

Original Paper

The Current Situation, Problems and Countermeasures of
High-Quality Economic and Social Development of Securities
Companies Serving Districts and Counties

Yinzhong Chen¹, Shichuan Huang², Jing Lu¹ & Jieyue Luo¹

¹ School of Economics and Finance, Sichuan International Studies University, Chongqing, PR China

² Southwest Securities Research and Development Center, Chongqing, PR China

Received: March 1, 2023

Accepted: March 28, 2023

Online Published: April 6, 2023

doi:10.22158/elp.v6n1p18

URL: <http://dx.doi.org/10.22158/elp.v6n1p18>

Abstract

Districts and counties are the most basic units of administrative divisions in China. Therefore, the key to promoting high-quality economic and social development in China lies in promoting high-quality economic and social development in districts and counties. With the deepening of the “One Division One County” twinning assistance initiative, the role of securities companies in serving the high-quality economic and social development of districts and counties has become increasingly apparent. In order to better promote the high-quality economic and social development of securities companies serving districts and counties, this paper summarizes the main problems based on the analysis of the current situation of the high-quality economic and social development of securities companies serving districts and counties, and puts forward corresponding policy suggestions from the aspects of giving full play to the role of associations, building bridges serving districts and counties, giving full play to the professional advantages of securities companies, and creating characteristic comprehensive financial services.

Keywords

securities companies, high quality development, problems and Countermeasures

1. The Status Quo of High-Quality Economic and Social Development of Securities Companies Serving Districts and Counties

1.1 The Current Situation of High-Quality Economic and Social Development in Districts and Counties

The first is the steady decline in the number of district and county administrative units. With the continuous advancement of China's urbanization and the further improvement of the level of industrialization, the number of districts and counties in China has generally shown a steady. The number of administrative units in districts and counties has dropped from 2859 in 2008 to 2843 in 2021. The number of county administrative units decreased from 1463 in 2008 to 1301 in 2021. Among them, some county administrative units were transformed into municipal districts or county-level city administrative units, which increased the number of municipal districts from 856 in 2008 to 977 in 2021, and the number of county-level city administrative units increased from 368 in 2008 to 394 in 2021. With the further implementation of the rural revitalization strategy and the continuous improvement of urbanization level, the merger and transformation of county administrative units will be further promoted, and it can be expected that the number of county administrative units will further decline in the future.

Table 1. Changes in the Number of District and County Administrative Units from 2008 to 2021

Unit: Pcs

Year	Municipal district	Country-level cities	Country	Autonomous country	Country division
2008	856	368	1463	117	2859
2010	853	370	1461	117	2856
2015	921	361	1397	117	2850
2020	973	388	1312	117	2844
2021	977	394	1301	117	2843

Note. The data comes from the China Statistical Yearbook over the years.

The second is the proportion of county household population decreased year by year. The number of registered residents in districts and counties continued to rise from 1.025 billion in 2016 to 1.031 billion in 2019, and then began to decline. In 2020, it fell to 1.025 billion, the same as in 2016. The district and county administrative units absorb nearly three-quarters of the country's population. The proportion of the registered population in the total population of the country has slowly declined from 73.64 % in 2016 to 72.59 % in 2020. It can be seen that districts and counties are of great significance to the realization of the national economic and social development and common prosperity goals.

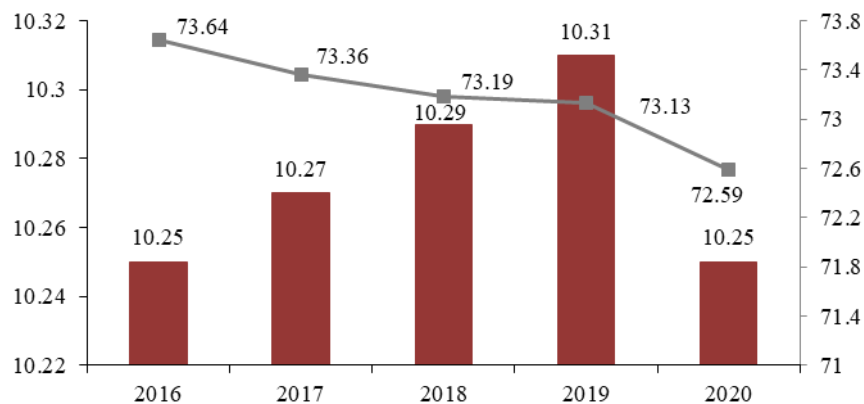


Figure 1. The Number and Proportion of Registered Population in Districts and Counties from 2016 to 2020 Unit: 100 Million Yuan/%

Note. The data comes from the China County Statistical Yearbook and China Statistical Yearbook 2021, which was compiled by the research group.

