



Individual Development Observation of Xi'an-Xianyang in Regional Economic Integration

Yu Chen

Shan'xi Provincial Xianyang Traffic Bureau

Xianyang 712000, China

Tel: 86-29-3321-4905 E-mail: xynsjs@163.com

Abstract

Utilizing the agglomeration growth theory in the regional economy development theory, this article observes and analyzes the general connotation, economic meaning, regional influence and local countermeasures for the regional economic integration in Shan'xi provincial Xi'an city and Xianyang city which are located in the western economic region of China from different views, and through the observing and exploring the individual development mode of the regional economic integration, the article is expected to offer possible theoretical support of the practices of international and domestic regional economic integration.

Keywords: Regional economy, Integration, Xi'an-Xianyang, Observation research

Since 1980s, the globalization of world economy and the integration of regional economy powerfully drive the quick development of global and regional economy. In the world, the America economy community guided by United States, the European Economic Community guided by European Union and the Asian Economy Community guided by China have obviously been formed three global economic centers, and Dollar, Euro and RMB have become three mainstream coins in the world. In China, three regions taking Yangtze River Delta, Pearl River Delta and Surrounding Bohai Zone as cores have obviously become three economic centers in China, which have been regarded as the dragon arteries of Chinese economic development. However, the mutual characters of these economy communities include that all economy communities spontaneously or un-spontaneously form the tendency of regional economic integration to different extents, and some regions such as European Union even successfully unify complex coins, and the more important is that in the region of economic integration, large agglomeration power intensively attracts resources, technologies and talents from surrounding countries or regions, and these regions will become the "locomotive" of the global and regional economic developments.

Utilizing relative principals of agglomeration growth in the regional economics, this article adopts the method of logic reasoning to analyze the observe the essential, connotation, economic meaning, regional influence and development countermeasures that Xi'an City and Xianyang City in CHIna west economic region implement economic integration.

1. Utilizing economic socialization and internationalization to understand the essential and connotation of regional economic individual Xi'an-Xianyang economic integration

There were profound dissertations about socialization in many subjects such as philosophy, education and psychology, but the subject which first used the word of "socialization" was sociology. Most of these subjects thought that the socialization was the result of society transition. However, to understand the development of Xi'an-Xianyang economic integration by the socialization and internationalization of economic living, we first should make clear the concrete contents of economic socialization and internationalization from the view of economics. Max and Engels had pointed out that if the bourgeois didn't change these limited production materials from individual to socialization, i.e. the mutual production materials used by numbers of people, they couldn't be changed to strong productivity. Domestic economists He, Liancheng and Li, Zhongmin who specially studied the development economics thought that the economic socialization included twp parts such as the socialization of productivity and the socialization of production relations, and it also could be concretely divided into four aspects including the socialization of production, the socialization of exchange, the socialization of distribution and the socialization of consumption, and they pointed out that the economic socialization was the process that the economic main body continually breached original borderlines of four aspects including production, exchange, distribution and consumption in the reproduction process and developed activities according to the standard with larger range, and it was a historical evolvment process. If this process exceeds the national boundaries, so the socializations among countries, or between nations and regions or among regions form the economic internationalization. From above dissertations, we can summarize two obvious opinions, i.e. the economic

socialization and internationalization possess the expansion of space in the exterior form, and they also possess the function to improve the regional productivity in interior nature and result.

After making clear the content and character of economic socialization and internationalization, we begin to observe some characters objectively possessed by the object what we should know, i.e. Xi'an-Xianyang economic integration. The integration of regional economy for Xi'an City and Xianyang City should directly be represented as a sort of transverse economic association because these two cities are two independent regions. And the dependence and adaptability between two regions are more obviously increased after the transverse association, so the flow of every region production factor will enter into a larger space, which will be represented as a sort of extension of space for the economic activities of relative regions. This sort of extension of space is a sort of optimized integration of production factors in larger range and space as viewed from the allocation of resource, and the optimized integration will further enhance the regional productivity. Therefore, the regional economic integration obviously possesses general characters of economic socialization and internationalization.

