# From the Perspective of New and Old Kinetic Energy - The Transformation and Upgrading of Zhejiang Industry

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ABSTRACT. Practice has proved that the high-quality growth of a regional economy is closely related to the optimization and upgrading of economic structure. Since the reform and opening up, Zhejiang's economy, which is characterized by industrial clusters and professional markets, has developed rapidly, and at the same time, it has continuously optimized the industry and promoted the rapid development of the economy. This paper analyzes the industrial structure of Zhejiang Province, explores the problems and proposes certain solutions.

**KEYWORDS:** industrial transformation and upgrading, new and old kinetic energy

#### 1. Preface

In the report of the 19th National Congress of the Communist Party of China, "China's economy has shifted from a high-speed growth stage to a high-quality development stage." The only way to achieve high-quality economic development is the continuous transformation and upgrading of the economic structure. In recent years, Zhejiang Province has always carried out transformation and upgrading of the structure of the industry and achieved significant results in promoting economic growth. However, there are still many problems in the process of upgrading the industrial structure, which needs further improvement.

## 2. Analysis of Zhejiang Industrial Structure

#### 2.1 Development environment at home and abroad

From the perspective of the domestic environment, the overall consumption level of Chinese residents has been continuously improved since the reform and opening up. Taking clothing consumption as an example, people's needs are changing step by step, from the initial satisfaction of life needs to the pursuit of quality to the

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individuality. In order to meet the market demand, the apparel industry has continued to transform and upgrade its products. As people's consumption demands continue to change, the industrial structure of the entire industry has also been shifting to higher levels. In the international environment, economic globalization continues to advance, and the internationalization process of the domestic market is accelerating. From the perspective of the international environment, with the acceleration of economic globalization, the current domestic market has become internationalized, and the competition in the domestic market has not only been competitive. Limited to domestic enterprises, foreign companies are also involved, such an environment forcing Zhejiang Province to accelerate the pace of industrial restructuring.

## 2.2 The economic development of Zhejiang

The total output value of Zhejiang high-tech industry accounts for only 5% of the national total, which is 20% lower than that of Guangdong and 10% lower than that of Jiangsu. The labor productivity gap is significant, which is 25,000 yuan/person lower than Guangdong, Jiangsu and Shandong respectively. 1,5000 yuan/person and 14,000 yuan/person; the industrial added value rate is only 20.2%, which is 4.8, 4.8 and 3.2 percentage points lower than Shandong, Guangdong and Jiangsu respectively. This is what the Deputy Secretary of the Zhejiang Provincial Party Committee and Governor Lu Zushan said: "The Zhejiang economy has entered a stage of adjustment and transformation." From the road that developed countries have followed and the economic basis of Zhejiang's reality, Zhejiang is in a critical period of economic transformation and upgrading.

## 2.3 Status of industrial development

In the past few years, Zhejiang's traditional industries have played an important role in solving problems such as increased fiscal revenue, social employment solutions, improvement of people's lives, and economic growth. However, with the continuous development of society, the social needs are constantly changing, which makes the original industrial structure no longer suitable for today's market. Although the traditional industrial strength of Zhejiang Province is continuously enhanced, there are still problems of the old industrial structure, such as The problems of weak independent innovation, low level of industrial technology, low added value of products, weak strength of leading enterprises, serious pollution of raw materials and environmental pollution, and high energy consumption have led to a lack of optimism for sustainable development. In the traditional industrial structure, the technology of many enterprises still cannot be upgraded. The manufacturing industry is still the bottom of the value chain and cannot be improved. Secondly, the competitiveness still depends on the difference between cost and price. The competitive advantage is not. Big.

