A Dynamic Comparative Study on the International Linkage of China's Economic Growth under the New and Old Normal Situation -- Based on WIOT Analysis

WAN Wei[1], FAN Jin[2],YUAN Xiao-hui[1]

(1.Research Center for Decision Consulting, Jiangsu Administration Institute, Nanjing 210009; 2.Research Center for the Study of Economic Development Quality, Nanjing Forestry University, Nanjing 210037)

Abstract：　The trade war between China and the United States of America has had a huge impact on the global economy. It shows that there exists great international linkage between China and the other countries. In fact, since China joined the WTO in 2002, the correlation between Chinese Economy and the world economy have continued to strengthen. We defined the period from 2002 to 2012 as the Old Normal, and China entered the New Normal Situation after 2012. Based on the world input-output table from WIOD in 2002-2014, this paper studies and compares the evolution of the relationship between the economic growth of China in the Old and New Normal period and that of other regions in the world. The main research methods include: forward and backward spatial linkage coefficient; economic dependence; decomposition of value-added changes: value-added rate effect, domestic multiplier effect, feedback effect, spillover effect, domestic final product effect, overseas final product effect. The main conclusions are as follows: Firstly, the forward linkage degree of China's secondary industry increased significantly in the Old Normal period, while that of the tertiary industry increased at a rapid speed after entering the New Normal Situation. Secondly, the increase of China's external influence in the Old Normal period is mainly reflected in the large number of small and medium-sized developing economies, which has become more prominent since the New Normal Situation. Thirdly, compared with Old Normal period, China's economy is more dependent on internal factors after entering the New Normal Situation, among which the industrial sector's dependence on domestic final products has increased significantly.

Keywords: the New and Old Normal Situation, international linkage of economic growth, SDA, WIOT

1.Inroduction

The trade war between China and the United States, which began at the end of march last year, has not only had a huge impact on the Chinese and American economies, but also caused global economic turmoil, further complicating the global economic outlook. As top two economies of the world, the combined GDP of China and the United States accounts for nearly 40% of the global economy. It shows that there exists great international linkage between China and the other countries. In fact, since its accession to the WTO in 2002, China's economy has been closely linked with the world economy. The rapid growth of China's economy in the past decade cannot be achieved without the role of other countries in the world. Similarly, other countries around the world have also promoted their own economic growth in trade with China.

Figure 1 shows the current year-on-year GDP growth rate of China, the European Union, the United States and Japan in the first and third quarters from 2002 to 2018. Figure 1 shows that: First, the world economic fluctuations are generally similar. From 2002 to 2007, the national basic economic growth rises in volatility. By 2008, due to the financial crisis, the economic growth rate of various countries has fallen sharply in general and began to gradually pick up in 2009. After 2012,

the world economies grew at a relatively steady rate; Second, China's economic growth rate is much higher than the world average. From 2002 to 2018, China's quarterly GDP growth rate was 13.30% on average, compared to those of the United States, Europe and Japan which are 3.97%, 2.79% and 0.31% respectively. Among them, in the Old Normal period (2002-2012)[①], the quarterly growth rate of Chinese economy averaged 15.61%. At the same time, the average growth rates of the United States, the European Union and Japan are 3.98%, 2.85% and 0.43% respectively. In the New Normal period (2012-2018), The average quarterly year-on-year growth rate of China's economy was 9.31%, while that of the United States, the European Union and Japan during the same period was 4.03%, 2.61% and 1.52% respectively. Third, after entering the New Normal Situation, the economic growth rate of the world including China tends to be stable. In the Old Normal period (2002-2012), the standard deviation of China's GDP quarter year-on-year growth rate is 0.0468. At the same time the numbers of the United States, the European Union and Japan were 0.0249, 0.0352 and 0.0271 respectively. In the New Normal period (2012-2018), the standard deviation of China's GDP quarter year-on-year growth rate is 0.0179. In the same period, the same figures of the US, EU and Japan were 0.0095, 0.0166 and 0.0152 respectively.
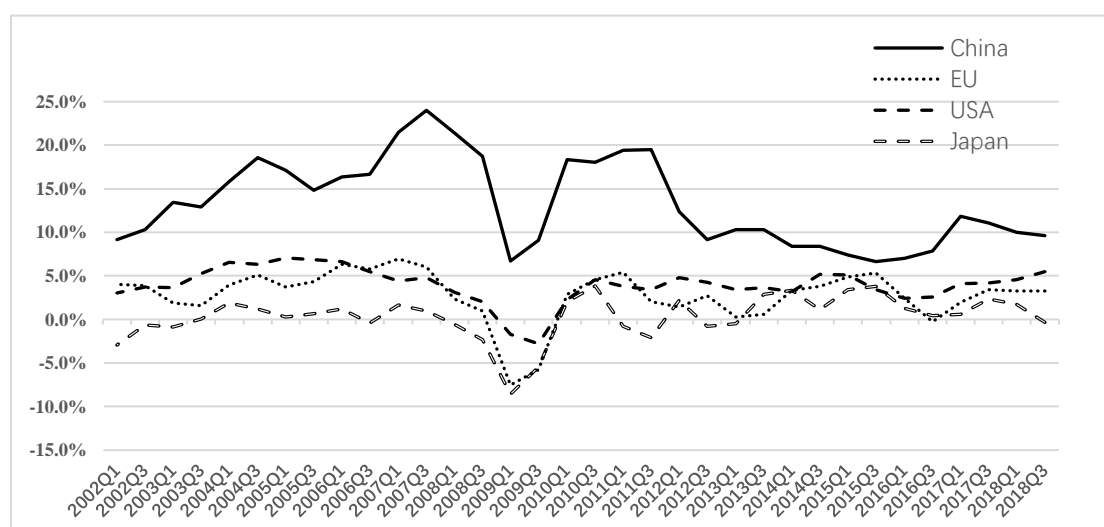
Figure 1.   Quarter year-on-year growth rate of GDP in China, the European Union, the United States and Japan in 2002-2018 (in current prices)

Data source: quarterly data of national bureau of statistics of China, Eurostat database of economic and financial statistics, US federal bureau of statistics database of national economic accounting, Japanese bureau of statistics database of economic and financial statistics.

In terms of the definition of the New Normal situation, China's domestic and international new normal concepts are relatively independent. Internationally, it is generally believed that Erian (2010) was the first to use the concept of "New Normal Situation" to interpret the new characteristics of the world economy after the crisis. He proposed that "New Normal" mainly refers to the situation that western developed economies will be Mired in long-term weakness and high unemployment after the crisis. In China, the term "New Normal" is closely related to the new development stage of China's economic transformation and upgrading. President Xi Jinping first used the concept of the

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[①] In this paper we have calculated other countries and regions according to the time division of the Old Normal and the New Normal in China.

New Normal during his visit to Henan province in May 2014. On November 10, 2014, at the APEC CEO summit held in Beijing, President Xi Jinping focused on the three characteristics of China's economic development under the New Normal Situation: speed change, structural optimization and power transformation, and expressed the optimistic expectation that the New Normal will bring new opportunities to China. By December 9, 2014, chairman Xi analyzed the performance, causes and the development direction of China's economy in the New Normal Situation from nine aspects in detail in Central Economic Work Conference. He clearly pointed out: "China's economic development into the New Normal Situation is a phased characteristics of the economic development in our country, it is not for man's will. To correctly understand, adapt to and guide the New Normal Situation is the big logic of China's economic development at present and in the future."

