

## Causes of the Development Issues of Producer Services in Suzhou

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### Abstract

As the significance of producer services for the upgrading of manufacturing industry and urban function in Suzhou is gradually recognised, the relative lag of producer services development in Suzhou has also aroused great concern. Based on the development patterns of producer services and the relationship between industry and city, this paper systematically examines five root causes and three operational issues hindering the development of producer services in Suzhou. The former includes constraints from the development mode of export-oriented manufacturing industry, relatively lower urban function level, decentralised spatial layout, shadow effect of surrounding high-level cities, and the high-tech industry policy, etc. The latter covers insufficient attention, unclear development strategy and imperfect policy support. Finally, based on the research findings, the paper proposes policy suggestions on the development of producer services in Suzhou.

### Key Words

Suzhou; Producer services; Obstacles