The third is the county industrial structure has been continuously optimized. The proportion of primary industry output value decreased from 13.40 % in 2016 to 11.80 % in 2018, and then began to rise, rising to 13.38 % in 2020, which was basically the same as that in 2016, indicating that the basic role of the primary industry as the county economy remained unchanged; the proportion of secondary industry output value decreased from 47.68% in 2016 to 41.19% in 2020, and the proportion of tertiary industry increased from 38.92% to 45.43%. In 2020, the proportion of the tertiary industry in the country is 54.50%, indicating that China has shifted from an industrial economy to a service-oriented economy. Under the background of the great development of service economy, the rapid development of the tertiary industry will promote the optimization of the industrial structure of districts and counties.

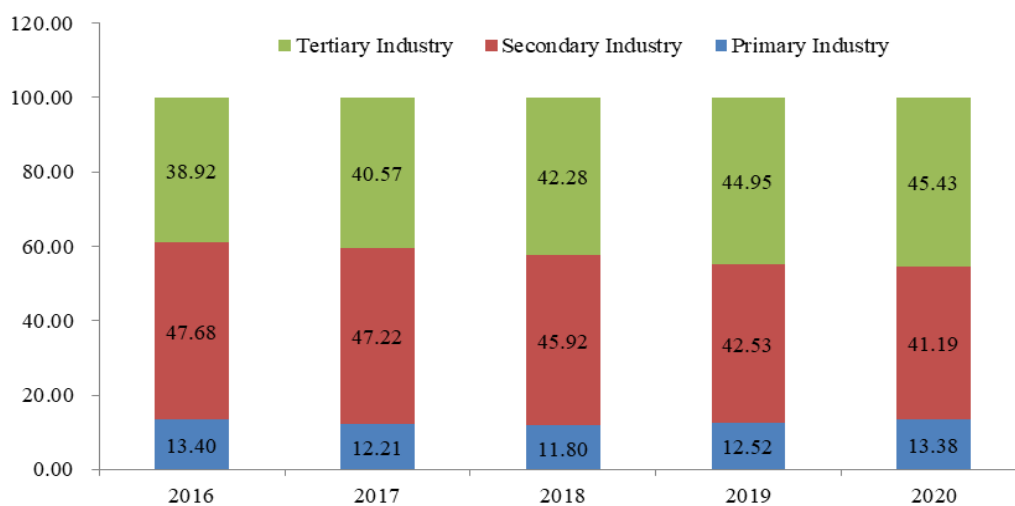


Figure 2. Industrial Structure of Districts and Counties from 2016 to 2020 Unit: %

Note. The data are from China County Statistical Yearbook, organized by the research group.

The fourth is the county general public budget revenue and expenditure gap continues to expand. The general public budget revenue of districts and counties continued to rise from 2814.649 billion yuan in 2016 to 33438.75 billion yuan in 2019. In contrast, the general public budget expenditure of districts and counties increased from 51045.03 billion yuan in 2016 to 89914.24 billion yuan in 2019, and the budget revenue and expenditure gap expanded from 22898.54 billion yuan in 2016 to 56475.49 billion yuan in 2019. Due to the impact of the new coronavirus epidemic, the general public budget expenditure in 2020 decreased slightly to 31491.66 billion yuan, while the general public budget revenue rose to 93872.22 billion yuan instead of falling, and the general public budget revenue and expenditure gap further increased.