In terms of theoretical research on the New Normal Situation, this is a research hotspot in recent years, mainly including global correlation, theoretical basis, starting point and development prospect. Based on the existing studies at home and abroad, the representative views are as follows: Firstly, when discussing the New Normal Situation of China's economy, we cannot ignore to discuss the "New Normal Situation" of the global economy. Nowadays, no economy in the world can escape the penetration of economic globalization, and its domestic economic operation is more or less affected by the development and changes of global economy. Therefore, only by grasping the general trend of global economic development can we have a deeper understanding of the history and future development direction of China's economy (Li, Zhang , 2015; Pei, 2015; Pei, Yao, 2018; Guo, 2016). Secondly, the New Normal Situation of the economy is not only related to international factors and external shocks, but also affected by domestic factors. It is the result of the "three phases" (shift in growth rate, structural pain, and policy digestion). This is the theoretical basis for China's economic development to enter the New Normal Situation(Yao, 2015; Guo, 2016). Thirdly, the time of entering the New Normal Situation was recognized by the academic community during 2012-2013. On the one hand, it coincides with the Lewis turning point of China's population (Cai, 2013). On the other hand, the wave process can be viewed as economic development into the new normal transition, namely the external events become internal contradiction change the fuse, the unbalanced, uncoordinated and unsustainable growth phase shifts in demand. Three factors have since driven this shift. First, the economic growth rate is mainly caused by internal causes, as a result of the market mechanism, the performance is more and more obvious, in the economic theory and decision-making departments gradually reached a consensus. Second, the central government began to recognize the inevitability of the transformation of the stage of economic development and put forward new requirements to adapt to the transformation of the stage of development. Third, the government changed the concept of strong regulation and control of economic operation, stopped pursuing excessively high economic growth rate and implemented policies and measures of moderate and steady growth (Li and Zhang, 2015; Guo, 2016). Fourthly, China's economy has a broader prospect after entering the New Normal Situation. The New Normal Situation of China's economy is a declaration of stepping into a higher stage of development. It is necessary to change the development mode, promote the change of economic development quality, efficiency and power, and achieve better development (Liu, 2015; Lin and Wang, 2016; Guo, 2016).

In the study of China's economic growth, the existing research is mainly from its own internal impact and external world impact two aspects to accounting. On the one hand, the study of its own internal influence is mainly carried out from the perspectives of supply and demand: The first is to follow the thought of growth accounting of Solow(1957) and divide economic growth into factor

input and total factor productivity from the perspective of supply (Zheng and Hu, 2005; Dong and Liang, 2013). Second, it studies the source of China's economic growth from the perspective of final demand, and estimates the driving effect of consumption, investment and export as the "three carriages" on China's economic production (Shen, 2009; Liu and An, 2012). On the other hand, the study on the impact on the external world takes into account that the economic growth of a country or region not only depends on its own final demand and production technology, but also is related to the international division of labor system and the country's position in the global value chain under the existing international division of labor system. This is because in the context of global economic integration, multinational enterprises integrate the production resources scattered around the world according to the resource endowments and comparative advantages of different countries or regions, and reconfigure the various processes in the production process in different countries or regions, eventually forming a vertical international division of labor system. Under this system, countries or regions form a global production network through the trade of intermediate products, and produce technical links and correlation effects among themselves. Therefore, in order to analyze the source of China's economic growth in the context of global integration, it is necessary to consider the impact of the economic spatial linkage among countries in the world on it (Liu et al., 2017; Richard & Patricia, 2016; Backer et al., 2018).

In terms of the research methods for international spatial correlation of economic growth, existing literatures mainly use the econometric tools to investigate the relationship between spatial spillover and economic growth, and use the multi-regional input-output method to analyze the correlation between regions. On the one hand, the main methods of measuring space overflow effect are space econometric (Ying, 2000; Pan, 2012), the construction of relevant indicators (Brun et al., 2002) and VAR model (Li et al., 2014), etc. The defects of these research methods lie in that they cannot investigate the feedback effect among regions, let alone reflecting the division of labor and cooperation among regions in the production process. On the other hand, the multi-region input-output method can examine inter-regional spillover and feedback effect at the same time, and analyze inter-regional labor division and cooperation relationship by means of intermediate input matrix. Therefore, more and more attention has been paid to the multi-region input-output method in the study of interregional spillovers (Pan, 2015; Liu et al., 2017). Early scholars mainly used Asian input-output data to carry out research on the economic spatial correlation between east Asian countries (Kuwamori & Okamoto, 2007; Meng & Inomata, 2009), only a few scholars such as Zhang (2005) and Pan (2015) used China's interregional input-output table to study technology spillover effect and feedback effect in various regions of China. In recent years, with the research on global value-added trade heating up, the international input-output database including WTOD and GTAP has been constantly improved, and the research on global value chain has become increasingly hot (Yuan, 2014; Richard & Patricia, 2016; Backer et al., 2018).

Based on the existing research, this paper studies and compares the evolution of the relationship between the economic growth of China in the Old and New Normal period and that of other regions in the world, and further uses SDA to decompose the driving force of China's overall and three industries' economic growth. The innovation of this paper: on one hand, using the MRIO model to analyze the power source of China's economic growth and the relationship between that and other economies in the world from the perspective of global linkage; on the other hand, conducting a dynamic comparative analysis of the International linkage changes in the Old and New Normal period. The full text is composed of five parts, the specific arrangement is as follows: the

first part is the introduction; The second part gives the theoretical model, research methods and data sources. The third part compares the spatial correlation and evolution of China's economy in the New and Old Normal situation. The fourth part decomposes the driving force of China's economic growth and compares the changes in driving force of the Old Normal and the New Normal Situation from the perspectives of horizontal (China and other major countries in the world) and vertical perspective (China's three industries). The fifth part gives the conclusions.

2.Model and Data Source

2.1. The Global Input-Output Model and Measurement of Economic Linkage

In the global input-output model, the economic interaction of all countries in the world is considered as a whole. Therefore, compared with the single region model, the multi-regional input-output model contains more spatial linkage information. In order to reflect its characteristics more clearly, a simple form of the global input-output model is given as Table 1.

Table 1. Summary of global input-output model

	Intermediate Use			Final Use			Total Output
	Country 1	...	Country n	Country 1	...	Country n	
Country 1	z_{11}	...	z_{1n}	f_{11}	...	f_{1n}	y_1
...	...	z_{rs}	...	...	f_{rs}	...	...
Country n	z_{n1}	...	z_{nn}	f_{n1}	...	f_{nn}	y_1
Value-Added	v_1	...	v_n				
Total Input	y_1	...	y_n				

Table 1 shows that the global input-output model is composed of n countries. The element Z_{rs} in the table indicates the number of intermediate inputs provided by country r to country s. The added value is expressed in v. The total output is equal to the total input and is represented as y. The final product is denoted by f, and the corresponding vector (matrix) is expressed in the corresponding capital letters.

According to the balance relationship in the horizontal direction of the table, the intermediate product consumption matrix Z is represented as the multiplication form of the intermediate consumption coefficient matrix A and the total output vector Y, and the following can be obtained:

$$AY + F = Y \qquad (1)$$

Further deformation of formula (1) can be obtained:

$$Y = (I - A)^{-1}F \qquad (2)$$

In the above formula, $B = (I - A)^{-1}$ is the complete consumption coefficient matrix, which is known as the Leontief inverse matrix. Similar to the traditional input-output model, in the global input-output model, two indicators are used to describe the economic spatial linkage structure of countries of the world based on the perspective of output value:

$$Back_j = \sum_{i=1}^{25} b_{ij} \qquad (3)$$

$$Forw_i = \sum_{j=1}^{25} b_{ij} \qquad (4)$$

In the traditional input-output model, the two indicators in formula (3) and formula (4) reflect the forward and backward linkage degree between industries respectively, but they are given new meanings in the global input-output model. The former reflects the degree of the backward spatial linkage between a country's economy and the world, and its economic meaning is the sum of the world's output driven by unit final production of country i, reflecting the country's influence in the international economic system. The latter represents the degree of forward spatial linkage of a country's economy with other countries in the world. The economic meaning of forward spatial linkage is the value of country i's production if all countries increase unit final product at the same time, it reflects the country's economic sensitivity to the world.

