A Study on the Empowering Effect of Digital Economy Industrial Policies on Common Prosperity in China's Urban and Rural Areas

Weihua Duan [1], Jie Yang [2*], Muhammad Asif[3] , Mengyan Zhang[4]

1 Business School, North Minzu University, yinchuan750011; China, duanweihua@nun.edu.cn
2 School of Humanities and Social Sciences, Guangxi Medical University, Nanning 530021 ;yssa0527@163.com
3 Business Studies Department, Bahria University, Karachi Campus, Pakistan; drasifbaloch78@gmail.com
4 Business School, North Minzu University, yinchuan750011; China,

Fund Project：The authors acknowledge Ningxia Innovation Project for Returned Overseas Students （Code：2024NXLXRYHGCX06）

DOI: https://doi.org/10.5281/zenodo.17819685

Abstract: Guided by the goal of common prosperity, China's urban-rural income gap has narrowed continuously but remains significantly wide. With the intensive implementation of policies such as the "Overall Plan for Building a Digital China," the digital economy has emerged as a new engine driving urban-rural integration. Using panel data from 283 prefecture-level cities in China from 2012 to 2023, this study empirically analyzes the intrinsic relationship and operational mechanisms between digital economy industrial policies and common prosperity in urban and rural areas. The results indicate that the enabling effect of digital economy industrial policies on urban-rural common prosperity exhibits significant regional and digital transformation heterogeneity. Specifically, these policies demonstrate stronger enabling effects in the eastern, central, and northeastern regions and areas with high levels of digital transformation. Mechanism analysis indicates that digital economy industrial policies drive shared prosperity through two pathways: stimulating entrepreneurial activity and enhancing resource allocation efficiency. Based on these findings, this study proposes a three-pronged policy approach: optimizing the digital industrial ecosystem through dual measures, channeling entrepreneurial vitality to precisely nurture the fertile ground of shared prosperity, and pursuing optimal resource allocation solutions through coordinated efforts. These recommendations aim to provide theoretical insights for advancing shared prosperity between urban and rural areas.

Keywords: Digital economy; Industrial policy; Urban-rural common prosperity; Resource allocation efficiency

Introduction

Common prosperity constitutes a vital component of China's strategic blueprint for its new development paradigm and represents a major strategic initiative for building a modern socialist

country in all respects. The report of the 20th CPC National Congress states that "Chinese modernization is a modernization of common prosperity for all the people," emphasizing the need to "strive to uphold and promote social fairness and justice, promote common prosperity for all the people, and resolutely prevent polarization." This underscores the nation's determination and confidence in comprehensively advancing common prosperity. In fact, the long-standing dualistic urban-rural development pattern has led to issues such as imbalanced resource allocation [1] and uncoordinated economic and social development [2], becoming a key factor hindering the realization of common prosperity across the entire territory. The Third Plenary Session of the 20th CPC Central Committee pointed out that we should "improve the institutional mechanisms for integrated urban-rural development" and " comprehensively enhance the integration of urban and rural planning, construction, and governance, promote the equal exchange and two-way flow of factors between urban and rural areas, and narrow the urban-rural gap." This clearly signals China's resolve to shape the internal driving force for shared prosperity in both urban and rural areas by promoting coordinated urban-rural development. As a vital engine for advancing shared prosperity across urban and rural regions, digital economy industrial policies can stimulate entrepreneurial activity in both areas through national and local fiscal subsidies, promote the digital transformation of agriculture, bridge the development gap between urban and rural areas, and drive shared prosperity [3]. The Action Plan for Digital Rural Development (2022-2025), jointly issued by the Cyberspace Administration of China, the Ministry of Agriculture and Rural Affairs, and other departments, takes driving digital agriculture construction as its starting point. It proposes a series of digital economy industrial policies, such as "deepening the construction of big data for the entire industrial chain of single crops" and "accelerating the digital transformation of agricultural production," further charting the course toward achieving common prosperity in both urban and rural areas. This suggests that, grounded in a profound understanding of the inherent logic between "growing the pie" and "sharing the pie," exploring the impact of digital economy industrial policies on shared prosperity holds strong theoretical validity and practical necessity.

As the digital economy emerges as a new growth engine, digital economy industrial policies have increasingly become a focal point in both academic and practical circles. Some scholars argue that such policies can exert demonstration and leadership effects, generating positive impacts on enterprise, industry, and regional development. Regarding enterprise development effects, Tao et al. (2025) [4]find that digital economy policies can drive cross-boundary digital innovation among enterprises. Zhou (2024)[5] discover that digital economy policies can promote corporate digital technological innovation through intermediary channels such as easing financing constraints and optimizing the business environment. Regarding the effects of industrial development, Yu et al. (2024) [6]pointed out that digital economy industrial policies can positively influence industrial structure upgrading, with the expansion of the digital economy serving as an intermediary mechanism in this relationship. Regarding the regional development effects of digital economy industrial policies, Li and Qiu (2022) [7] find that the coordinated implementation of digital economy industrial policies and the collaborative framework for digital industrialization jointly elevate the level of high-quality regional economic development in the Middle Yangtze River Urban Agglomeration. Additionally, some scholars have conducted in-depth investigations into the characteristics of digital economy industrial policy instruments. Liu and Gao (2022)[8] conclude that China's digital industrial policies are shifting from primarily supply-oriented to environment-

oriented approaches, with policy focus gradually shifting toward digital new infrastructure, driving industries, and induced industries.

Common prosperity for both urban and rural areas is an essential requirement of socialism with Chinese characteristics and an inherent part of promoting high-quality social development. In terms of specific focus, current research primarily examines the factors influencing common prosperity. Three main types of digital economy-derived factors impact common prosperity. First, the influence of digital economy-derived factors on common prosperity at the county level is examined. He et al. (2022) [9] conducted empirical tests using county-level data, finding that digital financial development can effectively narrow the urban-rural income gap and thereby promote county-level common prosperity. Among these, industrial structure and urbanization rate can positively moderate the effectiveness of digital finance in bridging the urban-rural income gap. Zhang and Shan (2023) [10] found that the digital economy can effectively alleviate distortions in capital factor allocation, promote urban-rural integration in counties, and advance county-level common prosperity. However, labor factor allocation exerts an inhibitory effect on the digital economy and county-level common prosperity. Second, the impact of digital economy-derived factors on farmers' and rural areas' common prosperity. Liu and Zhao (2025) [11]concluded that digital rural development can enhance farmers' household income while promoting the sharing of development outcomes, thereby advancing farmers' and rural areas' common prosperity. Kong (2024) [12]demonstrates that digital inclusive finance can elevate rural residents' income levels, bridge intra-regional income gaps, and advance shared prosperity for farmers and rural areas, with consumption upgrading serving as an intermediary effect. Additionally, scholars have explored the impact of digital economy-derived factors on shared prosperity in revolutionary areas. Lin et al. (2023) [13]indicate that digital rural development positively promotes common prosperity in revolutionary base areas. As dual sub-dimensions of digital rural development, digital infrastructure conditions can exacerbate the urban-rural digital divide in these areas, while digital rural governance can narrow urban-rural income gaps and empower common prosperity in revolutionary areas.

