#### **Original Research Article**



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# Discussion on Construction Economy and Real Estate Economic Development

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**Abstract:** In recent years, with the acceleration of the process of social and economic development, the real estate industry, the main support of China's national economy, is also developing rapidly, which in turn promotes the efficient development of the related construction industry. At present, our country's real estate industry has a relatively long whole industry chain, which is related to the advantages of the construction industry such as long development cycle, large capital investment and large data demand. Housing is the people's needs, the real estate industry is very close to our life and work, the characteristics of the real estate industry and the construction industry and the development of the current situation of the problem, but also to promote the development of this industry to think about. Based on this, the paper attempts to study the real estate economy and the construction economy on the premise of the situation and characteristics of the future development of this field of countermeasures.

Keywords: Construction economy; Real estate economy; Development

#### Introduction

he construction economy and the real estate economy are all the important support for our country's social and economic development, and they have extremely important supporting effects in the composition of the national economy. Construction economy and real estate economy are in close contact with each other, and they develop separately and influence each other. Real estate economy is around the real estate industry output rate, distribution, communication and consumption and other business activities caused by the economic development of liaison, is the main force of housing production and the national economy and liaison; while the construction

economy in the construction project and the development of the national economy and economic activities related to forecasting and analysis, management decision-making, implementation, scientific research and evaluation. In the real estate industry construction construction engineering industry development, the department needs to pay attention to and follow the real estate industry, engineering construction industry development standards, not only to play its regional government agencies, but also to understand the basic construction market economic system and the real estate industry operation of the interrelationship between, and through macroeconomic policy way to carry out the market mechanism, in order to promote the real estate

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13 of 27 Vol 1 Issue 1 2024

industry economy and the construction market health and harmonious development [1].

## 1 Overview of Real Estate Economics and Construction Economics

#### 1.1 Overview of Real Estate Economy

In the practical study of real estate economy, the economic category is heavily represented in the sales market, that is, the completion of the real estate economy is closely related to the real estate demand population. When analyzing the real estate economy, people also pay more attention to the real estate industry development and the level of market Yang. Real estate is a kind of property. In the process of advancing its economic value, it must be utilized to reach its economic value. As an integral part of the market situation, the real estate industry is closely related to the economic returns from the development and management decisions to the final sale to the customers. The real estate economy forms a very large hazard in the socio-economic development link, especially according to the overall goal of real estate industry development, a series of production and operation activities are integrated together. Real estate economy as an important means of economic development development, from the market demand to carry out in-depth thinking, focusing on and social development of the same river, in order to meet the economic situation, harmonious real estate industry supply and demand, to achieve the provisions of the community to live and work in peace and happiness.

#### 1.2 Overview of Construction Economy

All activities related to project construction, including construction planning and design, management decision-making, bidding, evaluation, etc., are related to construction economics and belong to the scope of construction economics. The main body of research in construction economics mainly contains the development of macroeconomic policies in the construction engineering industry, basic knowledge, characteristics of construction projects and construction processes. Various issues are closely related to the development of the construction industry, so we need to focus on the exploration of the above issues, to lay a solid foundation for the development of the construction industry [2]. At this stage, in our country has long been set up in the construction

economics course, but also made some scientific research results, but the exploration of the professional theoretical knowledge of the research ideas has not been deep. According to the interpretation of the construction economy, can establish the regularity of the development of the field of engineering and construction, to ensure the harmonious development of the construction industry and related industries, to get a higher economic returns, and promote the sustainable growth of the construction economy.

## 1.3 Relationship between Construction Economy and Real Estate Economy

At this stage, the vast majority of regions in China has basically set up a relatively complete housing economic management system and housing management mode, especially in recent years, many of the construction of high-rise buildings, is the most important type of building mode in China at this stage. According to the research review statistical analysis, at this stage, basically all provinces in China are in the national development plan into the urban high-rise building management system layout of the category, the vast majority of provinces and regions basically set up a relatively complete urban high-rise building city planning area. Accompanied by the development of the construction industry in recent years, but also to a certain extent to promote the rapid development of the local economy, promote the local tax rise, and then enhance the land price, very well deeply attract enterprises to foreign investment. Therefore, scientific research related to construction economy and real estate management is a difficult problem in China's construction engineering industry at this stage, and will be a key element of future scientific research in this field. The construction industry is closely related to the real estate industry. Along with the diversified development direction of construction management, the requirements for exploration and development of the real estate industry economy have also increased, and the requirements for comprehensive analysis of construction management and real estate industry economy will be higher. Because the traditional construction management and real estate industry economy are not related to each other, the relative single experience and management methods can not absolutely guarantee the development of construction engineering companies and real estate industry activity. To put it simply, the construction industry and real estate industry not only have independent production and manufacturing activities, there are cross contact, in which the construction industry in the construction company and the real estate industry development is the key intersection of the two industries. The construction engineering company is the main body of the production process of construction goods, while the decision maker of the production and distribution process is the real estate company. There is no decoration industry to participate in the production and manufacturing activities of housing products, there is no marketing activities in the housing sector; there is no market supply in the housing sector, there is no industry output rate of the decoration industry. The two are closely related, together in the people's economy plays an important role. The problem of housing prices should be solved according to the advantages of location. If there is a scale of improper market sales, there is a need for the area phased saturation state to deal with production capacity.