Although the above two indicators describe the international spatial linkage structures from the perspective of production, the deficiency lies in the lack of connection with the value-added created in the process of cooperation between countries. Further, supposing that A_v is an value-added coefficient matrix, and its diagonal element $av_i = v_i/y_i$ represents the value-added corresponding to the unit output of country i. According to the input-output theory, the value-added expression can be obtained as follows:

$$Val = VB^{CHN}F^{CHN} \tag{5}$$

We define $B_v = VB^{CHN}$, B_v is the Value-added evoked coefficient matrix. Furthermore, the diffusion coefficient and induction coefficient based on the value-added can be obtained as follows:

$$Diff_j = \sum_{i=1}^{25} b_{v_{ij}} \tag{6}$$

$$Indu_i = \sum_{j=1}^{25} b_{v_{ij}} \tag{7}$$

The former reflects the sum of the world's total added value driven by unit final production of country j, reflecting the country's influence in the international economic system. The latter represents the value-added created by country i if all countries in the world increase unit final product at the same time, it reflects the country's ability to provide added value in the system of international division of labor.

Based on formula (5), the value-added of country i can be expressed as:

$$Val_i = \sum_{j=1}^{n} v_i b_{i,j} f_j \tag{8}$$

Equation (8) shows that under the global input-output analysis framework, countries in the world form a production network through intermediate goods trade and interrelate with each other, the value-added of a country depends not only on the production of domestic final products but also on the pull of overseas final production. The economic dependency index is used here to indicate the degree of economic dependence of country i on country j, which can be expressed as:

$$Ind_{ij} = \frac{v_i b_{i,j} f_j}{Val_i} \tag{9}$$

This coefficient represents the proportion of the total value-added of country i that is induced by the final production of country j. The larger the value of this ratio is, the degree of dependence of country i on country j is greater. When $j = i$ in formula (9), the coefficient reflects the degree of dependence of a country's economy on itself. The larger the value of this indicator is, the lower the external dependence of a country's economy is, otherwise is higher.

2.2. Decomposition of China's Economic Growth Source from the Perspective of Global Linkage

As pointed out above, under the framework of the global input-output model, as countries form a global production network through trade in intermediate products, economic growth of a country is not only related to internal factors such as its own production technology and final demands, but also depends on the global input-output structure and the production of other countries' final product. Therefore, in the growth accounting of China's economy, the impact of external factors must be considered.

Assuming two different periods t and $t+1$ which represented by the superscript, the difference of the value-added during the two periods can be expressed as:

$$\Delta Val = V^{t+1}B^{t+1}F^{t+1} - V^tB^tF^t$$

$$= \underbrace{\frac{1}{2}\Delta V(B^{t+1}F^{t+1} + B^tF^t)}_{\text{Value-added rate effect}} + \underbrace{\frac{1}{2}(V^{t+1}\Delta BF^t + V^t\Delta BF^{t+1})}_{\substack{\text{Global input-output structure} \\ \text{effect}}} + \underbrace{\frac{1}{2}(V^tB^t + V^{t+1}B^{t+1})\Delta F}_{\text{Final product effect}} \quad (10)$$

The above formula decomposes the value-added of all countries into three parts, that is, the change effect of value-added rate, the change effect of global input-output structure and the change effect of final product output. But in the framework of this analysis, the latter two items can be further decomposed.

Using a research method similar to Miller and Blair (2009), the Leontief inverse matrix can be further decomposed into $B=M+N+T$, where

$$M = \begin{pmatrix} (I-A_{11})^{-1},\cdots,0 \\ \cdots,(I-A_{ii})^{-1},0 \\ 0,\cdots,(I-A_{nn})^{-1} \end{pmatrix}; \quad N = \begin{pmatrix} B_{11}-(I-A_{11})^{-1},\cdots,0 \\ \cdots,B_{ii}-(I-A_{ii})^{-1},0 \\ 0,\cdots,B_{nn}-(I-A_{nn})^{-1} \end{pmatrix}; \quad T = \begin{pmatrix} 0,\cdots,B_{1,n} \\ \cdots,0,B_{i,n} \\ B_{n,1},\cdots,0 \end{pmatrix} \quad (11)$$

In formula (11), M is the domestic multiplier coefficient matrix, and its diagonal element $(I-A_{ii})^{-1}$ represents the domestic multiplier effect produced by i country using domestic intermediate products. N is a feedback coefficient matrix, and its diagonal element $B_{ii}-(I-A_{ii})^{-1}$ indicates the feedback effect that country i has brought on itself by importing intermediate products from overseas. T is an overflow coefficient matrix, where the element B_{ij} $(i \neq j)$ represents the external spillover effect of country i exporting intermediate products to foreign countries.

According to formula (11), the change of input-output structure can be further decomposed into three parts related to the domestic multiplier matrix, the feedback matrix, and the overflow matrix, that is, $\Delta B=\Delta M+\Delta N+\Delta T$. Correspondingly, the final product output can be further decomposed into two parts, namely, domestic and overseas, $\Delta F=\Delta Fd+\Delta Fs$, and the change of added value can be decomposed into:

$$\Delta Val =$$

$$\underbrace{\frac{1}{2}\Delta V(B^{t+1}F^{t+1} + B^tF^t)}_{\text{Value-added rate effect}} + \underbrace{\frac{1}{2}(V^{t+1}\Delta MF^t + V^t\Delta MF^{t+1})}_{\text{Domestic multiplier effect}} + \underbrace{\frac{1}{2}(V^{t+1}\Delta NF^t + V^t\Delta NF^{t+1})}_{\text{Feedback effect}}$$

$$+ \underbrace{\frac{1}{2}(V^{t+1}\Delta TF^t + V^t\Delta TF^{t+1})}_{} + \underbrace{\frac{1}{2}(V^tB^t + V^{t+1}B^{t+1})\Delta F_d}_{} + \underbrace{\frac{1}{2}(V^tB^t + V^{t+1}B^{t+1})\Delta F_s}_{}$$

Spillover effect   Domestic final product effect   Overseas final product effect

Through the above formula, it can be found that under the current international division of labor system, the economic growth of a country depends not only on its own factors (value-added rate, domestic multiplier effect and domestic final product effect), but also on the external factors (the feedback effect generated by importing intermediate products, the spillover effect generated by exporting intermediate products and overseas final product effect). Therefore, compared with the traditional growth accounting framework, this paper explores the source of economic growth from a more macroscopic perspective.

2.3. Data Source and Processing

This paper adopts the world input-output database (WIOD) funded by the European Commission for analysis. In 2013 and 2016, the database released the input-output table data including the EU countries and major countries (regions) in other parts of the world from 1995 to 2014. In the accounting process of this paper, two aspects of data processing are mainly considered, that is, the impact of price and exchange rate fluctuations on China's economic growth. According to the theory of purchasing power parity, since the currency exchange rate between the two countries can be expressed by the ratio of the price levels of the two countries, the exchange rate fluctuations are still the reflection of the relative price fluctuations of the two countries in essence. Therefore, this paper processed the data after 2011 through the price index in China statistical yearbook from 2011 to 2014.