Synthesizing the above findings reveals two key observations. First, extensive research has delved into the impact effects and instrumental characteristics of digital economy industrial policies, providing theoretical references and methodological guidance for this study. However, few scholars have examined the broad scope of digital economy industrial policy impacts or investigated their effects on urban-rural common prosperity. On the other hand, integrating literature on common prosperity reveals that digital economy-derived factors significantly influence common prosperity ,regardless of the specific dimension examined. This raises the question: As a crucial institutional safeguard for advancing strategic emerging industries, can digital economy industrial policy, the driving force behind the development of these factors, also contribute to urban-rural common prosperity? Building upon these questions, this study attempts innovative breakthroughs at the following levels: First, it broadens existing research perspectives by integrating digital economy industrial policies and urban-rural common prosperity into a unified analytical framework. It systematically dissects the theoretical mechanisms through which digital economy industrial policies promote common prosperity, thereby making substantial contributions to this field. Second, through empirical analysis, it delves into the direct impact of digital economy industrial policies on shared prosperity, examining entrepreneurial activity and resource allocation efficiency as key mechanisms of this impact. This investigation aims to uncover the operational pathways linking

these policies to shared prosperity, thereby charting new practical approaches to achieving urban-rural convergence.

Literature Review:

Theoretical Analysis and Research Hypotheses

(1) Direct Impact of Digital Economy Industrial Policies on Urban-Rural Common Prosperity

Digital economy industrial policies refer to government measures that focus on core digital industries, macro-regulate resource allocation and industrial development, and provide policy support, financial resource bias, and preferential subsidies to digital economy-related sectors [14]. Typically, such policies utilize tax services and financial support as incentives to activate the driving forces of digital industry development and promote comprehensive prosperity in urban and rural areas. Regarding tax service quality enhancement, China's urban and rural digital industries currently face practical challenges, including dispersed taxpayer bases, difficulties in accessing tax-related information, and ambiguous delineation of tax collection authority [15]. Against this backdrop, tax services can address the current pain points in urban and rural taxation by accelerating the development of smart tax collection systems. This will enhance the capacity to gather tax information and collect taxes for digital industries across urban and rural areas, breaking down barriers to cross-level and cross-regional flows of tax-related information. Consequently, tax services can increase government fiscal revenue, expand the "pie" of social wealth, elevate the level of fiscal transfers, and broaden the coverage of public services and welfare [16]. This empowers coordinated urban-rural development, enhances public welfare, and paves the way for shared prosperity across both areas. From a funding perspective, the digital industry requires significant capital investment as it progresses through the stages of digital breakthroughs, technology extension, and deep application. Particularly in economically underdeveloped urban and rural regions, shortages of digital talent and infrastructure lead to scarce quality investment resources, resulting in substantial financing challenges during the initial construction phase of digital projects. Financial support within digital economy industrial policies can target fiscal incentives for digital platform construction and smart-agricultural transformation projects. This approach effectively redistributes social wealth, alleviates financing constraints for digital industries in both urban and rural areas, attracts external investment to rural regions, broadens income growth pathways for urban and rural residents, and helps both sectors share in the digital dividend, painting a new picture of shared prosperity. Based on this, the following hypothesis is proposed.

Hypothesis 1: Digital economy industrial policies can drive shared prosperity between urban and rural areas.

(2) Indirect Impact of Digital Economy Industrial Policies on Urban-Rural Common Prosperity

Digital economy industrial policies can advance shared prosperity through two pathways: stimulating entrepreneurial activity and enhancing resource allocation efficiency. On the one hand, these policies can energize entrepreneurship to empower shared prosperity. First, by targeting groups such as recent graduates and unemployed individuals in rural areas through tax reductions, fee cuts, tax rebates, and deferred payments [17] to unlock tax benefits for digital industry startups in

both urban and rural areas. This reduces the tax burden on early stage entrepreneurs in the digital era and boosts entrepreneurial activities. With this support, digital economy industrial policies can encourage startups to leverage the cost and resource advantages of economically underdeveloped regions to develop distinctive industries, guiding the incubation of digital entrepreneurship projects in rural areas [18]. This can drive the deployment of digital infrastructure in both urban and rural areas, increase employment opportunities in related fields, and thereby alleviate burdens and difficulties in these regions, empowering shared prosperity across urban and rural areas. Second, digital economy industrial policies can prompt local governments to issue a series of external subsidies, such as employment promotion subsidies for digital industry start-ups and awards for entrepreneurial incubation demonstration bases. This guides certain enterprises and groups in urban and rural areas to engage in entrepreneurial activities centered around the digital industry under the "profit-seeking" effect, thereby enhancing entrepreneurial activity[19]. This facilitates the aggregation, sharing, and application of data elements across urban and rural areas, expands the coverage of digital resources in rural regions, lays a solid foundation for emerging business models such as specialty agriculture, rural tourism, and rural e-commerce, boosts entrepreneurial activity in the digital sector, and leverages shared prosperity between urban and rural areas.

