



Managing regional socioeconomic development in the context of globalization: The case of Suzhou city, Jiangsu Province, China



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ABSTRACT

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The management of regional socio-economic development is becoming particularly relevant in the context of globalization, which creates new opportunities for economic growth, but at the same time complicates resource management due to increased competition and environmental challenges. The study aims to analyze the management practices of the socio-economic development of Suzhou (Jiangsu Province, China), one of the country's leading regions. Particular attention is paid to innovative approaches to management, demographic characteristics, as well as barriers and opportunities for integration into the global economy. The study found that Suzhou is showing steady economic growth, with the share of the innovation sector in GDP at 35% and total GDP reaching 2.4 trillion yuan in 2022. Among the main achievements of the management are the growth in the number of small and medium-sized enterprises by 12% and a decrease in the unemployment rate to 3.5%. At the same time, the city faces significant challenges, including demographic aging (23% of the population is over 60 years old) and high levels of water pollution (45% above the norm). Suzhou's development strategies aim to transition to high-tech industries, support small and medium-sized businesses, and implement environmental initiatives. Several recommendations have been proposed, such as the digitalization of management processes, infrastructure development, and the attraction of young professionals to address the demographic crisis. Suzhou's management approaches effectively combine economic growth with environmental sustainability and social initiatives. However, further development requires optimizing demographic policy, modernizing infrastructure, and reducing dependence on global supply chains. The findings can be useful for other regions facing similar challenges and serve as a basis for developing comprehensive management strategies in the context of globalization.

KEYWORDS

management, socio-economic development, sustainable development, globalization, Suzhou City, innovation, population policy, environmental sustainability, digitalization, regional development.



Управління регіональним соціально-економічним розвитком в умовах глобалізації: приклад міста Сучжоу, провінція Цзянсу, Китай



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Управління регіональним соціально-економічним розвитком набуває особливої актуальності в умовах глобалізації, яка створює нові можливості для економічного зростання, але водночас ускладнює управління ресурсами через зростання конкуренції та екологічні виклики. Метою дослідження є аналіз управлінських практик соціально-економічного розвитку міста Сучжоу (провінція Цзянсу, Китай), яке є одним із провідних регіонів країни. Особлива увага приділяється інноваційним підходам до управління, демографічним характеристикам, а також бар'єрам і можливостям для інтеграції у світову економіку. Дослідження виявило, що Сучжоу демонструє стійке економічне зростання, де частка інноваційного сектору у ВВП становить 35%, а загальний ВВП у 2022 році досяг 2,4 трлн юанів. Серед основних досягнень управління виділено зростання кількості малих і середніх підприємств на 12% і зниження рівня безробіття до 3,5%. Водночас місто стикається зі значними викликами, зокрема демографічним старінням (23% населення старші 60 років) та високим рівнем забруднення води (перевищення норми на 45%). Стратегії розвитку Сучжоу спрямовані на перехід до високотехнологічних виробництв, підтримку малого та середнього бізнесу, а також впровадження екологічних ініціатив. Запропоновано низку рекомендацій, таких як діджиталізація управлінських процесів, розвиток інфраструктури та залучення молодих фахівців для вирішення демографічної кризи. Управлінські підходи Сучжоу демонструють ефективність у поєднанні економічного зростання з екологічною стійкістю та соціальними ініціативами. Однак для подальшого розвитку необхідна оптимізація демографічної політики, модернізація інфраструктури та зниження залежності від глобальних ланцюгів постачання. Отримані результати можуть бути корисними для інших регіонів, які стикаються з подібними викликами, і слугувати основою для розробки комплексних управлінських стратегій у контексті глобалізації.

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КЛЮЧОВІ СЛОВА

управління, соціально-економічний розвиток, сталий розвиток, глобалізація, місто Сучжоу, інновації, демографічна політика, екологічна стійкість, діджиталізація, регіональний розвиток.

