

Exploring the Macro Impact on China's Economy in the Post-epidemic Era and the Russia-Ukraine Conflict and the Countermeasures

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Abstract: in contemporary times, the global economy has witnessed increased interconnectivity. This also means that in the context of the global economy, China is more susceptible to the influence of external factors. In recent years, the COVID-19, which has spread widely around the world, has severely impacted the development of China's real economy with its high infectivity and uncertainty. At the same time, due to the geopolitical impact of the Russia-Ukraine conflict, China's major imports of fertilizers from Russia and cereals from Ukraine have been weakened. Finding ways to cope with the weakening of the economy has become a top priority in line with the development trend. The study suggests that top priority is to increase the diversity of food production and increase the diversification of national food reserves. At the same time, it is necessary to strengthen the country's strategic energy reserves to reduce external dependence and prevent future problems. Externally, China are supposed to strive to build a global economic community, strengthen international cooperation, and be able to "learn from the enemy and learn from the enemy".

Keywords: Russia-Ukraine conflict, COVID-19, economy, commodities, new energy

1. Introduction

Looking at the major global events in recent years, the outbreak of COVID-19 and the Russia-Ukraine conflict have been pivotal. On the one hand, the infectivity and high degree of uncertainty of the COVID-19 make it difficult for any country to prepare. The surge in demand for everything from medical facilities to supplies has opened up entirely new "alternative" markets, such as an exponential increase in demand for personal supplies such as gloves and masks. The real economy, dominated by catering, has been dealt a fatal blow; The global economy has been hit hard to varying degrees. On the other hand, the Russia-Ukraine conflict, as typical geopolitics, has an unprecedented impact on the world. The transition from local conflicts to proxy wars has greatly expanded the military industry market at the expense of various industries, and negatively affected the import and export trade of countries mainly in Asia and Europe. The occurrence of the above major events has sounded the alarm for us. We need to carefully examine the importance of the international economy, and we should not underestimate the influence of international events on our economy. At the same time, it also gives us a new direction of thinking: future development needs close cooperation among

countries to find the right direction of development. At the same time, we should strengthen our economic weaknesses and be able to fend off major international events.

2. The impact of COVID-19 on China's real economy.

Since the outbreak of the COVID-19 in 2019, China has achieved initial results in containing the epidemic with the implementation of rapid response policies. But at the same time, it has had a serious impact on economic development. According to data from the National Bureau of Statistics, GDP in the first quarter of 2020 experienced negative growth for the first time since 2015, and its GDP for the whole year was also relatively weakened. For the people, the most intuitive impact is reflected in the travel. In 2020, residents will spend 3.5% less on transportation and communication than the previous year. At the same time, in the monthly transportation and communication consumption of residents in 2020, only the increase or decrease of consumption in January reached a positive 0.9%, and the remaining months were negative. When stay-at-home has become a common phenomenon, the real economy, led by commodities, has been seriously weakened. In response to the epidemic response, residents have reduced their outdoor activities [1].

On the other hand, in economic terms, supply in the market is greater than demand, and commodity prices are generally fixed at their previous levels. In other words, producers are willing to produce as much as consumers are willing to consume. When demand on the consumer side suddenly drops and producer prices remain the same, goods become unsellable, necessitating decisions such as layoffs on the producer side. This is also the beginning [2] of a recession.

3. The impact of the Russia-Ukraine conflict on the foreign trade economy

After 2022, the World Trade Organization and the World Bank have expressed the serious negative impact of the Russia-Ukraine conflict on the world economy. As the world's main energy supplier and the largest natural gas exporter, Russia's natural gas exports account for about 25% of the world's total. Due to the severe sanctions of Western countries, the global energy supply and demand structure is unbalanced, which makes global energy prices seriously affected. But in the aspect of energy, it has little impact on China. China's energy is dominated by coal, and natural gas imports account for less than 10 percent. At the same time, due to the geographical border between the two countries, the relatively close relationship between the two countries makes the transportation cost low, reducing the geopolitical risk of other countries.

