The Problems of Financial Support for Industrial Structure Upgrading in Beijing-Tianjin-Hebei Region and Countermeasures

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Abstract. Finance is the direct driving force to economic development. Its development is helpful to capital accumulation and allocation, to improve the efficiency of resource and the level of social investment. Its own characteristics decide that the financial development an indispensable support to the upgrading of industrial structure. In recent years, China's industrial structure has been upgraded to a critical period, and the promotion of financial development to the upgrading of industrial structure will also play a greater role. In the development of China's economic and the coordinated development of Beijing-Tianjin-Hebei region, Financial support has both advantages and problems in the industrial structure upgrading. This paper summarizes the present situation of financial support for industrial structure upgrading in Beijing-Tianjin-Hebei region. It analyzes the problems faced by finance in the upgrading of industrial structure of Beijing-Tianjin-Hebei region, and gives some suggestions in the end.

Introduction
Finance is at the core of modern economy, and is an important part of market economy. It plays an important role in the upgrading of the industrial structure and plays an important role in realizing the evolution of a country or region from low to high. Since the reform and opening up, with the advantage of natural geography and resources, the economy of in Beijing-Tianjin-Hebei region has grew fast. But with the growing of economy, capital-intensive industrial structure of this area has led to a series of problems, like resources decline, environmental pollution and so on, which has seriously hampered the region's sustainable economic growth. The coordinated development, especially the upgrading of industrial structure of the Beijing-Tianjin-Hebei region, need strong financial support. This paper analyzes the financial support in industrial structure upgrading of the in Beijing-Tianjin-Hebei region, and proposes some solutions to problems appeared in the process, to promote the rapid economic development of this region.

Financial Support for Industrial Structure Upgrading in Beijing-Tianjin-Hebei Region
In Beijing, finance support for its industrial structure upgrade is mainly reflected in the bank credit of the first, second and third industries. Commercial banks provide some relevant bank credit policies to farmers in Beijing, which enables these farmers to apply for loans to develop the emerging "agribusiness"
leisure and entertainment industry that attracts a large number of city tourists to experience life. In this way, it has led to the development of the first industry and the development of service industry in the tertiary industry. In order to avoid the serious environmental pollution caused by the second industry, many large enterprises in Beijing have migrated to other regions. In the process of external migration, the bank has provided a lot of credit support and preferential policies such as discount interest rate. These measures have enabled enterprises to build facilities for production in the new region. Beijing expands services to meet the diversified demand of high-tech micro-enterprises, reduces financing costs and strengthens financial services.

In Tianjin, the financial industry dominated by policy banks, commercial banks, local banks and financial institutions has gradually established. Supported by non-bank financial institutions such as securities, funds, trusts, insurance, futures and finance lease, it has formed a multilevel and all-round financial system. This financial system provides a strong credit and capital support to the second industry of Tianjin, and provides more financing source to a great amount of small and medium-sized enterprises, which promote economic development of Tianjin.

The financial industry in Hebe province is obviously lagging behind compared with Beijing and Tianjin, but the financial industry plays a key role to its industry structure development. Currently, the financial structure of Hebei is mainly indirect financing, which is financed by financial institutions. In Hebei province, the loan industry is relatively concentrated. The secondary industry is dominated by the steel industry, the third industry is transportation and real estate industry, and the first industry has very little credit.

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Great Difference in the Degree of Financial Agglomeration

Under the coordinated development of Beijing-Tianjin-Hebei region, the economy is booming. However, the great differences in the three places cannot be ignored. Beijing is the capital of our country with rich financial resource, more perfect financial system and first-class financial service, which attracted a large number of domestic and foreign financial institutions with the great price competitiveness. In this financing mode, innovation ability was strengthened and the financing channels were constantly broaden, which has promoted the construction of multilevel capital market system and provides a solid backing to the upgrading and transformation of industrial structure in Beijing.

