

The "One Belt and One Road" is a Strategy to Optimize Regional Pattern Focus

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"We should focus on implementation of the three grand strategies, i.e. build the One Belt and One Road, Beijing-Tianjin-Hebei collaborative development, and the Yangtze River Economic Belt, and strive for a good start the next year". The just completed Central Economic Work Conference lists "the optimization of economic spatial development" as one of the five major tasks for economic work in 2015.

After last year's Central Economic Work Conference proposed to push forward building the "One Belt and One Road", the Central Economic Work Conference this year again mentioned the "One Belt and One Road" strategy. To build the "One Belt and One Road" is listed as a main task of the coming year's economic work for two consecutive years, even though it is proposed for just more than a year.

Although the attractive eye-catching plan for the "One Belt and One Road" is not published yet, in this year China prepares to establish an Asian Infrastructure Investment Bank, and the Silk Road Fund, and has taken actual actions to support the "One Belt and One Road" strategy.

The Central Economic Work Conference takes building the "One Belt and One Road" as an important content of optimizing regional pattern. Professor Zhang Zhanbin of National School of Administration said to the Twenty-First Century Economic Report that these three projects (the "One Belt and One Road", collaborative development of Beijing-Tianjin-Hebei, Yangtze River Economic Belt) at least next year may see newly adopted measures, or a plan, a reform opinion, a policy etc..

To build the "One Belt and One Road" is an innovation of regional policy

Since this year, the Chinese economic downtown pressure increases, for those Mid-west provinces dependent on resources and energy economy, they found it particularly difficult to tie over.

Since the 30-year reform and opening-up, the Chinese development is benefited from the different explorations in various regions, vitality and dynamism of regional economy facilitate rapid economic growth in the past. In the regional economics, the so-called four big plates, i.e. the eastern region, western region, central region and northeastern region, all have different development mandates and levels, while the eastern coastal region takes the lead in development, which has also brought more opportunities of development for others regions.

A decade-long rapid development of heavy and chemical industries along the coastal areas in the past gave birth to a large demand for coal and other energy resources, and soaring energy prices, thereby, driving the high-speed growth of mid-western energy region, which are the represented by Inner Mongolia, Shaanxi, etc..

However, as the economy turns to a new normalcy, rapid growth is no longer in existence, previous advantages of some areas no longer in existence, and the coal economy meets a downturn, which brings coal- anchored areas to sluggish growth. Therefore, the development of all regions urgently needs to search for new sources of growth. China's reform and opening up have been in the process of constantly seeking new sources of driving power, and injecting new vitality into the development of each plate through exploration of regional policies.

From development and opening-up of eastern coastal regions, the reform and

opening-up gradually advance toward the central and western regions, from coastal areas to that along the river and the border and even to inland regions, China has marched to all-dimensional opening-up, the Central Economic Work Conference proposes to build a new system of open economy. For mid-western region, the proposal of building the "One Belt and One Road" is an opportunity to further opening-up, but also an opportunity to bridge the gap between the eastern region and the western region.

"To improve the regional policies, promote the coordinated development, associated development and common development of all regions" The Central Economic Work Conference points out the orientation of optimizing the spatial pattern for economic development. Compared to the regional strategies in the past, building the "One Belt and One Road", the Beijing-Tianjin-Hebei collaborative development, and the Yangtze River Economic Belt attach more importance on regional cooperation and common development.

Liu Yunzhong of the State Council Development Research Center said to the Twenty-First Century Economic Report that building the "One Belt and One Road" focuses on regional linkage and interaction, and gives more emphasis on interaction between different plates, takes one step further than the past four-plate strategy.

In the course of development of these years, the eastern region takes the lead in development, while its gap with the central and western regions is growing, the Central Government has put forward strategies of developing the western region, revitalizing the northeastern region and the central region to support development of the backward areas. However, to build the "One Belt and One Road" strategy will connect plates together through economic ties, and promote interaction between regions through market forces. The Central Economic Work Conference also proposes that the reform and innovation should break regional blockades and interests barriers, and comprehensively improve the efficiency of resource allocation.