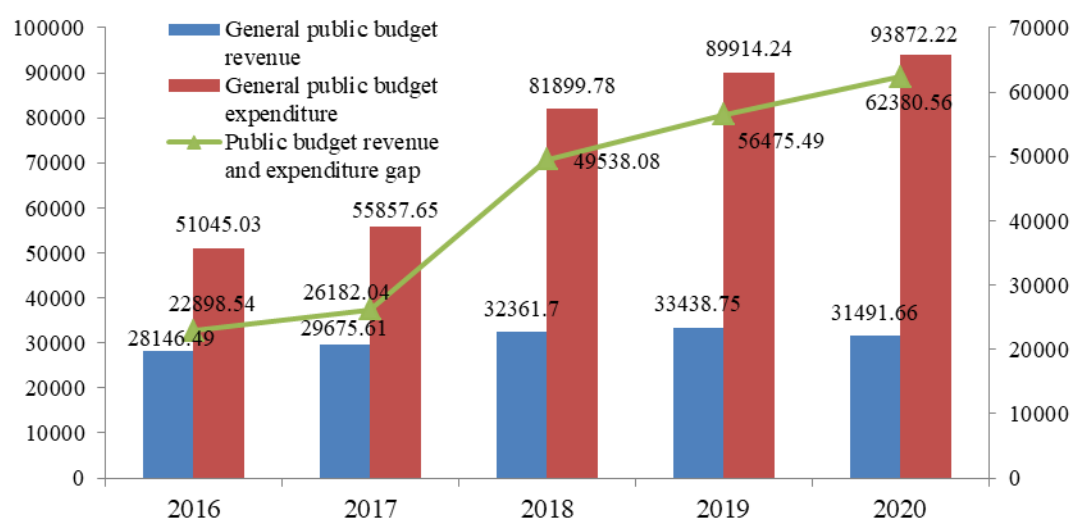


Figure 3. General Public Budget Revenue and Expenditure in 2016-2020 Unit: 100 Million Yuan

Note. The data comes from the “China County Statistical Yearbook” over the years.

The fifth is the imbalance between urban and rural economic development has intensified. The scale of economic development in districts and counties has been expanding, and the total output value has increased from 4048.581 billion yuan in 2016 to 50205.48 billion yuan in 2020, but the proportion of the national total output value has decreased from 54.24 % in 2016 to 49.42 % in 2020. It can be seen that during this period, the growth rate of economic development in districts and counties was significantly lower than that of national economic development, and the imbalance between urban and rural economic development was not improved, but more prominent.

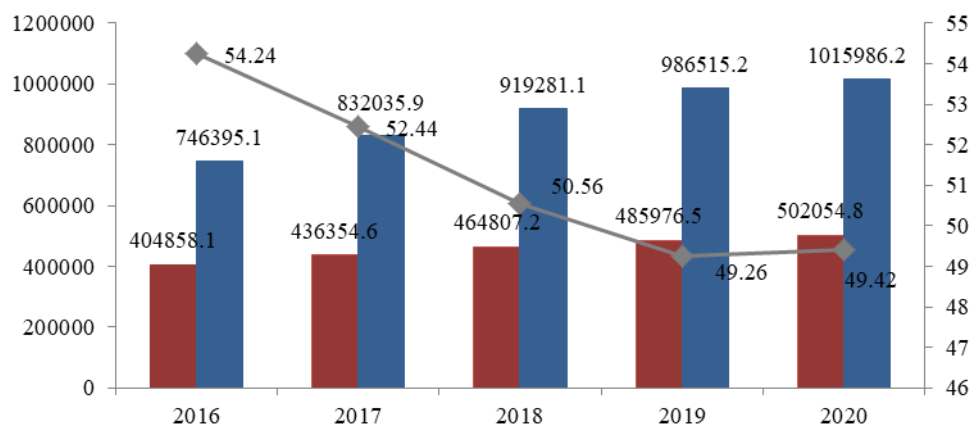


Figure 4. GDP and Its Proportion of Districts and Counties in 2016-2020 Unit: Billion Yuan/%

Note. The data are derived from the “China County Statistical Yearbook” and “China Statistical Yearbook 2021” over the years.

The sixth is the county government debt pressure is increasing. At the same time as the sustainable development of the county economy, the contradiction between the revenue and expenditure of the county government is increasing, and even the situation that the repayment funds of individual counties exceed the disposable financial resources of the year. The “Audit Report on Provincial Budget Implementation and Other Fiscal Revenue and Expenditure in 2020” pointed out that in 2019, county government debt not only accounted for about 30% of local government debt balance, but also showed the characteristics of high debt balance and fast growth rate. In 2019, the overall debt ratio of district and county governments reached 61.5%. Among them, the county-level city government has the highest debt ratio, reaching 66.9%, and the autonomous county has the lowest debt ratio of 56.5%. From a regional perspective, the county government debt ratio in the western region is the highest, at 65.1%. Under the continuous promotion of the rural revitalization strategy, with the increase of investment in rural infrastructure construction, ecological green transformation and other fields, the debt rate of district and county governments will further rise, and the debt pressure will also continue to increase.

Table 2. District and County Government Debt Ratio in 2019 Unit: %

Region	County area	County	County-level city	Autonomous county
East	63.4	64.3	63.0	53.0
Midst	55.3	53.5	59.8	66.1
West	65.1	60.9	84.0	58.3
Northeast	61.2	53.9	71.0	41.2
Whole country	61.5	59.1	66.9	56.5

Note. The data comes from “the scale, structure and sustainability of county government bonds under the new pattern”; the debt ratio is the ratio of county government debt balance to the total value of local general public budget expenditure and government fund income.

