# The Research on Coordinated Development of the Modern Logistics and Regional Economics

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Keywords: Modern Logistics, Coordinated Development, Regional Economics

**Abstract.** Modern logistics is not only the main means and ways of economic growth mode transformation of various sectors, but also has become a new economic "growth point" for national economic development. Because China's logistics industry is still in its infancy, the high logistics costs, poor infrastructure of logistics and transportation and imbalance between supply and demand has seriously hampered the development of regional economy. So it has an extremely important urgency to study the harmonious development of the logistics industry and the regional economy. The thesis gives a comprehensive and systematic study on the coordinated development of the logistics and regional economic on the basis of the literature overview of the logistics and economic development, integrated with the regional economics, industrial economics, system econometrics and science theory and methods.

#### Introduction

With the rapid development of science and technology, global economic integration and regional economic integration is increasingly strengthened, the world will be faced with great opportunities and challenges. Modern logistics as an advanced organization and management technology with enhanced industrial competitiveness, adjust the balance of market supply and demand, and promote the circulation of new forms of development and the protection of national security and other important economic role. Modern logistics industry is not only a primary means of various sectors of economic growth mode and route, and has become a new source of power for national economic development, economic development is to realize the transformation from extensive to intensive important symbol [1].

With the market system of continuous improvement, economic development has shown a regional economic integration features, such as Jingjintang Bohai Sea, Yangtze River Delta, Pearl River Delta region has become a model of regional economic gathering. Under the trend of regional economic integration, regional and inter-regional logistics, business flow, information flow, capital flow and other features constantly showing integration. Regional economic integration to promote the development of these regional manufacturing and distribution industries, making the region a modern integrated logistics system is formed. Regional economic growth is conducive to the logistics infrastructure, logistics, equipment manufacturing, logistics, information technology, development and progress. Logistics integration means comprehensive logistics cooperation in the logistics system as the core, take full account of the entire logistics process and the impact of various environmental factors in this process, providing a high level of service, reduce logistics costs society as a whole, can fully meet the growing logistics demand, and thus for regional economic development provides a strong support.

#### The Concept of the Regional Economy

Any economic activity is carried out in a particular space, regardless of their level of development, could eventually find their place in a particular space, this combination of economic activity with a specific space, it creates a regional economic. The regional economy is the socio-economic activities reflect specialization and cooperation in space, is a comprehensive concept of economic development,

namely "economic union in accordance with natural geographic, economic ties and social development needs of the formation, as the economy globalization, regional economic development is accelerating .K region economy can be both economic union between countries can also be a form of economic countries in all regions of the Commonwealth. [2] "

## The Defining of the Logistics

As each country to introduce the concept of logistics time, their understanding of logistics there are also differences. But in general view, or there is some common ground, such as: First, closely related to the formation and development of socialized production and logistics concept of division of labor and constantly improve product marketing and business management. Secondly, whether it is "physical distribution" or "logistics", different countries have stressed that the core meaning "kind of smooth flow." Finally, we emphasize the core functions of logistics including transportation, storage, handling, packaging, distribution processing, distribution, information processing and other seven functions. The paper emphasizes the logistics is a system, while the system is a subsystem of the economy, mainly because of logistics problem is a matter of time separation between the various stages of production and between production and consumption and space [3].

## The Basic Functions of Logistics

**Transport.** Transport function is to achieve physical entity space supply the demand side movement direction and overcome the spatial distance between supply and demand, creating space utility goods. Transport mainly to provide temporary storage product transfer two functions and products.

**Warehousing.** One of the important functions of modern warehousing and logistics, whose main facility is the warehouse, and it has the function of adjusting the balance supply and demand. From the production and consumption, both in terms of different types of products have different sales law, the production rhythm and consumption can not be completely consistent rhythm, which requires storage to be adjusted to coordinate the relationship between production and consumption.

**Handling/Transportation.** Handling / transport means activities within the same geographical area as the state and the spatial position change storage material carried out, including the delivery device is loaded, put on and remove, remove jobs, but also on the fixed equipment, a library, warehousing operations.

**Packaging**. The most important role of packaging is to protect goods from damage in the logistics job. Exist commodity purchase, transportation, storage, marketing and other aspects in circulation, to be the number of the transfer, handling, stacking and retail work, without proper packaging, it is bound to increase the difficulty.

**Distribution.** Distribution is one of the most important functions of modern logistics refers to a delivery from logistics base form users, distribution links in the regional transport, flexibility, adaptability and service are strong, capable of handling regional transportation and small unify, makes the process to optimize and improve transportation.

**Circulation processing.** Circulation processing refers to the commodity from the producer to the consumer circulation process, by increasing the value-added products in order to facilitate consumption, promote sales and simple assembly, cutting, labeling and other operations. Distribution processing is mainly to make up for the lack of production and processing capacity of its products to meet the needs of the customer or the enterprise, convergence production for both sides, the processing is completed in the logistics process, distribution process to become an important part.