3. China's economic external linkage and its evolution characteristics in the New and Old Normal Situation: 2002-2011 and 2012-2014

3.1. Compare the evolution trend of the forward (backward) linkage degree of China's economy under the New and Old Normal from the perspective of output
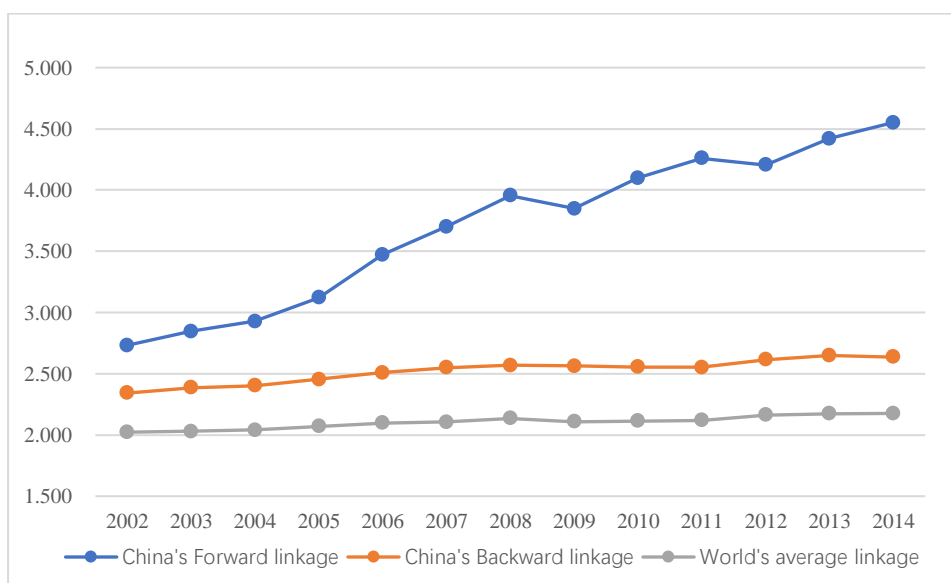
Figure 2. Change Trends of World's average linkage and China's Forward (Backward) linkage during 2002-2014.

In the above model, we define multiple indicators to describe the degree of international correlation of a country's economy from different perspectives. Figure 2 first shows the change trend of forward (backward) economic correlation of the world as a whole and of China from 2002 to 2014. Figure 2 shows that: On the one hand, after joining the WTO, China's economy has been smoothly integrated into the global value chain, and has been increasingly influenced by other countries after entering the New Normal Situation. As can be seen from Figure 2, the overall linkage degree of the world economy increased from 2.02 in 2002 to 2.12 in 2011 and then to 2.18 in 2014, indicating that the establishment of the international division of labor system gradually increased the economic linkage degree of all countries in the world. For China, the forward linkage and backward linkage in 2002 were not significantly different at 2.73 and 2.34 respectively, slightly higher than the world average at the time. In 2008, the forward linkage index of China's economy reached 3.95, a 1.45 times increase compared with that in 2002, while by 2012, it was 4.21, an increase of 1.54 times compared with that in 2002. It can be seen that the growth of forward linkage index during the period of 2008-2012 slowed down. In 2014, China's forward linkage index was 4.55, a 1.67 times increase compared with 2002. On the other hand, in the Old Normal period, when China's economy was feeling the growing influence of the outside world, its influence on the production value of other countries did not increase obviously. However, after entering the New Normal period, the influence of China's economy on the production of other countries increased significantly. As shown in Figure 2, the backward linkage of China's economy in 2011 was only 2.55, and the change was not obvious in the Old Normal period, with an average value of 2.49. The average value from 2012 to 2014 was 2.64, which was significantly higher than that in the Old Normal period.

Table 2 further presents the spatial distribution change trend of forward linkage degree of China's overall economy and three industries from 2002 to 2014. As can be seen from Table 2, on the one hand, China's economy has been more responsive to the outside world in both the Old and New Normal periods, which is mainly reflected in European and Asian countries at the regional level and concentrated in the second and third industries at the industry level. On the other hand, in

the Old Normal period, only the forward linkage degree of China's secondary industry increased significantly, while after entering the New Normal Situation, the forward linkage degree of the tertiary industry also increased rapidly. At the regional level, China's response to Asian countries after entering the New Normal Situation is significantly higher than that in the Old Normal Situation. Table 2 shows that from 2002 to 2014 both China and outside countries' forward linkage degree is generally improved, in which the forward linkage with the European Union countries increased from 0.24 in 2002 to 1.22 in 2014, the increase rate is particularly significant. In fact, there is little difference in the spatial distribution of the forward linkage between the New and the Old Normal periods. For the first industry, the forward linkage degree increased from 1.50 in 2002 to 1.62 in 2012, and to 1.65 in 2014, during the analysis, there is no significant increase. The forward linkage degree of China itself had a relatively obvious decline in the first stage of the Old Normal, and was basically stable in the second stage of the Old Normal. After entering the New Normal Situation, it had a slight downward trend. In stark contrast, the forward linkage degree of the second industry increased from 4.08 in 2002 to 8.77 in 2014, among them, the forward linkage degree of China itself and its forward linkage with Europe increased rapidly in the Old Normal. After entering the New Normal Situation, the increase slowed down. At the same time, the increase in China's output per unit of final product produced by Asian countries and north American countries was larger. The forward linkage degree of the tertiary industry increased from 2.23 in 2002 to 2.96 in 2012 and then to 3.24 in 2014. The output value driven by its own increase in unit final product production remained almost unchanged in the Old Normal period, and was significantly improved after entering the New Normal Situation. In addition, Compared with the second stage of the Old Normal, the increase of output value in China driven by the increase of unit final product production in Asian countries also increased significantly after entering the New Normal Situation.

Table 2. Spatial Distribution of China's Forward Linkages between 2002 and 2014

	Year	EU	North America	Asia	Others	Self	Total
Overall	2002	0.2351	0.0260	0.1156	0.0945	2.1290	2.6002
	2008	0.7485	0.0826	0.3080	0.2233	2.2610	3.6234
	2012	1.0813	0.1104	0.3542	0.2991	2.3609	4.2059
	2014	1.2213	0.1335	0.4266	0.3559	2.4148	4.5521
Agriculture	2002	0.0427	0.0045	0.0312	0.0160	1.4038	1.4982
	2008	0.1072	0.0111	0.0487	0.0332	1.3626	1.5628
	2012	0.1467	0.0147	0.0514	0.0393	1.3670	1.6191
	2014	0.1631	0.0175	0.0606	0.0460	1.3635	1.6507
Industry	2002	0.4726	0.0583	0.2523	0.1847	3.1092	4.0771
	2008	1.7186	0.1982	0.7380	0.4974	3.5670	6.7192
	2012	2.4740	0.2633	0.8436	0.6675	3.7868	8.0351
	2014	2.7710	0.3198	1.0150	0.8054	3.8592	8.7705
Service	2002	0.1899	0.0150	0.0634	0.0830	1.8739	2.2252
	2008	0.4199	0.0383	0.1373	0.1392	1.8533	2.5881
	2012	0.6232	0.0533	0.1675	0.1906	1.9291	2.9636
	2014	0.7297	0.0633	0.2043	0.2162	2.0216	3.2351

Table 3 shows the spatial distribution change trend of the backward linkage degree of China's overall economy and three industries from 2002 to 2014. From Table 3, we can draw the following conclusions: On the one hand, the external output value driven by each new unit of final product in China is relatively small both in the New and Old Normal Situation, indicating that China's influence on the external upstream economies is extremely limited and has not been effectively improved during the analysis. On the other hand, in the Old Normal period, China's influence on external economies other than "other" countries and regions has not been effectively enhanced, and after entering the New Normal Situation, China's influence on external upstream economies has been further weakened. It can be found from the table that the overseas output driven by each additional unit of the final product production in China increased from 0.23 in 2002 to 0.30 in 2008, then reduced to 0.26 in 2012, and then further reduced to 0.22 in 2014. It means that in the first stage of the Old Normal, the influence of China's economy on the outside world was continuously strengthened, while in the second stage of the Old Normal, it began to decline, especially after it entered the New Normal Situation. At the same time, the domestic output driven by each new unit of final product production in China increased, and the increase was similar in the Old and New Normal Situation. From the perspective of sub-industries, the backward linkage degree of the primary industry and the tertiary industry increased from 2.00 and 2.17 in 2002 to 2.18 and 2.27 in 2014, and the growth was not obvious during the analysis period. In stark contrast, the backward linkage degree of the secondary industry increased from 2.90 in 2002 to 3.46 in 2014, its growth rate was relatively significant among the three industries. It is worth noting that in the first stage of the Old Normal period, the output of Europe, North America, Asia and other regions driven by each additional unit of the final product produced by China is all on the rise, and among them "other" countries and Asian countries are most affected. After entering the New Normal Situation, for every new unit of final product produced in China, the incentive to all countries in the world diminishes.

