

Research on the Characteristics of Industrial Structure Evolution in Yunnan Province

Haiwen Long*

School of Business, Yuxi Normal University, Yuxi, 653100, Yunnan, China

*Corresponding author: Haiwen Long

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Abstract: The industrial structure represents the basic conditions of regional economic development. The evolution of the industrial structures and the upgrading of the internal structure of the industry are the main signs of regional economic development. It can be seen from the analysis that the pillar industries of Yunnan Province have transitioned from agriculture to industry, and have now entered the post-industrial stage, since the output value of the service industry accounting for more than 50%. But there is still a phenomenon of industrial structure deviation. The three industries have not exerted the best employment absorption effect. Therefore, increasing the output value of the tertiary industry, improving the efficiency of agricultural production, and improving the quality of industrial development are the inevitable requirements for the current optimization of industrial structure in Yunnan Province.

1. Introduction

The so-called industrial structure refers to the composition of each industry and the relationship and proportional relationship between each industry, and its adjustment means that the proportion within and between industries changes. Obtaining economic growth momentum and improving the ecological environment through structural optimization is important. China divides the three industries into: the primary industry is agriculture, the secondary industry is industry and construction, and the tertiary industry is circulation and service sector. Although the three industries represent different levels of social production, with the advancement of science and technology, the production methods of the three industries have developed rapidly, and the production efficiency of each industry has been greatly improved. The industrial structure represent the basic situation of regional economic development. The evolution of the industrial structure and the upgrading of the internal structure of the industry are the main signs of regional economic development. Leading industries exemplify regional characteristics and represent regional interest industries. Reasonable selection and development of leading industries is the basic way to promote the evolution of the industrial structure.

2. The Law of Industrial Structure Evolution

In the feudal society and earlier, the primary industry occupies the main position, mankind entered the period of great industrialization, the secondary industry occupies the main position, and in the post-industrial period, the tertiary industry became the main industry of human production. With the progress of human society, the social production structure has developed from the initial “one two three” model to a “three two one” model. The international research on the law of industrial evolution is abundant. The British economist Clark proposed the law of Pid-Clark, that is, with the development of the economy, the improvement of production technology and the progress of production methods, human resources first move from the first industry to the first The secondary industry flows, and the means of production flows along with human resources. With the further development of the economy, human resources begin to flow from the secondary industry to the tertiary industry. The reason for the flow of human resources is the gradual increase in income or added value, so it is concluded that with the development of the economy, the relative difference in income between

industries is the reason for the flow of human resources from low-income industries to high-income industries.

Kuznets deepened the evolution of the industrial structure based on Pedy-Clark's law, and obtained some new results. Some people called it the Kuznets law. The law believes that the development process of industrialization in a region has the following three characteristics: firstly, the national income of the primary industry continues to decrease, and the proportion of human resources in this industry decrease; secondly, in the early stage of industrialization, the national income of the secondary industry continued to increase, the number of labor continued to increase, and the proportion of national income increased more than the proportion of the labor force; thirdly, during the post-industrial period, the national income of the secondary industry will fall, the national income of the tertiary industry and the proportion of the labor population will rise. Combining the research of Pedy-Clark's law and Kuznets, the industrial structure evolution laws can be summarized as: With the economic development and the increase of per capita income, the factors of production initially flow from the primary industry to the secondary industry, when the income level increases again at that time, factors of production flowed from the primary and secondary industries to the tertiary industry. Therefore, both the proportion of the national income and the factors of production in the primary industries continue to decrease. The ratio of the national income and factors of secondary industry rises to stability and then shrinks. The ratio of the national income and factors of production in tertiary industry continuously grow which will eventually become the main body of economic development. In short, with the process of economic development, the focus of the industrial structure moves from primary industry to secondary industry, and to tertiary industry finally. Therefore, the level of economic and technological development determines the industrial structure.

3. Analysis of the Characteristics of the Industrial Structure Evolution in Yunnan Province

From the perspective of output value structure, as can be seen from Figure 1, the proportion of the output value of the tertiary industry in Yunnan Province has been increasing, the proportion of the output value of the secondary industry has been stable at about 40%, and the output value ratio of the primary industry decreased from a maximum of 43.8% in 1978 to 13.08% in 2019. In 2019, the added value of the tertiary industry in Yunnan Province increased significantly, accounting for 52.64%, which is close to the national average tertiary industry accounted for 53.9%.

