

### Research on Regional Economic Management Mode in the Process of Transformation of Government Functions

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Abstract. with the deepening of reform and opening, China's economy has made rapid progress. The government plays the role of administrator and regulator in the process of promoting regional economic development, which depends on the government's macro-control role in the development of market economy, so that the market economy can develop rapidly and smoothly. Under the background of the new normal economy, the traditional economic system and administrative system have been difficult to meet the needs of regional economic development in the new era. Therefore, it is urgent to change the government functions and strengthen regional economic management to promote the stable development of the economy. Based on the background of the transformation of government functions, this paper probes into the regional economic management mode in the process of the transformation of government functions, and holds that we should grasp the principles and characteristics of regional economic management, give full play to the macro-control role of the government in guiding economic development, and promote the steady and healthy development of the economy.

**Keywords:** Transformation of government functions; regional economic management; development mode.

#### 1. Introduction

The transformation of government functions is an inevitable requirement for the ruling government when the country and society develop to a certain stage. There are many factors influencing the transformation of government functions. However, the goal of the transformation of government functions is consistent - to promote the steady and rapid development of the country and society. Under the background of the new normal economic development at this stage, the transformation of government functions mainly proceeds in two directions, the first is the transformation of government management authority, the second is the transformation of government management role. Regional economic management, guided by the government, is a kind of management mode which uses policy means to macro-control the operation of the market economy under the premise of following the laws of the general market economic system, aiming at regulating the stability, coordination and sustainable development of the regional economy. The transformation of government functions and regional economic management has a "cut and go" relationship. Stepping into the new socialist era, our party vigorously promotes the transformation of government functions to meet the needs of economic development in the new era. In the past planned economy system, we formed an omnipotent government. Under the planned economic system, the government is "omnipotent" and both the administration and the economy are within its management functions. Compared with the economic management functions, the government's administrative functions (i.e. public affairs management, serving the people) are obviously weakened. However, the planned economic system did not promote the rapid development of China's economy, so we carried out reform and opening up and began to implement the market economic system. With the deepening of reform and opening up and the continuous improvement of the socialist market economic system, China's economy has achieved rapid development, which confirms the correctness of the implementation of the socialist market economic system. However, under the circumstances of rapid economic development, the government's administrative system reform has not kept pace in time, which to a certain extent led to economic development was hindered. It is very important to promote the reform of the government administrative system, find a balance between the reform of the government administrative system and the promotion of economic development, promote economic development through the reform of



the government administrative system and promote the reform of the government system with economic development.

# 2. Analysis of the Strategic Objectives of the Transformation of Government Functions

#### 2.1 Promote Steady Economic Development

With the continuous improvement and development of the socialist economic system, the mode that the government regulates the economic activities of each micro-subject by hand is gradually eliminated. Under the background of the new era, the government is required to relax the interference and restrictions on the micro main economic activities. In the traditional government administrative system, the government's management of the market economy is very in place, whether macro or micro, all activities of the economic subject are subject to the government's directive management. The abuse of mandatory management is very obvious, which suppresses the adjustment and promotion of market economy itself to economic development. To this end, one of the strategic objectives of the transformation of government functions at this stage is to relax the restrictions on the economic activities of micro-subjects and realize the transformation of the government's role in economic management - from the leading role of economic development to the service of economic development. To relax the restrictions on the economic activities of micro-subjects, the government should, within the scope permitted by law, try not to interfere with the development of microeconomic subjects, take advantage of the adjusting role of market economy itself, promulgate corresponding policies, create a favorable environment for economic development, support and encourage the legitimate Sutras of micro-subjects. Economic activities. This relationship can be expressed as follows:

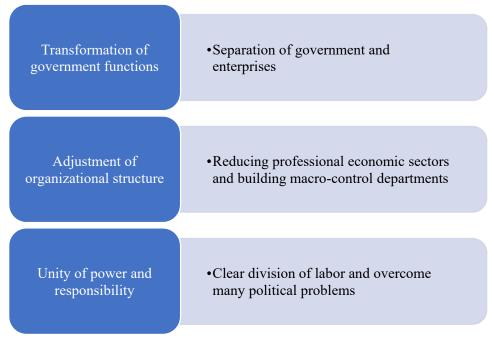


Fig 1. transformation of government functions

It is not easy to achieve such a transformation under the situation that interests have solidified, but it is also necessary to promote economic development. The fact of economic development has proved that it is helpful to keep the economic vitality of the market and promote the rapid development of the economy to transfer the leading power of economic development to the market subject more and provide a good economic development environment for the market subject.



