

Level and Structure of Producer's Service of Various Region of China and Its Influence

Topic: Regional input-output modeling 1

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—Comparative Study based upon I-O Tables of Provinces

This paper gives comparative study of level of development, sectoral composition of producer's service of various region of China and its influence based upon its features through the application of 30 provincial I-O tables of 1992, 1997, 2002 and 2007. The major results of the study are:

(1) Economic growth of various region of China depends mainly upon the input of concrete commodities rather than on intangible service. The influence of producer's service to the national economy is not high, the share of input of service in intermediate input of the economy of various regions is around 20%, while the share of input of concrete commodities has a dominant share around 80%. The share of service input of China in intermediate input of national economy is far lower than the average figure of 44.59% of OECD countries and the share of input of concrete commodities in intermediary service is far higher than the average figure of 55.41% of OECD countries.

(2) The rate of service input of traditional service such as transport and , warehouse and retail, hotel and restaurant to various sectors of national economy is relatively higher while the rate of producer's service input of knowledge and technology intensive service sector is relatively lower.

(3) The share of producer's services of various regions to total output of them is in decline while the share of input of concrete commodities to various sectors of national economy is in rising in recent years.

(4) The share of service input to various sectors of the economy of provinces and municipalities of eastern region (while the exception of Shanghai, Beijing and Tianjin) shows the features that they are not high in general compared with other regions due to pursued the pattern of growth by relying upon mainly the processing trade.

(5) The influence coefficient and induction coefficient of overall service sectors of various regions are smaller than one. The growth of the service sectors did not perform its promotional role of national economy, and the growth of itself is not effected very much by the demand pull of other sectors.