

On the Countermeasures of Protecting and Stimulating Various Market Subjects in China under the COVID-19 Epidemic

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Abstract

Market subject is the carrier of economic power, and safeguarding market subject means safeguarding social productivity. The COVID-19 epidemic has dealt a heavy blow to the market players in China. As the center of China's economic and social construction, how to protect and stimulate all kinds of market players has become a major issue facing us at present. This paper first analyzes the challenges faced by various market players under the epidemic situation, then analyzes the opportunities brought by these challenges, and finally puts forward some countermeasures and suggestions to promote the development of market players, such as increasing policy support, improving and optimizing the business environment, vigorously stimulating various market players, giving full play to the role of entrepreneurs and promoting enterprise innovation.

Keywords

COVID-19 Epidemic; Market Subject; Suggestions.

1. INTRODUCTION

Affected by novel coronavirus pneumonia, all kinds of market players in China are affected. In this context, the central government requires to implement the "six stability" task and do a good job in the "six guarantees", and "ensuring the main body of the market" has become one of the important contents of the "six guarantees" task, which plays a positive role in coping with the impact of the epidemic situation, and also promotes the smooth operation of the economy. Not long ago, General Secretary Xi Jinping pointed out at the entrepreneur symposium hosted by him: "We must do everything possible to protect the market players and accumulate basic strength for economic development", pointing out that protecting the market players means protecting social productive forces, [1] and making arrangements and clear requirements for protecting and stimulating the vitality of market players, It reflects the importance of protecting market participants and establishing a good market. General Secretary Xi's speech injected strong confidence and impetus into the development of Chinese enterprises, reassured market participants and made entrepreneurs feel at ease for development, which was of great significance for promoting Chinese enterprises to play a greater role and achieve greater development. Under the background that market players are facing the impact of epidemic situation and weak economic downturn, this paper proposes that China should make overall plans to promote economic, social development, epidemic prevention and control work arrangements, further alleviate the difficulties in fund management caused by epidemic factors

of market economic players, better serve the real economy, speed up the construction of modern economic system, and establish a new era development pattern of economic and social operation under the normalization of epidemic prevention and control.

The outbreak of pneumonia in COVID-19 has a great impact on China's economic and social development, which also brings pressure for steady growth. Economy is the body, and finance is the blood, and they coexist and prosper together. It is necessary to make overall planning, promote the decision-making and deployment of epidemic prevention and control and economic and social development, and further alleviate the financial difficulties caused by the epidemic to market players. Therefore, with the prevalence of pneumonia in COVID-19, the function of financial "blood transfusion and oxygen supply" can be brought into full play. It is urgent to block the path of "infection" from the real economy to the development of the financial system, and take this opportunity to enhance the ability of financial services to the real economy, strive to reduce the losses caused, and strive to win a "win-win" situation in national epidemic prevention and control and economic and social development.[2]

2. THE CHALLENGES AND OPPORTUNITIES OF MARKET PLAYERS IN THE POST-EPIDEMIC ERA

Through the joint efforts of the whole country, China has entered the post-epidemic era, and its economic development has shown a recovery trend. The international community has also made optimistic expectations for China's annual economic growth. The development of Chinese traditional enterprises has successfully passed the most difficult moment, and started to return to work, resume production and business. However, China's market has not been "resurrected with blood", and market players are still facing a difficult living environment. Many enterprises are still at the crossroads of life and death choices, and the situation is not optimistic. Especially in the current situation of trade protectionism, sluggish world economic development and shrinking global financial market, enterprises are even more struggling.

2.1. Challenges under the Impact of the Epidemic

According to the research report on epidemic impact released by China Enterprise Reform and Development Research Association, individual industrial and commercial households and private enterprises are most seriously affected, among which individual industrial and commercial households are affected by 67.5%, private enterprises are affected by 54.1%, and then state-owned enterprises and foreign-invested enterprises are affected by 41.8% and 37.5%. Central enterprises are the least affected, with only 27.5% affected.

Affected by the epidemic situation, in the first half of 2020, the sales revenue and operating profit of market entities decreased by 25.5% and 24.9% respectively, the average decline rate of individual industrial and commercial households was about 1/3, and the decline rate of private enterprises was also large. All walks of life are affected by the epidemic situation differently, and each has its own sufferings. No matter what kind of industry, for enterprise management, the financial indicators that have the greatest impact on enterprises when an epidemic suddenly strikes are: order quantity, production quantity, sales (service) quantity, export quantity, purchase quantity, production and operation cost, profit amount, investment scale and number of employees. Other financial indicators, including return on net assets. From these indicators, the survival and high-quality development of enterprises will be challenged. There are significant business differences in different types of impacts. Among them, the development of some individual industrial and commercial households and private small and medium-sized enterprises is the most seriously affected. The spread of the epidemic has caused orders to drop, logistics to be blocked, and difficulties in resuming production to have a serious impact on enterprises. This disaster triggered a very realistic knockout. Over the years,

environmental protection standards have been improved and a batch has been closed; Acquisition and merger of large enterprises, receiving a batch; When an epidemic strikes, it is also an inevitable rule to die. It is most important to think about how to survive.

