

INTERNATIONAL ECONOMICS AND INTERNATIONAL RELATIONS

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RESEARCH ON CHINA'S DIGITAL ECONOMY DEVELOPMENT

***Abstract.** With the development of science and technology, and the new economic forms appearing in the development process of human society, the digital economy has greatly promoted the development of China's economy through the use of various information technology. China's digital economy is currently rapid, maintaining its status of a global digital economy, has become the world's second largest digital economy after the United States. The development of digital economy in China plays a key role in promoting our economic growth, economic growth also provides a steady stream of power for digital economy development, people pay more and more common attention to the development of digital economy, analyze digital economy development efficiency, explore the influence of digital economy development efficiency, to improve the quality of digital economy development, optimize the digital economy allocation of resources are of great significance. we select the development efficiency of digital economy as information technology and realize the application of information and communication technology, and realize the business process and transaction methods of various industries, so as to create more value and promote economic development.*

***Keywords:** Digital economy, development efficiency, economics development.*

In recent years, the rapid development of the Internet, big data, cloud computing, representing the new generation of information technology, promoted the digital economy, opened the digital economy has become one of the core growth pole in the whole national economy, is with unprecedented scale and speed showing their strength and momentum. According to the report, the added value of China's

digital economy has increased from 2.6 trillion yuan in 2005 to 35.8 trillion yuan in 2019, and the proportion of digital economy has also increased from 14.2% to 36.2%. In 2019, the digital economy increased to the economy

The contribution rate was as high as 67.7%, becoming further prominent in the national economy. In particular, in 2020, the digital economy has made important contributions to China's COVID-19 prevention and control work. From the development of the digital economy and its strong role, the digital economy can become an important starting point to promote the double cycle development pattern of China's economy. Digital economy can also be called information economy. Its essence is an economic form characterized by the Internet, information technology and big data. The three elements of big data, cloud computing, Internet of Things, productivity (means of production, objects and workers) are the key to realizing digital empowerment, efficiency improvement and intelligent manufacturing. From 2G backward, 3G imitation chase, 4G synchronization to 5G beyond, the construction and upgrading of a new generation of information infrastructure will become the focus of the future investment, in the whole social digital economy construction investment is increasing, this requires the total factor configuration efficiency and production efficiency must be improved, to further release social productivity.

According to the Ministry of Industry and Information Technology, 31 provinces are divided into four regions, central, western and northeast, including Beijing, Tianjin, Tianjin, Hebei, Shanghai, Jiangsu, zhejiang, fujian, Guangdong, Shandong, hainan, 10 provinces, central regions, including Shanxi, Anhui, Jiangxi, Henan, Hubei, Sichuan, Guizhou, Yunnan, Tibet, Liaoning, Jilin and Heilongjiang provinces. The specific representation is as follows:

In terms of capital investment, it can be seen from the figure that from 2014-2019, China's fixed asset investment in information services and software industry was increasing year by year. From the range of increase, the growth rate between 2016-2017 was fast, and the investment in 2019 reached nearly twice the investment in 2014, nearly three times, to some extent shows that countries or enterprises pay

more and more attention to the development of digital economy, and increasing capital investment.

