

# The Coordination of Real Estate Economy and Market Economy Development

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**Abstract:** *At present, the pillar industries of our economy have shifted from heavy industry to real estate enterprises. However, a failure to properly regulate and control the real estate industry and allow its development will certainly threaten the overall economic situation in our country. This paper briefly discusses the general situation of the development of real estate economy, and proposes some suggestions to strengthen the coordination of real estate economy and market economy, so as to strengthen the steady progress of our social economy.*

**Keywords:** market economy; Real estate economy; Coordination; suggestion.

## 1. INTRODUCTION

Now the real estate economy has become the main driving force to push forward the main body of our economy. Real estate economy is related to the quality of life of the whole nation. It has solved the problem of surplus talents in our market and provided employment opportunities for most people. It can be said that the real estate economy is the basic source of people's livelihood and national economic development.

## 2. BRIEFLY DESCRIBE THE INTERNAL RELATIONSHIP BETWEEN REAL ESTATE ECONOMY AND MARKET ECONOMY

### 2.1 The real estate industry is a pillar industry of national economic development

The development of real estate industry and economy is closely related to the construction of national economy, and the two promote each other and advance together. In the economic construction and development of our country, the real estate economy plays a very significant role in promoting the development of the national economy. In 2018, China's economic sales volume of real estate exceeded 1.3 billion yuan, and the real estate sales process involved in housing construction, land circulation, building materials processing and financial investment projects formed a complete industrial chain. Therefore, the real estate economy has gradually become an important factor to promote the development of national economy. In the future economic construction and development, the real estate industry will also become an important pillar to promote the development of national economy.

### 2.2 Significantly improve people's living conditions

In the development of urbanization, people put forward higher requirements on the living environment and conditions. However, the pressure brought by the current rigid demand group of real estate can not afford to buy a house is caused by this situation. The reason of this situation is that the development of Chinese market economy lags behind the development of real estate economy and the income of residents is far lower than the speed of the price rise, so effective measures are taken to promote the real estate market and market Coordinated economic development has also become an important indicator to enhance the ability to buy houses and improve the living environment.

### 2.3 The development of real estate economy promotes residents' employment

The real estate economy can promote the employment of urban residents, mainly because the development of the real estate economy involves a lot of basic industries, the construction of real estate projects needs more labor, and the construction of other supporting facilities can also absorb more labor, especially in the building materials processing, intermediary sales and other secondary industries in the real estate industry, which are mostly labor secret In addition, the development of real estate economy also needs relatively many types of labor resources, such as front-line workers and comprehensive talents with management, sales and construction capabilities. Therefore, in the process of national economic construction, the real estate economy can also absorb more labor forces and expand social employment.

## 3. LACK OF COORDINATION BETWEEN REAL ESTATE ECONOMY AND MARKET ECONOMY

The above shows the close connection between real estate economy and market economy, and the importance of real estate economy to market economy. But if not for the real estate industry

To take certain restrictions and coordination, let the development of the two lose the internal balance, not only will not create greater economic benefits, the real estate industry will disrupt the economic market, causing greater losses. The following will be discussed in detail several factors affecting the coordination of the two.

### **3.1 The implementation and implementation of energy conservation and environmental protection measures are not in place**

Low carbon economy is closely related to the development and construction of real estate economy. In recent years, with the rapid development of social economy, the available land resources are decreasing year by year. If the real estate industry fails to produce low-carbon housing and environment-friendly housing in time, it will not conducive to the coordinated development between the real estate economy and the market economy, but also does not fit with the sustainable development strategy of our country. However, the current development status of our real estate is still low-carbon ring and protected housing The amount of development is insufficient, and the proportion of the total can not meet the requirements. Therefore, in order to promote the further development of our real estate economy, we should always implement the strategy of sustainable development, and vigorously promote and implement the policy of energy conservation and environmental protection.

### **3.2 Price is inconsistent with value**

Prices rise and fall around the center of value, and if the price is higher than the value of the item, it will lead to a larger scale change. The development of market economy should fully respect the law of the market, the relationship between price and value is also an important content of the law of the market. Although the construction of Chinese real estate economy has promoted the development of Chinese social economy, there are many problems that do not match the price and value. Nowadays, the development level of the real estate market has been significantly improved, and the problems such as unreasonable land use and real estate speculation by developers have become increasingly prominent, which makes the real estate price rise significantly, which cannot meet the actual needs of social development. If the real estate market is in a state of short supply, the continuously rising housing prices will fully meet the basic law of market economic development.