From the comparison and analysis of concrete contents and characters of economic socialization and internationalization and regional economic integration, we can see that, the regional economic integration objectively possesses general characters of economic socialization and internationalization, so concretely speaking, this sort of economic integration is that four aspects including production, exchange, distribution and consumption of Xi'an and Xianyang are further extended, and the economic activities of these two regions further expanded in space, and the regional economic activity develops and evolves from small range to large range. And the essential and connotation of this sort of evolvement are that the regional resource allocation is further optimized through extending and expanding the relative range and space of regional economic activities, and the productivity of the regional economic development is further enhanced through optimizing the resource allocation, and the total strength and development level of regional economy are further enhanced through enhancing regional productivity, and accordingly the socialization and internationalization degree of regional economy are enhanced from the whole.

2. Utilizing agglomeration growth theory to observe the economic meanings of regional economic individual Xi'an-Xianyang economic integration

Both Xi'an and Xianyang are located in Guanzhong Plain of Shan'xi provincial inland of China, and the distance between two cities is only 25 kilometers, and under the connection of traffic arteries such as national highway 45 and national highway 312 and Longhai railway, the peripheral distance of city planning has gone to 0. So, many questions occur, for example, which one will be profitable because of the economic integration of two cities? Is it Xi'an? Is it Xianyang? Is it the whole region of Xi'an and Xianyang? Is it other region?

Firstly, we use the core-periphery structure theory to analyze the relative economic meaning of Xi'an-Xianyang economic integration. Beyond the memory of men, especially since Zhou dynasty, Qin dynasty, Han dynasty and Tang dynasty, because of the regional advantage of near distance and same geography, the spontaneous civil free trades in Xi'an and Xianyang are not stopped all along. We can think that this sort of free trade happens in two regions where the most original market economy develops most actively regulated by the "visible hand" in Shan'xi. In modern times, the large improvement of traffic condition not only reduces the transportation cost, but enhances the economic efficiency, and the trade between two regions is more direct and frequent. In the dynasty of Qin, as the capital, Xianyang was not only the largest regional economic center of Shan'xi, but the political, economic and cultural center of China, and its economic development degree was difficult to be imagined by modern people. At that time, Xi'an was located in the periphery of this center, its flourish vision and economic development level was inferior to Xianyang. However, in the period of Han dynasty and Tang dynasty, the history was reversed tremendously, and Xi'an which was located in the periphery of Xianyang became the capital of the empire, and this change not only made Xi'an turn into the most developmental regional economic center in Shan'xi, but brought up that Xi'an became the political, economic and cultural center of China. Up to Zhenguan and Kaiyuan times in Tang dynasty, Xi'an had definitely become the worshipful place that various countries revered, and various countries in the world had regarded Xi'an as the international metropolis and international economic center. But at this time, Xianyang, the economic center of China in Qin dynasty, had become the peripheral city of Xi'an, and its flourish vision and economic development level were far from Xi'an, and had obviously broken up comparing with the city in the Qian dynasty, and the productivity had obviously reduced. Since that time, the position of Xi'an which is the regional economic center of Shan'xi has not changed all long, and Xianyang is still is the periphery of Xi'an. Up to now, as the provincial capital city of Shan'xi, Xi'an is the political, economic and cultural center of Shan'xi, and it is the big city, but Xianyang is a middle sized city which is located in the periphery of the big city, and its population quantity is inferior to 1/10 of Xi'an, its area is inferior to 1/4 of Xi'an, its comprehensive economic strength is inferior to 1/3 of Xi'an. For the comprehensive competence, Xi'an ranked the 35th position in Chinese inland cities, but Xianyang only ranked before the 200th position, and the scientific and technical strength of Xi'an ranked the 7th position, and Xianyang could not rank in the list. From above historical variance, we can see a sort of economic phenomenon, i.e. in the spontaneous function of the

market, if the region is located in the core position, its regional economy will grow quickly, and the development will be more active, but if the region is located in the periphery of the core, its economic growth will grow relatively slowly. As viewed from the productivity level, the distance from the regional economic center is farther, and the productivity per capita will be lower. For this economic phenomenon, economists Hall and Jones observed that the countries with high income centralized in the small industrial centers of the northern hemisphere, and with the increase of the distance from these industrial centers, the productivity per capita would gradually decrease. And this economic phenomenon is just one of the most universal situations in the economic agglomeration phenomena, i.e. the core-periphery structure. Through the interior economic rule of the core-periphery structure theory, we can open out that if only depending on the function of the market, in the free trades of Xi'an and Xianyang, the trade will be more active and the economic growth will be quicker because Xi'an is located in the core of the region, but Xianyang is located in the periphery of the regional center, so its trade and economy growths will be relatively slow, and its economic development will be limited by the periphery.

