

Evolution of China's Regional Economic Development Theory and Analysis of Unbalanced Development

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Abstract—The unbalanced development of China's regional economy has always been a prominent problem in its push for socio-economic development, which can not only affect the quality and speed of regional economic development, but also influence the economic development process and the construction of national modern economic system. This paper firstly reviews the theory of regional economic development in different historical periods and in different directions since the founding of New China. On this basis, it analyses the current situation of unbalanced regional economic development in China, discusses the underlying reasons behind the uncoordinated development, and provides basic measures for achieving balanced development of regional economy in the new era.

Keywords—Regional economy; Imbalance; Coordinated development; New era

I. EVOLUTION OF CHINA'S REGIONAL ECONOMIC DEVELOPMENT THEORY

A. The theory of balanced distribution of productivity

After the founding of the People's Republic of China, China was in a state of poverty and weakness. The development of productive forces was relatively backward and the level of productive forces was relatively low. The basic material needs of the people, such as "food, clothing, house and transportation", could not be met. Faced with this grim situation, the Communist Party of China led the people of the whole country to carry out socialist transformation, and drew lessons from the experience of the Soviet Union to promote the development of national economy by means of planned economy, so as to meet the needs of the people in this historical stage to the greatest extent. Influenced by Marx and Engels' ideas of "balancing the distribution of large industries in the whole country as far as possible" and Lenin's "making the layout of Russian industry reasonable and focusing on approaching the origin of raw materials", the Party Central Committee adopted the development strategy of balanced distribution of productive forces in the early years of the founding of the People's Republic of China. Mao Zedong put forward the idea of giving priority to the development of the inland and balancing the distribution of productive forces in his article "On Ten Relations". That is, "the industrial bases along the coast must be fully utilized, but in order to balance the distribution of industrial development, the inland industries

must be vigorously developed". From the early days of the founding to the pre-reform and opening up, balancing the productivity of coastal and inland areas became the main content of economic construction at that time, and that the distribution of productivity should be centered on the mainland was emphasized. Restricted by the limitations of people's understanding of the law of economic development at that time: the law of socialist resource allocation based on public ownership is quite different from that of capitalist resource allocation based on private ownership; only by guaranteeing the top-down planned economic system, can the overall development speed of the national economy be maximized, rather than Maximizing the speed of economic development in a single region. By balancing the distribution of productive forces, the central government has promoted the economic development of the central and western regions and ethnic minority areas, laid the industrial foundation of the interior, narrowed the economic gap between the interior and coastal areas, and initially solved the people's livelihood problems. However, during the period of balanced distribution of productive forces, the large-scale "leveling" construction neglected the law of market economy, and to some degree caused waste of manpower and material resources. Although the economic gap has narrowed, the strong economic growth has never been formed.

B. The theory of unbalanced development based on the "Two Overall Situations"

In the late 1970s, Deng Xiaoping put forward the theory of unbalanced development of regional economy on the basis of summing up historical experience and lessons, "let some people get rich first". Practice has proved that this theory is correct and based on China's national conditions. Because in the early stage of reform and opening up, China had a large population, a weak industrial base, large regional differences, and many levels of productivity development. It was impossible to achieve common prosperity. Only by "letting some people get rich first" and others being brought along, could common prosperity finally be achieved. Thus, through a series of opening-up, and with the help of the good location advantages and economic foundation of coastal cities, the economic growth pole of coastal areas gradually formed; and with the further expansion of opening-up, the open position extended from coastal areas along the Yangtze River, and the

growth pole of the Yangtze River Economic Zone began to form; later, with the opening up step by step, thirteen border cities have opened up one after another. Since then, a wide range of economic growth poles have been formed throughout the country. However, with the continuous development of the "first rich" areas, the economic gap between developed and backward areas has gradually widened. The drawbacks of the theory of unbalanced regional development have begun to highlight, and the two-level differentiation inevitably appears. If "letting some people get rich first" is efficiency-oriented, then when the two-level differentiation begins to appear, "fairness" must be faced squarely. Therefore, Deng Xiaoping put forward: "It is a matter of great importance for the overall situation that coastal areas should speed up their opening to the outside world, so that the vast area with a population of 200 million can develop rapidly, thus promoting better development of the mainland. The mainland should take account of this overall situation. On the other hand, when it develops to a certain extent, the coastal areas are required to give more strength to help the development of the interior. This is also the overall situation, and the coastal areas should also obey it. The "two overall situations" take into account "efficiency" and "fairness". Only by giving priority to the development of coastal open areas with good economic foundation and accumulating strong national economic strength can we help the mainland develop rapidly and achieve common prosperity.