### **3.3 Lack of reasonable development and utilization of resources**

In the process of our real estate industry, its main development model is biased to extensive economic. In other words, in order to complete the development task, they blindly occupy the land at the cost of destroying the environment, and often choose to ignore the consequences. In the long run, this mode of development has greatly damaged the ecological balance, aggravated environmental pollution and reduced the quality of life of the residents. Moreover, China has a large territory and abundant resources. However, due to the large population, per capita resource occupancy is extremely insufficient. In addition, the over-development of the real estate industry has reduced the per capita resource occupancy to a lower level, aggravated environmental pollution, and unable to maintain the virtuous cycle of ecological balance The long-term goal of continued development.

## **4. STRENGTHEN THE COORDINATION BETWEEN REAL ESTATE ECONOMY AND MARKET ECONOMY**

As can be seen from the above article, there is a certain incongruity between the real estate economy and the market economy, which is extremely unfavorable to the sustainable development of our country. Therefore, in order to strengthen the coordination between the two, so that the real estate economy in accordance with the development law of the market economy management, it is necessary to take certain measures to promote the balance of the two. In order to achieve this goal, the relevant government departments need to make certain macro-control on the market economy, really give play to the main functions of the regulation, promote the orderly operation of the real estate economy, and then provide help for the steady progress of the market economy. The following will be put forward to strengthen the coordination of the two measures.

### **4.1 Standardize the market price of real estate**

One of the main reasons for the destruction of market economic order is that the price of real estate is too high, which has exceeded its own due value. In the face of this problem, relevant departments need to conduct scientific norms. And this norm does not mean forced to suppress real estate prices, do not do any reference to reduce real estate prices. The so-called scientific regulation of real estate price refers to the use of scientific and reasonable means to promote the coordination of real estate price and its actual value, so as not to make the real estate price deviate too much from its value, so as to strengthen the order of the economic market, so that the market economy can get a virtuous cycle.

In recent years, the main problem in Chinese real estate industry is that the price of the real estate is too high. During the period of financial crisis, the Chinese real estate price is too low, which makes the enterprise capital difficult to operate effectively, hindering the development of the real estate industry to a certain extent. Therefore, the price of the real estate industry should be effectively controlled and reasonably planned to avoid the phenomenon of too high or too low. Only in this way can the sustainable development of the real estate industry be guaranteed. This requires the state to do a good job in macro-control,

control and evaluation of each stage of real estate development, in order to correctly judge the coordination between the real estate economy and the market economy, and on this basis to formulate policies. During the operation of the real estate industry, its price determines the overall development trend of the real estate industry, and this factor is also a major incentive to cause the bubble economy. Based on this, relevant government departments need to take scientific and effective measures to regulate the real estate price, and appropriately reduce the price according to the law of market economy. Only in this way can the regulation play its maximum role, so as to balance the relationship between the real estate economy and the market economy, and help the market economy move forward steadily.

#### **4.2 Pay attention to the financial regulation of the real estate economy**

In order to promote the continuous development of the real estate economy and make more contributions to the market economy, the government needs to strengthen its financial supervision. For example, in the development stage, investment ability, repayment ability of loans, market effect and so on, so as to strengthen the cooperation between banks and real estate, and strictly control the lending business and capital flow of real estate development. This can also ensure the bank's asset structure towards the direction of scientific, rational and standardized development. In addition, relevant departments of the government also need to regulate banks to some extent, reform part of their management and operation system, and improve the traditional credit model, so as to strengthen the ability of the real estate industry to avoid risks and reduce the financial risk coefficient of the economic market.

#### **4.3 Promote the rapid transformation of the real estate economy**

At various economic construction continuous developing now, our country begins to pay attention to the spread of green environmental protection idea. Nowadays, green and energy-saving construction has become the mainstream of market development. Therefore, during the development of the real estate industry, green environmental protection should also be implemented, and strive to achieve energy saving and consumption reduction, so as to realize the coordinated development between the real estate economy and the market economy. In addition, the government should also reward low-carbon and environmentally friendly real estate builders through incentive policies, and improve the traditional energy waste and environmental pollution through loan interest rate adjustment, so as to guarantee the long-term development of the real estate industry.

### **5. CONCLUSION**

To sum up, the real estate economy plays an extremely important position in our country market economy. In order for the real estate industry to promote our market economy, we must pay attention to the coordinated development of the two. Only when the two get a certain balance, can the real estate economy play the macro-economic control ability, thus providing a boost to our market economy, and jointly laying the foundation for our sustainable development goals.

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