Tianjin and Hebe are at a disadvantage in terms of the innovation of the financing model. Compared with Beijing, the narrow financing channel limited their industrial development and the upgrading of the industrial structure is slowed down. Tianjin currently has a number of local banks, including Tianjin Bank, Tianjin Binhai Rural Commercial Bank, Bohai Bank, Tianjin Rural Commercial Bank, etc. The formation of this banking system makes Tianjin an important demonstration area for financial services, financial openness, financial enterprises, financial markets and other financial sectors in the Binhai new area.
The increasing concentration of financial resources provides a solid foundation for the optimization and upgrading of industrial structure in Tianjin.

Hebei has not formed a complete commercial Banks system and the system of direct financing in the capital market is also not perfect, so the optimization and upgrading of Hebei's industrial structure is confronted with many difficulties. With the proposal of integration of Beijing-Tianjin-Hebei region, Hebei province has significantly improved its financial agglomeration, which can provide financial support for the industrial structure optimization and upgrading of Hebei province.

**Financial Policy In-coordination**

In the three places of Beijing-Tianjin-Hebei region, Beijing is the center of the political center, the cultural center, the international exchange center, the information technology center, and the economic development is highly valued by the government which has many financial policies and government intervention to influence the development of the Beijing credit financial markets. The definition of Tianjin is transformed from the former "north China economic center, modern manufacturing base, international logistics center" to "national advanced manufacturing and research base, financial innovation demonstration zone, international shipping core zone, reform and opening up area". Hebei province has not been clearly defined. The government has a decentralized policy on its development. However, the government focuses on the industrial transformation and upgrading of Hebei province and the construction of ecological environment and combines relevant financial policies to develop Hebei's economy.

**Information Asymmetry**

Financial institutions are highly prejudged and sensitive in industry and corporate risk, especially in the downturn. Some of the companies that have been moved out of Beijing make it easier for financial institutions to understand that these companies are being phased out because of falling behind. In particular, traditional industries are less promising than emerging industries, and the risk of default is so great that financial institutions are reluctant to follow up on their services. At the same time, financial institutions in new region will also be reluctant to provide credit considering their volatility and benefits of production processes in the new operating environment. And the local government's blind acceptance can lead to a weakening of incentives for financial institutions such as commercial banks. In addition, the transaction records and credit records of these enterprises in the new environment are incomplete, resulting in asymmetric information, which greatly impedes the enterprise's inability to apply for credit quickly.

**Backward Service Mechanisms and Financial Products**

The flow of factors is an industry transfer must be experienced, but the management of the institution or region will affect the traditional service mechanism and financial products, and the contradictions that arise will need to innovate the service mechanism and financial products. In order to control risks, branches of financial institutions are generally not allowed to carry out financing business in different places. This practice can easily lead to enterprises unable to raise funds in time and influence the enthusiasm of enterprises, thus hindering the
industrial transfer of Beijing-Tianjin-Hebei region. The service mechanism is also limited, for example, some high and new technology industries are unable to meet the requirements of financial institutions because of the structural adjustment of the Beijing-Tianjin-Hebei industrial structure. Since traditional credit financing in our country is mostly collateralized or on cash flow to obtain financing, some enterprises that transferred to the new places, unable to use the mortgage of the area. These companies are not satisfied by financial institutions because of their start-up and excessive demand for credit. This limits the activity of credit markets. Therefore, the Beijing-Tianjin-Hebei region needs to use innovative means to break the limitation of the traditional mode of credit, so as to upgrade the industrial structure of the Beijing-Tianjin-Hebei region better.

Suggestions on the Financial Support for the Upgrading of the Beijing-Tianjin-Hebei Industrial Structure

Improve the Financial Environment and the Financial Services

In the new normal economy, the development goal of Beijing-Tianjin-Hebei region should be to enhance financial concentration and provide financial support for industrial development. It is necessary to create favorable external conditions for economic development and industrial adjustment in a stable, balanced and sustainable financial environment. Only in this way can the financial ecological environment be optimized, the financial industry discipline be strengthen and supervision and management be strengthened.

First, the government should create a favorable policy environment conducive to regional economic development, formulate relevant financial incentive policies, reduce industry entry standards, and implement preferential tax policies. In this way, capital flows will be accelerated and expanded, and the capacity of financial markets in the region will be increased to achieve "inclusive finance".