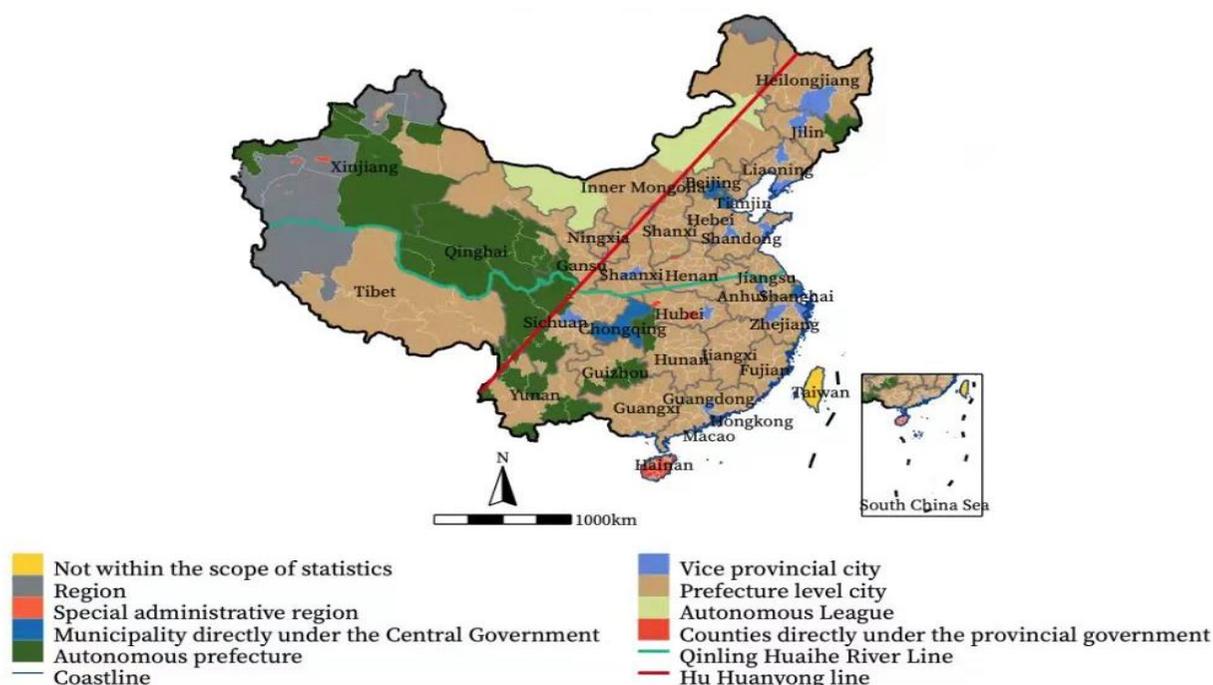


Fig. 1. Map of China

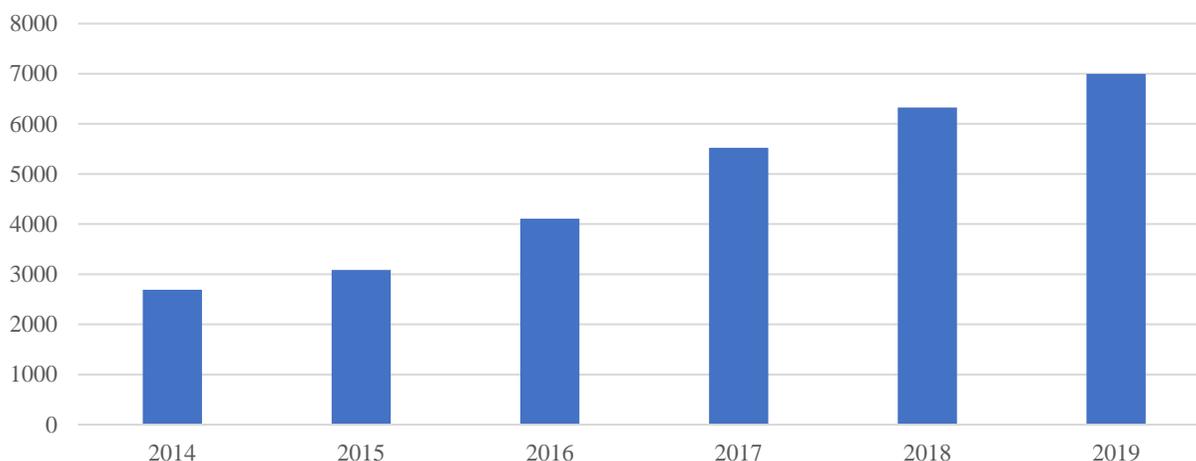


Fig. 2. Fixed asset investment in China's information services and software industry in 2014-2019

Figure 3 reflects the participation of labor force in the development of digital economy from 2011 to 2019. It can be seen that the number of information services and software employees increased the most from 2012 to 2013. Although the growth rate was small after 2013, there was certain growth and overall growth year by year. From the whole period, 2019 has more than doubled from 2011.

In recent years, due to the continuous breakthroughs of digital technology, the digital economy is strong and the scale of digital economy also continues to expand. As can be seen from Figure 4, the overall scale of China's digital economy is increasing. In 2005, China's digital economy was 2626.1 billion yuan, rising then until 2019, reached 35840.2 billion yuan, and the proportion of GDP is also increasing, from 14.2% in 2015 to 36.2% in 2019, growing very fast.