# 2 Typical Roles in Construction Economy and Real Estate Economy

#### 2.1 Real Estate as Wealth or Property

The fundamental reason for the high value of the real estate industry is that it represents capital and has a high application value. The real estate industry is a distinctive social wealth and important to the development trend of the construction industry. The influence of real estate as capital or property is quite fixed and different from the general commodity circulation property. It has certain regional characteristics and is influenced by factors of course. Thus, in general, in addition to the circulation market, should also be based on the characteristics of commodity circulation to enhance the right to use and ownership of property. The real estate industry itself is a very large project investment difficulties, the turnover is very large. As a result, the relevant departments must maintain the symmetry of the real estate economy's continuous development, promote the cognition of the urban spatial scale, and regard the real estate economy as the value of capital or property.

# 2.2 Characteristics of Real Estate Economy Territoriality

Unlike other commodity circulation property, the real

estate industry has certain regional characteristics, and the social and economic development of the real estate industry is closely related to the local economic development, so its value embodied in each place also exists a certain difference. There is a big difference between the value of real estate industry in first-tier cities and poor areas. The regional characteristics of the real estate industry are important factors that the state cares about when implementing macroeconomic policy responses. At the present stage, national housing prices in the country's first-tier cities have risen, adding a certain amount of pressure on people. After fully considering a variety of factors, the state has carried out a series of adjustments to the real estate industry in recent years, committed to manipulating the development trend of the real estate economy in local areas, easing the pressure on the real estate industry of the younger generation, and meeting the requirements of the real estate industry as well as the needs of the people to buy houses [3].

#### 2.3 The Construction Economy as Labor Value

The construction economy must play out the economic attributes with the help of construction enterprises, need to promote sales through real estate developers, mainly in the process of project filing, engineering construction, delivery. The construction economy is real work, and then its value is embodied in the construction economy. Thus, the construction economy must be characterized by high quality construction goods, i.e. high quality work value. If the architectural design, engineering construction or delivery of labor quality is poor, the quality of construction products will also be jeopardized, and thus can not show a higher value.

### 2.4 Construction Economy Affected by Technical Level

The construction economy is affected by the strength of construction technology. Accompanied by the improvement of the technical level of construction, the construction industry is able to provide a good building natural environment, to meet the needs of people for living home. At the same time, for the national capital construction, construction technology strength can solidify the national development trend, capital construction more equipment for the national development trend to lay a solid hardware configuration.

15 of 27 Vol 1 Issue 1 2024

In recent years, China's construction projects in today's world has gained great development, the key thanks to the strength of construction technology. In addition, the world's energy crisis and environmental pollution problems are becoming more and more prominent. The environmental protection technology used in the field of construction, complete energy saving and emission reduction is sooner or later the trend of development. It can be seen that the construction economy to a certain extent by the technical strength of the impact.

# 3 Measures to Promote the Development of Real Estate Economy and Construction Economy

#### 3.1 Increase Industry Standardization Construction

Industry standardization has important significance to economic efficiency, beneficial to the standardization level and standardized construction of all industries. The standardized construction of construction economic development stipulates the scope of application, stability and aesthetics of construction raw materials, and ensures the profitability of the project, these. Thus, for the enterprise, promoting the standardization construction of the construction industry is the main prerequisite to ensure its economic benefits, but also an effective way to promote its economic benefits to a greater extent. In the current construction industry, the production and supply of construction raw materials has become an important part of this industry. A clear division of labor, close cooperation has become a trend to promote the development of this industry. As long as we start from these aspects, we can ensure the economic efficiency and high efficiency of the project, so as to promote the development of the whole industry.

