The law of evolution in time and space and the application of demand pull model of urban resident's consumption structure in China

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Abstrat:As China's economy steps into the era of the new normal, consumption becomes a new growth point and motive force for the economy. Urban residents are important consumption subjects; thus evolution of their consumption structure of urban residents plays a key role in the adjustment of industrial structure. Classic demand pull model of input and output only considers changes of total consumption at large in the study of impacts of final consumption. However, it is obvious that the treatment of assuming the consistence of consumption structure with that of recent investigation years in readjustment period of economic structure will lead to sever simulation bias. This paper deeply analyzes the basic characteristics of the spatial and temporal variation of key consumption coefficients of urban residents. Furthermore, this paper selects several influence factors to conduct panel regression of the key consumption coefficients in accordance with consumption theories, obtaining some factors with significant explanatory power. This paper simulates the pulling effects of consumption of urban residents in 2015, based on constructed models. Firstly, regression model is adopted to get predictive values of the key coefficients. Then, the consumption structure of urban residents in 2015 is modified according the above-mentioned. Finally, this paper applies demand pull model to the modified consumption structure as a way of calculating the pulling effects of the consumption of urban residents on various industries. Compared with the measured value of total output which still uses the traditional consumption structure of 2012, the result indicates significant differences. The application of wrong assumptions in consumption structure will markedly underestimate the
pulling effect on the total output.

Keyword: consumption structure, key consumption coefficients, analysis of input-output,demand pull model;