

Research on Safeguarding National Economic Security in Foreign Trade

Zhongming Xu

Business School Chnia West Normal University Nanchong, 637000, China

Keywords: Foreign trade; National economic security; Economic globalization

Abstract: As the most obvious feature of today's world economic pattern, economic globalization has fundamentally promoted free trade among countries. The increasingly frequent economic and trade activities among countries have contributed to the basic formation of global unified rules. In order to ensure the safety of normal economic activities of the international community and further promote the expansion and deepening of international exchanges, international trade law has correspondingly entered a new period of development in order to achieve its full guarantee for national trade security. Spheroidization can fundamentally promote the trade between countries. The trade between countries is frequent, and a fixed trade pattern has gradually formed. At the same time, in today's increasingly close international trade, there are more and more risks. Therefore, in order to ensure the normal trade between countries and further deepen the impact of globalization. This paper mainly studies and analyzes the problems of maintaining national economic security in foreign trade, in order to elaborate the current situation of economic security risk management, so as to put forward corresponding security strategies to effectively avoid the security risks of foreign trade, so as to escort the security and stability of economy.

1. Introduction

In the process of foreign trade, China actively makes use of foreign investment, management experience and advanced technology, speeds up narrowing the gap with developed countries, improves the investment environment, expands economic and trade relations, improves the industrial level, develops competitive multinational corporations, enhances the comprehensive national strength and economic strength, and accelerates the process of domestic modernization [1]. However, China is still in the primary stage of socialism. There are many problems in foreign trade, such as low utilization efficiency of foreign capital, high trade friction, weak control of foreign investment risk, and foreign M & A endangering the normal domestic competition order, which all increase the risk of China's economic security. Under this background, we urgently need to maintain national economic security. The main system of international trade has been formed and has a certain scale [2]. This form of economic integration makes the trade links between countries closer and closer, and brings opportunities and challenges to the trade of countries. In order to protect their markets and products [3]. Make rational use of international trade law and WTO rules, accurately grasp these development trends of international trade law, seriously study and skillfully apply various laws and regulations, actively safeguard their own interests and seek interests for developing countries, and earnestly do a good job in safeguarding national economic security [4].

National economic autonomy refers to the ability of a country's independent economic development. With China's increasing participation in international economy and trade, national economic independent development and economic security are becoming more and more important [5]. Under the trend of more and more deep integration of domestic economy and world economy, the impact of world economy on China's economic development is deepening. To comprehensively explore the national economic autonomy in China's foreign trade, we must start from understanding the international and domestic backgrounds [6]. The development of foreign trade is in line with the development trend of economic globalization [7]. Similarly, the development of foreign trade can effectively use foreign advanced technology and investment to realize national construction and improve national living standards [8]. In the development of foreign trade, it is necessary to ensure national economic security and improve the existing investment environment, so as to effectively

maintain economic and trade relations and improve the industrial level of economy and trade, so as to strengthen China's economic strength and national strength [9]. It is necessary to increase relevant regulations on foreign trade to maintain national economic security, so as to provide guarantee for social stability and development [10].

2. Current situation of foreign trade economy

2.1. Safety factor

In the risk management of foreign trade and economy, due to the lack of attention paid by relevant managers to the risk management of foreign trade and economy, the prevention of potential safety hazards of foreign trade and economy can not be guaranteed. Like political interests, economic interests, as the basic interests of the country, are the foundation of national survival, development and prosperity. Only the steady economic development can increase the country's competitiveness. Therefore, safeguarding national interests and implementing trade security have become the key contents in the process of economic construction. At this stage, the global economic development tends to be integrated, the trade exchanges between countries are more and more extensive, and the problem of trade security is common among countries.

As a representative of developing countries, China's trade status is relatively passive and its ability to deal with trade security issues is relatively weak. Under the current trade situation, there are some unfavorable factors for China's economic development. The development of economic interests is unbalanced, and there is a certain gap between developing countries and developed countries in the distribution of interests. There is a lack of control over the price of export commodities and a great degree of dependence on the demand for foreign imported commodities. The demand of other countries for China's export commodities is not significant, which makes China more passive in the process of foreign trade. At present, there is unfair competition in international trade. Some developed countries in Europe and the United States have reduced China's trade barriers while raising their own trade barriers. However, China's import price has increased substantially, which is a serious phenomenon of unequal distribution of benefits. It can be seen that China's current economic development level and its position in international trade make China lack the ability to resist financial risks.