On the other hand, digital economy industrial policies can enhance resource allocation efficiency and empower shared prosperity between urban and rural areas. First, the indirect guidance effect of digital economy industrial policies is examined. The key to implementing these policies lies in increasing tax incentives for strategic emerging industries and technological innovation in both urban and rural areas and establishing tax benchmarks and rates for various industries and products [20] to guide resources toward sectors with relative advantages in economic development and promote rational resource allocation. Consequently, digital economy industrial policies can drive the transfer of digital capital and technology to rural areas, enhance investment return expectations in rural regions, accelerate the flow of urban-rural resources, and improve resource allocation efficiency. Furthermore, by enhancing resource allocation efficiency, these policies can overcome the dual challenges of "dispersed demand and concentrated supply" in urban-rural resources, narrow the income gap between urban and rural residents, bridge the urban-rural economic divide, and advance shared prosperity across urban and rural areas. Second, the direct intervention effect of digital economy industrial policies is examined. Digital economy industrial policies can serve as signaling and demonstration mechanisms, guiding various sectors to provide financial support for digital industry development in both urban and rural areas, thereby facilitating the integration of the digital and physical economies. Moreover, these policies can accelerate the digital transformation of rural industries, enhance the ability to extract and convert the value of rural digital resources, and promote efficient matching and precise alignment between external investment and local industries. This effectively alleviates information asymmetry and improves resource allocation efficiency [21]. Consequently, digital economy industrial policies can empower the upgrading of urban and rural industrial structures by improving resource allocation efficiency, invigorating local economies, accelerating the transformation of urban-rural development drivers, and promoting shared prosperity across urban and rural areas. Based on this, the following hypotheses are proposed.

Hypothesis 2: Digital economy industrial policies promote common prosperity in both urban and

rural areas by enhancing entrepreneurship.

Hypothesis 3: Digital economy industrial policies promote common prosperity in urban and rural areas by improving resource allocation efficiency.

Research Design

(1) Model Construction

To empirically analyze the impact of digital economy industrial policies on shared prosperity in urban and rural areas, the following econometric model was designed:

$$Cp_{it} = \theta_0 + \theta_1 Ti_{it} + \theta_2 Fs_{it} + \theta_3 Controls_{it} + \delta_i + \gamma_t + \varepsilon_{it} \quad (1)$$

In the above equation, i and t denote city and year, respectively; Cp_{it} represents common prosperity between urban and rural areas; θ_0 is the intercept term; θ_1 and θ_2 correspond to θ_3 represent regression coefficients for tax services, financial support, and control variables, respectively; δ_i and γ_t denote urban and year fixed effects; ε_{it} is the random error term.

(II) Variable Selection

1. Dependent Variable

Urban-Rural Common Prosperity (Cp). This encompasses dual sub-dimensions of affluence level and shared development outcomes, involving multidimensional indicators such as urban-rural residents' income, basic public service levels, and consumption expenditure. Considering that calculating the comprehensive index for urban-rural common prosperity only allows for macro-level comparisons, which is unfavorable for focusing on regional urban-rural development levels, this study adopts Yang (2023) [22] to use disposable income as an indicator of urban-rural prosperity. The Theil index is employed to measure the urban-rural income gap, reflecting the level of shared development outcomes. A smaller income gap indicates higher levels of shared development benefits. The rationale for selecting these measurement approaches is as follows: First, income level is a key determinant of people's prosperity, directly reflecting residents' quality of life and consumption levels. Second, the report of the 20th CPC National Congress states that "the distribution system is a fundamental system for promoting common prosperity," and identifies "increasing the income of low-income groups and expanding the middle-income group" as the fundamental approach to steadily advancing common prosperity. The primary methods currently used to measure income disparities include the Gini coefficient, the urban-rural income ratio, and the Theil index. Among these, the Gini coefficient can only measure income distribution gaps at the overall societal level and cannot reveal income disparities between regions or industries. The urban-rural income ratio fails to account for changes in the proportion of urban and rural populations, making it prone to estimation bias. Therefore, the Theil index is used to measure urban-rural income disparities, with the specific calculation formula as follows:

$$Gap = \sum_{i=1}^{2} \frac{I_{it}}{I_t} \times \ln\left(\frac{I_{it} / I_t}{P_{it} / P_t}\right) \quad (2)$$

In Equation (2), Gap represents the Theil index; i denotes the region (i =1/2 respectively represent rural/urban areas); t indicates the year; I signifies disposable income per capita; P represents the resident population. A higher value of Gap indicates a smaller urban-rural income gap, signifying a higher level of shared development outcomes between urban and rural areas, and vice versa.

2. Explanatory Variables

Digital Economy Industrial Policy ($Ipde$). Digital economy industrial policy can be categorized into two dimensions: tax services (Ti) and financial support (Fs). Following the methodology of Sun et al. (2023) [23], tax services are measured by the proportion of prefecture-level cities' business taxes and surcharges related to the digital economy, plus the local retention

portion of the current year's payable value-added tax, relative to total fiscal revenue. Following the methodology of Zhang and Tong (2023) [24], financial support is represented by the proportion of subsidy allocations for digital economy-related industries relative to total fiscal allocations at the prefecture-level municipal government level.

3. Control Variables

To enhance model robustness and ensure research accuracy, drawing on existing studies [25-27], other variables potentially influencing urban-rural common prosperity were incorporated into the empirical testing process: (1) Financial development level (Fdl) was represented by the ratio of outstanding loans from financial institutions to GDP. (2) Infrastructure development level (Ic) was measured by the length of paved railways and expressways per 10,000 urban residents. (3) Cost of living (Cl) is measured using the average standardized residential property sales price in cities. (4) Population aging (Pa) is represented by the proportion of the urban population aged 65 and above. (5) Industrial structure (Id) is assessed using an industrial structure upgrading coefficient, drawing on the methodology proposed by Cheng and Liu (2023) [28] approach, the industrial structure upgrading coefficient is calculated as follows: $Id = \sum_{i=1}^{3} I_i \times i$. Here, I_i represents the share of industrial value-added in GDP; i denotes the industrial sector, where i =1,2,3 corresponds to primary, secondary, and tertiary industries respectively; Id ranges from 1 to 3, with higher values indicating a more advanced industrial structure. (6) Urbanization level ($Urban$) is expressed as the ratio of urban population to total population.

(III) Data Sources

Panel data from 283 prefecture-level cities in China from 2012 to 2023 were selected as the research sample. Empirical tests examined the impact and operational mechanisms of digital economy industrial policies on shared prosperity between urban and rural areas. The primary data sources included the China Statistical Yearbook, China Urban Statistical Yearbook, China Finance Yearbook, China Urban and Rural Construction Database, the National Bureau of Statistics website, and local prefecture-level city tax bureau websites. Partially missing data were supplemented using interpolation.