1.2 The Current Situation of Securities Companies Serving the Economic and Social Development of Districts and Counties

The first is the coverage of service counties continues to expand. During the period of poverty alleviation, the Securities Industry Association launched the “Helping Poverty Alleviation, Fulfilling Social Responsibility-Securities Companies” One Division One County “Twinning Action Initiative to Help Poverty-stricken Counties”, calling on each securities company to help at least one national poverty-stricken county in pairs. According to the statistics of China Securities Association, by the end of 2020, 101 securities companies have helped 294 state-level poverty-stricken counties in pairs, including 22 provinces and cities across the country, covering 35% of state-level poverty-stricken counties, and these poverty-stricken counties have all lifted out of poverty. After comprehensively solving absolute poverty, 84 securities companies will continue to help 290 poverty-stricken counties in 2021.

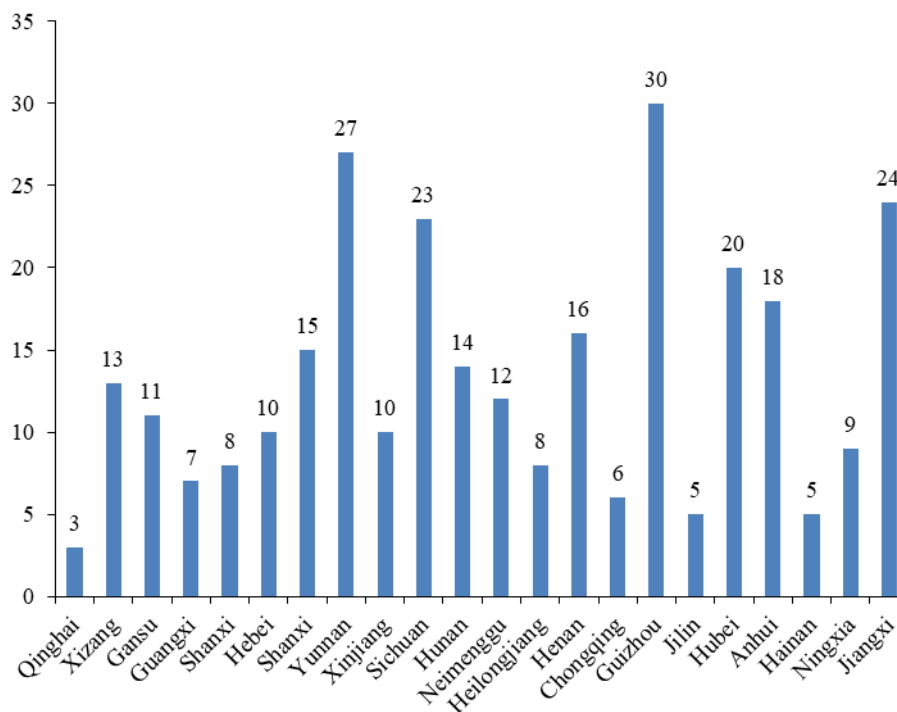


Figure 5. The Number of Poverty-Stricken Counties Assisted by Securities Companies “One Company, One County” in 2020 Unit: Jia

Note. The data comes from the securities company s one company, one county twinning assistance achievement exhibition.

Table 3. The Implementation of Securities Companies in Helping Poverty Alleviation Counties in 2016-2021 Unit: Pcs

Year	Number of securities companies	Number of pairs to help poverty-stricken counties implemented
2016	79	132
2017	91	263
2018	89	258
2019	87	270
2020	86	271
2021	84	290

Note. Data are from the website of China Securities Association.

The second is financial resources continue to flow to districts and counties. With the help of the financing function of the capital market, the Securities Industry Association calls on securities companies to give full play to their professional advantages, comprehensively use various financial means and various financial instruments, provide professional services for enterprises in poverty-stricken areas and promote industrial revitalization. From 2017 to 2021, there are 33 enterprises in the first public offering and listing of enterprises in poverty-stricken areas of districts and counties served by securities companies. Among them, there are 6 in 2017, 3 in 2018 and 2019, 11 in 2020 and 10 in 2021. It can be expected that with the help of securities companies and the gradual improvement of China's securities market construction, the number of enterprises in poverty-stricken areas will continue to rise. During this period, the total amount of financing for enterprises in poverty-stricken areas in other ways reached 282.309 billion yuan, and a total of 42 projects were recommended for enterprises in poverty-stricken areas to be listed in the national SME share transfer system.

Table 4. The Flow of Financial Resources of Securities Companies to Poor Areas in 2017-2021

Year	Other ways to service enterprise financing (Billion Yuan)	Initial public offering and listing (Jia)	Share transfer system listing project (Pcs)
2017	758.28	6	—
2018	390.24	3	22
2019	545.28	3	7
2020	520.22	11	7
2021	609.07	10	6
Sum	2823.09	33	42

Note. The data come from the website of China Securities Industry Association, organized by the research group.

