

The Impact of Digital Economy on the High-Quality Development of China's Services Trade Research

Huixian Zhuang

Harbin University of Commerce, Harbin 150028, China.

Abstract: High-quality development of service trade is one of the important elements in the 14th Five-Year Plan to promote high-quality economic development, and the emergence of digital economy will create new possibilities for high-quality development of service trade in China. This paper analyzes the scale and structure of China's service trade imports and exports, and finds that China's service trade is characterized by large scale, unreasonable export structure, but fast growth rate, and points out that the digital economy can improve the efficiency and competitiveness of service trade, help traditional and emerging industries to transform and upgrade, and reduce trade barriers. Therefore, China needs to strengthen its focus on middle and high-end service trade, strengthen the construction of digital economy infrastructure, promote the digital development of service trade, etc., in order to promote the high-quality development of China's service trade.

Keywords: Digital Economy; Trade in Services; High-Quality Development

1. Introduction

In the post-epidemic world, the high-quality development of service trade can not only promote economic recovery and enhance a country's international status, but also help improve the position and international competitiveness of service trade in the global value chain. As a major trading country, China has included the development of trade in services in an important strategic category. Data from the United Nations Conference on Trade and Development show that China's trade in services has become an important part of the economic growth that drives world trade, raising the world ranking by 32 places to No.2, and the overall competitiveness of trade in services has been rapidly enhanced. Trade in services is an important part of promoting the high-quality development of a country's trade, and the status of trade in services in the modern trading system is rising rapidly, and the total scale of China's trade in services has ranked second in the world for many years, but at the same time, the structure, efficiency and competitiveness of trade in services still need to be improved.

In recent years, countries around the world have been paying more and more attention to the development of the digital economy, and in order to create a better environment for the development of the digital economy, all countries have introduced and implemented relevant strategic policies^{[1][2]}. China has taken the digital economy as an important support for its future economic development, which is the clear direction of the 14th Five-Year Plan. To ensure the high-quality development of service trade, China needs to seize the opportunity of the digital economy, and it is crucial to use the digital economy to narrow the trade deficit, expand service trade exports and improve the structure of service trade.

2. Analysis of the current situation of China's services trade development

2.1 The scale of import and export of trade in services

In the area of China's trade in services, 2014 was a milestone to remember. In that year, China took a historic step forward when its total trade in services jumped to the second largest in the world. Since then, the scale of China's trade in services has ranked second in the world, remaining stable for seven years and demonstrating a continuous and steady development. 2014 saw China's total trade in

services exceed 4 trillion yuan for the first time, and has maintained positive growth ever since, with only negative growth in 2020 due to the new crown epidemic, giving a strong impetus to China's economic development. However, it can be seen from Table 1 that trade in services is not yet an advantage for China's economic development, with unbalanced imports and exports, a large deficit, and a low share of trade in services in foreign trade, which requires further strengthening of support and guidance to promote its high-quality development and inject new impetus for China's economic transformation and upgrading and globalization process.

Table 1 China's service trade import and export 2012-2021 (Unit: RMB billion)

Year	Total import and export	Total growth rate	Import amount	Export amount	Difference
2012	30422	5.3%	17722	12699	-5023
2013	33814	11.1%	20794	13020	-7774
2014	40053	18.5%	26591	13461	-13130
2015	40745	1.7%	27127	13617	-13510
2016	43947	7.9%	30030	13918	-16112
2017	46991	6.9%	31584	15407	-16177
2018	52402	11.5%	34744	17658	-17086
2019	54153	2.8%	34589	19564	-15025
2020	45642	-15.7%	26286	19356	-6929
2021	52983	16.1%	27548	25435	-2113

Data source: Ministry of Commerce.

2.2 The import and export structure of trade in services

China's import trade structure has long been dominated by goods, compared to which the proportion of service imports is seriously inadequate. In 2020, the average share of global service imports is 21.7%, while China is only 16.1%, and in terms of exports, the gap between China and the global average is even greater. In 2020, the average share of world exports is 22.5%, while China is 8.6%, far below the world average level. There is also a structural imbalance within the trade in services, and the main reason for the imbalance between the import and export of services is the high deficit in the trade of tourism services, and the huge deficit may have a certain degree of constraint on the development potential of China's trade in services. China's service trade import and export has the characteristics of a unique export structure and a solidified import structure.

