# The Study of Cooperation among Circum-Bohai-Sea Region

Tao Ma & Chunhong Zhu

College of Economics, Tianjin Polytechnical University, Tianjin 300160, China

Tel: 86-22-8395 6411 E-mail: tjpumt@tom.com

## **Abstract**

The Circum-Bohai-Sea region is the third strategic economical circle after "the Pearl River delta region" and "the Yangtze River delta region". This paper analyzes competitive abilities of this region from many aspects. And then it points out the structure development pattern: 3C pattern ("core", "circle", "crowd"), the paper provides theoretical and actual operation basis for conforming competitive abilities and speeding up development in Circum-Bohai-Sea region.

Keywords: Circum- Bohai- Sea Region, Competitive Ability, "3C" pattern

During the 21st century, the fundamental unit of international economy competition is neither an enterprise nor a country, but it is the economical circle, or the city group, also is the region development which is proposed in the theory of economical development. Speaking exactly, division of labor, the cooperation and the competition among the regions will decide economics and political pattern of future world. The situation of region development in our country can be described in the following way: During more than 20 years when China implemented the reform and opening policy, the coastal city group of eastern part has already obtained huge success, while at present the economy superiority is gathering to the Pearl River delta region, the Yangtze River delta region and the Circum-Bohai-Sea region. And the Circum-Bohai-Sea region has become the third growth extreme to promote Chinese economy to soar relying on its advantageous position, resources, transportation, superiority of industry and scientific research and so on. Certainly, this region has also exposed some pending issues in the initial period of development, and these problems may be made up or solved only when the region acts appropriately to the current situation, adopts the reasonable policy and takes effective measures. Without doubt, the Circum-Bohai-Sea region has the profound practical significance regarding the economic region development of China and even the economic competition strength of entire nation.

### 1. Region development theory summary and the synopsis of circum-bohai-sea region

1.1Background of region development theory and present situation

Looking from the economic concept, the region refers to the certain spatial scope which is advantageous for organizing, planning, coordinating, and controlling economic activity and performs to consider the entirety in the foundation of the administrative area. While, the so-called region development mainly refers to the overall plan which is carried to obtain fast development of local economy in the condition of facing changing external environment.

The region economy development is a major tendency of economical globalization. Now in the world, the most major characteristic of economy development is that economy globalization accelerates region economic integration; conversely region economic integration promotes economy globalization. Moreover, the economy globalization may cause resource in each nation to carry on the effective disposition in the global scope, and the economical relation is closer, the cooperation scope is more and more widespread. Meanwhile, in the process of realizing economy globalization, region economy has the foundation and condition of broad cooperation because of closed district, connected economy relation and interlinked culture. What's more, it is advantageous for disposing resources reasonably, reducing the cost, expanding scale, and strengthening the superiorities and the competitive abilities of the region development. Speaking overall, the phenomenon mentioned above is one kind of performances which sign the progress of the society. The economy globalization does not repel the region economical development, while the economical region may promote the economy globalization well; these two mutually promote, and mutually fuse (Liu Yi, 1998).

Along with the tendency of region economic integration experienced in the world economy, our country has also raised a tide: the Pearl River delta region, the Yangtze River delta region and the Circum-Bohai-Sea region. As the next round of region economical hot spot, the Circum-Bohai-Sea city group radiates and leads China's northeast, North China and China's northwest. Because of the very important status, Circum-Bohai-Sea region is supposed to base on the reality, make up defect and realize health and stable development, to contribute labors and materials for the Chinese economy region development under the impetus of superior policy support and the economy macroscopic law of development.

#### 1.2 The synopsis of Circum-Bohai-Sea region and the strategic sense outline

Circum-Bohai-Sea region includes five provincial capital regions: Beijing, Tianjin, Shandong, Liaoning, and Hebei, with abroad hinterland covering North China, northeast, northwest and Shandong, Henan. It accounts for approximately 520,000 square kilometers of the land area with more than 60 harbors distributing in the region and the population occupies 17.5% of the nation. Looking from the geography structure, it surrounds Bohai Sea to assume the shape "Q". Besides, the region contains huge development potential because of its diverse resources, developed technology, advanced education, characteristic culture, and abundant industry foundation.

The development of Circum-Bohai-Sea region is not only related to region development, but it is connected with strategic plan of nation. We can understand that Circum-Bohai-Sea region is pivotal in economy development of our country from two aspects. Firstly, from the angle of development regulation, "the harbor impetus industry, the coast radiates the inland, the city leads the countryside, and the metropolis circle radiates the region", this experience is drawn from the process of realizing industrialization and modernization in developed countries. As a general rule used for reference, the Circum-Bohai-Sea region is a good example. It will undoubtedly become the third biggest engine to draw Chinese economy to grow, then lead Chinese economy to realize soaring for the third time if it can fully display superiorities such as local position, multitude harbors, crowded cities, and promote the whole competitive abilities through union and cooperation; Secondly, from the angle of development pattern, our country urgently needs to have a economy center in the north part in order to realize coordinated development of the region in the big economical pattern. In the condition of the Pearl River delta region in the south and the Yangtze River delta region in the middle, the Circum-Bohai-Sea region certainly undertakes the responsibility to strengthen the impetus function of economy in north part of China and advance reasonable layout and coordinated development of region economy.