Second, encourage business concept innovation of commercial banks and increase investment in high-tech industry. The government should introduce preferential policies to support the development of non-bank financial institutions such as rural credit cooperatives, small loan companies and rural banks. In this way, the shortage of funds for small and medium-sized enterprises can be effectively made up.

Finally, strengthen supervision and provide a sound financial environment. The good financial ecological environment creates conditions for the financial agglomeration, and the financial agglomeration provides the basis for the optimization and upgrading of the industrial structure. The government should full play its role, standardize the environment of the rule of law, and make comprehensive use of media, law and other oversight methods to create a sound economic, political and cultural environment.

Coordinate Financial Policy

With the development and implementation of the Beijing-Tianjin-Hebei coordinated development strategy, the integration of the regional industry and the strengthening of the regional financial coordination has been at the core of the work. Therefore, we need to further improve the infrastructure and related financial policies, with the industrial structure adjust as the starting point to strengthen regional financial cooperation of the Beijing-Tianjin-Hebei region and
promote upgrading of the industry. At the same time, the government can establish a leading group on the coordinated development, and formulate relevant plans based on the characteristics of different situations. In addition, financial institutions should also strengthen cooperation and exchanges, realize resources and information sharing, and jointly promote industrial restructuring and upgrading in the Beijing-Tianjin-Hebei region.

**Reduce Information Asymmetry and Complete Information Sharing**

The asymmetry of information comes largely from the unshared information. Therefore, the government should strengthen regional cooperation and reduce the inconvenience caused by the decentralization of cities to the government and financial institutions. The Beijing-Tianjin-Hebei region should establish stable regional financial cooperation. The People's Bank of China shall issue a unified standard of policy to regional branches, so as to create favorable conditions for carrying out cross-regional business of financial institutions. It is necessary to have national policy coordination and perfect service intermediary, and to cultivate the trans-regional sharing mechanism of information and credit service. Only in this way can effectively reduce the impact of asymmetric information, improve the financial institutions to support for the upgrading of industrial structure.

**Encourage Financial Innovation and Improve Financial Services**

The development of finance industry needs innovation, and financial innovation naturally drives the development of finance and economy. First, the Beijing-Tianjin-Hebei region should implement policies to encourage financial innovation and speed up its innovation. The government should set up innovative incentives to attract high-tech innovators and improve the financial services system in the region.

Second, financial institutions should be allowed to operate in places other than local. Based on the characteristics of the industry and the financial ecological environment, the innovation of service mode and financial products can be realized through innovative means.

Thirdly, combined with characteristics of the industrial transfer and industrial upgrading of the Beijing-Tianjin-Hebei region’s demand to financial support, to improve the financial services level of the industrial transformation and upgrading in a comprehensive way through the development of aggregate financing platforms and loans. The establishment of a guarantee and credit system for the development planning of Beijing-Tianjin-Hebei region is an inevitable requirement for the optimization and upgrading of industrial structure in the region.

Finally, from the perspective of financial business model innovation, the Beijing-Tianjin-Hebei region can establish a green financial services system, and carry out energy finance and other businesses to make full use of the rich financial resources of the region. To strengthen the real economy of the financial services industry through the supply-side reform of finance itself. Provide effective supply, improve the quality and efficiency of financial resources in Beijing-Tianjin-Hebei region, the contribution of the financial industry increased significantly in the regional GDP, make it meet the demand of the reform of the supply side and meet the needs of the development of the financial sector itself.
Summary
The fundamental task of economic transformation in the Beijing-Tianjin-Hebei region is to promote the upgrading of the industrial structure. Financial development helps capital accumulation and distribution. Financial development not only improves the efficiency of resource use and social investment, but also is the indispensable support power of industrial structure upgrading with its special characteristics. Faced with the upgrading of regional industrial structure, we need to start from indirect finance and integrate direct finance together. Through innovative ways to enrich financial institutions and financial services, so as to provide more credit and financing to facilitate the upgrading of industrial structure in Beijing-Tianjin-Hebei region and drive the development of our economy. Only in this way can the regional integration of the Beijing-Tianjin-Hebei region develop rapidly and effectively and lead the new normal of economic development.

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References