Secondly, we use the bi-regional economic theory to analyze the relative economic meaning of Xi'an-Xianyang economic integration. Though there are different learning views and different descriptions about bi-regional economic theory in the world, but the economic idea basically tends towards consistent. About thirty years ago, Kaldor thought that after two regions developed free trade, the region with more developed industry would fulfill the demands of the country in another region to the industrial products with cheaper price, and the result was that the industrial center of the other region would lose the market and graduate away. According to this theory, naturally, we will define Xi'an as the more developed region relative to Xianyang. But in fact, as the largest economic center in Shan'xi, undoubtedly, Xi'an assumed the functions of agglomeration and decentralization for products. From the lowest meaning of trade cost and the optimal selection of several relative regions, the demands of country and city to the industrial products are only mostly fulfilled from lower price in the more developed region, Xi'an. So, this sort of trade and communication will certainly form the effect that Xi'an with more developed industry serves as the first class trade market which scale economy degree is higher, and Xianyang with undeveloped industry will become into the second class trade market with relative lower scale economy degree. So, whether does the result of this sort of trade mean the industrial center of Xianyang will lose the market, even graduate away? For this opinion, the industrial development experience of Xianyang maybe can not fully prove. Here, we don't consider the exterior factors such as system, and we take the industrial estate which is located in the north side and south side of Renmin Road about 10 kilometers and possesses above 60% of industrial gross in Xianyang as the model to observe. In the past, there centralized tens factories in the domains of electron, textile, printing and dyeing, mechanical manufacturing which had ten thousands employees, and the textile factories occupied above 70%. And the place was the really meaningful "engine" for the economic growth of Xianyang, even for the development of the whole city ten years ago. But now, the factories here are gradually declining in deed, and the electric industry is not as good as the past, and the textile industry falls off, even individual factories implement close and bankruptcy, and the local government is roughly implementing the industrial move recombination and reconstruction plan. So, whether does this phenomenon completely prove Kaldor's theory of graduating away? Whatever the answer is yes or not, but this phenomenon at least completely opens out that in the free trade, Xianyang has not comparable advantage in the market, and the industrial comparable advantage and the fact that the fulfilling degree to the demand of regional industrial products of Xi'an are very obvious. If we want to use Kaldor's theory to more deeply analyze the free trade to Xi'an-Xianyang region, so we need acquire more facts from long-term and dynamic changes. About a half century ago, Gelsh thought that the production was inclined to those industrialized countries which had occupied the large domestic markets before the federation formed. For this learning idea, we can think that the production centralizes to one region, not only because this region is an industrialized region for the development of leading industry, but because this region occupies large market in the gross comparing with relative regions, though these relative regions have formed federation in economy and integration, even in the political system. Furthermore, if we regard Xi'an and Xianyang as two relatively independent industrialized nations, and regard the integration as the federation (in fact, they are not so complex, because there are not many factors such as coin, exchange rate and custom), so we can see that before the federation, because Xi'an is the capital of "Shan'xi United States" and its urban industrialized degree is higher than Xianyang, and it occupies large market, so after the federation, the centralization or agglomeration of production still makes for Xi'an. If Kaldor's opinion offers learning support for us to prove the relative economic meaning that Xi'an has the relative advantage and Xianyang has the relative disadvantage in the free trade before Xi'an-Xianyang economic integration, so Gelsh's opinion opens out the relative economic meaning that after Xi'an-Xianyang economic integration, Xi'an still occupies relative advantage in the agglomeration of industrial production.