2.2. Social and economic risk

Under the current development of foreign trade economy, social and economic risks mainly appear in the development of foreign trade, which needs to involve the development of government economy and marginal enterprise economy, thus leading to the complexity of foreign trade economic model. In the current economic development of enterprises, foreign trade enterprises can not only play their economic functions, but also promote the development of regional economy, thus having a higher social dominant benefit function. The current situation of China's economic development makes it lack of coping ability, and further adopting the low-price strategy also makes Chinese domestic enterprises bear tremendous pressure, which leads to the emergence of anti-dumping phenomenon. Secondly, the distribution of interests among countries in foreign trade is also unreasonable. In the process of foreign trade, China's exports are low value-added goods, while imports are high value-added goods, which makes China's interests in foreign trade at a disadvantage. In the development of foreign trade and economy, it is necessary to promote the construction of local cities, accelerate the improvement of population quality, and expand existing employment. Therefore, in the development of foreign trade and economy, the risk management of economic security involves social and economic risks. Trade exchanges are common among countries, and the issue of trade security is very important. As a developing country, China's ability to deal with trade security issues is not strong, and it is in a passive position in international trade. Fair competition exists in international trade at this stage. China lacks the ability to deal with this unfair competition, and domestic enterprises are often under great pressure.

3. Foreign trade economic security

3.1. Significance of Maintaining Economic Security in Foreign Trade

National economic security means that a country's national economic sovereignty is independent, and its economic strength and fundamental interests are in an unharmed state, which is characterized by international competitiveness, control of economic resources, comprehensive ability to resist international economic crisis, etc. If a country's economic security cannot be guaranteed, it will be impossible to win and maintain its advantageous international status. Developed countries have spared no effort in maintaining their own economic security, and all of them have raised economic security to the national strategy. For example, the United States has a long history of reviewing foreign investment access, and it has been in the forefront of the world in terms of national security review system in modern times. As a big developing country, there is a big gap between China and developed countries in terms of economic competitiveness and scientific and technological level, and economic security has become the cornerstone of national development and stability. In the foreign cooperation and competition, it not only brings opportunities to China, but also brings severe challenges to China.

There are still many problems in China's economic foreign exchanges, such as continuous trade friction, high dependence on foreign countries, impact on national brands, low level of scientific and technological innovation, single industrial structure, etc. Therefore, it is of great significance to enhance the awareness of economic security and establish and improve the national economic security guarantee system. The links of foreign trade from R & D to sales are closely related to the development of the national economy and play a great role in promoting the structural progress of the national economy. As shown in Figure 1:

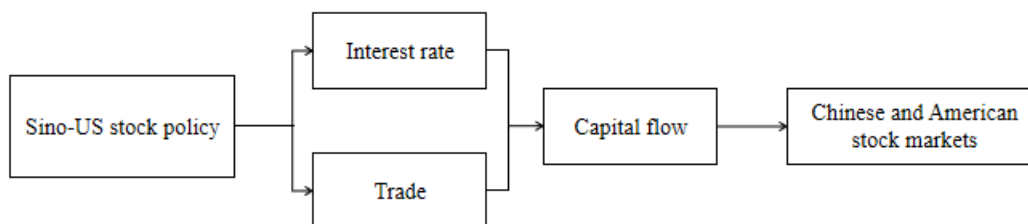


Figure 1 Transmission path of monetary policy

At present, China has promoted the comprehensive modernization drive and accelerated the pace of opening to the outside world, but the international environment is more complex. In order to participate in foreign economic cooperation in a wider field, a wider scope and a higher level, we must comprehensively establish the national economic security concept and shape a new foreign economic security concept as the basis for establishing an open economic risk prevention mechanism. Economic security is related to the economic development and people's life of all countries in the world. How to create a safe economic environment is a topic of common concern all over the world. In today's world, the degree of economic cooperation and exchanges among countries has deepened. Mankind is an interdependent community of destiny. We should realize that common security is the real security. Establish a new safety concept and advocate a common, comprehensive, cooperative and sustainable safety concept. Today's world is an open world, and the global economy is an open economy. Opening to the outside world always has both opportunities and challenges, risks and interests. The impact of expanding opening-up on economic security is twofold, both because opening-up enhances strength and makes it safer, and because of greater external influence and increased risk factors. But on the whole, opening is safer than closing, and it is only with strength that it is safer. Adhering to independence, self-reliance and opening to the outside world promote each other. China's progress is inseparable from the world, and the world's development is inseparable from China.