2.2. Opportunities in Challenges

Blessings and disasters depend on each other. For every market subject, the epidemic situation is both a challenge and an opportunity. It is necessary to seize the pressure and power brought by the epidemic situation for enterprises to carry out digital development and transformation, strive to create favorable conditions, promote the informatization, digitalization and intelligence construction of enterprises, and accelerate the digital transformation and upgrading of enterprises. To "protect" the main body of market economy, on the one hand, it is to implement safeguard policies for market players in competition and maintain the stability of China's socialist order; On the other hand, it is necessary to create increments, push forward mass entrepreneurship and innovation, and stimulate social creativity. Development is the foundation and key. It is very important to take economic construction as the center. Stable economic operation is related to the overall situation, while market subjects are at the center of China's economic and social construction and are the fundamental driving force for economic and socialist development. Therefore, "protecting market subjects" is the foundation and starting point of "six priorities". In the normal epidemic prevention and control situation, market participants should formulate. Only by consolidating the "cornerstone" of market information subject can it become the basic disk for promoting social and economic recovery, supporting employment, stabilizing the economy and making economic development more beneficial to all Chinese people. Chinese market will give hope and expectation to market participants, but the current market economic environment is still complicated, so how to do everything possible to protect market players is the proper meaning of "protecting market players is to protect socialist productive forces".

3. SUGGESTIONS

3.1. Increase Policy Support

Policy support is the most direct and effective measure to protect market players. The government should strengthen its financial support to market players, which is urgent, so that market players can feel the warmth of economic recovery. Earnestly implement the policies promulgated by the state, continue to reduce taxes and fees, rent and interest rates, delay payment, enhance the pertinence and timeliness of measures, and put all relief measures on the grassroots and enterprises. It is necessary to strengthen financial support for market players, focus on strengthening enterprise financial development and innovation, improving service management capabilities, reducing financing costs, developing inclusive finance, and effectively alleviating the problems of market players, especially private enterprises and small, medium and micro enterprises, which are difficult, slow and costly to finance. It is necessary to actively expand consumption, activate the consumer market, promote and expand consumption, promote a smoother consumption and production cycle, and open up more space for the production and business activities of market players. It is necessary to support marketable goods to explore the domestic enterprise market, strengthen China's international economic cooperation, and protect the industrial chain and supply chain. Take advantage of state-owned enterprises and promote all kinds of upstream and downstream enterprises to tide over difficulties and risks. In terms of the effectiveness of government work, a third-party evaluation mechanism is introduced to analyze and evaluate the relevant government departments and financial institutions serving the market economy, so as to promote the implementation of various preferential policies and measures of Chinese enterprises.

3.2. Improve and Optimize the Business Environment

Improving the business environment is a key measure to protect market players. Relevant departments of enterprise management should strengthen the subject consciousness of market economy in service industry, actively crack various blocking points and pain points, and strive to create a market-oriented, rule of law, international business environment and socialist public opinion working environment. It is necessary to actively implement the laws, regulations and policies of the state to protect enterprises, effectively and equally protect the property rights and independent management rights of various market entities in accordance with the law, and strive to improve the business environment of enterprises in accordance with regulations and fair competition. We should continue to decentralize, fully implement the negative list system of market access and support enterprises to better participate in market cooperation and competition. Treat domestic and foreign-funded enterprises fairly and create a fair competitive environment. It is necessary to optimize employment conditions and promote the flow of talents and flexible employment. It is necessary to intensify the opening up of enterprises, hold high the banner of globalization and multilateralism, resolutely oppose various forms of trade protectionism, and promote China's trade in goods and services and investment facilitation. It is necessary to establish a long-term mechanism, strengthen the communication between the government and enterprises, find out the difficulties of market players in time, respond to the needs of enterprises, and provide close support services for all kinds of enterprises in the whole process.