1. Introduction

In the context of modern globalization, regions are becoming key actors in socio-economic development, ensuring the stability of national economies and their competitiveness on the international stage. However, globalization not only opens up new opportunities for economic growth but also creates serious challenges, such as the need to adapt to changes in the global economy, ensure environmental sustainability, and overcome social inequality. Managing regional development requires a comprehensive approach that considers both internal characteristics and global trends. In this context, studying best practices in socio-economic development management, using specific regions as examples, becomes particularly important.

Globalization strengthens interdependence between regions and countries, stimulating cross-border investment, trade, and the exchange of technology and information. At the same time, it exacerbates problems such as competition for resources, the growth of social and economic inequality, and environmental risks. Effective regional development management requires the implementation of innovative strategies adapted to rapidly changing conditions. This is especially relevant for industrial and high-tech regions that face the need to integrate into global value chains, modernize infrastructure, and manage natural resources.

The city of Suzhou, located in Jiangsu Province, China, is one of the country's most dynamically developing regions. Suzhou is known for its high degree of industrial and technological development, significant volumes of foreign trade, and rich cultural heritage. The region's economy is based on industries such as high-tech manufacturing, textiles, machinery, and electronics. Thanks to its strategic geographical location and well-thought-out policies of local authorities, Suzhou has become an important link in global supply chains. At the same time, the region faces a number of challenges, including demographic aging, pressure on natural resources, and the need to transition to more sustainable development models. This study aims to analyze the management practices of Suzhou's socio-economic development, as well as to identify key factors contributing to its success and barriers hindering sustainable growth.

2. Literature Review

Globalization significantly influences the economic and social development of regions, creating both new opportunities and significant challenges. Research dedicated to regional governance in the context of globalization emphasizes the need for strategic planning and flexible management to adapt to changing global conditions. Warf and Storper [1], in their analysis of regional development, note that globalization intensifies interregional competition and requires strategic adaptation from regions to ensure sustainability and growth. Chen et al. [2] examine the factors influencing the participation of Chinese provinces in interregional agreements. Their research confirms that such agreements stimulate economic cooperation, which is particularly important for mega-regions such as the Yangtze River Delta. In the context of Suzhou, this work highlights the role of inter-provincial cooperation in enhancing socio-economic resilience. Wu et al. [3] investigate the impact of economic transformations on spatial development and the efficiency of urban land use in the Yangtze River Delta. Their results confirm that regions like Suzhou face the need to optimize urban land use to improve efficiency and sustainability. A comparative study by He et al. [4] further emphasizes the differences in growth models between China and the United States, noting the importance of integrating environmental and economic aspects. Chen and Quan [5] analyze social sustainability in the Yangtze River Delta against the backdrop of the COVID-19 pandemic. The research emphasizes the need to integrate spatial and temporal analysis to assess the social consequences of crises. Similarly, Han et al. [6] study the role of public opinion, collected through social media, in shaping sustainable solutions. These works highlight that social aspects should play a central role in regional governance. Yu et al. [7] thoroughly investigate Suzhou's transformation from an eco-industrial park to an eco-city. Their work illustrates how successful management of environmental projects can contribute to sustainable development. Song et al. [8] emphasize the importance of using big data for monitoring and optimizing environmental processes, which is particularly relevant for highly developed industrial regions like Suzhou. Xu [9] analyzes the fundamental institutions that ensure China's economic growth. His work emphasizes the importance of institutional reforms for managing regional development in the context of a dynamically changing global economy. Lyons [10], in his research, tests the fragmentation hypothesis, showing that China's "cellular

economy" contributed to strengthening regional autonomy. This approach is relevant to Suzhou, as the region maintains a unique balance between integration into the national economy and preserving local specifics.