Finally, we use the agglomeration growth theory to analyze the absolute economic meaning of Xi'an-Xianyang economic integration. The agglomeration growth theory attracts many economic experts and scholars to apply themselves to study it for a long time because of its very high learning values. Half a century ago, US economist Hirschman pointed out that we thought the economic flying-off would not occur in several regions, and once certain

region realized the economic flying-off, there would be a sort of strong power to centralize the economic growths surrounding the foundation point. Ten years ago, Freedman and Friedman observed that various reforms all occurred in the region which centralized enterprises and universities taking research and development as the objective, and the centralization of these special resources further strengthened the renovation and development ability of these regions. In recent years, regional economics master Masahisa Fujita and geographical economic master Jacques Francois Thisse deeply studied the relationship between the established model with the agglomeration growth, and they thought that the agglomeration and growth were promoted each other. From above theories, we can see that Hirschman put forward the opinion that the growth promoted the agglomeration, and Freedman and Friedman put forward the agglomeration accelerated growth, and Fujita and Thisse's studies not only affirmed former two opinions, but summarized and developed former two opinions. So we can obtain the absolute economic meaning of Xi'an-Xianyang economic integration is that the Xi'an-Xianyang economic integration will promote the economic growth of the whole region of Xi'an-Xianyang, and the economic growth of Xi'an-Xianyang will promote the deepening of Xi'an-Xianyang economic integration, because the integration is just a sort of economic agglomeration activity in space among regions or countries, and this sort of activity is led by man-made factor, i.e. the government. So we can clearly know the absolute economic meaning of Xi'an-Xianyang economic integration.

From above analysis, it seems that we can obtain thus conclusion, i.e. on the one hand, the core-periphery theory and the bi-regional theory tell us the relative economic meaning that Xianyang's low productivity per capita and production agglomeration degree comparing with Xi'an make against the economic growth, and on the other hand, the agglomeration growth theory also tell us the absolute economic meaning that the agglomeration function of integration will promote the whole regional economic growth of Xi'an-Xianyang. Obviously, this conclusion still has cross and thickness in the branch contents, at least its logic is not so strict. So, do problems occur in our ratiocination? Or does disputation occur in the learning theory? In fact, the reason is that our conclusion has not further such flexible relationship between advantage and disadvantage, i.e. the exterior growth produced by industrial centralization may achieve the Pareto optimum. Concretely speaking, when the economic development goes to centralization from decentralization, various inventions and innovations will develop with quicker speed. So, if the economic growth effect produced by industrial centralization is enough large, even for the people who are in the peripheral region, their living level will exceed the people who are in the regions with decentralized industries. We can see that when this opinion affirms the agglomeration growth theory, it also points out the condition of unfavorable regional economic growth for the peripheral region after the happening of economic agglomeration activity. That is to tell us the flexible relationship between the relative disadvantages of peripheral economic region with the advantages brought by the enough large effect of the whole regional economic growth. For the "enough large", we think that it is the economic increase speed of the whole region should exceed the economic increase speed of the peripheral region under the decentralization estate at least. Therefore, we can complete summarize the absolute economic meaning of Xi'an-Xianyang economic integration, i.e. though Xianyang is located in the periphery of the center of Xi'an, and its economic development is limited by low productivity per capita and industrial concentration degree, but with the continually deepening of economic integration degree which will promote the economic growth in the whole region enough fast, the economic growth of Xianyang will be quickened, and this enough quick increase speed will exceed the economic increase speed before Xi'an-Xianyang economic integration at least, and the absolute value of these two increase speeds is the flexibility of the growth speed of Xianyang. In the short term, Xianyang will not obtain large benefits from Xi'an-Xianyang economic integration, but in the long term, Xianyang will gradually benefit from Xi'an-Xianyang economic integration, and with the deepening of the integration degree, the function of agglomeration and decentralization functions of Xi'an-Xianyang region will be stronger and stronger, and the economic growth of this region will gradually quicken.

3. Using the unbalanced growth theory to predict the influence of Xi'an-Xianyang economic integration to Chinese regional economic distribution

Various human activities on the surface of the earth are always represented as a sort of spatial concentricity because of natural or humanism factors such as geography, climate, environment and history. For example, America, Europe, Asia, Africa and US states, Chinese province or municipality all possess spatial concentricity, and even in the primitive society which productivity is very undeveloped, our ancestral collection and hunting activities all presented the nature of community. And the spatial concentricity is very clear in animals and plants, i.e. the phenomena of "things of one kind come together".