On the other hand, China's import of bulk commodities has also been severely impacted. Russia is an exporter of commodities such as fertilizers. Ukraine is a major exporter of grains such as sunflower oil, accounting for about a third of the world's total grain exports. A regional conflict between the two countries has sharply reduced Ukraine's grain acreage and reduced Russia's fertilizer [3] production. Transport security has also been affected, affected by local conflicts, air transport has been a serious security threat. These various factors superimposed on each other, and ultimately reflected in China's bulk commodity import costs: import costs significantly increased, which in turn affected China's CPI [4].

4. Take the negative economic impact on our country as inspiration to seek new opportunities

4.1. Strengthen the international cooperation

Against the backdrop of the huge negative economic impact of COVID-19 and the Russia-Ukraine conflict around the world, China has been able to maintain its basic economic development because of its strong resilience and large space in the current economy. However, we should be aware that

with the development of The Times, adapting to global economic integration, and stepping up cooperation between countries is our top priority. According to the National Bureau of Statistics, China's annual growth rate of national import and export from 200 to 2023 will be 1.9 percent, 9.6 percent, 7.7 percent, and 0.2 percent, respectively. It can be seen that the outbreak of the the COVID-19 in 2019 and the Russia-Ukraine conflict in 2022 have weakened the growth rate of China's import and export trade, but not enough to reduce the overall import and export volume of China. Therefore, we should continue to strengthen international cooperation and mitigate the negative impact [5] of major international events on China's economic development.

4.2. Enhance the commodity diversification

With the conflict between Russia and Ukraine, the cost of importing commodities has risen in our country. This also makes us fully aware that commodities, as an important guarantee for the survival of individual residents, are the foundation of the country. Whether we are dealing with the COVID-19 pandemic or the impact of the conflict between Russia and Ukraine, commodities are the foundation of our response. Instead, we should promote the diversification of commodity production, mainly food, to avoid being caught in the same pot [6]. At the same time, we should improve the treatment of farmers and other grass-roots producers to mobilize the enthusiasm for production and increase production capacity.

4.3. Seek effective new energy to strengthen reserves

With the development of The Times, the use of energy is no longer a problem from zero to one. Instead, it has shifted to how to choose and use energy efficiently and at a lower cost. It's like new energy vehicles, moving from chemical energy from gasoline to electricity, hydrogen energy. The latter advantage is the inevitable result of our development: the energy used is more available, more efficient, and at a lower cost. These are the effects of the development of The Times on energy choices. At the same time, for energy sources that cannot be replaced in the short term, such as natural gas, Russia's main export, and coal, we should increase its strategic reserves. Strengthen diplomacy with major energy suppliers, which also echoes the first point: strengthen international cooperation.

5. Conclusion

It is vital to correctly view the impact of major international events on China's economy. At the same time, people be aware of the direction of our development and our shortcomings and find suitable cooperation objects. With the development, the world is moving towards multi-polarization, which is the "great change not seen in a century". It is bound to require more cooperation among international partners to gain advantages in development. Therefore, looking for international partners with the same interests is the inevitable trend[7] of the next development. In recent years, the relations among many countries have become extremely unstable, and geopolitical conflicts continue to extend to the whole world. In the face of possible deterioration or conflicts in international relations, it is extremely necessary to strengthen the diversification and security of staple commodities, mainly food. Before possible economic sanctions or direct conflicts, we should reduce the negative impact on our economy and prepare for a rainy day. At the same time, strengthen international cooperation to enhance strategic energy reserves. In the future development of the country, full consideration of various possibilities of economic development, awareness and development of their shortcomings, the development of their own eyes to the future, full layout. However, the shortcomings of this paper are also relatively obvious, and the data quoted in the article has a large period. Therefore, the impact of other factors on the economy is relatively obvious, and there is a sense of "one-size-fits-all" before

the conclusion. At the same time, since it has not been verified by a large number of experiments, the above conclusions are more theoretical than practical.

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