globalization*

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**Abstract**—With the development of globalization, business environment has become an important concept to show the soft strength of major economies and has always appeared as a popular term for development concept. For minority regions of China, a better business environment relates not only to regional economic growth but to the overall economic growth trend of the state. In the new times and stage, the business environment optimization and economic development in minority regions are also faced with opportunities and challenges. Anyhow, opportunities are the focus and challenges are conquerable. At present, only by understanding local development status and actively responding to the local business environment improvement can we grasp opportunities, conquer difficulties and develop ourselves.

**Keywords**—Business environment, globalization, minority regions

## I. INTRODUCTION

Globalization is an irresistible trend of world economic development. Its objective existence and rapid sweeping across all corners of the world should be faced and admitted by us. Globalization is also a wave of the times. With economic integration and scientific and technological progress, the world has increasingly become a "global village". Generally, minority regions of China are the regions where economic growth lags behind. It becomes urgent to get rid of the current situation, achieve balanced development, drive economic entities to establish foundation and keep stability, and improve the business environment for minority regions. On December 20, 2018, business environment was incorporated into top 10 economic buzzwords for 2018[1]. And China ranked the 46th in terms of business environment among 190 economies in the world [2]. On March 5, 2019, Li Keqiang, premier of the State Council of the Chinese government proposed in the Report on the Work of the Government "stimulating the vitality of market players, making efforts to optimize business environment" [3]. The business environment in China is far behind that of

developed countries and minority regions in China are generally behind other inland developed regions of the country. Under the background of globalization, what are opportunities and challenges for the improvement of business environment in minority regions? How to respond to these challenges? The analysis of these issues is of important guiding significance for social and economic growth of minority regions.

## II. OPPORTUNITIES AND CHALLENGES BROUGHT BY GLOBALIZATION FOR BUSINESS ENVIRONMENT OPTIMIZATION OF MINORITY REGIONS

### A. Basic Connotations of Business Environment

Business environment was first proposed by the World Bank in 2001, "In order to accelerate the development of new private sectors, it is urgent to measure and evaluate the indicator system for the development environment of private sectors of countries". It refers to the sum of links, conditions and circumstances during the whole process of corporate activities including running, operation and completion; and also the circumstances and conditions of business players organize or operate enterprises, including politics, economics, culture and other factors affecting the behaviors of business players [4]. Actually, the business environment for minority regions mainly refers to a series of policies, laws and procedures that focus on the business development of minority regions in China and the macro regional environment in relation to the introduction, incubation and development of business and economic entities and are the synonym for the soft strength of local economic development. The development of business operations is directly related to the local economic growth. And economic development and prosperity can drive the development of culture and improve people's living standards. Thus, business environment improvement is of important practical value and significance for regional economic communities. Anyone who ranks the top can seize the development opportunity of the globalization wave in order to develop itself.

### B. Challenges for Minority Regions

Firstly, globalization plays a role of accelerator for the improvement of the business environment in minority regions.

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Since the implementation of the Western Development Program, minority regions have witnessed accelerated development, obvious technological development and improvement of economic conditions and significant accomplishments, which plays an initial leading role in driving social and economic growth. Currently, we are increasingly aware that paying attention to the improvement of economic conditions and facilitating the business development of enterprises is the only approach to improving people's livelihood and alleviating poverty in minority regions. Together with the support of the State for the economic development of minority regions, the promotion of globalization also brings about the increasing influx of capital, technologies and talents. These improvements have played a role of acceleration for minority regions to improve their business environment by seizing the opportunity of the times.

Secondly, globalization forces minority regions to change their minds and embrace a new culture of economic growth. Both history and current practices demonstrate that backward economic development would directly affect the social and economic development. To improve the situation, we need to constantly embrace new things, exploit their advantages and develop ourselves. Under the background of globalization and informatization, business opportunities are emerging and are also followed by challenges. The information dissemination in minority regions helps ethnic groups change their minds and learn some knowledge that is useful for their development. Improving business environment has gradually become the highlight for all these improvements.

Thirdly, abundant resources in minority regions and excellent traditional cultures of ethnic groups mean huge business opportunities and temptations, which would directly lead to the positive estimate and planned influx of foreign merchants. The influx of these enterprises is gradually helping to improve business environment, which arouses the attention of local government authorities on business environment improvement. Moreover, minority regions still lag behind in development and their relevant mechanisms have not been fully established, with more possibilities. Minority regions may witness a huge potential of development as long as they reflect the general trend of economic growth based on the practical decisions on environment improvement and actively combine local ethnic and cultural reality.

### *C. Challenges Against Minority Regions*

Firstly, the atmosphere for improvement of business environment in minority regions is still not ideal. As a new thing, the concept of business environment has not been deeply rooted in people's mind like the concept of GDP and its importance has not been presented. However, opportunities would elapse fast. And one feature of globalization is "fast". Just as the saying goes, "time and tide wait for no man". If we don't respond rapidly, we would not be able to make up for the consequences brought.