IV. Empirical Analysis

(1) Descriptive Statistics

To objectively reflect the fundamental characteristics and developmental patterns of each variable, quantitative research was conducted on the observed data, yielding descriptive statistical results as detailed in Table 1.

Table 1 Descriptive Statistics Results

Variable Name	Definition	Observed Value	Mean	Standard Deviation	Minimum	Maximum
Common prosperity for urban and rural areas	Cp	3396	0.3846	0.0633	0.1527	0.7173
Tax Services	Ti	3396	0.4215	0.0519	0.2136	0.6438
Financial Support	Fs	3396	0.4473	0.1136	0.0548	0.7453
Entrepreneurial Activity	Ea	3396	1.6316	0.2759	0.0325	5.2174
Resource Allocation Efficiency	Rae	3396	0.3271	0.1428	0.0000	1.0000
Level of Financial	Fdl	3396	0.5643	0.0179	0.1423	0.7769

Development						
Infrastructure Development Level	*Ic*	3396	2.1458	0.0944	1.7615	3.5742
Cost of Living	*Cl*	3396	1.8528	0.0731	1.3433	6.9354
Population Aging	*Pa*	3396	0.3259	0.0611	0.1147	0.5268
Industrial Structure	*Id*	3396	1.2538	0.1657	1.0000	3.0000
Urbanization Rate	*Urban*	3396	0.4319	0.1215	0.2431	0.5697

(II) Benchmark Regression Analysis

Table 2 presents the benchmark regression results, showing the impact of tax services and financial support on urban-rural common prosperity. Column (1) reports the benchmark regression results without introducing control variables, while Columns (2)–(7) present the estimation results with control variables incorporated. It can be observed that regardless of whether the control variables are included, the estimated results for tax services consistently remain significantly positive. For every one-unit increase in the intensity of tax services, the level of urban-rural common prosperity increases by 0.0589 units. The regression coefficient for financial support is 0.1129, passing the positive test at the 1% significance level. This indicates that for every one-unit increase in financial support, the level of urban-rural common prosperity increases by 0.1129 units. The combined regression results reveal that during the study period, both enhanced tax services and increased financial support effectively promoted urban-rural common prosperity. This confirms that digital economy industrial policies can advance common prosperity, thereby supporting Hypothesis 1. Comparing the estimated coefficients, the regression value for financial support exceeds that of tax services, indicating a stronger impact of financial support on the common prosperity.

Regarding the control variables, the estimated coefficients for the financial development level, infrastructure development level, industrial structure, and urbanization level are all significantly positive, indicating that these variables can effectively promote urban-rural common prosperity. This may be because improvements in urbanization and financial development can shape an integrated urban-rural development pattern, address the shortcomings of insufficient financial resources and service outlets in rural areas, narrow the income gap between urban and rural residents, and advance urban-rural common prosperity. Improvements in infrastructure construction can significantly elevate the quality of life for residents in both urban and rural areas, enhance the inclusiveness of public services, reduce the costs of economic activities, and empower shared prosperity. Furthermore, the advancement and rationalization of the industrial structure can optimize income distribution patterns, alleviate the contradiction in productive forces between urban and rural areas, cultivate momentum for economic development in both sectors, help bridge the urban-rural development gap, and promote shared prosperity. Conversely, both the cost of living and population aging exhibit significantly negative coefficients in their impact on shared prosperity, indicating that they exert a pronounced inhibitory effect. The rise in living costs means that higher proportions of disposable income are allocated to healthcare, education, and housing, widening the wealth gap between urban and rural residents and hindering progress toward shared prosperity. Population aging leads to a continuous increase in the proportion of elderly residents, thereby reducing overall social productivity. This, in turn, causes some middle-to high-income groups to shift into middle-to low-income brackets, widening the wealth gap and slowing the progress toward shared prosperity in both urban and rural areas.

Table 2: Benchmark Regression Results

Variable Name	(1)	(2)	(3)	(4)	(5)	(6)	(7)
Ti	0.0884*** (0.0288)	0.0633*** (0.0216)	0.0288*** (0.0104)	0.0659*** (0.0233)	0.0733*** (0.0251)	0.0431*** (0.0124)	0.0589*** (0.0143)
Fs	0.1876*** (0.0543)	0.1523*** (0.0429)	0.0687*** (0.0235)	0.1125*** (0.0379)	0.1356*** (0.0366)	1.1771*** (0.3506)	0.1129*** (0.0316)
Fdl		0.1281*** (0.0328)	0.1298** (0.0542)	0.1132*** (0.0312)	0.1059*** (0.0287)	0.0876*** (0.0307)	0.0949*** (0.0324)
Ic			0.0778*** (0.0266)	0.0643*** (0.0219)	0.0715*** (0.0249)	0.0983*** (0.0345)	0.1151* (0.0687)
Cl				-0.0798*** (0.0258)	-0.0297*** (0.0095)	-0.0437*** (0.0146)	-0.0521*** (0.0133)
Pa					-0.0365*** (0.0128)	-0.0218** (0.0095)	-0.0193*** (0.0058)
Id						0.0271*** (0.0087)	0.0664*** (0.0213)
Urban							1.3711*** (0.4238)
City Fixed Effects	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
Year Fixed Effects	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*	*Yes*
Sample Size	3396	3396	3396	3396	3396	3396	3396
R^2	0.7623	0.8517	0.7429	0.8634	0.7412	0.8543	0.7628

Note:***,**,*denote1%,5%,and10% confidence levels, respectively; values in parentheses indicate standard errors.

(3) Endogeneity Issues

Considering potential endogeneity issues such as reverse causality in the impact of digital economy industrial policies on common prosperity in urban and rural areas, this study employs two approaches — two-stage least squares (2SLS) and instrumental variables (IV) — to mitigate endogeneity concerns. The first-order lagged terms of tax services and financial support are utilized as instrumental variables. To assess the validity of these IVs, tests for unidentifiability and weak instrumentality are conducted separately (see Table 3 for details). It is evident that the estimated coefficients for digital economy industrial policies all pass the 1% statistical significance test, with the F-value in the first stage far exceeding 10. All instrumental variable regression coefficients pass the positive test at the 1% statistical significance level. The Kleibergen-Paap rk LM P-value is 0.0000, significantly below 0.01, rejecting the null hypothesis of unidentifiability of the instrumental variables. The Hansen test P-value exceeds 0.1, indicating that the instrumental variables are appropriately selected, satisfying both exogeneity and relevance. This excludes endogeneity concerns, confirming the conclusions of the prior benchmark regression.