According to the data of the Ministry of Commerce, the openness of China's service trade is 6.8%, far from the average level of 25.4% in developed economies, among which the openness of service trade exports is 3.9% and the openness of service trade imports is 9.7%. The three fields of tourism, transportation and construction occupy nearly two-thirds of China's service trade exports. This structure is not conducive to the innovation and diversification of China's service trade, especially the tourism-led service trade market is more vulnerable to the impact of the epidemic and has a certain risk.

3. The impact of digital economy on China's services trade

3.1 Enhance the competitiveness of China's trade in services

The development of the digital economy has given rise to new technologies such as digital payment, artificial intelligence and e-commerce, which can promote the innovative development of the service industry, provide technical support for the offline integration of service trade, and at the same time provide more opportunities for the modern service system to help the industry realize digital informatization^[3]. The digital economy realizes the connection between supply and demand through the Internet, forming a new service trade model, which not only improves the digitization of service trade, but also reduces the cost of service trade for enterprises, making the items that were not in trade condition gain the ability to trade. The development of the digital economy has made it easier for trade in services to cross national borders and create new value using digital technology and data resources^[4]. Therefore, promoting the digital transformation of service industry can enrich the types of service trade, optimize the structure of service trade and expand the scale of service trade.

3.2 Drive the development of services trade efficiency

Using data resources, modern information networks and information and communication technologies, the digital economy has opened up information channels between supply and demand and realized precise matching. The digital economy can optimize the service processes and models of traditional service industries and help enterprises reduce their spending on time, information and transactions. The digital economy can break through spatial restrictions by digitally processing resources and using digital technology and data resources so that resources in different places can be quickly connected and shared with each other, thus allowing digital technology and data resources to generate more value. In addition, the digital economy creates economies of scale advantages for service trade.

3.3 Stimulate the transformation and upgrading of new and traditional industries

Traditional industries have been transformed by the innovation and application of digital technology, and different industries have better integrated and collaborated to form new business models and patterns, which have promoted industrial innovation and transformation^[5]. On the other hand, digital technology also promotes industrial differentiation and reorganization, the transformation of labor-intensive to technology-intensive and low-end to high-end, which enhances the level of industrial structure. And the quality of service industry development is closely related to the level of industrial structure, because service industry is an important support and carrier of digital economy development.

4. Countermeasures for high-quality development of China's service trade

4.1 Focus on high-end services trade

Trade objects are experiencing a key node of transformation from low-end to high-end, and now it is an important period to vigorously develop mid-range service trade and promote high-end service trade. In order to achieve high-quality development of service trade, we should focus on improving the innovation capacity and supply efficiency of service industry and service trade, especially in the fields of telecommunications, computer and information services and financial services, which are the areas that promote the industry to move to the global The key link in the middle and high end of the value chain. We should deeply understand the connotation and requirements of high-quality development of service trade, and gradually promote the service industry with international competitiveness to overseas markets.

4.2 Strengthen the construction of digital economy infrastructure

The deep development of digital technology has brought the opportunity of digital transformation for service trade. To seize this opportunity and achieve high-quality development of trade in services, it is necessary to strengthen the construction of digital economy infrastructure. Digital economy infrastructure refers to data resources, modern information networks and information and communication technologies, etc. They are the necessary conditions and effective guarantee for the digitization of trade in services. Only by continuously breaking through technical bottlenecks can we provide endogenous power for digital trade. Meanwhile, digital economy infrastructure can also bring multiple benefits to service trade. In addition to improving the efficiency, reducing costs and enhancing the quality of service trade, it can also promote the innovation and diversification of service trade.

4.3 Promote digital transformation of service trade

In order to strengthen the impact and transformation of the digital economy on services trade, we need to deeply develop new models such as online education, telemedicine and digital communities, and use information technology and network platforms to provide more convenient, efficient and high-quality services. We also need to promote the rise of new business models such as e-commerce, sharing economy and digital payment, and use data resources and innovative models to expand market space and consumer demand. We also need to accelerate the innovation and upgrading of traditional service trade, using digital technology and intelligent means to improve service levels and competitiveness. Bar at the same time, we also need to deepen the deep integration of digital economy and China's service trade, promote the innovation and upgrading of service trade, and achieve the win-win development of digital economy and service trade.

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About the Author: Zhuang Huixian (1999-), female, Han, Heyuan, Guangdong, Master Degree Candidate; Research direction: Digital economy and trade.