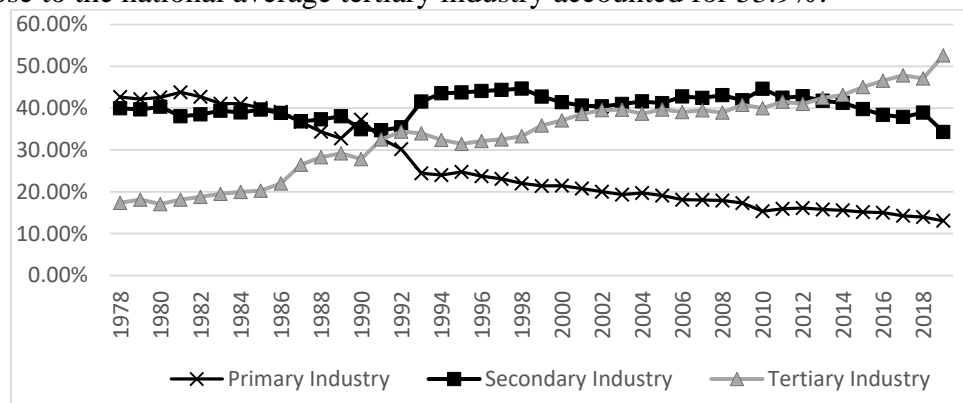


Fig.1 Proportion of Output Value of the Three Industries from 1978 to 2019

The service industry economy is an inevitable product of social and economic development to a certain stage. In recent years, the proportion of Yunnan's service industry has continued to increase, surpassing industry for the first time in 2013, and has become the largest industry sector and the main driving force of economic growth. The proportion of the secondary industry has dropped to a new low of 34.28% in recent years, and the industrial structure has formed a pattern with the tertiary industry as the main body. The main reasons for this include: due to the explosive growth of e-commerce, the express logistics business volume of Yunnan Province increased by 28.6% year-on-year in 2019; and the real estate development investment increased by 27.8% year-on-year.

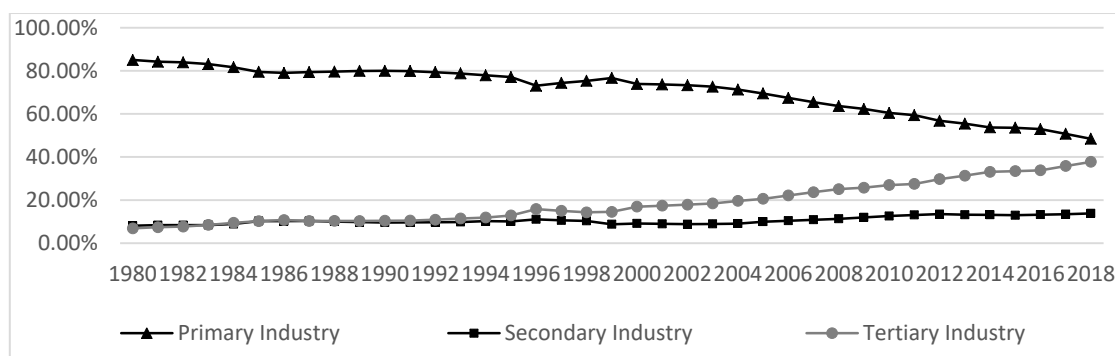


Fig.2 Proportion of Employment in the Three Industries from 1978 to 2018

From the perspective of employment structure, as shown in Figure 2, from the perspective of the number of employees in the three industries, the employment volume absorbed by the primary industry has remained the highest. In 2018, the employment of primary industry accounted for 48.44%, indicating that agricultural production in Yunnan Province Technology is still at a relatively low level, mainly relying on a large number of low-cost labor for production. The secondary industry's ability to absorb labor is relatively weak. As the proportion of the primary industry's output value continues to decline, the surplus agricultural labor will inevitably be transferred to the tertiary industry. The tertiary industry has a strong ability to create jobs. Therefore, in recent years the increasing proportion of tertiary industry in Yunnan Province is conducive to promoting social employment.

Looking at the combination of the output value structure and the employment structure, it can be found that the current industrial structure of Yunnan Province has a problem of imbalance in proportion, and the upgrade of the employment structure has lagging significantly and the evolution of industrial institutions. The industrial structure of the three industries does not match the employment structure, and the proportion of employment in the primary industry is far greater than the proportion of output value. The primary industry takes up too much labor. Although the proportion of employment in the secondary and tertiary industries continues to increase, it still lags behind the corresponding proportion of output value.