The third is the forms of service are increasingly rich. Based on their own advantages, combined with the actual situation of resource endowment and industrial development in districts and counties, securities companies have increasingly diversified forms of assistance services. The current forms of assistance services involve public welfare assistance, intellectual assistance, industrial assistance, and talent assistance. According to the statistics of the China Securities Industry Association, as of the end of 2020, securities companies have established or participated in the establishment of 66 public welfare funds with a scale of 608 million yuan, and 48 industrial funds in poverty-stricken areas with a scale of 253.93 billion yuan; purchase 357 million yuan of characteristic products in poverty-stricken areas, promote and sell 268 million yuan of characteristic products; it subsidizes 10.04 million poor students and 126,100 poor families; support 559 characteristic industrial projects in poor areas; in-depth

research and visits to poor areas of 12,900 people, research and guidance of local enterprises 3462 times.

The forth is financial instruments continue to innovate. Under the call of the Securities Industry Association, securities companies continue to innovate financial instruments in the process of helping rural revitalization and promoting high-quality economic development in districts and counties. Some securities companies underwrite the issuance of rural revitalization theme bonds, such as Guangxin Holding Group's first special corporate bond for rural revitalization, and China Energy Conservation Solar Energy Co., Ltd. successfully bookmarked the issuance of the country's first "carbon neutral '+' rural revitalization" double-label corporate bond with a scale of 1 billion yuan. CICC and China Bond Valuation Center jointly launched the first rural revitalization bond index in the market; Tianfeng Securities and Yunnan Trust successfully issued the first trust-assisted ABS product in China that fully supports new agricultural business entities. At the same time, in view of the fluctuation of agricultural product prices and the instability of farmers' income, securities companies also actively explore the "insurance + futures" model.

2. Problems Faced by Securities Companies in Serving High-Quality Economic and Social Development of Districts and Counties

2.1 The Initiative of Securities Companies to Serve Districts and Counties Needs To Be Strengthened

In the "one company, one county" organized by the Securities Industry Association, many securities companies actively participated and achieved good results. Later, some securities companies also continued the practice of "one company, one county" providing more services for the high-quality economic and social development of districts and counties. However, few securities companies can further carry out services for new districts and counties on the basis of "one company, one county", especially the lack of comprehensive, long-term and strong services, which has not yet formed the continuity and normalization of district and county services.

2.2 The Coverage of Securities Companies' Service Districts and Counties Is Relatively Small

Although a few securities companies, such as Caitong Securities, have carried out services to districts and counties, and some securities companies have established cooperative relations with district and county governments in their regions, in terms of the number of securities companies and the number of securities company outlets in the country, the coverage of districts and counties that have already provided services is still narrow, and the number of districts and counties that have obtained the services of securities companies is small, and the number of poor counties in the districts and counties supported by the "One Division and One County" activity is very large. Moreover, the behavior of existing securities companies serving districts and counties mostly occurs in the eastern region, and the situation of securities companies serving the economic and social development of districts and counties in the central and western regions is still less.

2.3 The Professional Services Provided by Securities Companies Are Still Not Enough

At present, in the process of serving the economic and social development of districts and counties, securities companies still focus on public welfare services, such as donations, support for education, and investor education activities for poor areas, which are more reflected in the poverty alleviation of the “blood transfusion” nature. However, professional and characteristic services, such as the introduction of “hematopoietic” financial resources based on industrial prosperity, are still very lacking. There are very few capital market service projects and service products that rely on professional advantages, and it is impossible to give full play to the effect of securities companies using professional strength to promote the high-quality development of districts and counties.

2.4 The Mode of Securities Companies Serving Districts and Counties Is More Homogeneous

Due to the differences in resource endowments and geographical location advantages, the economic and social development foundation, development model, development path and development goals of different districts and counties are not consistent, which means that securities companies need to adapt to local conditions and combine the actual situation of economic and social development in districts and counties to provide characteristic services. Moreover, the securities companies themselves are also different in terms of asset size, business orientation, business point setting, and talent reserve. Therefore, they should also fully consider their own particularities when providing services to districts and counties. However, at present, the services provided by securities companies for districts and counties are mostly similar and repetitive. On the whole, the service innovation is insufficient, the characteristic financial projects and financial products are still lacking, and the economic development of districts and counties and the particularity of securities companies have not been fully considered.