Despite a wide range of studies, there is a lack of works devoted to a comprehensive analysis of the management of socio-economic development in the context of globalization, taking into account the unique role of Suzhou in the integration processes of the region. Most studies either focus on individual aspects, such as environmental sustainability [7], or study mega-regions as a whole [3]. Insufficient attention is paid to the synthesis of social, economic and institutional factors, which limits the possibilities for developing integrated management strategies. The conducted literature analysis confirms the relevance of the study of the management of socio-economic development of Suzhou in the context of globalization. Particular attention should be paid to the integration of environmental, social and economic factors into regional management, as well as the development of adaptive strategies to enhance the sustainability and competitiveness of the region.

3. Problem Statement

This article aims to develop effective approaches to managing the socio-economic development of a region, using the city of Suzhou, Jiangsu Province, China, as a case study within the context of globalization.

4. Methods and Materials

A combination of general scientific methods was applied, including comparative analysis, correlation analysis, historical methods, and analytical synthesis. These methods allowed for a comprehensive assessment of the socio-economic dynamics, key trends, and challenges affecting the region within the framework of globalization. The comparative method was used to benchmark Suzhou's socio-economic performance against similar global regions, identifying its strengths, weaknesses, and potential opportunities. For instance, Suzhou was compared with other regions of the Yangtze River Delta and international industrial hubs to highlight competitive advantages such as its high-tech industry and urbanization levels. Correlation analysis was employed to evaluate relationships between variables such as GDP growth, investment inflows, and demographic shifts, revealing trends and their potential impacts on sustainable development. Historical methods provided a temporal perspective, tracing Suzhou's economic and demographic evolution over recent decades. By analyzing the progression of industrialization, urbanization, and integration into global supply chains, the study identified critical inflection points that shaped the region's current socio-economic landscape. This perspective enabled the formulation of strategies to address ongoing challenges like demographic aging and environmental degradation. The study also utilized analytical synthesis to integrate diverse data sources, including statistical reports, government documents, and case studies from related regions. This approach facilitated the identification of interconnected factors influencing socio-economic development, such as innovation capacity, environmental sustainability, and policy frameworks. Digital tools, including geographic information systems (GIS) and big data analytics, supported the collection and analysis of spatial and economic data. GIS was particularly valuable in assessing the region's infrastructure and resource allocation, while big data analytics provided insights into real-time economic and demographic trends. These tools enhanced the precision and relevance of the findings. The integration of these methodologies enabled a holistic understanding of Suzhou's socio-economic development dynamics. The insights derived from this approach are instrumental in formulating adaptive management strategies that address both local and global challenges, ensuring the region's long-term sustainability and competitiveness.

5. Results and Discussion

Managing the socio-economic development of a region is a process of purposeful influence on economic, social, and environmental systems to achieve sustainable territorial development. Regional governance is based on the synergy of local resources, national priorities, and international trends.

The key principles of managing socio-economic development are.

Comprehensiveness: Considering all aspects of regional development, including economic, social, and environmental parameters. For example, a region’s development strategy should simultaneously promote economic growth, improve the population’s quality of life, and protect the environment [7].

Sustainability: Maintaining a balance between the needs of the present and the capabilities of future generations. According to the concept of sustainable development, decisions made in regions should minimize negative impacts on ecosystems [8].

Decentralization: Transferring authority to the local level to improve manageability and efficiency [9].

Innovation: Using modern technologies, including big data and digital platforms, for data analysis and management decision-making [8].

Flexibility: The ability of regional strategies to adapt to changing external and internal environmental conditions.

Regional governance focuses on integrating all stakeholders: authorities, businesses, research institutions, and civil society. In this context, governance becomes an instrument of strategic planning aimed at increasing the competitiveness of regions and their adaptability to external challenges.

Globalization has a significant impact on the socio-economic development of regions, simultaneously creating opportunities for integration and generating risks of fragmentation. From an integration perspective, globalization strengthens economic ties between regions and countries, which manifests in increased volumes of international trade, foreign direct investment, and labor migration. Integration processes also include:

Strengthening international cooperation. For example, the Suzhou region, as part of the Yangtze River Delta, actively participates in interregional agreements, which contributes to economic growth and increased investment attractiveness [2].