Table 3 Endogeneity Test

Variable Name	(1)	(2)	(3)	(4)
	Phase One *Ipde*	Phase Two *Cp*	Phase One *Ipde*	Phase Two *Cp*
L.Ti	0.0329*** (0.0107)		0.0613*** (0.0158)	
L.Fs	0.0416*** (0.0133)		0.0827*** (0.0235)	
Ipde		0.3128*** (0.1059)		0.3594*** (0.1143)
Constant term	-0.1242 (0.0852)	0.0345*** (0.0106)	-0.1759* (0.0943)	-0.0253*** (0.0078)
Control Variables	*No*	*No*	*Yes*	*Yes*
First-stage F-value		211.36	169.48	
Kleibergen-Paap rk LM P-value		0.000		0.000
Hansen test P-value		0.3299	0.4531	
City fixed effect	*Yes*	*Yes*	*Yes*	*Yes*
Time Fixed Effects	*Yes*	*Yes*	*Yes*	*Yes*
Observations	3396	3396	3396	3396
R^2	0.7123	0.8638	0.9315	0.9645

(IV) Robustness Tests

Given the possibility of estimation bias in the benchmark regression results, robustness tests were conducted to address potential outliers and issues related to variable measurement selection during the empirical process. The results are presented in Table 4.

1. Alternative Approach to Measuring Urban-Rural Common Prosperity

Following the methodology of Xi and Wang (2023) [29], the urban-rural common prosperity

index is employed to represent the level of common prosperity. The specific calculation steps are as follows: First, the research sample is divided into urban and rural segments, with the highest per capita income value serving as the standardized base for the prosperity index. Second, the smallest Gini coefficient value within the sample is selected. The difference between 1 and this Gini coefficient serves as the reference for income distribution fairness. Based on the formula Common Prosperity = 1 - |Wealth Index - Common Prosperity Index|, the urban and rural common prosperity indices are calculated separately. Finally, the urban common prosperity index is divided by the rural common prosperity index to obtain the urban-rural common prosperity index ratio, which represents the level of common prosperity between urban and rural areas. After replacing the urban-rural common prosperity measurement method and re-substituting it into equation (1) for regression, the specific results are reported in column (1) of Table 4. It can be observed that the estimated coefficients of the main explanatory variables are significant at least at the 10% statistical level, consistent with the findings of previous studies. This corroborates the robust conclusion that digital economy industrial policies can promote urban-rural common prosperity.

2. Bilateral Truncation and Bilateral Truncation Treatment

To correct estimation biases caused by extreme values, following the methodology of Yu et al. (2020) [30], we applied bilateral trimming at the 2.5% level and bilateral truncation to urban-rural common prosperity. The results are presented in columns (2) to (3). The data indicate that the sign, magnitude, and significance level of the estimated coefficients for tax services and financial support remain largely unchanged compared to the baseline regression, confirming the robustness of the conclusion that digital economy industrial policies can effectively advance shared prosperity between urban and rural areas.

3. Excluding Municipality-Level Data

Municipalities directly under central government jurisdiction possess first-mover advantages in policy incentives, resource endowments, factor allocation, and economic foundations, which may influence the identification of causal relationships in empirical analysis. Therefore, we excluded the four municipalities—Beijing, Tianjin, Shanghai, and Chongqing—and reran the regression, as detailed in Column (4) of Table 4. The results show that the estimated coefficients for tax services and financial support remain significantly positive, confirming the robustness of our conclusions.

Table 4 Robustness Test Results

Variable Name	(1) Replace the measurement method of the interpreted variable	(2) Bilateral truncation of 2.5%	(3) Bilateral trimming 2.5%	(4) Exclude municipality data
Ti	0.0289* (0.0168)	0.0089*** (0.0029)	0.0099*** (0.0023)	0.0532*** (0.0178)
Fs	0.0558* (0.0335)	0.0948*** (0.0325)	0.0734*** (0.0247)	0.0741*** (0.0254)
Control Variables	*Yes*	*Yes*	*Yes*	*Yes*
City Fixed Effects	*Yes*	*Yes*	*Yes*	*Yes*
Year Fixed	*Yes*	*Yes*	*Yes*	*Yes*

Effects				
Sample Size	3396	3396	3396	3348
R^2	0.6233	0.0721	0.0841	0.7125

V. Extension Tests and Analysis

(1) Heterogeneity Test

To conduct a more detailed analysis of how tax services and financial support under digital economy industrial policies impact common prosperity in urban and rural areas, we performed grouped regression analysis on the entire sample based on region and digitalization level, building upon the preceding research. This examined the heterogeneity of the impact of digital economy industrial policies on common prosperity across urban and rural areas.

1. Regional Heterogeneity Analysis

Under the influence of regional differences, China's eastern, central, western, and northeastern regions exhibit significant disparities in geographical environment, distribution structure, and production capacity. These variations may lead to regional heterogeneity in the impact of digital economy industrial policies on urban-rural common prosperity. Following the classification standards of the National Bureau of Statistics, the research sample was divided into eastern, central, western, and northeastern regions for regional heterogeneity analysis. The results of the grouped tests are reported in Table 5. Results indicate that the impact coefficients of digital economy industrial policies on urban-rural common prosperity are 0.1243, 0.0156, and 0.0079 for the eastern, central, and northeastern regions, respectively. All pass the positive test at the 5% confidence level, demonstrating stronger effectiveness of these policies in promoting common prosperity in eastern, central, and northeastern China. Comparing the estimated coefficients across the three regions reveals that the regression values for all sub-indicators of digital economy industrial policies in the eastern region are higher than those in other regions. This indicates that digital economy industrial policies have the most significant enabling effect on urban-rural common prosperity in the eastern region.