Liu Yunzhong holds that this kind of regional policy innovation is a great breakthrough, it breaks through the original regional policies and even regional research due to the domestic restrictions, emphasizes the linkage between inside and outside, and mobilizes the two markets and two kinds of resources in a larger spatial pattern of economic development.

Of course, these new regional policies can not completely replace the previous regional policies. The Central Economic Work Conference points out the overall regional development strategy of developing the western region, revitalizing the northeastern region and the central region, and the eastern region takes the lead in development will continue to be carried out. The Political Bureau meeting on December 5, 2014, also made it clear to continue to implement the overall regional development strategy.

"From the perspective of regional policy and regional pattern, the Central Government has always stressed the regional overall development strategy and its continuous adherence. With this premise, Zhang Zhanbin said that focuses should be emphasized, i.e. pushing forward building the "One Belt and One Road", the Beijing-Tianjin-Hebei collaborative development and the Yangtze River Economic Belt, which will not only promote China's regional economic development, and will also play an impetus role in the Chinese economic cooperation with foreign countries.

Promote Industrialization and Urbanization in the Mid-Western region

The Central Economic Work Conference proposes promoting healthy development of urbanization is an important content of optimizing the spatial pattern of economic development.

The mid-western region will shoulder a heavy task for national urbanization development. China's Government Work Report touches on the issue of "three 100 million" this year, of which the third 100 million is to guide about 100 million people for urbanization in their nearby places in the

mid-western region.

Of course, in order to promote development of urbanization in the mid-western region, industrial support is needed, so the mid-western regional industrialization needs synchronous propulsion.

Building the "One Belt and One Road" is good news for the mid-western region, the Central Government, promoting urbanization, also hopes for greater development for the mid-western region. Zhang Zhanbin of National School of Administration believes that following the "One Belt and One Road" construction and urbanization progress, some important infrastructure projects, such as accelerating railway construction, also building or innovating some important hydraulic projects, accelerating transformation of some city underground pipe networks, and further speeding up county housing projects related to people's livelihood in some localities.

This Central Economic Work Conference proposes to promote infrastructure interconnection, promote industries with advantages to go to the world, to carry out advanced technical cooperation, and steadily promote the RMB internationalization. "Infrastructure interconnection" is one of the five initiatives proposed by President Xi Jinping in his Silk Road Economic Belt initiative. And for the mid-western region, the "One Belt and One Road" construction can change the local development conditions and environment through infrastructure interconnection such as railway, highway, airport, pipelines, ports, etc.

In addition, the mid-western region have rich energy resources, especially the relatively backward western region can activate these resources through the "One Belt and One Road" construction, as the current domestic inadequate demand and overcapacity.

Chen Yao of China Academy of Social Sciences and vice chairman of Chinese Regional Economics Association said that the "One Belt and One Road" construction can bring along exploration of resources with advantages of the Western region. In addition, through opening up to the West, the local

advantages can also be made use of to develop foreign trade processing, and to change the mode of economic development relying on resources.

With the strengthening efforts to open up to the West, and with the Chinese advantageous industries and advanced technologies going to the world, transfer of the eastern industries to the mid-western region will also be affected. Zhang Zhanbin believes that the Chinese economic restructuring will speed up the transfer of industries to the mid-western region, which should seize the favorable opportunity and form new development driving force. Chen Yao also thinks that, with the "One Belt and One Road" construction strategy, China's advantageous resources can be transferred to outside, industries will accelerate their shift to the western region, now the electronic products processing industry has started moving to the western region.

Keeping an eye on the direct and indirect benefits brought along by the "One Belt and One Road" construction strategy, which has received positive response. The Central Economic Work Conference points out the focus of the implementing the strategy, and strive for a good beginning next year, which gives people a huge space to imagine.

Zhang Zhanbin believes that these strategies will be implemented next year, but all localities can not rush headlong into a mass action, but recognize their local characteristics, advantages and positions, shape local unique identifiers, and bring to play their comparative advantages, while the State industrial policies and investment arrangements will be integrated with the regional characteristics of various localities.

In the views of experts, the "One Belt and One Road" construction strategy will promote development of the mid-western regions, but it is relatively difficult to change the local backward situation in a short term by depending on a regional policy, these localities should also free their minds for innovation, so as to maintain long-term healthy development of their own.