3.2. Maintenance strategy of foreign trade economic security

In the maintenance strategy of economic security in foreign trade, it is necessary to seek

common security development, establish a brand-new concept of security development, advocate the sustainable concept of common security development, and ensure that foreign trade can promote mutual benefit and symbiosis through the development of economic and trade activities, so as to adhere to a win-win situation. In seeking a common security development system, we should further control risk factors, so as to seek cooperative development in foreign trade activities, promote economic security in development and seek a common security development system. Strive to establish a new type of international relations with win-win cooperation as the core, close economic ties, deepen mutual cooperation, broaden development space, improve the safe development mode of foreign economy and seek common development. According to the foreign trade transaction data and the user's evaluation information, the user's preference for each product category can be calculated:

$$PC_{u,j} = \frac{\sum_{i \in I_u} PI_{u,i} \times \mu_j(x_i)}{\sum_{i \in I_u} \mu_j(x_i)} \quad j = 1, 2, 3 \dots (1)$$

(1) Where: represents the preference value of user u for category, $PC_{u,j}$ represents the evaluation value of user u for commodity I, $PI_{u,i}$ represents the set of commodities evaluated by user u, and $\mu_j(x_i)$ represents the membership of commodity I to category J.

The introduction of foreign capital has played a positive role in developing emerging industries, optimizing industrial structure, improving technical level and alleviating employment contradiction. However, because China is still in the primary stage of socialism, the market economy is not yet mature and perfect. Give full play to the supporting role of national industry, promote both state-owned and private enterprises to continuously improve their global competitiveness, and pay close attention to the information security, science and technology security and talent security of China's industries and enterprises while introducing foreign capital. We should not only be learners and followers, but also be participants and leaders, contribute more Chinese wisdom to international economic and trade rules, master the right to speak and dominate, and effectively safeguard national interests. The establishment of a free trade zone is to first test the new rules and standards of international economy and trade, provide reference for relevant negotiations with the United States and other developed countries, and then provide support for China's participation in rule making.

4. Conclusions

In the existing foreign trade and economic development strategy, it is necessary to realize the effective risk management through macro and micro regulation according to the current security situation of economic development. Similarly, in the development of foreign trade and economic security, enterprises need to strengthen their own risk control means to ensure that they can realize the optimal management of their own operation in the economic based development strategy. In the market of economic globalization, we should pay attention to the role of trade law, make rational use of trade law to solve trade security disputes, ensure the orderly progress of international trade and maintain our own international trade security. Under the new normal of the world economy, uncertainties have increased and the global governance structure has been impacted. Under this background, whether and to what extent a country's economy can achieve independent development is the key factor to ensure national interests and national security in the global economic adjustment. One belt, one road ahead, is a long way to go. In order to promote the concept of "one belt and one way", we will enhance the autonomy of the whole economy in the process of foreign economic development, and lay the foundation for our country's ability to resist risks and develop independently in the face of the new normal situation of the world economy and the new normal economic situation in the country. We should fully realize the national development strategy and enhance the overall national strength. It is an important task facing China at present and in the future.

Acknowledgements

National Social Science Fund Project: Research on Western foreign trade enterprises participating in the establishment of new international trade mechanism and promoting the high-level development of Western opening to the outside world

References

- [1] Liu Fu. Issues of safeguarding national economic security in foreign trade [J]. Modern economic information, 2018 (15): 2
- [2] Du Wenjun, Chen Chuanxi, Zhang Jianguo. Economic security risks arising from foreign trade dependence and their prevention [J]. Military economic research, 2016, 37 (4): 4
- [3] Lu Jiejun. Discussion on food safety in foreign trade [J]. Economist, 2016 (6): 2
- [4] Jin baisong. China's foreign trade situation in 2019 and outlook for 2020 [J]. International business accounting, 2021 (12): 6
- [5] Zhi Yinping. Foreign trade, urbanization and agricultural development -- Enlightenment from the study of agricultural development model in developed countries [J]. New economy, 2016 (12): 1
- [6] Feng Baoguo. Sino US trade friction from the perspective of American energy independence [J]. International oil economy, 2019, 27 (3): 10
- [7] Zhu Chenran, Wang Lei. Analysis on Influencing Factors of China's foreign trade dependence -- from the perspective of producer services global value chain [J]. Hainan finance, 2019 (9): 10
- [8] Zhao Xuming, Yang Xiaohan. Analysis on the impact of cross-border e-commerce development on the transformation of China's foreign trade model [J]. Business economic research, 2016 (8): 3
- [9] Li Chunxia. Research on China's foreign trade development strategy under the background of economic integration [J]. China business theory, 2016 (35): 3
- [10] Shan Jie. The guarantee of international trade law to China's trade security in the context of economic globalization [J]. Global market information guide, 2017 (38): 1