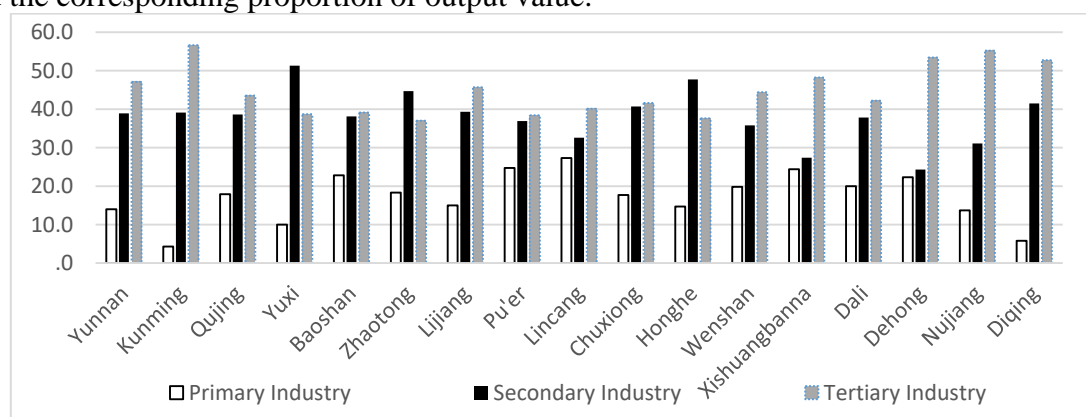


Fig.3 Proportion of the Output Value of the Three Industries in Each City in Yunnan Province in 2018

From the current situation of the industrial structure of each city in Yunnan Province, as shown in Figure 3, the development of the industrial structure of each city in the province is very uneven. Among them, the proportion of tertiary industry in regions with rich tourism resources is generally high, such as Dehong, Nujiang, Lijiang, Xishuangbanna, Diqing. These areas rely heavily on the tertiary industry, which is also dominated by tourism, and their economic development is relatively weak against risks. For example, affected by the current epidemic situation, the economy of these areas in 2020 will dramatically drop. The pillar industries of Yuxi, Honghe, Zhaotong and other places are still the secondary industry, and the development of the tertiary industry is relatively lagging. The backwardness of the producer service industry and the life service industry will have a negative impact on the economic development and the lives of residents.

4. Suggestions for Further Optimization of Industrial Structure in Yunnan Province

To further increase the output value of the service industry and give play to the important role of the service industry in economic development and the improvement of people's living standards. The proportion of service industry has always been used as an important indicator to measure the level of regional development. In fact, in view of the proportion of global service industry, the proportion of China's service industry is still a relatively low number. According to the data, the average global service the industry accounted for more than 60%, and high-income countries such as the United States reached 70% to 80%. This also shows that there is still huge room for the development of service industry in Yunnan Province. Tourism and cultural industry are one of the pillar industries of Yunnan's service industry. Providing tourists with high-quality, characteristic tourism service products with a good sense of experience is an important aspect of improving the development of Yunnan's service industry.

To further improve agricultural production efficiency and promote the high-quality development of agriculture in Yunnan Province. It can be seen that the per capita output value of agricultural production in Yunnan is low, indicating that the efficiency of agricultural production is not high and the benefits are not good. However, Yunnan's special geographical location and environmental climate have the natural advantages of developing modern agriculture with plateau characteristics. Advantages, improve the quality of agricultural products, and increase the added value of agricultural products.

Improve the quality of industrial development. Against the background of the continuous advancement of the "three, one, one and one reduction" policy, Yunnan's supply-side structural reforms have been continuously deepened, backward production capacity has been eliminated, and overcapacity in industrial industries has been eliminated. Industrial investment has accelerated. Based on traditional pillar industries, we will vigorously promote the development of key industries, accelerate the formation of new industrial growth, and create a new engine of economic growth.

5. Conclusion

Yunnan is opening a post-industrial society dominated by the service industry, which is the performance of industrial structure adjustment and upgrading. However, through analysis, it is found that there is still much room for improvement in the current industrial structure of Yunnan Province compared with developed regions. On this basis, the proportion of the service industry should be further increased, and the high-quality development of agriculture and industry should be strengthened to form the complementary industrial pattern of the three industries enhances the quality of economic development.

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