# 3.2 Incorporate a Large Amount of Funds to Support Building Construction

In building construction, technical engineers must produce drawings, adjust and improve engineering drawings in combination with the actual situation, usually costing a lot of time and energy money. Along with the development of the times, people's demand for construction is getting higher and higher. People not only need firm and safe building, but also want to beautiful and comfortable building, which not only enhances the construction difficulty coefficient of the building project. In so many premises, some shady

builders want to reduce the cost, with shoddy raw materials instead of high-quality raw materials. Such non-compliance with the actual operation will not only cause great prestige to the construction team and the personal safety of residents, but also continue to reduce the service life of the building. In other words, building materials and design drawings play a leading role in the construction process and are critical to building applications. The real estate economy and the development of the construction economy are closely related. Along with the increase in construction, the construction social economy is developing rapidly, and the real estate economy will all be on the next level due to the construction social economy development. The promotional means of the real estate industry has land development and accelerated the building socioeconomic development. The construction industry can also apply decorations, construction machinery and equipment and other things to promote other market sales industry's rapid development, and then promote the overall social and economic development, to meet the requirements of today's society people's life, work and entertainment pastime.

### 3.3 Strengthen Engineering Quality and Operation Level

Project quality is the key to ensure the healthy development of construction and real estate industry, real estate industry and construction enterprises need to strengthen the construction management methods and improvement of the project, and constantly improve the quality of the project and the construction of high efficiency, to ensure that there can be a broader market potential. First of all, all in accordance with the development plan of the big city and the basic construction, flexible use of soil resources, improve the maintenance of the environment, in order to ensure that the construction project can make the people and customers satisfied. Secondly, but also to strengthen the implementation of the improvement of the business system, to strengthen the sense of responsibility of the real estate industry, to ensure that real estate developers can be all for the consumer to take into account [4].

#### 3.4 Increase Regulatory Efforts

In order to promote the construction industry and the real estate industry and the two together, the orderly development, to further increase the magnitude of supervision. Suffering from increasingly higher housing price conditions, the construction market and real estate market more and more surging, seriously jeopardizing the consumer's desire to buy, not conducive to the construction industry, the real estate industry stable development, and therefore improve the construction market and real estate market supervision work is particularly important. Construction market supervision and real estate market supervision belongs to the systematic project, involving several units, so we should set up a linkage, collaboration mechanism, improve the communication and cooperation between each department, improve the work of synergy, to complete the efficient supervision of the construction market and real estate market. To create and establish a perfect regulatory rules and regulations, establish the scope of supervision, specific content, will be effectively implemented in the regulatory work, regulatory staff need to conscientiously perform their duties, make full use of the regulatory effect, to maintain better maintenance of the construction market and real estate market discipline, to protect the legitimate rights of consumers. At the same time, whether it is the construction industry or the real estate industry, in the development of the link needs to be involved, the staff's own professional ability, comprehensive quality is a key factor in determining the development of the staff, so in the supervision of the supervision should pay great attention to the supervision of personnel, to prevent them from being tempted by the rights and interests of the situation of corruption and bribery, which will cause significant harm to the quality of the project, the rights and interests of consumers. According to the strengthening of supervision and management work, timely handling and processing of building construction enterprises, real estate developers to deal with the development of difficult points, to ensure that the company's orderly development, and promote the construction economy and real estate economy is good to improve.

# 3.5 Improving the Relevant Policies of Guaranteed Housing

Healthy and orderly development of the real estate industry and construction industry can not be separated from the strong support and improvement of China's policies. All by the market supervision of the property and construction industry naturally will not go too far. Therefore, in terms of policy, the relevant units of the state should strengthen the policy of basic construction, and constantly improve the relevant rules and regulations, to ensure that the service hold its healthy development. For example, the policy related to guaranteed housing is of great significance to the overall development of the real estate industry. In recent years, China's property market has increased extensively, and the vast majority of cities have risen by a particularly large margin. However, people's wages and salaries have not kept pace with the increase in housing prices, and it is difficult for ordinary people to afford the relatively high price of a house. Even if they borrow money to buy a house, they will bear a very large financial burden, which makes the quality of life of the person is more difficult, in a period of time suppressed his ability to spend. Even for some low and middle-income people, they will not have a house to live in, which seriously affects their daily life. It is all the more important to formulate policies related to security of tenure. Combined with the reality, first of all, to strengthen the investment in security housing, and at the same time to strengthen the quality of security housing, related supporting facilities and related laws and regulations.

#### Conclusion

In the market economic system environment, government departments must put the development of real estate industry and construction industry into the core position, according to the specific development situation of the respective industry, especially the existing difficulties and shortcomings, closely linked to the two, corresponding laws, formulate relevant policy countermeasures, in order to standardize the development of the construction industry, to ensure that the real estate industry and the construction industry, the economic development of the real estate industry and the construction industry to maintain a good, sustainable development of the development of the development of the development trend.

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17 of 27 Vol 1 Issue 1 2024

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