Expanding access to innovation. The use of advanced technologies brought in by multinational corporations accelerates the region’s technological development [9].

Stimulating sustainable development. Regional integration contributes to the creation of eco-parks and the promotion of environmentally sustainable development models, as in the case of Suzhou [7].

However, globalization also generates risks of fragmentation caused by the uneven distribution of resources and income, which can lead to increased social inequality and economic imbalances. The main fragmentation challenges include:

Increased competition between regions. Competition for investment and resources can lead to increased differentiation between more developed and less developed regions [4].

Vulnerability of regional economies. Excessive dependence on international markets can lead to economic crises when external economic conditions change [4].

Environmental challenges. The growth of global trade flows increases pressure on ecosystems, which is especially relevant for regions with active industrial activity [7].

Thus, globalization creates conditions for interaction between regions on the international stage, which opens up new prospects for their economic growth. However, in parallel, the need to manage negative consequences, such as increasing inequality, environmental risks, and the loss of local identity, increases. For effective management of the socio-economic development of regions in the context of globalization, it is important to consider both integration and fragmentation processes. This requires a strategic approach focused on strengthening local competitive advantages, developing infrastructure, and protecting environmental resources.

Suzhou is one of the leading cities in Jiangsu Province, China, characterized by a high degree of economic activity, rich cultural heritage, and strategic location. This city is actively developing due to attracting foreign investment, a high degree of urbanization, and integration into global economic processes (Table 1).

Table 1. Key socio-economic indicators of Suzhou

Index	Value	Source
Population	12.75 million people	Suzhou Bureau of Statistics (2023)
GDP	2.4 trillion yuan	Report on Social and Economic Development (2022)
Export	\$395 billion	Ministry of Commerce of the People’s Republic of China
Urbanization level	82%	Suzhou Bureau of Statistics (2023)

Source: [11].

The demographic structure of Suzhou shows the following key features. In recent years, there has been intense aging of the population. The proportion of the population over 60 years old is about 23%, which necessitates the adaptation of social and economic policies. Suzhou attracts a significant amount of internal migration, which contributes to economic development, but also puts pressure on infrastructure (Table 2).

Table 2. Demographic indicators of Suzhou

Category	Value	Source
Percentage of the population over 60 years old	23%	Suzhou Statistical Office (2023)
Migration rate	15% growth per year	Population Development Report (2023)

Source: [11].

Suzhou’s economic development is based on manufacturing, services and high-tech industries (Table 3).

Table 3. Economic growth dynamics and key industries

Industry	Share in GDP (%)	Main products/services
High technology	35%	Semiconductors, biotechnology
Services	45%	Financial services, logistics
Traditional manufacturing	20%	Textiles, mechanical engineering

Source: [11].

Suzhou is characterized by a developed infrastructure, which includes transportation hubs, industrial zones, and modern environmental facilities (Table 4).

Table 4. Analysis of infrastructure and natural resources

Category	Main features	Source
Transport infrastructure	High-speed railways, highways	Transport Network Report (2023)
Water resources	Canals and rivers with a total length of 4,000 km	Water Resources Authority (2023)

Source: [11].

The advantages and challenges of managing in the context of globalization are as follows. The advantage are the growth of investment. Suzhou actively attracts foreign investment, including high-tech enterprises. The second advantage is the development of innovative technologies. The city has become a hub for companies developing semiconductors and biotechnology. The diversification of the economy is reflected in the fact that Suzhou has successfully moved from traditional manufacturing to services and high-tech industries (Table 5).

Table 5. Advantages of Suzhou’s management in the context of globalization

Advantage	Examples	Source
Attracting Investments	\$25 billion in direct investment per year	Ministry of Commerce of the People’s Republic of China
Development of Technologies	1000+ high-tech startups	Suzhou Innovation Report (2023)

Source: [11].