Table 5 Regional Heterogeneity Test

Variable Name	(1)	(2)	(3)	(4)
	Eastern Region	Central Region	Western Region	Northeast Region
Ti	0.1243*** (0.0359)	0.0156*** (0.0047)	0.0045 (0.0042)	0.0079** (0.0031)
Fs	0.1747*** (0.0562)	0.0214*** (0.0063)	0.0039 (0.0031)	0.0068** (0.0029)
Control Variables	*Yes*	*Yes*	*Yes*	*Yes*
City Fixed Effects	*Yes*	*Yes*	*Yes*	*Yes*
Year Fixed Effects	*Yes*	*Yes*	*Yes*	*Yes*
Sample Size	1152	972	864	408

R^2	0.7315	0.6842	0.7263	0.8524

2. Analysis of Heterogeneity in Digital Transformation

Digital transformation serves as a prerequisite for cities to implement digital economy industrial policies, and to some extent influences the relationship between such policies and shared prosperity across urban and rural areas. The level of digital transformation in cities was measured using the rankings from the "2021 China Digital Economy City Development White Paper" published by CCID Consulting's Digital Economy Industry Research Center. Cities ranked in the top 15 were categorized as having high-level digital transformation, while the remainder were classified as low-level. The results are presented in Table 6. Data reveals that in cities with high-level digital transformation, the impact coefficients of tax services and financial support on urban-rural common prosperity are 0.1365 and 0.1524 respectively, both statistically significant at the 1% level. In cities with low-level digital transformation, the impact coefficients are 0.0942 and 0.1096 respectively, but neither passes the significance test. These findings indicate that digital economy industrial policies exert a stronger enabling effect on urban-rural common prosperity in regions with high levels of digital transformation.

Table 6 Heterogeneity Test for Digital Transformation

Variable Name	(1)	(2)
	High-Level Digital Transformation	Low-Level Digital Transformation
Ti	0.1365*** (0.0479)	0.0942 (0.0815)
Fs	0.1524*** (0.0433)	0.1096 (0.0953)
Control Variables	*Yes*	*Yes*
City Fixed Effects	*Yes*	*Yes*
Year Fixed Effects	*Yes*	*Yes*
Sample Size	1740	1656
R^2	0.8425	0.7319

(II) Testing the Mechanism of Digital Economy Industrial Policy on Urban-Rural Common Prosperity

Having previously examined the relationship between tax services, financial support, and common prosperity in urban and rural areas, we further elucidate the intrinsic mechanism linking digital economy industrial policies to common prosperity. Drawing on the methodology[of]Hayes and Andrew F (2009) [31], we construct the following model:

$$Cp_{i,t} = \omega_0 + \omega_1 Ipde_{i,t} + \omega_2 Controls_{i,t} + \delta_i + \gamma_t + \varepsilon_{i,t} \quad (3)$$

$$M_{i,t} = \omega_0 + \omega_1 Ipde_{i,t} + \omega_2 Controls_{i,t} + \delta_i + \gamma_t + \varepsilon_{i,t} \quad (4)$$

$$Cp_{i,t} = \omega_0 + \omega_1 Ipde_{i,t} + \omega_2 M_{i,t} + \omega_3 Controls_{i,t} + \delta_i + \gamma_t + \varepsilon_{i,t} \quad (5)$$

Where $M_{i,t}$ represents the mediating variables, encompassing entrepreneurial activity (Ea) and resource allocation efficiency (Rae); ω_1 reflects the total impact of digital economy

industrial policies on urban-rural common prosperity; γ_1 denotes the direct impact of digital economy industrial policies on urban-rural common prosperity. The definitions of other variables remain consistent with Equation (1). Entrepreneurial activity is measured using the method proposed by Hui (2023) [32] methodology, using the population of the sample cities as the standardized base and the number of newly established enterprises per hundred people as the indicator. Resource allocation efficiency draws on the approach of Yuan and Lü(2022) [33] to reflect the degree of capital-labor factor mismatch through factor price distortions. The specific calculation formula is as follows:

$$Dis\_k = \frac{mp_k}{r} - 1 = \beta_k \frac{p_i y_i}{r k_i} - 1 \quad (6)$$

$$Dis\_l = \frac{mp_l}{w} - 1 = \beta_l \frac{p_i y_i}{w l_i} - 1 \quad (7)$$

In the above equations, Dis_k and Dis_l represent capital factor mismatch and labor factor mismatch, respectively. mp_k and mp_l denote marginal capital productivity and marginal labor productivity, respectively. r and w denote capital price and labor price, respectively. r is set at 10%, representing a 5% real interest rate and a 5% depreciation rate. w is represented by the average per capita wage income of urban units. β_k β_l represent the output elasticities of capital and labor, estimated uniformly using the C-D production function and derived via the least squares dummy variable method. $p_i y_i$ k_i represents nominal output, measured by the gross domestic product of the sample cities in the study year. and l_i denote capital stock and labor stock, respectively. k_i is measured by the total actual employment at year-end. l_i is estimated using the perpetual inventory method. To mitigate the impact of negative values from factor misallocation on the research conclusions, the capital misallocation index and labor misallocation index are summed and expressed as absolute values to represent resource allocation efficiency.

Furthermore, entrepreneurial activity (Ea) and resource allocation efficiency (Rae) were separately incorporated into the mediation effect testing model.

with regression results reported in Tables 7 and 8. Column (1) of Table 7 indicates that both tax services and financial support exhibit significantly positive coefficients for influencing common prosperity between urban and rural areas, demonstrating that digital economy industrial policies effectively promote this goal. Column (2) shows that both tax services and financial support have significantly positive estimated coefficients for entrepreneurial activity, suggesting these policies effectively enhance entrepreneurial dynamism. Comparing the data in columns (1) and (3), the regression coefficients for digital economy industrial policies in column (3) are significantly smaller than those in column (1). This indicates that digital economy industrial policies promote common prosperity through the important channel of enhancing entrepreneurial activity, confirming Hypothesis 2.

Table 7: Testing the Mechanism of Digital Economy Industrial Policy on Urban-Rural Common Prosperity (Part I)

Variable	*Cp* (1)	*Ea* (2)	*Cp* (3)
Ti	0.1843*** (0.0519)	0.0725*** (0.0233)	0.1596*** (0.0437)
Fs	0.3219*** (0.1072)	0.1159*** (0.0346)	0.2016*** (0.5142)
Ea			0.5162*** (0.1437)
Control Variables	*Yes*	*Yes*	*Yes*

City Fixed Effects	*Yes*	*Yes*	*Yes*
Year Fixed Effects	*Yes*	*Yes*	*Yes*
Sample Size	3396	3396	3396
R^2	0.7215	0.6374	0.8365
F-value	836.21***	19.67***	825.39***
Sobel Test	Z=3.516, P=0.0005		

Table 8 presents the results of testing the mediating effect of resource allocation efficiency between digital economy industrial policies and common prosperity in urban and rural areas. Following the same reasoning as above, analyzing the data in columns (1) to (3) reveals that digital economy industrial policies can effectively drive the reasoning outlined above, analysis of columns (1) – (3) reveals that digital economy industrial policies can effectively drive common prosperity between urban and rural areas by enhancing resource allocation efficiency, thereby confirming Hypothesis 3.