2.5 The Comprehensiveness of Securities Companies' Service Districts and Counties Is Relatively Lacking

Districts and counties need securities companies to provide comprehensive financial services. However, on the one hand, the current services provided by some securities companies are mostly based on a certain department or branch as the main force of services, which cannot effectively meet the comprehensive financial demands of districts and counties. This means that securities companies need to integrate the power of multiple departments, multiple lines, and even forward-looking investment in services. However, there are relatively few securities companies that can provide similar services. On the other hand, including district and county governments, district and county enterprises, and district and county residents all need services from securities companies. However, at present, most securities companies' services tend to focus on a single service object, failing to design the three to a unified service model, and lacking the organic combination of the three in the service process.

3. The Countermeasures and Suggestions for the High-Quality Economic and Social Development of the Securities Companies Serving the Districts and Counties

3.1 Play the Role of the Association Organization, Build A Service District Bridge

(1) Play the guiding role of the association, and guide the brokers to actively serve the districts and counties from the mechanism. The first is to issued a call to serve the high-quality economic and social development of districts and counties. Led by the Securities Industry Association, we will organize and guide securities companies to participate in and serve the high-quality economic and social development of districts and counties, continue the “one company, one county” model, call on securities companies to organically combine service districts and counties with rural revitalization on the basis of their original activities, and open a new round of “one company, one county” or “one company, multiple counties” activities, focusing on expanding the depth and breadth of services, and striving to add 10% of the country’s districts and counties; The second is to establish a professional committee to serve the high-quality economic and social development of districts and counties. The establishment of a secondary professional committee can be adopted to attach importance to the management mechanism, clarify the connotation and extension of work responsibilities, take the lead in organizing securities companies to explore the value of high-quality economic and social development in districts and counties, tap the potential of the capital market of enterprises in districts and counties, and guide securities companies to organically combine the main business with the coordinated and shared economic and social development in districts and counties; The third is to guide securities companies to innovate the mode of serving the high-quality economic and social development of districts and counties. Encourage securities companies to give full play to their own strengths, actively integrate into the new pattern of national and local economic and social development, and explore new products, new tools, new businesses and new services in service districts and counties, and form a normal mode of securities companies serving districts and counties. Taking the service area county as one of the special evaluation contents of securities companies to fulfill their social responsibilities, it pays attention to the ESG evaluation of securities companies, and combines with the classification evaluation to improve the positive incentive degree. The forth is to strengthen the cultural propaganda work of securities companies serving the high-quality economic and social development of districts and counties. The Securities Industry Association can list the publicity work of securities companies serving the high-quality economic and social development of districts and counties as an important part of the cultural construction of the securities industry. By setting up columns on the website of the Securities Industry Association, publicly releasing data, publishing case compilations, and producing results propaganda films, the work progress and typical deeds of the service districts and counties are publicized and reported, and special recognition is given to outstanding securities companies and staff to produce incentive effects.

(2) Play the role of the association platform, do a good job of the bridge between securities companies and districts and counties. The first is to build a cooperation platform composed of associations, district and county governments, and securities companies. The securities industry association can adopt the way of setting up “special members” to attract the district and county governments to join the association, and rely on the good relationship that has been formed with many local governments, take the initiative to graft resources between securities companies and district and county governments, and give full play to their own advantages in coordination, communication and information, and jointly build a “securities industry service district and county comprehensive platform” to gather functional information such as service demand, industrial and financial docking, public welfare support and financial training, so as to reduce the cost of information collection and communication among various entities, and also attract more district and county government resources for securities companies. The second is to organize in-depth investigation of districts and counties and coordinate and match various resources. The Securities Industry Association can continue to organize securities companies to conduct in-depth research on the districts and counties that determine the establishment of strategic cooperative relations, involving industry, people’s livelihood, finance and other dimensions, summarize and sort out the common and individual problems encountered in the process of pursuing high-quality development in districts and counties, understand the latest financial needs, and then organize special research and provide matching financial services, which will help improve the reproducibility of services. In addition, we can also consider introducing the resources of listed companies into this link, and promote the exchange and docking of district and county industries and listed companies on the basis of research; the third is to lead the forum on high-quality economic and social development of securities industry service districts and counties. The Securities Industry Association can, in coordination with other departments such as the China Securities Regulatory Commission, invite government departments, academia, industry and others to jointly convene a special forum to discuss how securities companies serve the real economy and how to effectively serve the high-quality economic and social development of districts and counties, listen to the latest demands of districts and counties in the process of economic and social development, exchange the institutional mechanisms and methods of securities industry serving districts and counties, and organize securities companies to conduct follow-up thematic research on district and county financial services.