Secondly, the improvement of business environment in minority regions relies on the improvement of local supporting facilities. If supporting facilities, as an important aspect, are incomplete and even backward, they would delay the

improvement of business environment and become the constraint for business introduction. Thus, how to improve local infrastructure facilities in the key period represents an important challenge for business environment improvement.

Thirdly, the incomplete rule of law in relation to the business environment in minority regions would cause adverse impact on local business development. Currently, the minority regions in China feature incomplete rule of law, outdated legislation thought and insufficient reserve of legal knowledge. The principle-based regulations fail to keep pace with the times. To incorporate business acts into the track of the legal system, we must squarely face the current status of rule of law in minority regions. New issues are emerging during the process of globalization. In order to ensure healthy development of business economy as well as stable and orderly market development in the regions, we must prioritize the rule of law, which is derived from the experience of Singapore.

Fourthly, poor human resource environment and necessity of introducing high-quality talents. Minority regions are less competitive in economic growth and are incomplete in various supporting facilities. Thus, it is hard for them to attract high-quality talents. However, both social and economic development requires high-quality human resources ecology, creation and improvement of business environment, and also participation of a large number of high-quality professionals. Thus, the current conditions of human resources in minority regions would be one of the important constraints for these regions to optimize their business environment and improve their economic conditions.

### III. GRASPING OPPORTUNITIES, ACTIVELY RESPONDING TO CHALLENGES

Opportunities do not wait. Poverty alleviation in minority regions is not only an important link for building a well-off society but also the key to the strategic deployment of the national economic development. In order to grasp opportunities and squarely face challenges, we should update our thought on economic growth and convert our concept of development.

Firstly, emphasizing the rule of law and actively perfecting the rule of law in relation to the business environment in minority regions. The unbalanced and less coordinated social and economic developed in minority regions constrains the building of a good environment. Insufficient reserve of legal knowledge and incomplete rule of law makes enterprises hard to regulate their business operation. The lack of stability and continuity in the national discount policies that promote social and economic development in minority areas and contribute to the prosperity of shared community would weaken the confidence of the citizens in the regions in legal policies to some extent, thus adding management costs and increasing management difficulty [5]. To promote the rule of law can regulate the rule of law environment for business operations in minority regions and enable the business and economic development in these regions to have laws to abide by. Of course, it is not practical to release perfect legal provisions within a short period of time. Some normative clauses may be formulated in relevant laws so as to have laws as reference in

case any issues arises and make preparations for further promoting and enhancing legislation.

Secondly, enhancing the propaganda and popularity of the value and concept of business environment. Thought determines direction, direction determines goals and goals determine success. Dong Chuanshu believed that freeing ourselves from old ideas and transforming our concepts are the preconditions of and key to a better business environment. In order to transform our thought and concepts, we should benchmark advanced regions, learn advanced experience, make up for the shortcomings of our development and promote development and transformation by changing our concepts [6]. Globalization is both a trend and an economic wave, which is an objective existence that will not be changed by people's will. It has come into being and swept across major economies in the world. No country or region can seek development by blocking itself. We should establish new thought and concepts in our development and actively respond to the changing reality in the world. As a new business and economic development concept, business environment involves various important value concepts, such as collaboration, win-win, comprehensive attraction (benefits, costs, risks, etc.). These important value concepts represent an important link for developing the economy of minority regions and the drive for decision-makers to make improvements. Thus, it is necessary to publicize and absorb the concepts, standards, new thoughts and methods contained in business environment and successful experience in other regions so as to create a good foundation of concepts for business environment improvement.

Thirdly, firmly adhering to the policy of support given by the State to the economic growth in minority regions and grasping the opportunity of global economic growth for development. The poverty relief work in minority regions is hard, complex and long-lasting. It was pointed out in the 2014 Central Working Conference on Nationality Affairs that "to support minority regions to accelerate social and economic development is a fundamental policy adopted by the central government" and "the support for minority regions can only be enhanced rather than weakened, be increased rather than decreased"[7]. In order to use these support policies better, we must respond to the improvement of business environment. Exploiting the strength of these policies and enhancing and accelerating infrastructure construction represent important moves. Missing the opportunity of the times would often make the economic growth of minority regions continue to stay on the edge, which is not conducive to the improvement of the living standards of ethnic groups and to the overall

development of China's economy in the long run. Thus, in the new times, we should grasp the current opportunities, make full use of national policies, play the refreshing ability, improve our soft strength of development and lay a solid foundation for our own development.

Fourthly, highlighting talents, placing emphasis on education, and actively training high-quality professional talents for minority regions. Talents are of high reference value either for decision-making on business environment improvement but also for business environment indicator evaluation. The competition among the current economies is not only the competition of economic strength but also that of high-quality talent team. It is necessary to optimize the business environment of minority regions, introduce and retain talents and make local human capital powerful [8]. Minority regions should take diversified means to introduce talents, enhance education capital investment, inject vitality for the training of local talents and actively respond to the shortcoming.

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