

Analysis of the Current Situation of China's Digital Economy Development and Future Development Problems

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Abstract: At present, the digital economy is gradually occupying a major position in the global economy, and various economic powers have begun to pay attention to the digital economy. In recent years, my country's digital economy has developed by leaps and bounds, and the digital economy has made great progress in all parties. At the same time as the rapid development of the digital economy, it is necessary not only to make good use of various advantages of the digital economy, but also to solve the problems of lack of high-quality talents and employment brought about by the rapid development of the digital economy.

Keywords: Digital economy; Economic development.

1. Status Quo of Digital Economy

In recent years, my country's digital economy has developed in a good state, and its economic scale has continued to increase. According to data from the China Academy of Information and Communications Technology, the overall economic scale of my country's digital economy in 2019 reached 35.8 trillion yuan, accounting for 36.2% of GDP[1]. This means that the status of digital economy in China's economic development is becoming more and more important, which is conducive to the stable development of my country's economy.

However, due to various geographical and economic factors such as region and original economic scale, the digital economy in my country presents an unbalanced state of being strong in the east and weak in the west. The digital economy of various coastal cities in eastern my country is developing rapidly, making my country's core cities for digital economic development to be the three major urban agglomerations in the Yangtze River Delta and the Pearl River Delta, headed by Beijing, Shanghai, Jiangsu, and Zhuhai[2]. In the central and western regions of my country, although the overall scale of the digital economy has gradually increased, it is much different from the developed cities in the east in terms of upward trend and quality. In addition to the large differences in the quality of economic development between the east and the west, there are also large differences between cities in the developed eastern regions[3]. Taking Shanghai as an example, the development status of Shanghai's digital economy is good. The effect of digital economy in improving urban resources and environment, optimizing social structure to promote social progress, and improving Shanghai's economic efficiency is relatively balanced, showing a high-quality development trend. In Hangzhou, which borders Shanghai, the role of the digital economy in promoting urban development is slightly unbalanced compared to the harm, and the quality of the development trend is slightly lower than that of Shanghai. These differences in the development of the digital economy caused by various reasons such as the city's own capital base and human resources are gradually becoming evident in my country.

2. The Promotion of Digital Economy to Economic Development

The digital economy has made information a factor of production, which itself is virtual, shared, open, and replicable. Due to the uniqueness of the digital economy itself, it breaks the limitations of the traditional economy and improves economic efficiency. It has played a huge role in promoting my country's economic development, solving employment problems, and breaking economic geographical restrictions[4].

2.1. Promoting Economic Development

According to data from the China Academy of Information and Communications Technology, from 2016 to 2019. The digital economy has greatly promoted my country's economic growth, and its contribution rate to economic growth exceeds 50%.

2.2. Solving Employment Problems

According to the calculation data of the China Academy of Information and Communications Technology, in 2018, the number of jobs in China's digital economy reached 191 million, accounting for 24.6% of the total employment for the year. In addition, on May 14, 2020, Tencent WeChat and the China Academy of Information and Communications Technology jointly released the "2019-2020 WeChat Employment Impact Report". According to the report, WeChat created 29.63 million jobs in 2019, including 26.01 million direct employment opportunities, a year-on-year increase of 16%, and an average annual growth rate of 22% since 2014. At the same time, business activities in the WeChat ecosystem have become more frequent, indirectly creating 3.62 million jobs. In addition to WeChat, on July 16, 2020, the School of Labor and Human Resources of Person University of China released the "Alibaba Ecological Employment System and Employment Quality Research Report". The "Report" estimates that in 2019, Alibaba's economic ecology contains a total of 69.01 million employment opportunities, of which the new infrastructure has created more than 10 million employment opportunities.

The booming digital economy has become a new engine for employment in China. new increment.

2.3. Breaking Geographical Restrictions on Economic Development

Because the digital economy has the characteristics of low cost and sharing, it breaks the geographical division of the traditional economy due to information asymmetry, and makes economic exchanges between cities more unimpeded. The economy promotes the common development of the eastern and western regions and narrows the economic gap between the two. In addition, due to the characteristics of the digital economy itself, the success of obtaining information in economic development is reduced, which helps to achieve a precise balance of supply and demand, improve my country's economic efficiency, and enable more resources to be reasonably and fully utilized.

3. Challenges Facing the Digital Economy

At present, it seems that the development prospects of my country's digital economy are very bright, and in the past period of time, my country's digital economy has also achieved good development results. The future of the digital economy is immeasurable. However, behind the good development, my country's digital economy still has problems such as unbalanced development between China and the West, causing unemployment, difficult government control and lack of high-quality talents.

3.1. Unbalanced Development of Digital Economy between China and the West

As far as my country's current situation is concerned, cities with better development of the digital economy are mainly the eastern coastal areas and some central areas with sound economic foundations and abundant human resources. The existence of this phenomenon increases the economic development gap between the eastern, central and western regions of our country[5].

3.2. Unemployment Caused by the Digital Economy

The rapid development of my country's digital economy has promoted a substantial increase in my country's economic output and provided more employment opportunities, but the emergence of the digital economy has reduced my country's demand for human resources, which may cause a large number of unemployment. Taking mobile phone manufacturing factories such as Huawei, Xiaomi and Foxconn as an example, in recent years, a large number of automation equipment has been invested, causing more than 100,000 employees to lose their jobs.

3.3. Government Control Is Difficult

The digital economy, sharing, openness, reproducibility, etc., reduces the cost of information exchange in economic development, improves economic efficiency, and promotes the economic development of our country, but at the same time, its infinity and virtuality also affect my country's government regulation has caused great difficulties. In the era

of rapid economic development, the leakage of personal information and other data will lead to serious consequences. Therefore, how to protect the digital information of Chinese citizens, enterprises and governments has become the primary problem. Undoubtedly, solving this problem requires a lot of work, great difficulty and high technical requirements, which puts forward high requirements for my country's regulatory authorities. On the other hand, the development of the digital economy requires government supervision and guidance, but excessive supervision will limit the development of the digital economy itself. How to not restrict the development of the digital economy while the supervision is in place is also something that my country's regulatory authorities need to discuss and solve.

3.4. Lack of Digital Talent

According to the data in the "China Cage Market Skills Gap Study" released in 2016, we can see that our people who are proficient in digital skills account for 5% of the total talent. According to the data reality in "Digital Transformation of China's Economy: Talent and Employment" released in 2018: We lack up to 1.5 million talents in digital fields such as big data. The data in "Digital Transformation of China's Economy: Talents and Employment" published by Tsinghua University in 2017 shows that most of my country's digital skilled talents are engaged in manufacturing and basic industries, and talents in other digital industries account for less than one-tenth.

4. Conclusion

The digital economy has become an important part of the global economic system, and it will help my country's future economic development. From the current point of view, the development trend of my country's digital economy is good and has great development potential. However, while developing, we will face many problems brought by the digital economy. In the process of developing the digital economy in the future, our country should reasonably lead the development direction of the digital economy according to the actual situation of my country's domestic economic development and the actual situation of the domestic digital economy development, increase the supervision of the digital economy, and accelerate the development of our digital economy. Drive my country's economic development.

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