3.2 Give Full Play to the Professional Advantages of Securities Companies and Create Characteristic Comprehensive Financial Services

(1) Based on the top-level design, strengthen the system guarantee of service districts and counties. The first is the top-level design into the development plan of securities companies. Securities companies should regard the high-quality economic and social development of service districts and counties as an important work in the future, fully understand its long-term and arduous nature, and incorporate it into the company’s medium-and long-term development plan and annual work plan, or separately introduce the development plan of service districts and counties. According to the pre-procedure of the party

committee's discussion as a major decision-making matter, the position of service districts and counties in the company's development should be clarified and implemented; The second is to integrate into the specific work system of securities companies. Improve and strengthen the specific work system of securities companies serving districts and counties, write the work content, work methods, and work objectives of the service districts and counties into the daily work system of securities companies, or separately design the institutional arrangements for securities companies serving districts and counties, including establishing a sound internal multi-sectoral business linkage mechanism to form a comprehensive financial service capability of the service districts and counties. At the same time, clarify the relevant responsibilities of personnel at all levels of securities companies, and promote the implementation of specific work in service districts and counties under the constraints of the system; The third is to integrate into the self-evaluation system of securities companies. In combination with the evaluation system of the securities industry association for securities companies, the system and mode, the impact and the role formed in the economic and social work of each business department serving the districts and counties are incorporated into the annual assessment of the securities company itself. Play the role of assessment baton, avoid a single business assessment system, and focus on the balance of social and economic benefits.

(2) Based on specific regions, explore differentiated service paths. The first is to lock in specific areas and gradually carry out pilot projects. In the early stage, the securities company can fully consider the characteristics of the environment, humanities, economy, region and industry of the proposed service area, and carry out centralized services to a number of districts and counties adjacent to a certain which helps to form the industrial clustering effect and the scale effect of the service, and also helps the securities company to form the differentiated characteristics; The second is to carry out differentiated exploration based on their own endowments. Securities companies should formulate a package of service plans based on the development characteristics of the districts and counties to be served and the fit of financial needs with their own resource endowments and business expertise. Securities companies located in the central and western provinces and cities should fully consider the weakness of the economic and social development foundation of the districts and counties and the urgency of financial services, give full play to the location advantages, and increase the resource tilt of the district and county services. Securities companies with headquarters in different places can focus on how to plan the mode and path of serving districts and counties through the joint service mechanism of headquarters and branches or regional headquarters.

(3) Promote talent strategy and increase the supply of financial talents in districts and counties. The first is to build a strong service talent team in the county. The securities companies can coordinate and select a group of middle-level cadres who are political, business and management to enter the service areas and counties on the spot, and actually participate in the economic and social development of the districts and counties, such as investment promotion and capital introduction, poverty alleviation, economic management and other work, focusing on docking securities companies and county financial

service needs. At the same time, we should also strengthen the construction of the staff of the county branch of the securities company, and give full play to the service ability of the business department outlets; The second is to build a strong service county reserve force. On the one hand, we should strengthen the training of middle-level cadres or reserve cadres of securities companies, organize special courses on high-quality economic and social development in service districts and counties, and apply for crediting the learning hours to the securities industry association vocational training information database. Securities companies can also use the development of service districts and counties as an important assessment indicator for the proposed promotion of cadres, and stimulate the initiative and enthusiasm of reserve cadres to start businesses and take on responsibilities. On the other hand, securities companies can also carry out special training activities for grassroots cadres of district and county governments, especially financial and economic cadres, and establish friendly and cooperative relations between securities companies and district and county grassroots.

(4) Based on professional advantages, meet the needs of comprehensive financial services for high-quality economic and social development in districts and counties. The first is to use industrial research as a link to promote the rational development of district and county governments and enterprises. First, assist in the formulation and implementation of county economic development planning and financial revenue and expenditure plan. The securities company can give full play to the advantages of industrial research and actively strive to become an external “think tank” for the district and county governments to formulate economic planning. Combined with the in-depth investigation of the districts and counties, based on the national industrial economic policy, as well as the local fiscal revenue and expenditure and debt constraints, the securities company can provide planning suggestions for the development of the district and county economy and society or industrial parks, assist in formulating corresponding operation plans, balance risks and benefits, and mobilize the company’s strength to provide targeted industrial, financial or resource support in the follow-up project implementation process.

Second, help formulate and implement district and county industrial development and investment attraction plans. Industry is the foundation of high-quality economic and social development of districts and counties. Industrial planning and investment attraction are the pain points and difficulties of district and county work. On the basis of industrial research and regional research, this paper clarifies the existing industrial foundation, industrial advantages, geography, climate, resources and population of districts and counties. Through the comparison of industrial research across the country, from the perspective of the integration of industrial development and financial capital, it fully considers the sustainability of resource endowment and industrial development of districts and counties, and finally puts forward a reasonable industrial development direction based on its own experience, forming an ecological system of financial and industrial circulation. In the follow-up, securities companies can find the target enterprises in the market based on industrial planning, and combine “going out” with “bringing in” to attract external industrial linkages to the ground, thus driving the development of

district and county industries.