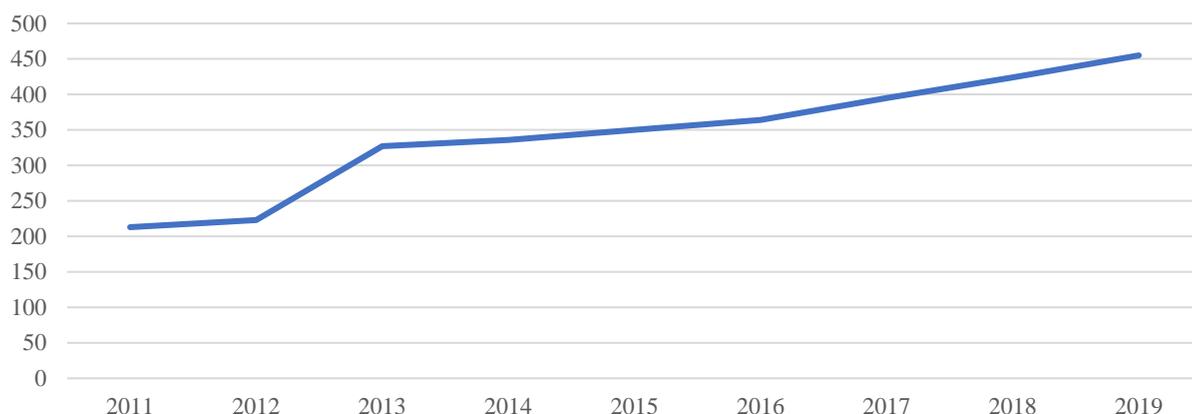


Fig. 3. Employment Personnel in the Information Services and Software Industry in China, 2011-2019 (thousands of people)

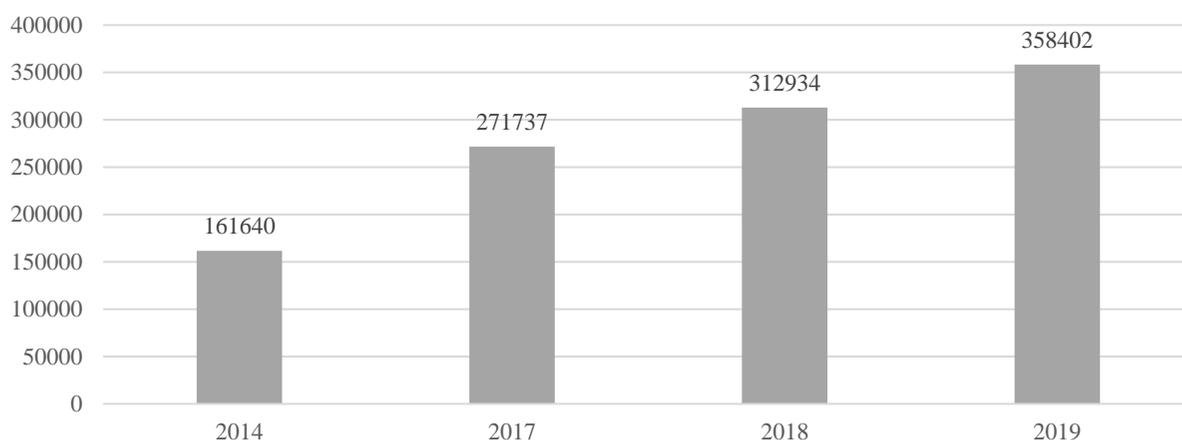


Fig. 4. Overall Scale of Digital Economy (RMB 100 million Yuan)

In order to better play the role of digital economy in promoting China's economic development, then combined with the research results of this paper, to promote the impact of digital economy development on economic growth, the

following suggestions will be put forward from the two aspects of digital economy development and the improvement of technological innovation ability:

First of all, Strengthening the infrastructure construction of the digital economy, This part is the basis and premise for developing the digital economy, The development of infrastructure construction is guaranteed, It will further strengthen the development of the core industries of the digital economy, To provide a solid bridge for the integration of digital economy and traditional industries, At the same time to foster new growth points for economic development, Relevant departments should increase the proportion of infrastructure investment, Improve the speed of optical cable communication infrastructure, We will improve the digital economy infrastructure resources, For example, increasing the number of network ports, Improve the network service capabilities, It provides a favorable environment for the development of the digital industry in the digital economy, Therefore, Enterprises should closely follow the national policies and guidance, Developing big data, Priority will be given to developing digital economy industries, Create new opportunities for the development of enterprises.

Secondly, to promote the integration of digital economy and traditional industries. At present, the development of digital economy is in the stage of digital transformation, and the integrated development of digital economy and traditional economy driving the growth of national economy has become a new way to achieve China's sustainable economic growth under the new normal. To realize digital transformation, the government should play the main role, encourage enterprises to carry out digital development, realize digital transformation, accelerate the continuous diffusion of digital technology in traditional industries, find new economic growth points for the development of traditional industries, and promote the digital transformation of production and operation of agriculture, industry and service industries.

Thirdly, strengthen investment in research and development and promote technological innovation. Under the background of digital economy development, information technology develops rapidly, which provides a good development environment for technological innovation. Technological innovation plays an

important role in social progress and economic growth. Therefore, the development of the digital economy can further promote economic growth by improving its innovation capacity, providing a new path for China's sustained economic growth under the new normal. Enterprises can increase investment in research and development, increase the enthusiasm of research and development, promote scientific research and actual production, especially increase the investment in research and development, as found before, the strength of research and development of digital economy development in promoting economic growth, at this stage should cultivate and encourage enterprise independent innovation, strengthen cooperation with universities, improve digital literacy, and the government should actively guide enterprise innovation, build a good innovation and development atmosphere.

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