However, as viewed from the economics, just the spatial concentricity forms different regional economies, and the developments of different regional economies create the human civilization today because of the existence of the agglomeration growth and cycle accumulation effect. Through further observation, we can find out that this sort of spontaneous or un-spontaneous spatial economic agglomeration activity also forms the descending distribution of global regional economy from north to south, and the descending distribution of Chinese regional economy from east to west according to the degree of productivity. This sort of descending and uneven production distribution makes the global regional economy present a sort of unbalanced moving estate. In the unbalanced movement of regional economy, on the

one hand, the developed regions are more developed, but on the other hand, the undeveloped regions are relative poorer. Xi'an and Xianyang are located in the west that the economy is relatively undeveloped in three economic regions including east, middle and west regions which are divided by economic and technological conditions in China. So what influences will be produced in this unbalanced movement for Xi'an and Xianyang which are located in the economic region after the implementation of economic integration? Or what influences will be brought by the agglomeration growth and cycle accumulation effect to Chinese three economic regions after economic integration?

First, for the comprehensive strength of city, at present, the production total value of these two cities has exceed 57% of the whole Shan'xi region, and the population quantity exceeds 5 million, and the urban areas achieve 370 square kilometer, and the local financial income has breached 11 billion Yuan, and farmer's pure income per capita has achieved 3100 Yuan, and the urban per capita disposable income has achieved 8640 Yuan. After integration, because the agglomeration growth and cycle accumulation effect will be obviously amplified, the economic gross, urban scale and comprehensive economic strength of two cities will be further strengthened. At the same time, with the connection of the light railway and underground between two cities and the continual integration of construction of urban planning, the Guanzhong Plain in Shan'xi certainly will be gradually forms a double composite and dense city system corresponding to super big city for the spatial confirmation, and the composite and dense double-core metropolis, Xi'an-Xianyang double-core metropolis, may become the first largest city in the middle and west of China. Further more, because of the repetitive functions of agglomeration and diffusion, so the Xi'an-Xianyang metropolis will be gradually developed to Guanzhong city group in the Guanzhong Plain with west Baoji city, east Weinan city and north Tongchuan city.

Second, for the city competences, it means the ability that one city possesses to drive the development of region, nation and even the world and create more social fortunes comparing with other cities in the foreign and domestic markets. It not only embodies the competitive ability of one city from the quality efficiency, but emphasizes the development potential and growth aftereffect of the city. The index system to measure it mainly includes the comprehensive economic strength, capital strength, opening degree, talent and science and technology level, management level, basic establishment and house. In 2005, Chinese Academy of Social Sciences ranked the competence of Chinese backland cities, and though the comprehensive competence of Xi'an and Xianyang respectively stood 25th and 200th, but they still had certain comparison advantages in middle and west cities, especially Xi'an not only listed No.1 in the west of China and No.2 in the middle of China, but listed in the seventh position in the whole China because of its abundant scientific and technological strengths. The data not only make us know the large development potential and growth aftereffect of Xi'an-Xianyang in Chinese economic regions, but make us clearer know that the strong scientific and technological competence of Xi'an with the absolute industrial advantages such as electron (the largest color kinescope and deflexion loop manufacturing base in the world), coal (only inferior to Binchang coal mine in the north of Shan'xi) will make Xi'an-Xianyang become into the middle and west high technology R&D and production center in China, and the strong scientific and technological strength of Xi'an will promote the gradual enhancements of innovational production ability, agglomeration growth ability and agglomeration decentralization function for Xi'an-Xianyang in reverse, and accordingly Xi'an-Xianyang metropolis may be the largest economic center in the west of China.

Finally, for the humanism and geographical factors, both Xi'an and Xianyang are thousand years of historical and cultural cities, and Xianyang was the capital of Chinese first feudal dynasty of Qin, and Xi'an was the capital of Han dynasty and Tang dynasty, and both cities have 3300 years' history, and they are the live proofs of ancient China and civilization, and their profound historical and cultural connotations are famous all along in the world. So as viewed from the historical meaning, Xi'an-Xianyang metropolis will perfect and enhance the communication center between Chinese and global ancient civilization and modern civilization. At the same time, Jingyang County which is 20 kilometers north from Xianyang is the geographical coordinate origin of China, so Xi'an-Xianyang metropolis is the real inland core city from the geographical meaning of China.