Table 3.   Spatial Distribution of China's Backward Linkages between 2002 and 2014

	Year	EU	North America	Asia	Others	Self	Total
Overall	2002	0.0331	0.0185	0.0774	0.0985	2.1290	2.3565
	2008	0.0424	0.0243	0.0868	0.1453	2.2610	2.5597
	2012	0.0291	0.0202	0.0562	0.1501	2.3609	2.6165
	2014	0.0278	0.0169	0.0493	0.1290	2.4148	2.6378
Agriculture	2002	0.0198	0.0130	0.0483	0.0618	1.8529	1.9959
	2008	0.0252	0.0184	0.0539	0.0914	1.9190	2.1079
	2012	0.0180	0.0167	0.0377	0.0954	1.9986	2.1663
	2014	0.0170	0.0134	0.0321	0.0822	2.0365	2.1813
Industry	2002	0.0498	0.0268	0.1228	0.1531	2.5477	2.9002
	2008	0.0662	0.0360	0.1426	0.2422	2.8195	3.3064
	2012	0.0462	0.0292	0.0924	0.2573	2.9896	3.4147
	2014	0.0445	0.0247	0.0822	0.2206	3.0906	3.4626
Service	2002	0.0297	0.0158	0.0610	0.0807	1.9863	2.1735
	2008	0.0357	0.0186	0.0638	0.1023	2.0445	2.2649
	2012	0.0231	0.0147	0.0387	0.0975	2.0946	2.2686
	2014	0.0220	0.0127	0.0334	0.0842	2.1172	2.2695

3.2. Compare the evolution trend of China's international economic relations under the New and Old Normal Situations from the perspective of value-added

After taking into account the new value factors, Table 4 further gives the spatial distribution characteristics of the international division rate of China's economy between 2002 and 2014. It can be found from the table that: First, the new value of external economies induced by China's overall output per unit of final product, whether in the Old Normal period or the New Normal period, is mainly reflected in Asian economies and "other" countries which including a large number of small and medium-sized developing economies. Second, after entering the New Normal Situation, the new value of the external economy induced by the overall output of each unit of final product of the Chinese economy decreased to different degrees compared with the Old Normal period no matter from the regional level or from the industrial level. Table 4 shows that from the perspective of changes in the two periods of the Old Normal and the New Normal Situation, in the first stage of the Old Normal, the new value of external economies induced by the overall output of each unit of final product of China's economy increased by different degrees in the economies of Europe, North America, Asia and "other" regions, except that the Asian economies remained basically unchanged. In the second stage of the Old Normal, except for the "other" regional economies which remained stable, the economies in Europe, North America and Asia all declined at different degrees. After entering the New Normal Situation, the new value of the external economy induced by the overall output per unit of final product of China's economy declines for all economies. Among the three industries, the rate of international division of labor in the primary and tertiary industries had a limited change during the analysis period. While the increase in the value of the external economy induced by the output of the secondary industry per unit of final product increased from 0.15 in 2002 to 0.19 in 2008 and then to 0.17 in 2012, and the change was the main reason for the change in the international division of labor rate of China's economy. Third, after considering the added value, the change of China's external influence in the Old Normal period is mainly reflected in the "other" countries and Asian countries, including a large number of small and medium-sized developing economies. At the industrial level, it is mainly reflected in the secondary industry, which has become more prominent since the New Normal Situation.

Table 4. Spatial Distribution of China's diffusion coefficient during 2002-2014

	Year	EU	North America	Asia	Others	Self
Overall	2002	0.0157	0.0092	0.0320	0.0410	0.9021
	2008	0.0190	0.0117	0.0312	0.0578	0.8803
	2012	0.0128	0.0100	0.0207	0.0581	0.8983
	2014	0.0125	0.0085	0.0181	0.0489	0.9100
Agriculture	2002	0.0094	0.0064	0.0199	0.0264	0.9380
	2008	0.0112	0.0086	0.0195	0.0378	0.9229
	2012	0.0078	0.0080	0.0139	0.0382	0.9320
	2014	0.0076	0.0065	0.0119	0.0324	0.9400
Industry	2002	0.0234	0.0133	0.0507	0.0630	0.8495
	2008	0.0292	0.0172	0.0510	0.0945	0.8081
	2012	0.0201	0.0144	0.0337	0.0979	0.8339

	2014	0.0198	0.0122	0.0301	0.0817	0.8600
Service	2002	0.0143	0.0079	0.0254	0.0336	0.9187
	2008	0.0165	0.0092	0.0232	0.0412	0.9099
	2012	0.0106	0.0076	0.0145	0.0383	0.9290
	2014	0.0103	0.0066	0.0124	0.0325	0.9400

Table 5 shows the change trend of the induction coefficient of China's economy from 2002 to 2014, which reflects the degree of new value added in China's economy induced by the world's joint increase of unit final product output. Table 5 shows that: First, the economic sensitivity between China and the rest of the world increases during the two periods of the Old and New Normal Situation. After entering the New Normal Situation, the rate of increase is higher than that in the Old Normal. Second, among all regions, China's economic sensitivity increases most significantly with the EU and Asian economies, which are the main reasons for the increase in China's external economic sensitivity. In addition, after entering the New Normal Situation, China's sensitivity increases more to Asian economies. Third, during the whole analysis period, the improvement of the external sensitivity of the second and third industries was the main reason for the improvement of the external sensitivity of China's economy, especially the external induction degree of China's secondary industry is higher than that of its own after entering the new normal, which means that the added value of China's secondary industry induced by the external world's output of unit final product is higher than that of domestic unit final product. As can be seen from Table 5, the sensitivity coefficient of China's economy based on value-added increased from 1.0784 in 2002 to 1.4522 in 2012 and 1.5448 in 2014. In 2002, the external sensitivity coefficient of China's economy was only 0.1728 in total, but it increased to 0.6328 in 2014, which was greatly improved during the analysis. In terms of industrial sectors, the external induction degree of the primary industry is always at a low level and accounts for a small proportion in the overall induction degree. The external induction degree of the secondary and tertiary industries increases from 0.2752 and 0.1879 at the beginning to 1.0754 and 0.6542 at the end of the period respectively. It is worth noting that after entering the New Normal Situation, the external induction degree of the secondary industry exceeds the self-induction degree. From a geographical perspective, during the whole analysis period, China's economic induction degree with the EU economies is the highest, followed by Asian economies, then "other" countries' economies, and finally North American economies. Among them, in the Old Normal period, the sensitivity between China and EU economies increased most obviously. After entering the New Normal Situation, the growth rate slowed down slightly. In contrast, the economic sensitivity between China and Asian economies increased faster than that in the Old Normal period after entering the New Normal Situation. In addition, China's economic sensitivity to "other" regional economies and North American economies increased at a relatively stable rate in both the Old and New Normal periods.

