

Shanghai Disneyland Theme Park's Influence on the Urban Economy and Employment

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Abstract

Disney is in itself a variety of industrial agglomeration, it settled in Shanghai is a huge impact on the economy and employment in Shanghai, this article mainly through empirical study, GDP and employment in Shanghai investment multiplier, employment elasticity were taken respectively to forecast analysis, it is concluded that increasing GDP 737.95 one hundred million yuan, increasing the employment of 47600 people.

Keywords: Disney theme park, the economy and employment

1. Introduction

As the first Disneyland resort in mainland China, Shanghai Disney resort plans to open their doors at the end of 2015. Resort includes a continuation of traditional Disney theme designed and combined with Chinese characteristics and charm of paradise, the two theme hotels and large retail, dining and entertainment center, perfect leisure facilities. "Disney's economic effect" has gradually in the tourism and leisure, culture, entertainment, leading industry, and many other aspects.

2. Direct Role in the Economic Growth of Shanghai

2.1 The Empirical Analysis

According to the Keynesian macroeconomic theory, a certain amount of investment will lead to several times the national income increase Plus, this is because a department of new investment, not only increase the income of the department, and orders through "chain Should be ", cause the other relevant departments, higher income additional new investment for new revenue, promote other departments

Make the national income growth of the total number of times the initial investment. Public spending and investment will stimulate the effective asked, and the increase of investment will stimulate the economy as a whole have multiplied, called multiplier effect.

Multiplier theory, the set ΔY , ΔI , K respectively national income increment, increment, investment by government investment Number, the investment multiplier formula can be represented as:

$$K = \Delta Y / \Delta I \quad (1)$$

Determine the investment multiplier is the marginal propensity to consume, expressed in ΔC consumption increment, as because $\Delta Y = \Delta C + \Delta I$,

As $\Delta I = \Delta Y - \Delta C$ substitution (1),

$$K = \Delta Y / (\Delta Y - \Delta C) = 1 / (1 - MPC) \quad (2)$$

Among them: $MPC = \Delta C / \Delta Y$

The multiplier formula said: national income increment Y is equal to the government investment as incremental ΔI divided by $1 / (1 - MPC)$, marginal propensity to consume the MPC said, as equals $\Delta C / \Delta Y$. The size of the investment multiplier mainly depends on the size of the marginal propensity to consume. The larger the marginal propensity to consume, the multiplier is larger, the greater the income increment; On the contrary, the smaller the marginal propensity to consume, the multiplier is smaller, the smaller the income increment.

Shanghai consumers during preparing a Disney theme park to completion of the MPC , becomes the key to calculating the Disney theme park multiplier effect.

Through to the Shanghai urban residents per capita disposable income in 1992-2012 and the per capita consumption , regression analysis, calculate the consumption function, then using the consumption function and the MPC concrete numerical definition of marginal propensity to consume.

Tab. 1: Shanghai City Residents per Capita Disposable Income and per Capita Consumption

year	Urban per capita income (yuan)	Urban per capita consumption level (yuan)
1992	3009	2509
1993	4277	3530
1994	5868	4669
1995	7172	5868
1996	8159	6763
1997	8439	6820
1998	8773	6866
1999	10932	8248
2000	11718	8868
2001	12883	9336
2002	13250	10464
2003	14867	11040
2004	16683	12631
2005	18645	13773
2006	20668	14762
2007	23623	17255
2008	26675	19398
2009	28838	20992
2010	31838	23200
2011	36230	25102
2012	40188	26253

With per capita income as the independent variable, the per capita consumption as the dependent variable, a 1992 to 2012 in Shanghai urban per capita disposable income and consumption per capita use Eviews software to linear regression analysis, the following figure

Fig. 1: Shanghai's Per Capita Income and the per Capita Consumption of Linear Graph