## 3. Path selection for industrial optimization and upgrading

#### 3.1 Focus on cultivating and developing strategic emerging industries

In recent years, the national economy has relied on the development of strategic emerging industries, and has also promoted the transformation of economic growth patterns and the adjustment of economic structure. One point to consider for the upgrading of the industry is the use of energy. The industry is constantly optimizing and adjusting, encouraging the development of strategic emerging industries, thereby transforming the path of economic growth, from relying on resources to relying on innovation. The first one can effectively alleviate the current situation of China's energy shortage and reduce the dependence of economic development on resources; the second can continue to use innovation to stimulate economic growth, achieve sustainable use of resources, and ensure economic value-added. And continue to adjust the existing industries in Zhejiang Province, so that it has the characteristics of Zhejiang, and constantly expand the field of industry.

#### 3.2 Accelerate the transformation of traditional industries

The main body of the national economy in Zhejiang Province for a long time has been industry, but industrial development can not compete with emerging industries in terms of technology, equipment and products, and the environmental problems brought by industry have not been resolved. Therefore, the upgrading and upgrading of traditional industries is imperative, and the structure of traditional industries is constantly upgraded. However, there are a large number of enterprises in the traditional industries that have high energy consumption and heavy pollution, which are not in line with the current concept of energy conservation and emission reduction. These should be constantly The company optimizes its structure, uses innovation and technology to drive the development of the entire industry, continuously enhances the innovation of the industry, establishes the brand of the company itself, and uses the effect of the brand to improve economic efficiency.

#### 4. Countermeasures for economic structure optimization and upgrading

#### 4.1 Enhance the ability of independent innovation

Nowadays, in order to have their own core competitiveness, the first thing to do is to improve the innovation ability of the enterprise. The enterprise builds a technological innovation system that is enterprise-oriented, market-oriented, and combines production, education and research, so that the enterprise itself has the ability of independent innovation and continuously enhances the competitiveness of the enterprise. In order to occupy the market and occupy the forefront of industrial technology in the industry, the first thing to do is to establish its own brand and independent intellectual property rights. This requires enterprises to continuously

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break through the core technology of existing products and accelerate the development of technology market. Utilize emerging technologies to continuously expand new markets, broaden the scope of transactions of enterprises, and continuously expand market trading business for strengthening the construction of technology property rights trading institutions. At the same time, the company's own unique technology should pay attention to the protection of intellectual property rights, thus ensuring the uniqueness of technology, so that the entire industry and the entire field can guarantee their own legitimate interests.

## 4.2 Create a high-level talent team

The most valuable thing in an enterprise is not technology but talent. Therefore, companies should pay more attention to the cultivation of talents. Moreover, under the background of the Internet, high-tech talents are scarcer. To improve the competitiveness of enterprises, the fastest channel is to introduce talents and expand the technical field of enterprises through the introduction of talents. At the same time, it is equally important for the cultivation of talents. New talents may not match the development needs of enterprises. Therefore, it is necessary to train talents to make their career plans and the future vision of the company consistent. At the same time, it is also crucial for the retention of talents. It is a side effect of a company's value to attract talents and retain talents. It is necessary to establish a certain reward mechanism to build a sound enterprise talent management system, especially in foreign countries. In terms of the treatment of talents, families, home purchases, and medical insurance are appropriately taken into account, and based on proper care, talents are retained in the enterprise to realize the value of talents. The management of talents can not be ignored. In the allocation of high-level talents, the basic role of the talent market should be fully exerted, so that talents can flow freely, and the maximum guarantee of all enterprises can be taken into account. To fully realize the value of talent.

#### 4.3 Strengthening the construction of soft environment

The upgrading of the industrial structure of the entire industry is inseparable from the support of the government. Only the government can fully play the role of regulation, improve the market supervision system, strengthen the provision of public services, and ensure that the market is in a fair and equitable state, then lay the foundation for the transformation and upgrading of the entire industry. A good foundation. At the same time, in order to strengthen the innovation ability of the whole industry, the government should give certain financial support on the basis of policy support, which can ensure that enterprises can have sufficient capacity to cope with the high-speed operation of the entire market under the premise of continuously strengthening their own construction. And the government's work in some social management and public service departments should be implemented, truly serve the market for the enterprise, effectively solve the problems in the market, create good external conditions for the transformation and upgrading of the industry,

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and provide certain guarantees for the future development of the industry. The guiding role.

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