Table 5. Spatial Distribution of China's induction coefficient during 2002-2014

	Year	EU	North America	Asia	Others	Self	Time
Overall	2002	0.0870	0.0091	0.0413	0.0354	0.9021	1.0748
	2008	0.2321	0.0247	0.0925	0.0708	0.8803	1.3004
	2012	0.3263	0.0322	0.1034	0.0920	0.8983	1.4522

	2014	0.3653	0.0381	0.1227	0.1067	0.9120	1.5448
Agriculture	2002	0.0249	0.0027	0.0182	0.0093	0.8197	0.8748
	2008	0.0631	0.0065	0.0287	0.0195	0.8018	0.9197
	2012	0.0863	0.0086	0.0302	0.0231	0.8035	0.9517
	2014	0.0958	0.0103	0.0356	0.0271	0.8012	0.9700
Industry	2002	0.1344	0.0166	0.0717	0.0525	0.8841	1.1593
	2008	0.4088	0.0472	0.1756	0.1183	0.8485	1.5984
	2012	0.5570	0.0593	0.1899	0.1503	0.8526	1.8092
	2014	0.6067	0.0700	0.2222	0.1763	0.8450	1.9203
Service	2002	0.1016	0.0080	0.0339	0.0444	1.0024	1.1903
	2008	0.2244	0.0205	0.0734	0.0744	0.9905	1.3831
	2012	0.3356	0.0287	0.0902	0.1026	1.0387	1.5958
	2014	0.3934	0.0341	0.1101	0.1166	1.0899	1.7441

3.3. Compare the evolution trend of China's economic self-dependence and external dependence under the New and Old Normal Situations from the perspective of final product production scale

The above analysis is based on the Leontief inverse matrix and the value-added evocative coefficient matrix, and now we consider the impact of the final product production scale. It can be found from Figure 3 that: On the one hand, in the first stage of the Old Normal, China's economy continues to rely less on domestic final products, while in the second stage of the Old Normal, Chinese self-dependence started picking up. After entering the New Normal Situation, although the dependence of China's economy on domestic final products is still increasing, the increase of self-dependence of primary and secondary industries is slowing down except the tertiary industry. On the other hand, the self-dependence of the secondary industry dominated by the industrial sector is the lowest among three industries, and its dependence on foreign final products is significantly higher than that of the primary industry and the tertiary industry in both the Old Normal period and the New Normal period,.
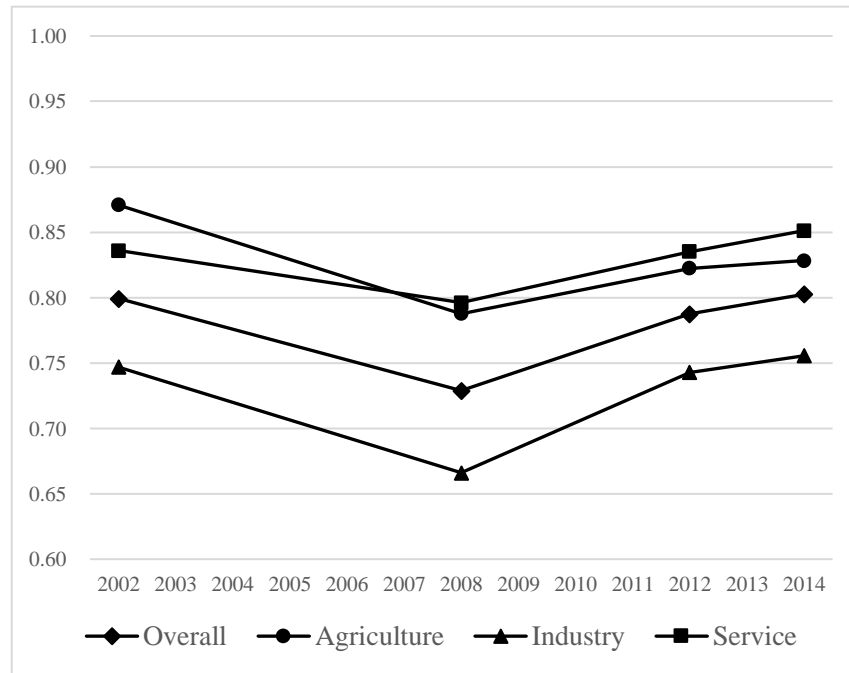
Figure 3. Changes of China's overall economy and three industries' self-dependence from 2002 to 2014

In order to deeply analyze the impact of overseas final product production on China's economy both in the New and Old Normal period, Table 6 shows the spatial distribution of China's overall economy and three industries' external dependence during the period from 2002 to 2014. Table 6 shows that: First, during the whole Old Normal period, China's economic dependence on "other" countries increased the most, followed by Europe and North America economies, while the dependence on Asia decreased relatively. Second, after entering the New Normal period, the overall decline rate of China's external dependence slows down compared with the second stage of the Old Normal, and the dependence on Asia and Europe remains basically stable. Third, whether from the view of overall or from the view of three industries, in both the New and Old Normal periods, the spatial distribution of China's economic dependence on foreign countries is the highest among "other" countries, that is, a large number of developing countries. However, from the perspective of change trend, after entering the New Normal Situation, China's economic dependence on "other" countries decreased slightly, while its dependence on Asian and European economies remained basically stable. As can be seen from Table 6, in the first stage of the Old Normal, the overall external dependence of China's economy increased from 20.09% in 2002 to 27.11% in 2008, among which the dependence of China's economy on "other" countries increased from 12.56% in 2002 to 15.83% in 2008, an increase of 3.33 percentage points, the most significant increase among all regions. In terms of growth, China's economic dependence of Europe from 1.24% in 2002 to 2.78% in 2008, more than doubled. In the second stage of the Old Normal, China's economy as a whole witnessed a general decline in its dependence on foreign countries, especially on "other" countries and Asian countries. After entering the New Normal Situation, China's economic dependence on European and Asian economies remains basically unchanged, while the dependence on "other" countries and North American economies declines by different degrees. In terms of specific industries, different industries depend on different regions in different periods. In the Old Normal period, the dependence of the primary industry on "other" countries is the highest, and the growth is the fastest. However,

after entering the New Normal Situation, the dependence on "other" countries is still the highest, but the dependence is decreasing. Relatively speaking, the dependence on Asian countries and European countries is stable. The change of spatial distribution of external dependence in the New and Old Normal period of the secondary industry is similar to that in the primary industry. However, for the third industry, in the first stage of the Old Normal, except for "other" countries, China's dependence on European economies increased the most. In the second stage of the Old Normal, the dependence of the tertiary industry on "other" countries decreased significantly. After entering the New Normal Situation, the dependence of the tertiary industry on "other" countries decreased at a faster rate.