#### 2.2 Public Affairs Management

Public affairs management is one of the important functions of the government, which is also the inevitable requirement of building a "service-oriented government". To weaken the leading role of the government in economic management and strengthen the government's public affairs management function is another important strategic goal of the transformation of government functions. This mainly put forward to the government "rule of law, administration according to law" requirements, to create a better social environment, from the side of economic development.

## 3. Regional Economic Management Mode in the Transformation of Government Functions

Regional economic management is a comprehensive and systematic project. To do a good job of regional economic management requires the government to grasp the characteristics and principles of regional economic management. On this basis, the government should give full play to its role in macroeconomic regulation and control and micro-economic support, and build a good regional economic management model.

characteristics and principles of regional economic management

Regional economic management should fully grasp its characteristics, clear the principles, on the basis of targeted management. The characteristics of regional economic management are illustrated in Figure 2.

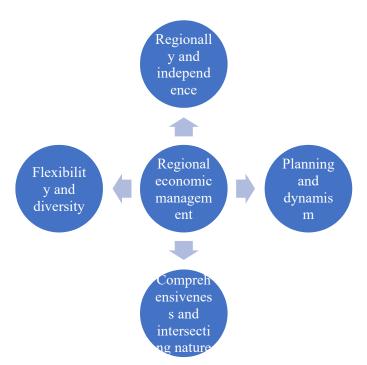


Fig 2. characteristics of regional economic management

Regional economic management is regional and independent. There are some objective differences between regions. Although there are exchanges of information, funds and talents among regions, there is still a certain degree of independence in their development. Regional economic management is comprehensive and intersecting. Whether it is a regional department or a regional industry, it carries out more than one work, in the regional management to coordinate the relationship between the various regional departments, industries. The economic structure of the region is stratified, forming a crisscross economic structure. Regional economic management is flexible and diversified. Compared with macro-economy, regional economy is more substantial; compared with micro-economy, it has more room for manoeuvre, which makes the means and methods of regional economic management more flexible and diverse. Regional economic management is planned and



polymorphic. Regional economic management is a systematic and gradual project, which requires overall and rational planning; regional economic management has always been around the development of regional economy, it is not invariable, need to adopt a dynamic management model.

the construction of regional economic management mode

The author believes that the construction of regional economic management model should be based on the background of the transformation of government functions, fully grasp the principles of regional economic management, in order to promote regional economic development for the purpose of building an effective management model from multiple angles and all-round.

The principles of regional economic management are concentrated in four aspects. First, the principle of regional integration. The object of regional economic management is the size of economic elements within the region, which should be integrated into a comprehensive management under the same economic development goals. Second, the principle of coordination. Regional economic management should not only focus on comprehensive development, but also focus on coordinated management. All departments and trades in the regional economy should clearly divide their work, coordinate with each other, perform their duties and seek development. Third, the principle of motivation. Regional economic management needs sustained and powerful impetus to support it. These powers are mainly led by the government, including material supply, policy driven and so on.

The author thinks that the construction of regional economic management mode should be considered from the following aspects (see Figure 3).

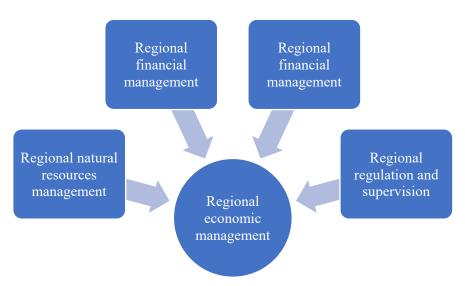


Fig 3. construction of regional economic management mode

Natural resources are the important wealth of regional development. They include land, forests and rivers. Corresponding policies should be formulated to strengthen the management of regional natural resources and ensure the sustainable use of natural resources. Financial management is conducive to building a good financial environment and providing capital support for regional economic development. It requires the government to formulate appropriate financial policies to build a sound, sustainable financial system. Regional financial management requires the government to formulate sound budgetary, tax, investment, procurement policies to ensure the balance of revenue and expenditure of the regional government. Regional regulation and supervision play the role of the government in controlling the trend of macroeconomy. On the one hand, the government should relax the restrictions on the market economy, on the other hand, it can not entirely let the economy develop on its own. It should regulate and guide it by means of policies, administrative and legal means to promote the sound, stable and rapid development of regional economy.



### 4. Summary

In summary, the transformation of government functions is closely related to regional economic management. The government still plays a guiding and regulating role in regional economic management, but it should relax the restrictions on regional economic development, grasp the characteristics and principles of regional economic development in an all-round way, and stimulate, encourage and guide regional economic development with more policy means.

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