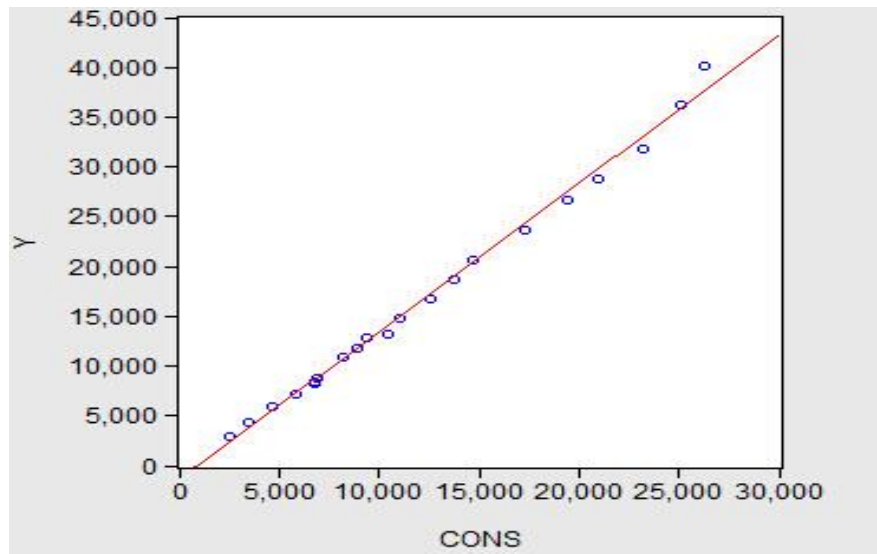


Fig.2: Shanghai's per Capita Income and per Capita Consumption Regression

	Coefficient	Std. Error	t-Statistic	Prob.
C	1078.730	225.9484	4.774230	0.0001
Y	0.668189	0.011404	58.59015	0.0000
R-squared	0.994496	Mean dependent var		12302.24
Adjusted R-squared	0.994206	S.D. dependent var		7213.703
S.E. of regression	549.0983	Akaike info criterion		15.54482
Sum squared resid	5728670.	Schwarz criterion		15.64430
Log likelihood	-161.2207	Hannan-Quinn criter.		15.56641
F-statistic	3432.805	Durbin-Watson stat		0.930976
Prob(F-statistic)	0.000000			

It is concluded that the regression equation:

$$C = 1078.73 + 0.668*Y$$

Among them, as per capita consumption, as per capita income, marginal propensity to consume is 0.668, upon examination, the model significance.

Shanghai Disney project direct investment about 24.5 billion yuan, so this article only direct investment caused by the added value of GDP was confirmed as the following:

$$\Delta Y = 245 / (1 - 0.668) = 737.95$$

2.2 The Result Analysis

Shanghai direct investment caused by the added value of GDP was 73.795 billion yuan, while the indirect investment is not clearly calculated value, not included in this article a calculation, but it is conceivable that indirectly boost investment scale or is RMB one hundred billion. Such a huge value-added effect is also more relevant industry investment, promote the development of Shanghai modern service industry.

3. Promote Job Growth

Disney theme park through its own development, attracting a large number of people, thus forming a flow of consumption, also has the strong effect of employment. Disney theme park is not opened, but radiation economic employment effect ", "Shanghai Disneyland has showing. Walt Disney company is looking forward to looking for all kinds of top professionals, including a front line staffs and innovative project development team, help us to finish the project together. The Walt Disney company (China) recruitment website has enabled, with relevant professional background and professional skill talented person can press "cast archives", apply for Walt Disney China and Walt Disney corp., the company's position, college students and the graduating seniors may apply for the internship. Society people can apply for construction manager, civil engineers, including senior executive chef, translation support management, include administrative management, architectural design, quality assurance, IT technology, such as full-time jobs, most of the applicant's degree required for the relevant professional bachelor degree or equivalent.

To applicant concerned about salary, benefits, in addition to the Walt Disney company has a base pay, incentive plan, special rewards and recognition, will provide "wonderful, especially" additional benefits, such as free theme park tickets, employee discounts, specify the Disney proprietary stores goods discount, corporate sponsorship and service experience, etc.

3.1 An Empirical Analysis of the Disney Theme Park Promote Employment Increase

Based on MAO xinya, gui-xin wang (2005) by utilizing the method of employment elasticity coefficient and the labor productivity, the projections for the expo investment employment benefits analysis. In this paper, according to the theory of economics ideas of employment elasticity and the labor productivity, to increase the relationship with the ratio of GDP growth estimates workers GDP growth driven by the increase of employment, to predict the added value of the Disney theme park stimulating employment.