**Information processing**. Logistics information and all aspects of transportation, warehousing and distribution, are closely linked, the nervous system plays a role in logistics activities. For logistics activities to predict dynamic analysis, inseparable commodity quantity, quality and operations management, and other related information, only an accurate grasp of the information, in order to

make smooth logistics activities and quantitative, in order to ensure the logistics activities It can be effectively carried out [4].

### **Modern Logistics Promote the Regional Economic Development**

Reducing regional economic operating costs and improve the efficiency and level of economic activity. Size determines the size of the transaction costs of regional markets, lowering transaction costs only to a certain extent, the regional economy can be developed. And modern logistics is the effective means to reduce transaction costs. Logistics industry has been able to reduce transaction costs, mainly because of: the logistics nodes (logistics centers, parks, garages, etc.) and line (aviation, railways, highways, etc.) logistics network system can be configured to optimize the combination of various components, so Contact between network members more stable and closer, and reduce wear and transaction costs of the various elements of logistics within the network. While the efficient logistics network also to other resources of the entire region for an effective integration.

The formation of a new industry form and promote the optimization and upgrading of the region industrial structure. Compared with developed countries, the main problem is the existence of China's industrial structure smaller proportion of tertiary industry, the level is not high. Accelerate the development of tertiary industry will be the focus of China's economic restructuring. As an important part of the tertiary industry, the regional logistics industry will be more and more attention. By fostering regional logistics cluster, logistics can play overall advantages and economies of scale, promote industrial rationalization and improve the professional level of logistics. Improvement and development of the logistics industry, the development of the tertiary industry has played a positive role in promoting, increase the proportion of tertiary industry, increase the level of regional industrial structure rationalization.

Improve the competitiveness of the regional economy industries and enterprises. In the region's economic competitiveness is mainly composed of regional core competitiveness, the basis of competitiveness and environmental competitiveness of three parts, namely the regional economic theory called "three of the system." Development of logistics industry has been able to improve regional competitiveness, mainly in: First, the highly specialized and large-scale features of modern logistics industry to determine their effect has a strong industrial relevance and driving effect, at the same time can cause resources to effectively gather, produce huge market effect, which also brought the core competitiveness of the regional economy. Second, the development of the logistics industry to reduce the cost of logistics enterprises in the region, making it operational efficiency and competitiveness improved significantly. Meanwhile, governments at all levels to promote the development of the logistics industry will increase investment in logistics infrastructure, which makes the logistics environment and regional environment has improved.

# The Role of the Logistics Industry in Promoting Regional Economic Development

The regional economic development can provide support for the logistics. The higher the level of economic development of the region, local governments have a more ample industrial development funds for transportation, communications, warehousing and other logistics infrastructure, providing superior economic base and material and technical conditions for the development of the logistics industry, improve logistics the hard environment; the same time through the development, improve the relevant policies and measures and regulations to create a favorable policy environment and market environment for the development of logistics industry, but also to strengthen the flow of information and logistics personnel, logistics, only by adhering to hard and soft environment with both hands, \_ to provide industry support for the healthy and rapid development of the logistics industry in order to achieve both coordination and sustainable developmentm[5].

The regional economic development determines the development scale of the logistics. At present, services are playing an increasingly important role in economic development, and regional logistics industry as an emerging tertiary industry, and other services with the same properties and characteristics of the industry, it must be attached to the manufacturing sector and the flow of commerce industry exists, if there is no production of manufacturing and retail trade, the regional logistics industry would not it useless. The fact that logistics is always accompanied by the flow of commerce and health, more developed regional economy, the more active manufacturing and commercial activities, the regional logistics market will have a good foundation, there is the possibility of large-scale development, which to some extent, It will expand the space for development of logistics regional logistics industry, achieve economies of scale.

The region economic structure determines the logistics industry structure. In terms of the logistics industry, regional economic structure determines the industrial infrastructure, categories and levels of development of the logistics logistics services, primarily logistics industry by the service attribute of the decision. Logistics development level differences and structural differences between different regions of China Logistics confirms this conclusion. The eastern region to develop high-tech industries and manufacturing, which requires local have a higher level of service as a basis for the development of logistics, you can take a variety of modes of transport, while China's central and western regions mainly in the development of agriculture, the main transport bulk cargo, thus optimizing space and logistics industry profit margins are more single and limited.

#### **Conclusion**

The coordinated and sustainable development of the logistics and the regional economy has become a common goal of country, local governments and enterprise. In the regional economic development process, there are often conflicts between uneven regional logistics supply and demand due to upgrading of industrial structure and other reasons. Through the study of the coordination development of the logistics industry and regional economic, it is conducive to all kinds of problems found in the logistics industry and regional economic development process, achieve the optimal allocation of resources within the area of logistics, provide a theoretical basis for regional logistics planning for the state and local governments.

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