C. The theory of unbalanced and uncoordinated development of regional economy

Since the reform and opening up, China's economy has made historic achievements, but the economic gap between coastal open areas and inland areas has gradually widened, and the gap between rich and poor has become increasingly prominent. Therefore, in 1992, the 14th report of the CPC put forward that economic development should be tailored to local conditions, rational division of labor, complementary advantages, and ultimately achieve common development. This reference means that China's regional economic development has since embarked on a path of unbalanced and coordinated development. Later, at the 15th National Congress of the CPC, the CPC Central Committee further clarified the need to "promote the rational distribution and coordinated development of regional economy", that is, "take the lead in realizing modernization in the eastern region, speeding up the development and reform of the central and western regions, and gradually narrowing the development and gap among regions. The support of the Central Committee for the central and western regions should still be strengthened. The cooperation and exchanges between coastal areas and inland areas, eastern and central areas and western areas should also be strengthened, and economic development in ethnic minority areas should be promoted. In addition, the Third Plenary Session of the Sixteenth Central Committee of the CPC proposed that regional economic development should be coordinated according to the scientific concept of development, the initiative and advantages of all regions should be gradually brought into play, the strategy of promoting the development of the West and revitalizing the industrial bases in the Northeast should be promoted, and the situation of widening gap between the rich and the poor in the region should be gradually changed.

At the 17th National Congress of the Communist Party of China, Hu Jintao pointed out that "the mechanism of coordinated and interactive development between urban and rural areas and the layout of main functional areas have basically formed". The 18th National Congress of the Communist Party of China further proposed that we should continue to implement the overall strategy of regional development, give full play to the comparative advantages of various regions, promote the development of the western region, revitalize the industrial bases in the northeast, promote the rise of the Central and vigorously support the economic development of the old and poor areas. In narrowing the income gap between urban and rural areas, integration of urban and rural areas is necessary. Thus, since the 14th National Congress of the CPC, the central government has established and continuously consolidated the strategy of unbalanced and coordinated development of regional economy, and constantly strengthened the joint efforts of national economic development.

D. The theory of coordinated development of regional economy in the new era

Since the 18th National Congress of the CPC, socialism with Chinese characteristics has entered a new era. The main social contradiction has been transformed into the relationship between the people's growing need for a better life and the insufficient and unbalanced development. In order to face the complex economic environment at home and abroad and solve the imbalance of regional economic development, general secretary Xi Jinping put forward the five development concepts of "innovation, green, coordination, openness and sharing" and the "one belt and one road" construction initiative, emphasized that the importance of regional coordination, urban and rural coordination and coordination of other economic and social development from a global perspective. that we should coordinate and promote the overall layout of the "five in one" and the strategic layout of "four overall", always insist that "development is the top priority". In 2015, Premier Li Keqiang pointed out that China should "expand new space for regional development and implement the strategic combination of "four major plates" and "three supporting belts". And improve the differentiated regional development policy. The four major plates refer to the "western development, the revitalization of the northeast, the rise of the central region and the first development of the East". The three supporting belts refer to the "one belt and one road", the Yangtze River economic belt and the coordinated development of Beijing, Tianjin and Hebei. It can be said that the construction of "one belt and one road" and multilateral opening provide a strong starting point for China to realize the balanced development of regional economy in the new era. Xi'an, a landlocked town, has entered the fast track and take-off period of economic development with the help of "one belt and one Road" construction opportunity. In addition, with the implementation of the strategy of "Guangdong, Hong Kong and Macao" Great Bay Area, China is striving to build an international Bay Area and a world-class urban agglomeration growth pole, and the construction of Guangdong, Hong Kong and Macao Great Bay Area has become a new economic support belt.