Table 8: Testing the Mechanism of Digital Economy Industrial Policy on Urban-Rural Common Prosperity (Part II)

Variable	*Cp* (1)	*Rae* (2)	*Cp* (3)
Ti	0.1327*** (0.0456)	0.0533*** (0.0179)	0.1148*** (0.0325)
Fs	0.1615*** (0.0477)	0.0674*** (0.0232)	0.1592*** (0.0413)
Rae			0.4731*** (0.1568)
Control Variables	*Yes*	*Yes*	*Yes*
City Fixed Effects	*Yes*	*Yes*	*Yes*
Year Fixed Effects	*Yes*	*Yes*	*Yes*
Sample Size	3396	3396	3396
R^2	0.7129	0.6488	0.8056
F-value	638.25***	18.94***	832.47***
Sobel Test	Z=3.554, P=0.0005		

VI. Conclusions and Policy Recommendations

(1) Research Findings

Using panel data from 283 prefecture-level cities in China from 2012 to 2023 as the research sample, this study empirically examines the intrinsic relationship and operational mechanisms between digital economy industrial policies and common prosperity in urban and rural areas. Results indicate that both sub-dimensions of digital economy industrial policies effectively promote urban-rural common prosperity, with financial support demonstrating significantly stronger efficacy than tax services. This conclusion remains robust after controlling for endogeneity issues, replacing explanatory variable measurement methods, conducting bilateral tail trimming and bilateral truncation, and excluding data from municipalities directly under central government jurisdiction. The supportive role of digital economy industrial policies exhibits significant heterogeneity at the regional level and across degrees of urban digital transformation. Specifically, these policies demonstrate stronger enabling effects for common prosperity in eastern, central, and northeastern China, as well as in regions with advanced digital transformation. Digital economy industrial

policies can solidly advance common prosperity through two pathways: stimulating entrepreneurial activity and enhancing resource allocation efficiency.

(II) Policy Recommendations

First, adopt a dual-pronged approach to optimize the digital industrial ecosystem. Research findings indicate that digital economy industrial policies can effectively promote common prosperity in both urban and rural areas. Governments should enhance the enabling effects of digital industrial policies on urban-rural common prosperity by focusing on digital infrastructure development, digital economy taxation systems, and financial support. On one hand, optimize the digital economy taxation system. Governments need to quantify the production costs and benefits of digital factors, expand tax credit items for data elements in digital industry tax payments, fully consider the digital transformation cycle of traditional industries, and customize tax reduction/exemption periods to ensure industries fully benefit from tax deductions during the initial stages of digital transformation. Simultaneously, local tax authorities should establish a digital economy tax case repository, effectively integrating statutory law with case law to provide reference frameworks for regional tax administration practices, thereby amplifying the supportive role of digital economy industrial policies in achieving common prosperity. On the other hand, fiscal support for digital economic development should be strengthened. Fiscal departments should establish dedicated big data industry funds to provide fixed-amount subsidies targeting digital industry operators and "intelligent transformation and digital transition" projects. This will alleviate financing constraints in the digital economy and industrial development, thereby advancing shared prosperity in urban and rural areas. Additionally, governments at all levels must advance coordinated planning for digital infrastructure, increase fiber-optic broadband coverage, accelerate 5G base station construction, and continue developing big data centers, intelligent computing centers, and supercomputing centers. Implementing 5G innovation applications and industrial ecosystem cultivation projects will establish high-grounds for digital industry development, empowering shared prosperity across urban and rural areas.

Second, channel entrepreneurial vitality to precisely irrigate the fertile ground of shared prosperity. Empirical findings indicate that digital economy policies promote shared prosperity by stimulating entrepreneurial dynamism. Building on this, municipal governments should establish comprehensive lifecycle support chains for startups, cultivate robust entrepreneurial ecosystems, and invigorate entrepreneurial activity to advance shared prosperity. On one front, establish comprehensive lifecycle support chains for startups. At the entrepreneurial service level, municipal governments must coordinate diverse entrepreneurial resources and projects, establish one-stop entrepreneurial service platforms, strengthen guidance and support, and provide training in areas such as investment and financing connections, tax and legal consulting, and human resources recruitment. This will facilitate the incubation and implementation of entrepreneurial projects, stimulate entrepreneurial activity, and empower shared prosperity across urban and rural areas. Regarding startup funding, financial institutions and banks should establish a financial support system for startups encompassing interest-free loans, bond financing, and equity crowdfunding. This will solidify financial safeguards for entrepreneurial activities, enhance entrepreneurial dynamism, and promote shared prosperity across urban and rural areas. On the other hand, a favorable entrepreneurial environment must be cultivated. Business administration departments should streamline the registration and licensing approval processes for startups, innovatively implementing a "cluster registration" model for individual business licenses to achieve "zero-

threshold" access for entrepreneurs, thereby stimulating innovation activity and advancing shared prosperity in both urban and rural areas. Simultaneously, governments should fully utilize idle building resources to create integrated entrepreneurial communities combining "co-working spaces + incubators + accelerators + parks." These spaces will serve as bridges linking industrial and innovation chains, amplifying resource synergies among startups. This approach fosters a favorable entrepreneurial environment, boosts entrepreneurial activity, and empowers shared prosperity across urban and rural areas.