From above analysis, because of many beneficial factors such as comprehensive strength, competence, humanism and geography, Xi'an-Xianyang economic integration will produce following influences in Chinese three largest economic regions, i.e. gradually generating the Xi'an-Xianyang super metropolis in the west of China, developing and forming the western high technology R&D center and Chinese western economic center, perfecting and enhancing the communication center between Chinese and global ancient civilization and modern civilization, objectively being located as the core city in the inland of China.

4. Using the growth pole theory, the regional economic policy and the environmental economic theory to break the restricting factor of "enough large" in Fujita and Thisse's economic growth effect theory and realize the great dream to build Xi'an-Xianyang Economic Region as the fourth largest economic center of China

Though the total economic strength and competence of Xi'an-Xianyang occupy considerable advantages after economic integration, but because the Chinese three large economic centers which have formed large scale and possessed strong competences are all located in the east and south of China, under the agglomeration growth and cycle effect and the

regional economic unbalanced movement rule, the economic development of Xi'an-Xianyang region which is located in the periphery and far from three centers is relatively disadvantageous objectively. This sort of disadvantageous representation mainly includes low peripheral productivity per capita and weak urban agglomeration and diffusion function. So, after breaking this restricting factor, Xi'an-Xianyang economic region may become into the fourth largest economic center, and make contribution to develop western economy, reduce the economic difference between the west and the east and realize west people's great dream.

First, we must foster and develop the economic growth pole. The growth pole theory was first put forward by German economist F. Perroux, and its innovational ability could intensively drive the quick growth of regional economy and put up strong agglomeration and diffusion effect surrounding the economic growth pole, and accordingly it has become into the pillar theory for many countries and regions to solve many problems such as regional gap and social instability induced by regional economic unbalanced movement and dualistic economic market. So to forest and develop the growth pole can not only possess large practical meaning to drive regional economic quick growth and regional production distribution, but possess same practical meaning to overcome the restricting factors such as low peripheral productivity per capita and weak urban agglomeration and diffusion function. Some industries in the three largest industries of Xi'an-Xianyang not only have occupied comparison advantage in the market of China, even formed uniquely absolute advantage. For example, for the agriculture, the green fruit in Weibei Tableland and its fine production and export trade should be taken as the agricultural growth pole to enhance farmers' incomes, and for the industry, the aviation and other high technology R&D production should be taken as the growth pole of Xi'an-Xianyang industrialization and urbanization, and for the service industry, the developments of the exclusive terra-cotta warriors and horses of the Qin dynasty, the Yang Mausoleum of the Han dynasty, the Mao Mausoleum of the Han dynasty, the Zhao Mausoleum of the Tang dynasty, the Qian Mausoleum of the Tang dynasty and the Xianyang Palace of the Qin dynasty should be taken as the tour growth pole. And these growth poles and grow pole-axes and growth bands will produce chain effect in the region through interaction to form the growth pole region which will drive the quick development and flying-off of the whole Xi'an-Xianyang regional economy through their own agglomeration and diffusion effect, and establish certain speed base for the Xi'an-Xianyang region to realize being the fourth largest economic center.