In summary, based on different historical backgrounds and goals, China's regional economic development theory has experienced the theory of balanced distribution of productivity from the early years of the founding of the People's Republic of China to the pre-reform and opening up, the theory of unbalanced development based on "two overall situations" after the reform and opening up, the theory of unbalanced coordinated development of regional economy since the 14th National Congress of the CPC and theory of coordinated development of regional economy in the new era since the Eighteenth National Congress of the CPC .

II. ANALYSIS ON CHINA'S UNBALANCED REGIONAL ECONOMIC DEVELOPMENT

After reviewing the theory of regional economic development since the founding of the People's Republic of China, in order to study the unbalanced development of regional economy in depth, we need to start with the unbalanced development of regional economy, analyze its root causes, and put forward countermeasures to solve the unbalanced development of regional economy on the basis of exploring the causes.

A. Analysis of the unbalanced development of regional economy

1) Regional economic development gap

TABLE I. ABSOLUTE DISPARITY AND RELATIVE GAP BETWEEN CHINA'S URBAN AND RURAL ECONOMIC DEVELOPMENT FROM 2012 TO 2017

| data year | 2012 | 2013 | 2014 | 2015 | 2016 | 2017 |
|--|-------|-------|-------|-------|-------|-------|
| Per capita disposable income in cities and towns | 24565 | 26955 | 28844 | 31195 | 33616 | 36396 |
| Per capita disposable income in rural areas | 7917 | 8896 | 10489 | 10772 | 12363 | 13432 |
| absolute disparity | 16648 | 18059 | 18355 | 20423 | 21253 | 22964 |
| relative gap | 3.10 | 3.03 | 2.75 | 2.90 | 2.72 | 2.71 |

3) Regional social development gap

Since the reform and opening up, China's social undertakings have developed rapidly. In the fields of education, health, medical treatment, social security and infrastructure construction, governments at all levels have increased their investment and policy support. However, nationwide, the development level of social undertakings in the eastern region is significantly higher than that in the central and western regions. The level of urban development is significantly higher than that of rural areas.

B. Analysis on unbalanced development of regional economy

1) Natural conditions and location differences

As we all know, the topography of China is high in the west and low in the east. The eastern region is characterized by low terrain, mainly alluvial plains, obvious geographical advantages in coastal areas, developed maritime transportation and international trade, and more convenient circulation of resources and production factors under market mechanism. Highlands, hills and basins are common in the central and

As a result of the unbalanced development strategy implemented by China since the reform and opening up, the overall level of regional economic development in China has shown a trend of high in the East and low in the west. In terms of the per capita GDP of China's provinces (cities) in 2016, the top three are Tianjin, Beijing and Shanghai, with per capita GDP of 115613 yuan, 114690 yuan and 113731 yuan, respectively. The lowest three are Guizhou, Yunnan and Gansu, with GDP per capita of 33,242 yuan, 31,358 yuan and 27,508 yuan, respectively. It can be seen that the per capita GDP of Tianjin is 4.2 times that of Gansu. With the development of China's regional economic coordinated development strategy, the relative gap is narrowing and the absolute gap is expanding. In 2016, for example, the fastest economic growth was Chongqing, followed by Guizhou and Tibet.

2) Gap between urban and rural economic development

As shown in Table 1, since the Eighteenth National Congress of the Communist Party of China, influenced by the dual economic structure, the level of urbanization construction, the state policy, the level of urban and rural infrastructure and the quality gap between urban and rural residents, the relative gap between urban and rural economic development has been decreasing year by year, and the absolute gap has been expanding year by year. It can be seen that although the relative gap is decreasing year by year, the overall income ratio of urban and rural areas is still high.

western regions, and the transportation and communication infrastructure in the inland areas are obviously backward. In addition, industrial structure, location differences directly causes industrial differences, and the eastern region mainly has light industry or light-heavy mixed type, the central and western region mainly has heavy industry, industrial structure differences are the important reasons leading to the imbalance of regional economic development.