3.3. Vigorously Stimulate Various Market Players

Stimulating the vitality of enterprises is an important measure to protect market players. Market development subjects of all kinds of enterprises, regardless of size, state-owned private enterprises, domestic and foreign investment and industry research fields, are the main participants in China's social and economic management activities, the main providers of employment opportunities and the main promoters of continuous technological progress. If a state-owned enterprise is strong, the country is strong. With the arrival of the new era, state-owned enterprises are still the pillar of socialism with Chinese characteristics and a powerful driving force for China to enter this new historical era. They are state-owned enterprises in front of the epidemic situation, and they have played an important role in building hospitals, ensuring medicine, ensuring supply, stabilizing people's hearts and ensuring peace. We should adhere to and improve the new national system, enhance the leadership, organization and execution of state-owned enterprises, and drive various upstream and downstream enterprises to tide over difficulties together. Private economy is an internal factor of China's economic system and an important subject to promote high-quality development. The development of private economy is an inevitable choice, and promoting economic reform is an objective requirement and an effective measure to liberate and develop social productive forces. It is necessary to fully mobilize and stimulate the enthusiasm, initiative and creativity of employees, correctly treat the position and role of private enterprises in the development of China's market economy, truly treat private enterprises and private enterprises as their own, and continue to encourage, support and guide the healthy development of private enterprises. Introducing and utilizing foreign capital is an effective measure to improve the economic competition mechanism, promote the rational allocation of resources and promote the market-oriented reform. Foreign capital has played a unique and important role in China's economic development. Modern world history has proved that no country in the world can own all the funds, technologies and resources needed to develop its own market economy. In order to accelerate the development of its own economy, any country must exchange needs with other countries and use foreign capital and technology, and socialist countries are no exception. In the contemporary era when socialism and capitalist system coexist and the world economy and science and technology are

highly developed, in order to gradually catch up with developed capitalist countries, socialist countries need to use foreign capital and speed up socialist modernization. We must attach great importance to the utilization of foreign capital. On the premise of continuously improving economic benefits, the rational and effective utilization of foreign capital is of great significance to the high-quality development of China's economy, and will also promote more high-level opening-up and participate in the new impetus of international economic cooperation and competition. Individual industrial and commercial households are the main body of market economy with the largest number and the most direct service to the people's work and life, and are one of the biggest containers for employment. At present, enterprises are also facing the most difficulties, which need to be vigorously developed to help them solve problems in rent, taxes and fees, social security and financing methods. In a word, all kinds of market players should be treated equally and fairly because of the severe epidemic and the difficulties in all industries. Help enterprises improve the level of modern industrial chain and supply chain, vigorously promote technological innovation, accelerate the research of key core technologies, and create new advantages for the future.

3.4. Give Full Play to the Main Role of Entrepreneurs

We should pay attention to the important influence of entrepreneurs in the economic development of enterprises. Entrepreneurs are pioneers and innovators. Entrepreneurs introduce technological inventions to economic life and promote economic progress. To stimulate the vitality of the main body of market economy, the key problem lies in making entrepreneurs full of hope and motivation. It is necessary to help entrepreneurs enhance their confidence and realize that although the epidemic has brought great impact on China's economic operation, the fundamentals of China's healthy and stable economic development have not changed, so we should seize new opportunities in the crisis. It is necessary for most entrepreneurs to enhance their sense of mission and crisis, actively respond to the changing situation, boldly innovate working methods, management methods and business models, actively adapt to the new economic development, take the initiative to take responsibility for the country, share worries for the country, run first-class enterprises well, stabilize social employment jobs, and promote the development of their innovative ability. Efforts should be made to build a "pro-" and "clear" relationship between government and enterprises. Leading cadres should actively and enthusiastically serve entrepreneurs, establish a relationship of sincere mutual trust, innocence and benign interaction, establish a standardized two-way communication mechanism between government and enterprises, improve the professional manager market, do a good job in introducing and training entrepreneurs, and create a social atmosphere that encourages entrepreneurs to be brave in starting businesses.

3.5. Promote Enterprise Innovation

Innovation is the first driving force to lead the development. Innovation is an effective measure to solve the business difficulties of enterprises and get rid of difficulties. The government should promote business innovation of enterprises, which is also an effective way to better protect market participants. Since the outbreak of COVID-19, many small and medium-sized enterprises have innovated a lot of production lifestyles and sales management models in order to meet the needs of market economy, which has provided strong support for the development of enterprises. At present, there are many difficulties in all industries, but crisis is also an opportunity, and only those who dare to innovate can win. At present, under the severe and complicated situation, relevant government departments should actively help enterprises to innovate and develop, give birth to new ways, new formats, new models and new markets, and realize new development of enterprises. We should be brave in promoting the innovation of production organization, technology and market, and attach importance to technology research and development and human capital investment.

4. CONCLUSIONS

The pneumonia epidemic in COVID-19 has brought great impact to various market players in China, with individual industrial and commercial households and private enterprises being the most seriously affected. The epidemic situation is both a challenge and an opportunity for Chinese market players. If we want to seize the pressure and power brought by the epidemic situation for the digital development and transformation of market subjects, and strive to create favorable conditions for hundreds of millions of market subjects to develop vigorously and competitively, we will inject a steady stream of surging kinetic energy into China's economic development and create a new situation of enriching the people and prospering Gansu.

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