

CHINA'S DIGITAL TRADE UNDER THE NEW DEVELOPMENT PATTERN OF THE DUAL CIRCULATION: OPPORTUNITIES, CHALLENGES AND STRATEGIES

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Digital trade has become a new direction and dynamic force in global trade. However, the development of digital trade in China is still facing many challenges. The study suggests a new development pattern integrated with a large domestic cycle as the main framework and dual domestic and international cycles promoting each other. implications for digital infrastructure development, as well as digital trade pilot zones; recommendations on the design of necessary mechanisms.

Keywords: digital trade; dual circulation; digital trade pilot zones; high-quality development.

ЦИФРОВАЯ ТОРГОВЛЯ КИТАЯ В УСЛОВИЯХ «МОДЕЛИ ДВОЙНОЙ ЦИРКУЛЯЦИИ»: ВОЗМОЖНОСТИ, ВЫЗОВЫ И СТРАТЕГИИ

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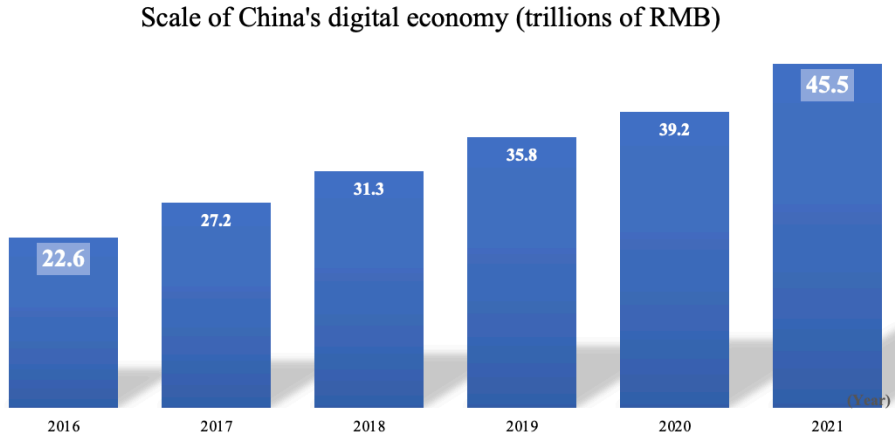
Цифровая торговля уже стала новым направлением и движущей силой в мировой торговле. Однако, развитие цифровой торговли в Китае по-прежнему сталкивается с многочисленными вызовами. По результатам наших исследований предлагается новый паттерн развития, особенностью которого является его интегрированность в «большой внутренний цикл» и «модель двойной циркуляции», в рамках которой внутренние и внешние циклы инновационного развития поддерживают друг друга; даны предложения по совершенствованию инфраструктуры цифрового развития, а также использованию пилотных зон цифрового развития; рекомендации по формированию соответствующих механизмов.

Ключевые слова: цифровая торговля; двойная циркуляция; пилотные зоны цифровой торговли; высококачественное развитие.

In recent years, along with the development of digital technology to promote the rise of digital trade, digital trade has become the new direction of global trade and new dynamic energy. Data show that global digital trade grew from \$1.9 trillion in 2008 to nearly \$3.2 trillion

in 2019. As of 2019, global digital trade accounts for more than 50 % of global trade in services. China is one of the few developing countries leading the way. In 2020, the scale of China's national digital services trade reaches US\$294.76 billion, compared to 2011, the scale has basically doubled, with an average annual growth rate of 6.7 %, higher than the trade in services (4.4 %) and trade in goods (2.7 %) in the same period, and the growth rate is in the forefront.

As shown in Figure 1, in 2021, China's digital economy made a new breakthrough, with the size of the digital economy reaching RMB 45.5 trillion, more than doubling in size compared to 2016, with a nominal growth of 16.2 % year-on-year, 3.4 percentage points higher than the nominal GDP growth rate, and accounting for 39.8 % of GDP. The digital economy has reached a new level of development and is playing an increasingly prominent role as an «Accelerator» and «Stabiliser» of macroeconomic.



Scale of the digital economy in China, 2016–2021 (trillions of RMB)

Note – [1].

In 2020, COVID-19 spread globally, further highlighting the toughness and huge potential of digital trade development: in 2020, global services trade was severely hit by a year-on-year decline of 20.0 %, while digital services trade was less affected, improving by 11.5 percentage points in one year, an increase of more than the past decade combined. The global cross-border e-commerce market continues to expand in size, injecting new energy into international trade [2].

The report of the 19th National Congress of the Communist Party of China specifically states that, to «accelerate the development of advanced manufacturing, to promote the Internet, big data, artificial intelligence and the deep integration of the real economy». However, at present, China's digital trade development still faces many challenges. Among them, China's digital trade development is strongly dependent on foreign markets. The average annual growth rate of digital service imports is 6.0 %, which is 1 percentage point higher than that of global digital service imports. The «export-oriented» development model has not significantly improved the quality of China's digital trade, and has gradually shown the characteristics of low innovation capability, low-end, serious homogenization and weak competitiveness. How to find an economic development model that can adapt to China's economic development and the current world economic situation in the context of counter-globalization is the top priority for the development of China's digital trade.

Digital innovation is transforming the global economy. To sum up, the study concluded that we should further accelerate the construction of a new development pattern in which the domestic cycle is the mainstay and the domestic and international cycles are mutually reinforcing, that is the dual circulation, make the two mutually reinforcing in a high level of opening up to the outside world, give full play to the advantages of China's mega market and

the potential of domestic demand, cultivate independent innovation capabilities, encourage the scientific development of digital trade, and at the same time accelerate the construction of digital infrastructure, including the development of a digital economy[3]. In the background of the new development pattern of «Dual Circulation», through the construction of Belt and Road, a new opening pattern of linkage between land and sea, and mutual promotion between east and west will be formed [4]. Meanwhile, relevant department should accelerate the construction of digital infrastructure, including: cloud computing, 5G network services, artificial intelligence services, digital platform services, etc., to enhance the level and capacity of the scientific development of China's digital trade.

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