Table 6. Distribution of China's Economic External Dependence during 2002-2014

	Year	EU	North America	Asia	Others	Self
Overall	2002	1.24%	2.40%	3.89%	12.56%	20.09%
	2008	2.78%	3.68%	4.82%	15.83%	27.11%
	2012	1.78%	2.62%	3.21%	13.65%	21.26%
	2014	1.77%	2.27%	3.21%	12.50%	19.75%
Agriculture	2002	0.85%	1.62%	3.35%	7.10%	12.93%
	2008	2.39%	3.13%	4.36%	11.35%	21.24%
	2012	1.64%	2.46%	3.10%	10.56%	17.76%
	2014	1.66%	2.19%	3.18%	10.13%	17.17%
Industry	2002	1.70%	3.63%	5.77%	14.21%	25.31%
	2008	3.70%	5.16%	6.75%	17.78%	33.39%
	2012	2.38%	3.68%	4.49%	15.17%	25.72%
	2014	2.34%	3.22%	4.50%	14.39%	24.45%
Service	2002	0.89%	1.43%	2.23%	11.87%	16.41%
	2008	1.77%	2.10%	2.71%	13.80%	20.38%
	2012	1.17%	1.53%	1.87%	11.92%	16.49%
	2014	1.19%	1.32%	1.90%	10.48%	14.89%

4. Decomposition of China's Economic Growth from the Perspective of Global Linkage

Above is the analysis of the evolution characteristics of spatial correlation of Chinese economy, we discussed respectively from the perspective of total output and value-added. We have gained a deeper understanding of the external spatial linkage of China's economy under the New and Old Normal Situation and its evolution rules. We have realized that under the international vertical specialization system, countries (regions) in the world form a global production network through the trade of intermediate products, and there are technological connections and correlation effects among them. Therefore, the economic growth of a country not only depends on its own factors, but also is closely related to the global input-output structure and the change of overseas final product output (Liu et al., 2017). Now, we will compare the changes in the sources of China's economic growth in the two periods of the Old and New Normal Situation from the perspective of international

relations. Exploring and comparing the motivations of China's economic development between the Old Normal and the New Normal period from a more macro perspective will help us better understand China's economic transformation and grasp the development trend of China's economy in the New Normal period.

4.1 Horizontal comparison of the sources of economic growth in different countries under the New and Old Normal situation

Table 7 shows the factor decomposition of economic growth in the EU, the USA, Japan and China in the two periods of the Old Normal and the New Normal. It has been pointed out above that the value-added rate effect, domestic multiplier effect and domestic final product effect are the internal factors of a country (region) 's economic growth, while the feedback effect, spillover effect and overseas final product effect are external factors. It can be found in Table 7 that, during the whole analysis, both for China and for the rest of the world economies such as the United States, the European Union, internal factors represented by domestic final product effect are the most important source of economic growth of a country (region). At the same time, external factors represented by overseas final product effect cannot be ignored as well. In the European Union economies, for example, the sum of its external factor contribution rate is as high as 23.36% and 17.59% respectively in the Old and New Normal periods. The sum of external factors' contribution rate in the Old Normal period and the New Normal period in China is 6.68% and -5.28% respectively, and the impact cannot be underestimated.

Table 7. Decomposition of Main Countries'(regions') Economic Growth under the Old and New Normal Situation

Period	Country (Region)	Value-added rate effect	Domestic multiplier effect	Feedback effect	Spillover effect	Domestic final product effect	Overseas final product effect	Total
The Old Normal	EU	-4705.57 (-7.11%)	-1605.37 (-2.43%)	103.12 (0.16%)	6151.51 (9.29%)	57042.29 (86.17%)	9211.37 (13.92%)	66197.35
	The USA	-2966.55 (-5.57%)	-748.85 (-1.41%)	88.33 (0.17%)	3620.61 (6.80%)	49412.16 (92.75%)	3870.74 (7.27%)	53276.44
	Japan	-1387.17 (-6.46%)	-843.13 (-3.93%)	29.56 (0.14%)	2197.55 (10.24%)	20176.70 (93.97%)	1297.01 (6.04%)	21470.51
	China	-4716.80 (-7.15%)	3802.97 (5.77%)	150.16 (0.23%)	761.10 (1.15%)	62458.65 (94.71%)	3492.63 (5.30%)	65948.72
The New	EU	605.46	-158.17	13.03	-375.57	7805.09	2124.53	10014.37

Normal		(6.05%)	(-1.58%)	(0.13%)	(-3.75%)	(77.94%)	(21.21%)	
	The USA	-1346.26	1399.73	17.03	-62.02	11711.62	-33.31	11686.78
		(-11.52%)	(11.98%)	(0.15%)	(-0.53%)	(100.21%)	(-0.29%)	
	Japan	-332.96	-567.71	-1.51	905.72	-14076.4	-10.23	-14083.1
		(2.36%)	(4.03%)	(0.01%)	(-6.43%)	(99.95%)	(0.07%)	
	China	-999.45	2260.74	3.28	-1258.37	17758.67	300.53	18065.40
		(-5.53%)	(12.51%)	(0.02%)	(-6.97%)	(98.30%)	(1.66%)	

In the process of global integration, due to different positions of various economies in the international division of labor system, their economic growth mechanisms are different from each other. From Table 7 we can draw the following conclusions:

First, from the Old Normal to the New Normal period, the world's economic structure has been in the process of constant adjustment. As for the effect of value added rate, during the whole Old Normal period, except for China, other economies in the world including the United States and the European Union all showed negative values. After entering the New Normal Situation, except for the European Union, China, the United States and Japan all showed negative values. Through in-depth analysis, it can be seen that the differentiation of the value added rate effect in different countries in the two periods of the Old and New Normal is related to its role in the international division of labor system. In the second stage of the Old Normal, the value added rate effect of the United States and Japan is positive because its comparative competitive advantage is more reflected in the service sector. Since the value added rate of the service sector is generally higher than that of the industrial sector, the resulting structural effect leads to a positive value added rate effect. On the contrary, the competitive advantages of economies including the EU and China in the international division of labor are more reflected in the manufacturing sector, resulting in a negative value added rate effect. However, after entering the New Normal Situation, EU economies have made great progress in the service sector. At the same time, the added value of manufacturing industry in the United States do not decline after 2012, instead increased slightly, so the effect of its added value rate is negative. It is worth noting that the negative value added rate effect in Japan in 2012-2014 is due to the negative GDP growth in Japan during this period.

Second, in both the Old Normal and the New Normal period, the role of changes in the global input-output structure cannot be underestimated. According to the foregoing, the change of global input-output structure caused by the change of Leontief inverse matrix in the world input-output model can be further divided into three parts: domestic multiplier effect, feedback effect and spillover effect. Among them, domestic multiplier effect is mainly related to the consumption ratio of its own intermediate products in unit output. As can be seen from Table 7, in the Old Normal period, only China's domestic multiplier effect is positive, while the rest of the economies are negative. Investigate its reason, because of the substitution effect brought by the imports of intermediate goods in the process of globalization, most countries indigenous products' quantity consumed by a unit of output declines, but for China, the role of "world factory" in the international division of labor system makes the structure effect of the industrial sector development bigger than the substitution effect, which results in the national economy as a whole unit of output increased proportion of domestic consumption of intermediate products. After entering the New Normal Situation, with the changes in the global economic situation, except that China's domestic multiplier effect is still positive and accounts for a larger proportion than that in the Old Normal period, the

US also starts to become positive. The feedback effect reflects the indirect effect of imported intermediate goods on the domestic economy. According to the results of Table 7, both in the Old Normal and the New Normal period, all countries have created positive influence on the domestic economy by importing the foreign products. In the Old Normal period, the feedback effect for the European Union, the United States and China is more significant than that of other economies. After entering the New Normal Situation, while the feedback effect of all countries are on the decline, it falls most obviously in China, from the Old Normal period of 0.23% to the New Normal period of 0.02%. Spillovers reflect the impact of exporting intermediate goods on the domestic economy. As can be seen from Table 7, the spillover effect of all countries is positive throughout the Old Normal period, indicating that during the construction of the international division of labor system, the impact of production changes in other countries on the economies of each country is increasing. After entering the New Normal period, China, the United States and the European Union all turns negative, indicating that after entering the New Normal Situation, the impact of production changes felt by these countries in other countries is decreasing.