Third, help county enterprises to develop business development and financial services programs. Enterprises are an important carrier of county economic development. Mature enterprises usually do not have the dilemma of lack of financial services. However, a large number of county enterprises generally have the characteristics of low maturity and small scale. In the early stage of development, industrial support is urgently needed to solve the survival problem. Securities companies can timely discover the operational risks faced by small and medium-sized enterprises in districts and counties through continuous industrial research, visits, research and other activities, and give reminders, and help to resolve them. Therefore, securities companies should not be limited to ready-made business opportunities, but should participate in the medium and long-term development of enterprises. They can use industrial research as a link to help coordinate various resources of listed companies, provide “financial companionship” services for a large number of start-up and growth enterprises, and organize investment banks and investment departments to participate in a timely manner.

The second is to enhance the new vitality of high-quality economic and social development in districts and counties based on investment and financing. Financing is the most direct appeal of local governments. Securities companies have helped solve the financing problems of district and county governments by assisting in the issuance of local bonds, direct investment, and public welfare assistance. At the same time, the following services can be continued: First, help revitalize the county resources and improve the financing hematopoietic function. First of all, within the scope of policy provisions, securities companies can become consultants for local government resource integration and platform standardization development, help sort out, revitalize and integrate stock assets, enhance the hematopoietic function of the platform through mergers and acquisitions, and promote the improvement of credit rating of high-quality entities. Secondly, at present, the demand for the establishment of industrial funds funded by the county governments in various regions is very strong. Securities companies can study the corresponding supporting policies and mechanisms by assisting in the establishment or co-construction of co-managed industrial funds, accelerate the transformation of simple financial subsidies in districts and counties into equity investment, guide the participation of social capital and industrial capital, and improve the efficiency of the use of government funds.

Second, aim at comprehensive needs and innovate products or services. First of all, securities companies can cooperate with district and county financial supervision bureaus, economic and information commissions, development and reform commissions, state-owned assets supervision commissions, finance bureaus and other departments to classify and cultivate district and county enterprises, and formulate differentiated service plans for traditional industries, special and new industries, strategic emerging industries, etc. Secondly, securities companies can actively promote green bond business and ABS business according to the actual situation of enterprises, and learn from domestic and foreign experience to explore innovative products such as “urban bonds”. Furthermore, in the face of the more comprehensive financial needs of the district and county governments, securities

companies can take the lead in integrating commercial banks, insurance companies, futures companies, guarantee companies and other financial institutions to carry out joint cooperation, build a comprehensive service platform for the financing needs of the district and county governments, and promote diversified financial institutions to help the economic and social development of the district and county.

The third is to promote the harmonious development of district and county society with teaching as the focus. First, strengthen investment awareness and enhance the cognitive ability of district and county residents to the securities market. For residents in districts and counties, especially in districts and counties with relatively backward economic development, due to the relatively low income of such groups, residents' willingness to save is stronger, their willingness to invest is relatively weak, and the layout of financial institutions in some districts and counties is relatively small, and residents have fewer investment channels. This requires securities companies to use their own professional advantages, fully understand the investment needs of district and county residents, connect appropriate products to appropriate district and county investors, give full play to the professional services of securities companies in social risk management, and also promote district and county residents to correctly and objectively understand the securities market and securities investment, appropriately promote district and county residents to convert savings into investment, and provide more investment and financial management channels for district and county residents.

Second, strengthen the development of investor education activities at different levels of districts and counties. Securities companies should carry out corresponding investment education according to the characteristics of different investors in districts and counties. For the elderly investors in districts and counties, we should focus on educational activities to prevent financial fraud and protect the "money bags" of the elderly; for young and middle-aged investors in districts and counties, we should focus on education to establish a good investment concept, and enhance the investment ability of these investors, so as to enhance the investment effectiveness of young and middle-aged investors. For young investors in districts and counties, investor education can be used as a platform to strengthen the improvement of students' ability to prevent risks, reduce the probability of financial fraud in student groups, and also strengthen the popularization of basic knowledge of youth securities investment. Through the continuous development of investor education activities, it can effectively open up a new pattern of investor education, and also help to promote the stability and progress of district and county society.

Funding

This work was supported by the Fundamental Research Funds for the Chongqing Social Science Planning Project (Project No. 2019YBGL050) and the Sichuan International Studies University Research Project (Project No. sisu2018010).

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