## 2. Development strategy research about circum-bohai-sea region

Faced with the good development opportunity and the positive policy support, Circum-Bohai-Sea region still needs a perfect strategic plan, and a reasonable region development pattern, to guarantee the stable and fast development. Based on region development theory and superiorities and inferiorities of the region, the paper proposes "3C ('core', 'circle', 'crowd')" structure development pattern, namely displaying "the function of core cities--Beijing and Tianjin ", promoting "Beijing ,Tianjin and Hebei economical circle" to soar, and simultaneously coordinating and driving "the Liaodong Peninsula city group with the Shandong Peninsula city group" to develop, then conforming competitive abilities of the secondary regions, and speeding up development of the Circum-Bohai-Sea region, in the end, make it play the role of "the third level" in economy development of our country. Followings are development plan and strategy:

## 2.1Formatting "3C ('core', 'circle', 'crowd')" structure development pattern

Development of a region must have a reasonable development pattern with high quality to make the safeguard against nonessential winding. In view of the geographical position and resources superiority of the Circum-Bohai-Sea region, the paper especially proposes "3C" structure pattern which conforms to its development. Following is the quintessence of this pattern: Beijing continues to display the function of politics and cultural center, simultaneously completes into the financial center, and positively develops the high tech industry. Tianjin should develop to a modernized port city, and important economic center of north part of our country. Once Beijing and Tianjin economical conformity mechanism straightens out ,they may become the main item of the Circum-Bohai-Sea region, named "core" in 3C; In the foundation of coordinating Beijing and Tianjin ,we should promote the Beijing ,Tianjin and Hebei economical circle to develop, named "circle" in 3C; As the Circum-Bohai-Sea region's two wings ,Liaodong Peninsula and the Shandong Peninsula ,should fully display the service function of port city, strengthen the competitive advantage of the city group. Moreover, when we develop the characteristic industry, we should strengthen the rational division of labor of harbors and the reasonable disposition of logistics. to provide green channel for Beijing ,Tianjin and Hebei economical circle, even the entire region in the respect of economy development ,this is named "crowd "in 3C.

We may directly understand "3C" pattern from the under chart which signs the development structure pattern:

2.2 Beijing and Tianjin coordinately developing, promoting the competitive ability, and fully displaying the function of core city

Development of a region frequently must depend on the impetus of one or two cities. For example, "the Pearl River delta region" depends on Guangzhou, Shenzhen; and "the Yangtze River delta region" depends on Shanghai, Suzhou, Nanjing, Hangzhou. As is the some condition, economic development of the Circum-Bohai-Sea region is close with promotion of city competitive abilities of Beijing and Tianjin. The economical conformity mechanism of Beijing and Tianjin once straightens out, the Circum-Bohai -Sea region will have the core or the main item, and have the

condition of advancing the economical strategy. This conclusion is on the basis of so-called polarization theory, which refers to that, economy firstly develops quickly in the certain region scope, then attracts the peripheral element of production to gather, and speeds up further development. This is the economical polarization effect which is general in each nation with regard to region development. Therefore, there must have a temporary economy growing point in the Circum-Bohai-Sea region (such as the core cities "Beijing and Tianjin") to lead the development of the peripheral inferior region.

2.3 Breaking administration limit and realizing rational division of labor of secondary region city

If Circum-Bohai-Sea economic zone wants to comprehensively unfold its economical development strength, it must break the administrative division limit, and should carry on rational division of labor in Beijing, Tianjin, Hebei, the Liaodong Peninsula and the Shandong Peninsula, and also form an integrated, competitive industrial system and public facility system. Meanwhile, it should not only have the relation with the world economics and the national market, but also have the suitable regional characteristic. All mentioned above are important mentalities of realizing fast development of economy in the Circum-Bohai-Sea region.

Regarding breaking the administration limit, it firstly must oppose to the local blockade, then comprehensively eliminate the system barrier to the mobile element of production, and enable each kind of enterprise to become the main body of the region economic activity, in the end, make element of production such as capital and labor force flow freely; Next, the core area and each big city must complete the rational division of labor, for instance, the core city circle should pay great attention to the function of national politics, science, technology, education, cultural and developing foreign relations; The Shandong Peninsula and the Liaodong Peninsula should adjust reorganization of enterprises, and improve the conformity of industry to develop to the main body of heavy industrial base in north part, even in the whole country.

2.4 Realizing optimization of each secondary region industry chain, positively connecting rails with the global economy, and enhancing the competitive abilities

Under the foundation of industry development in each subsidiary region of the Circum-Bohai-Sea region, the region should positively carry on the industrial conformity, develop and use resources together, in order to achieve the maximization of the resources effectiveness, and realize the sustainable development. In addition, at present it not only must develop the existing traditional industry, but also must develop into one of world important manufacture bases; Meanwhile, it must depend upon the technical innovation to seize the commanding point of the industrial technology, establish the mechanism through the system innovation to adapt the marketing economy enterprise system as soon as possible, and realize industrial conformity of the Circum-Bohai-Sea region, and then form the whole competitive advantage of region.

Moreover, in condition of the whole world economic integration, only when we put region as a whole entity in the international environment to participate in competition and cooperation, can a region gradually enhance its competitive abilities. Under this background, we need to strengthen international competition strength of region economy, and make the region economy development melt into the globalization system to participate in division of labor in the scale of global economy.

## References

Belleflamme. P. (2000). An Economic Theory of Regional Clusters. Journal of Urban Economics.

Liu Yi. (1998). Changing central -local relation in post -reform China. A geographical perspective *The Journal of Chinese Geography*.