Third, after entering the New Normal Situation, the dependence of most economies on domestic demand for final goods has increased significantly except EU, which provides a foundation for the rise of trade protectionism in recent years. Under the global input-output framework, the economic growth of a country depends on both domestic and foreign final product production because of the economic correlation effect among countries in the world. In Table 7, the pulling effect of overseas final product production on different economies in the Old Normal and the New Normal periods is quite different. In the Old Normal period, for developed countries such as the European Union, the United States and Japan, the overseas final product production drove about 13.92%, 7.27% and 6.04% of their economic growth. By contrast, the impact of overseas final product production on China is not significant, accounting for only 5.30% of the total economic growth. After entering the New Normal Situation, In addition to the European Union, the overseas final product effect's contribution of the United States, Japan and China's declines at different degree, at the same time, the domestic final product effect of the United States, Japan and China has increased to a large extent, which indicates that these countries are more dependent on the domestic final product production during this period.

4.2 A longitudinal comparison of the driving force of China's economic growth under the New and Old Normal Situation

Table 8 shows the factor decomposition of the added value growth of China's overall economy and the three industries under the Old Normal and the New Normal Situation. By comparing the changes in the growth driving force of China's economy as a whole and the three industries in the two periods of the Old Normal and the New Normal Situation, we can find that:

First, compared with the Old Normal period, after entering the New Normal period, China's economy, whether as a whole or in three industries, has become more dependent on internal factors. As shown in Table 8, for China's economy as a whole, the contribution rate of external factors in the first and second stage of the Old Normal period and the New Normal is 9.52%, 2.09% and - 5.28% respectively, and the contribution rate of external factors to China's economy gradually decreased. In terms of industries, the contribution rate of internal factors of the first, second and third industries in the New Normal period is 8.82%, 18.58% and 3.38% higher than that in the Old Normal period respectively. The contribution rate of internal factors to economic growth increased significantly.

Second, in the Old Normal period, external factors plays the most important role in the economic growth of the industrial sector, while after entering the New Normal period, external factors plays a more important role in the service sector than the industrial sector. It can be observed from Table 8 that, only considering the external factors of overseas final product effect, the contribution rate of overseas final product effect to the secondary industry and the tertiary industry in the Old Normal period is 7.23% and 2.47% respectively, while after entering the New Normal Situation, The contribution rate of foreign final product effect of the secondary industry drops to 1.19%, and the tertiary industry's is 2.16%, slightly decreased compared with the old normal period.

Third, in the three industries, the dependence of the first and the third industries on the domestic final product demand does not change much in the Old Normal and the New Normal Situation, while the second industry increased the domestic final product demand significantly after entering the New Normal Situation. Specifically, in the Old Normal period, the contribution rate of domestic final product demand effect in the first and third industries is 97.20% and 97.54%, respectively. In the New Normal period, the contribution rate of domestic final product demand effect in the first and third industries is 97.63% and 97.82%, respectively. The change is not obvious. In contrast, the effect of domestic final products in the secondary industry in the New Normal period is 6 percentage points higher than that in the Old Normal period, with a significant increase.

Fourth, after entering the New Normal Situation, the domestic multiplier effect contribution rate of various industries increases significantly compared with the Old Normal period. Domestic multiplier effect is mainly related to the domestic products during the production of input proportion, It can be found from Table 8 that from the first stage to the second stage of the Old Normal, the domestic multiplier effect of all industries increases steadily. After entering the New Normal Situation, the domestic multiplier effect contribution rate of the first, second and third industries increased by 8.6, 11.5 and 2 percentage points, respectively, compared with the whole Old Normal period. It means that after entering the New Normal Situation, China's various industries use more local intermediate inputs in the production process. It is worth noting that during the whole analysis period, the domestic multiplier effect of the third industry is smaller than that of the primary and secondary industries, which is because the service industry as a whole relies less on intermediate inputs.

Fifth, both in the Old Normal and the New Normal period, the import of intermediate products has a positive impact on China's economy. However, after entering the New Normal Situation, the role of imported intermediate products decreases significantly. It can be observed from the change of feedback effect from the Old Normal to the New Normal Situation in Table 8 that, on the whole, the contribution rate of feedback effect decreases from 0.23% in the Old Normal period to 0.02% in the New Normal period, which is a significant decrease. Specifically, the feedback effect of the primary industry, secondary industry and tertiary industry decreased from 0.18%, 0.31% and 0.10% respectively between 2002 and 2012 to 0.01%, 0.03% and 0.01% respectively between 2012 and 2014, with a very large decline. It means that after entering the New Normal Situation, the role of imported intermediate products in China's economic growth has been greatly reduced.

Table 8. Decomposition of China's Economic Growth Under the Old and New Normal Situation

	Period	Value-added rate effect	Domestic multiplier effect	Feedback effect	Spillover effect	Domestic final product	Overseas final product

							effect	effect
Agriculture	The Old Normal	2002-2008	-4.25%	0.44%	0.25%	3.56%	98.29%	1.71%
		2008-2012	-2.09%	4.22%	0.06%	-2.21%	96.25%	3.76%
		2002-2012	-3.77%	2.46%	0.18%	1.12%	97.20%	2.80%
	The New Normal	2012-2014	-3.98%	11.06%	0.01%	-7.04%	97.63%	2.33%
Industry	The Old Normal	2002-2008	-11.09%	5.44%	0.37%	5.29%	92.38%	7.62%
		2008-2012	-4.44%	7.60%	0.09%	-3.27%	93.05%	6.96%
		2002-2012	-10.20%	7.78%	0.31%	2.11%	92.78%	7.23%
	The New Normal	2012-2014	-9.11%	19.27%	0.03%	-10.15%	98.77%	1.19%
Service	The Old Normal	2002-2008	-3.41%	1.84%	0.15%	1.43%	97.28%	2.72%
		2008-2012	-0.52%	3.44%	0.00%	-2.93%	97.73%	2.28%
		2002-2012	-2.63%	2.89%	0.10%	-0.37%	97.54%	2.47%
	The New Normal	2012-2014	-1.56%	4.93%	0.01%	-3.35%	97.82%	2.16%
Overall	The Old Normal	2002-2008	-7.87%	3.86%	0.28%	3.74%	94.49%	5.50%
		2008-2012	-2.93%	5.97%	0.06%	-3.11%	94.86%	5.15%
		2002-2012	-7.15%	5.77%	0.23%	1.15%	94.71%	5.30%
	The New Normal	2012-2014	-5.53%	12.51%	0.02%	-6.97%	98.30%	1.66%

5. Conclusions

To sum up, based on the world input-output table from 2002 to 2014, this paper studies the evolution trend of the international relationship between China's economic growth in the two periods of the Old Normal and the New Normal Situation from a global perspective, decomposes the Economic growth driving force, and makes an in-depth comparison and analysis of the changes in the two periods of the Old and New Normal Situation. Main conclusions are as follows:

First, in the Old Normal period, the forward linkage degree of China's secondary industry increased significantly, and after entering the New Normal Situation, the forward linkage degree of China's tertiary industry also increased at a rapid rate. At the regional level, China's response to Asian countries after entering the New Normal Situation is significantly higher than that in the Old Normal.

Second, the increase of China's external influence in the Old Normal period is mainly reflected in the large number of small and medium-sized developing economies and Asian countries, and in the industrial level is mainly reflected in the secondary industry, which has become more prominent since the New Normal Situation.

Third, structural decomposition shows that compared with Old Normal period, after entering the New Normal Situation, China's economy overall and three industries are more dependent on internal factors. The dependence of the industrial sector on domestic final products has been greatly enhanced after entering the New Normal Situation, this may be related to a series of China's

domestic industry policy.

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