2) Policy support and historical precipitation

As mentioned above, after the Third Plenary Session of the Eleventh Central Committee of the CPC, Deng Xiaoping, the chief designer of reform and opening-up, proposed that some people should get rich first, others will be brought along, and finally achieve common prosperity. The eastern region relies on its original industrial base and location advantages to be given priority by the state. The state policy tilts to the eastern region, and finally achieves the goal of taking the lead in the development of the eastern region (let some people get rich first). However, the rapid development of the coastal areas has

not effectively led the central and western regions to the road of prosperity. Foreign investment favors the eastern coastal areas, human resources and production factors in the central and western regions flow more to the coastal cities, the gap between the rich and the poor in the eastern, central and western regions is further widened.

3) *Cultural quality and ideological concept*

As a non-economic factor affecting the unbalanced development of regional economy, cultural quality and ideological concept can not be ignored. Since the reform and opening up, the people in the eastern region have been emancipated unprecedentedly. The economic development achievements and sense of achievement have convinced the people in the eastern region that only opening up can lead to wealth, while conservative closure means poverty. In addition, the education level in the eastern region is high, and external exchanges are more frequent compared with central and western regions. Especially since the reform and opening up, people's consciousness of openness, imitation and innovation has been maintained, which is conducive to their better and faster adaptation to the market economic system. In the central and western regions, education is relatively backward, and influenced by traditional culture, people's thinking is conservative, which greatly restricts the initiative of production and life. It can be seen that the differences in cultural quality and ideological concept make the central and western regions obviously lower than the eastern coastal areas in the utilization of natural resources, the efficiency of capital use, the advancement of technology development and the comprehensive quality of labor force, which directly leads to the regional differences in economic development to a certain extent.

C. *The basic idea of achieving balanced development of regional economy in the new era*

1) *Strengthen the basis of "four plates"*

We will continue to lead the eastern region by innovation, accelerate the development of the western region, revitalize the old industrial bases in Northeast China in an all-round way, give full play to advantages and promote the rise of the central region. On this basis, we will vigorously support the economic development of the old and poor areas. Adhere to the Party's leadership and overall planning to form a joint force for overall regional development, promote the overall development of the national economy.

2) *Stimulate the vitality of "three supporting belts"*

With the supporting of the construction of "one belt and one road", the coordinated development of Beijing, Tianjin and Hebei, and the construction of the Yangtze River economic belt, we will promote the construction of "Guangdong, Hong Kong and Macao" big bay area, and insist on bringing in and going out equally, form an open pattern of linkage between land and sea and mutual aid between East and West.

3) *Overall planning for urban and rural development*

Take urban agglomeration as the main body, construct a coordinated urban structure of large, medium, small cities and towns, speed up the urbanization of agricultural transfer population, and improve the quality of urbanization. Vigorously implement the strategy of rural revitalization, establish and improve the system, mechanism and policy system of urban-rural integration and development, and accelerate the modernization of agriculture and rural areas. We should adhere to the problem-oriented approach, promote the implementation of policies and measures to alleviate poverty accurately and eliminate poverty accurately, and firmly promote the work of tackling poverty.

4) *Build a modern economic system*

We will build a modern economic system by effectively changing the mode of development, optimizing the economic structure and transforming the driving force of growth. We should firmly promote the structural reform of the supply side, take the structural reform of the supply side as the main line, accelerate the construction of an industrial system with coordinated development of the real economy, scientific and technological innovation, modern finance and human capital, and focus on building an effective market mechanism, a dynamic micro-subject and a moderate macro-control economic system, so as to continuously enhance China's economic innovation and competitiveness.

III. CONCLUSIONS

Firstly, this paper reviews the theory of regional economic development in China under different historical backgrounds. Secondly, it analyses the unbalanced development of regional economy. Finally, it provides basic ideas for achieving balanced development of regional economy in the new era.

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