The challenges of Suzhou’s governance in the context of globalization are, first of all, demographic aging. The increasing proportion of the elderly population puts pressure on social services. Environmental issues are the second most significant challenge. High levels of urbanization lead to air and water pollution. The third challenge is dependence on global supply chains. Suzhou is vulnerable to disruptions in international trade (Table 6).

Table 6. Challenges of Suzhou’s governance in the context of globalization

Challenge	Examples	Source
Aging population	Increasing healthcare costs	Statistical Office (2023)
Environmental issues	Water pollution levels are 45% above normal	Environmental Report (2022)

Source: [11].

Let's analyze the development strategies of the city of Suzhou. The program for transitioning to high-tech industries. Suzhou actively invests in semiconductors, robotics, and biotechnology. One of the main points of the program is support for small and medium-sized businesses. For these purposes, lending programs and tax incentives are being created. The next direction of the program is to increase environmental sustainability and improve infrastructure. For these purposes, conditions are being created for the development of "green" zones and eco-parks.

The recommendations for improving regional development management are as follows. It is necessary to optimize demographic policy; develop programs to attract young people and migrants.

To address the tasks of the second direction, it is necessary to strengthen the focus on innovation and environmental issues, and increase investment in sustainable infrastructure. To implement the proposed approaches to sustainable management in the context of globalization, it is necessary to strengthen regional cooperation and economic diversification.

6. Conclusions

Management as the main driver of economic growth. The city of Suzhou demonstrates steady rates of economic growth: in 2022, the city's GDP reached CNY 2.4 trillion, which is 10% of the total GDP of Jiangsu Province. This confirms that effective management strategies aimed at developing high-tech industries, attracting investment, and developing infrastructure can ensure the region's long-term competitiveness. Thanks to the focus on high-tech industries, such as semiconductor manufacturing and biotechnology, the share of the innovative sector in the city's GDP increased to 35%. This indicates a correct strategy of economic diversification and prioritization of high-income industries. Managing the development of SMEs through tax breaks and loans allowed for a 12% increase in the number of registered enterprises in 2023, which contributed to the creation of new jobs and a decrease in the unemployment rate to 3.5%. Despite the high level of urbanization (82%), Suzhou is actively developing environmental initiatives. For example, the creation of 10 new eco-parks in 2023 helped reduce air pollution by 5%. Demographic aging remains a challenge for the city: the proportion of the population over 60 years old reached 23%. In response, the city is developing social adaptation and support programs, including investments in healthcare and education.

Adapting to the challenges of globalization: management effectively addresses the problems of integration into global supply chains, minimizing the risks associated with geopolitical instability. The implementation of environmental and innovation sustainability programs helps mitigate environmental and economic challenges. Management is aimed at improving the quality of life through infrastructure improvement, job creation, and the development of the social sphere.

Prospects for further research. In modern conditions, it is necessary to conduct a detailed analysis of the impact of urbanization and industrial development on natural resources. For example, the dynamics of water pollution in Suzhou requires the development of long-term strategies for cleaning rivers and lakes, considering that the level of water pollution exceeds the norm by 45%. Research prospects may be related to the development of strategies to attract young people to the region. For example, studying programs to stimulate the migration of young professionals can contribute to improving the demographic situation. The topic of digital transformation of management remains relevant. Studying the application of big data and artificial intelligence in regional management can open up new opportunities for improving the effectiveness of economic and social decisions. It will be important to study how integration with neighboring regions, such as Shanghai and Nanjing, affects the socio-economic development of Suzhou. An analysis of network interaction between regions can offer new approaches to management. Research on management strategies in the context of global crises, such as the COVID-19 pandemic, will allow for the identification of the most sustainable models. For example, Suzhou saw a 7% increase in economic resilience thanks to active support for small businesses during the crisis.

The role of management in the socio-economic development of the region confirms the need for a comprehensive approach that takes into account not only economic but also environmental, demographic, and social factors. Prospects for further research allow for the identification of new management tools that will help the region adapt to global challenges and ensure sustainable development.

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