Second, we must establish and perfect regional economic policies. The regional economic policy is also called as "visible hand", and it includes all public intervention behaviors that the central government aims for improving the geographical distribution of economic activities in one country. And its essential and motivation is to rectify some spatial results induced by the "invisible hand" (market mechanism) through "visible hand" (the public intervention of the government) and achieve the total two mutual associated aim including growth and regional balance. From 1950s to the late of 1970s, when the government of China constituted the national economic distribution strategies, it mainly implemented the national regional economic policies taking the balanced development of region as main objective as same as former Soviet Russia, Brazil and India, and the policy basically realized the relative balanced development between the economy of the middle and west of inland with the economy of the southeast littoral, and possessed certain political meanings to keep social stability and national security. Since the late of 1970s, under the drives of the economic globalization and the macro-policy of reform and opening, to establish export-oriented economy and extend the drive function of foreign trade in national economy, the regional economic policy objective of Chinese government also correspondingly changed to the national regional economic policy taking the priority development of region as main objective. After this policy was implemented, only in five years, four special economic zones had been established and 14 littoral opening cities were opened in about 1/4 national earth area, which largely stimulated the quick development of Chinese economy. At the same time, three large economic centers had been rapidly formed in the southeast of China, and these three centers have been regarded as the "dragon veins" and headspring of the inland economic development in China. However, the implementation of this policy also brought a series of difficult social problems such as reduced employment opportunities, slow income increase, the flow of high quality talents, and deficiency of local financial income in the west region of China. Though the administration was driving the strategy of the Development of the West Regions, but because of the macro huge complexity and the microcosmic long term nature of this strategy, Xi'an-Xianyang economic region will not be changed in the short term. To overcome the peripheral restricting factors surrounding these three centers and realize the great dream of the forth largest economic center of China, Xi'an-Xianyang local governments should apply the central government to further constitute more concrete and purposeful regional economic development assistance policies from various aspects including finance, revenue, investment and industry. Suppose that if the nation could establish Xianyang which is located in the periphery of Xi'an as the free trade region or special development zone or opening city of Chinese inland core according to international current rules after integration, so Xianyang certainly will implement organic integration with global modern civilization by its profound Qin cultural connotation and charm. At the same time, Shan'xi province should also strengthen various policy assistances from various aspects such as finance, revenue, investment and industry, promote the continual deepening of the degree of Xi'an-Xianyang economic integration, increase the agglomeration diffusion and

agglomeration increase ability of Xi'an-Xianyang metropolis, and accordingly the quick growth of the whole Shan'xi economy will be driven. In addition, because the Xi'an-Xianyang economic integration is a long term process, and it needs 10 years to 15 years at least, so Xi'an City and Xianyang City should apply Shan'xi Province to constitute "Xi'an-Xianyang economic integration statute", which will reduce the man-made administrative variable factors in this middle and long term layout, and increase the possibility making Xi'an-Xianyang economic region to form the fourth largest economic center of China.

More importantly, the system of environment economy accounting (SEEA) should be established. The influence of human activity is always the important problem concerning human health and long-term survival since the late of the twentieth century. On the one hand, people are more and more concerning the influences of human economic activities to global and local environment, and on the other hand, human more and more realize that the continual growth of economy and the human welfare all depend on the services provided by the environment. These services include offering the raw material and energies used in production goods and services, absorbing the castoffs produced in human activities, offering basic function in the life support and offering other amusements such as geographical sights. These attentions not only are translated into the questions whether the environment gifts are utilized responsibly, but become into the perfect basic problem of human sustainable development. From this view, though Xi'an-Xianyang government puts forward the objective of environment governance, and has begun to comprehensively govern a series of environments including industry, river, exhaust gas and floating dust, and two cities unite to create national civilization city, sanitation city and environment protection city together, but the human independence degree to economic welfare and environment and the quantitative illegibility of benign environment to promote economy and welfare and the phase and sudden nature of this establishment activity will induce that two cities reduce the ideal long-term emphasis degree and scientific implementation level to the sustainable development. So we must establish a sort of the account researching and analyze the interaction between the environment and economy essentially, and only to combine these two domains, we can test the meanings of different production and consumption mode to the sustainability, which is the SEEA what we need advocate and establish. SEEA is the latest scientific research result and international authoritative literature, which is issued by UN, Europe Committee, IMF, Organization for Economic Cooperation and Development (OECD), World Bank together, and if Xi'an City and Xianyang City first adopt SEEA and bring many problems such as resource consumption, environment protection and environment degeneration into national economic accounting, which could not only implement consistent scientific analysis for the contribution to the economy and the influence to the environment, but produce long-term and profound international influence to the economic integration of two cities. Furthermore, this independence of economy to the environment and the promotion function of benign environment to the economy also decide that we can not only depend on the economic mode to solve the problems of economic quick growth and restriction when we develop the economy. Or else, all economic activities made by people will hold a candle to the sun, and even the behavior that people disobey natural rule will finally reap as we have sown.

In this article, we put forward main theories and practical supports aiming at the objective restricting factors in the long term development of Xi'an-Xianyang economic integration. But in the short term, these two cities should establish scientific work mechanism to deepen the degree of economic integration, quicken the modernized degree of basic establishment taking the traffic as emphasis among regions, continually enhance the urban agglomeration and diffusion function, and accordingly establish necessary and objective base for realizing the dream being the fourth largest economic center in China.

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