Because this part is the study of the Disney theme park in the impact on the job, its time for Disney theme park investment and start to Disney theme park project completion and even some older, we determine the Shanghai can increase the ratio of GDP growth and employment relations since 1992 China's market economic system reform to calculate, because in 1992 before the era of planned economy, employment system and is significantly different, statistical caliber also some changes have taken place. As can be seen from the table, the 20 years of Shanghai employment increase and the ratio of GDP growth fluctuation is very big, not very good representative modal; And because this article calculates the Disney theme park hailida international business to a longer period of the total number of, take in the past a period of time the average error is smaller than the median value. The average calculation formula is:

$$\sum n = \sum_{t=1}^k \left(\frac{N_t - N_{t-1}}{GDP_t - GDP_{t-1}} \right) / K$$

Among them, n a 100 million yuan GDP growth stimulating workers increase the number of, respectively, N_t, N_t - 1 t and t - 1 issue of the employment, GDP_t, GDP_t - 1 stage respectively, t and t - 1 gross domestic product (GDP), K refers to the number of years.

Shanghai from 1992 to 2012, the average employment elasticity is 0.00645, namely Shanghai GDP per an increase of 100 million yuan, can increase the 00064.5 people to create more employment opportunities. Disney theme park investment employment calculation formula is:

$$\sum n = \left[\sum_{t=1}^k \left(\frac{N_t - N_{t-1}}{GDP_t - GDP_{t-1}} \right) / K \right] \times \Delta GDP$$

we will calculate the added value of GDP handled to the above formula, the employment of the Disney theme park investment are as follows:

$$\Delta N = 0.00645 \times 737.95 = 4.76$$

Tab. 2: The Relationship between the Ratio of GDP Growth and Increase Employment

year	employee	GDP	increase employee	GDP growth	increase employee/GDPgrowth (10thousand/100 million)
1992	806.91	1114.32			
1993	787.25	1519.23	-19.66	404.91	-0.04855
1994	786.04	1990.86	-1.21	471.63	-0.00257
1995	794.19	2499.43	8.15	508.57	0.016025
1996	851.21	2957.55	57.02	458.12	0.124465
1997	847.25	3438.79	-3.96	481.24	-0.00823
1998	836.21	3801.09	-11.04	362.3	-0.03047
1999	812.09	4188.73	-24.12	387.64	-0.06222
2000	828.35	4771.17	16.26	582.44	0.027917
2001	752.26	5210.12	-76.09	438.95	-0.17335
2002	792.04	5741.03	39.78	530.91	0.074928
2003	813.05	6694.23	21.01	953.2	0.022042
2004	836.87	8072.83	23.82	1378.6	0.017278
2005	863.32	9247.66	26.45	1174.83	0.022514
2006	885.51	10572.24	22.19	1324.58	0.016752
2007	1024.33	12494.01	138.82	1921.77	0.072235
2008	1053.24	14069.87	28.91	1575.86	0.018346
2009	1064.42	15046.45	11.18	976.58	0.011448
2010	1090.76	17165.98	26.34	2119.53	0.012427
2011	1104.33	19195.69	13.57	2029.71	0.006686
2012	1115.5	20181.72	11.17	986.03	0.011328

3.2 The Result Analysis

Effect on employment of Shanghai Disneyland is per GDP increase investment of one hundred million yuan, an increase of 47600 jobs. The direct investment to GDP is driven by short-term employment.

Shanghai Disneyland theme park in addition to create a large number of short-term employment opportunities, but also can create a large number of employment opportunities for a long time, basically has the following three ways: one is needed for the Disney theme park construction need of personnel management, operation of employment; Second, through the construction of the Disney theme parks have greatly improved Shanghai's infrastructure and investment environment, to city attract new investment, the investment will create new employment opportunities; Three is the Disney theme park need corresponding education, training of employees, so as to improve the human capital, to enhance the competitiveness, thus increasing the employment opportunity.

4. Conclusion

The world tourism organization through the scientific prediction, predicts 2020 will become the world's largest tourist destination in China, every year to attract international visitors can reach 140 million people, accounted for 8.6% of the total global international tourists. Constantly developing world theme park, Disney project settle will update consumption concept, optimize the structure of consumption, in the future, the upgrade to expand domestic demand to make a major contribution. Through discussion, this article is a conclusion:

First, Disney theme park in Shanghai to Shanghai economy of the total cost of the pulling effect is very obvious. Calculate according to the investment multiplier effect, the first phase investment of 24.5 billion yuan will be able to promote Shanghai GDP increase the income of 73.795 billion yuan.

In the second place, from Disney's officially started to open business, overall a positive impact on employment in Shanghai. And investment to increase investment in human, all of these is the driving force for the Shanghai job growth. Direct investment to drive the employment effect of each increase of one hundred million yuan GDP, employment can be an increase of 47600.

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