Third, pursue a dual-pronged approach to explore optimal resource allocation solutions. Findings indicate that resource allocation efficiency mediates the relationship between digital economy industrial policies and shared prosperity. To address this, municipal governments should actively establish industrial cooperation alliances and improve public resource transaction management systems to enhance resource allocation efficiency and advance shared prosperity. On one hand, governments should build industrial cooperation alliances, regularly host industry forums and seminars to foster industrial clusters in relevant fields, and drive data sharing and information exchange within the sector. Building upon this foundation, governments can progressively construct enterprise-sector-industry resource directories, establishing a new resource allocation system integrating functions such as directory management, exchange platforms, and standardized transactions. Furthermore, governments must identify and quantify resource stocks across departments. Based on resource assessments and demand analyses, they should determine allocation priorities and plans for resources like land, materials, technology, and data, while promptly disseminating resource scheduling information to enhance allocation efficiency and advance shared prosperity. On another front, governments should establish robust public resource transaction management systems, expand the scope of public resource trading services, and promote full-process digitalization of public resource transactions. This will provide resource trading entities with efficient, multi-channel, low-cost transaction models, comprehensively reduce institutional transaction costs, enhance resource allocation efficiency, and empower shared prosperity across urban and rural areas.

References:

[1] Su Chunhong, Li Zhen. Fiscal Decentralization, Expenditure Bias, and Integrated Urban-Rural Development [J]. Exploration of Economic Issues, 2022(06): 107-123.

[2] Tian Kun, Huang Kun, Xing Weibo. Digital Economy, Market Potential, and Rural Revitalization: Causal Inference Based on Dual Machine Learning [J]. Journal of Shanxi University of Finance and Economics, 2023(11): 73-85.

[3] Chen Guisheng, Wu Heqing. Digital Empowerment of Rural Spatial Governance: An Explanation Based on Spatial Production Theory [J]. Journal of Yunnan Minzu University (Philosophy and Social Sciences Edition), 2023(05): 140-149.

[4] Tao Feng, Zhai Shaoxuan, Wang Qiao. Digital Economy Policies and Cross-Boundary Digital Innovation in Traditional Enterprises [J]. China Industrial Economics, 2025(02): 118-136.

[5] Zhou Jianming. How Digital Economy Policies Influence Corporate Digital Technology Innovation: An Analysis Based on Text Data from Chinese A-Share Listed Companies and Provincial Government Work Reports [J]. Journal of South China Normal University (Social Sciences Edition), 2024(03): 124-141+207.

[6] Yu Wentao, Du Bohan, Weng Mingfang. Digital Economy Policies and China's Industrial

Structure Upgrading: Impact Mechanisms and Empirical Evidence [J]. Journal of Xiamen University (Philosophy and Social Sciences Edition), 2024, 74(05): 95-107.

[7] Li Xiaoyu, Qiu Xinfeng. Research on Promoting High-Quality Development of the Middle Yangtze River Urban Agglomeration through Digital Economy Industrial Synergy [J]. Economic Horizons, 2022(12): 41-49.

[8] Liu Yanfei, Gao Tingkai. Characteristics and Paradigm Synergy of China's Digital Industry Policy Instruments [J]. Fujian Forum (Humanities and Social Sciences Edition), 2022(10): 91-102.

[9] He Li, Zhao Yining, Feng Ke. Impact of Digital Finance Development on Common Prosperity: An Empirical Analysis Based on County-Level Data [J]. Learning and Exploration, 2022(09): 139-147.

[10] Zhang Yongqi, Shan Depeng. Perspectives on "Flow Space": Spatiotemporal Effects of Digital Economy Empowering Urban-Rural Integration in Counties—Empirical Evidence from 2,703 Counties [J]. Journal of Yunnan Minzu University (Philosophy and Social Sciences Edition), 2023(04): 105-114.

[11] Liu Chuanming, Zhao Shuchen. The Impact of Digital Rural Development on Common Prosperity for Farmers and Rural Areas: A Perspective of Wealth Creation and Inclusive Sharing [J]. Research on Finance and Economics, 2025, 51(03): 65-79.

[12] Kong Fanbin, Chen Cheng, Zhai Jun, et al. The Impact of Digital Inclusive Finance on Common Prosperity for Farmers and Rural Areas: The Mediating Role of Regional Consumption Levels and Consumption Upgrading [J]. Agricultural Economics and Management, 2024(06): 168-181.

[13] Lin Hai, Zhao Luben, Hu Yaqi. Can Digital Village Development Promote Common Prosperity in Revolutionary Old Areas? [J]. Chinese Rural Economy, 2023(05): 81-102.

[14] Cai Xiaocheng, Chen Jingyu. Does Digital Economy Industrial Policy Enhance Enterprise Total Factor Productivity? — An Analysis from R&D Investment and Financing Constraints Perspectives [J]. Industrial Economics Research, 2023(03): 16-30.

[15] Yao Dongxu, Yan Yawen. Tax Governance in the Digital Era: Interconnectedness, Practical Challenges, and Response Strategies [J]. Taxation and Economy, 2023(06): 19-25.

[16] Zhou Guangsu, Ding Xiangyuan, Zhang Weihao. Minimum Wage Standards, Income Inequality, and Common Prosperity: An Analysis Based on CFPS Panel Data [J]. Exploration of Economic Issues, 2023(10): 31-47.

[17] Dai Zhixin, Wei Tianqi, Ma Ruiwen. Theoretical Logic, Key Issues, and Practical Pathways for Achieving Common Prosperity [J]. Economist, 2023(05): 5-14.

[18] Huang Hua, Yao Zuchan, Lian Zhihua. The Impact of Digital Economy Industrial Policy Environments on Innovation Behavior: An Self-Efficacy Perspective [J]. Economics and Management, 2022(06): 84-90.

[19] Zhao Tao, Zhang Zhi, Liang Shangkun. Digital Economy, Entrepreneurial Activity, and High-Quality Development: Empirical Evidence from Chinese Cities [J]. Management World, 2020(10): 65-76.

[20] Yue Mingyang, Yuan Hankun. Digital Economic Development, Institutional Environment, and Common Prosperity [J]. Modern Economic Research, 2023(11): 17-27.

[21] Lu Xue, Yang Hong. Digital Economy, Allocation of Innovation Factors, and Common Prosperity [J]. Journal of Yunnan Minzu University (Philosophy and Social Sciences Edition), 2023(06): 130-141.

[22] Yang Fang. How Does Digital Inclusive Finance Influence Common Prosperity in Urban and Rural Areas? [J]. Journal of Northwest Normal University (Social Sciences Edition), 2023(05): 114-125.

[23] Sun Long, Lei Lianghai, Li Na. Do National-Level High-Tech Zones Promote Regional Innovation Development Better Than Economic and Technological Development Zones? Evidence from a Quasi-Natural Experiment [J]. Management Review, 2023(05): 77-88.

[24] Zhang Jingwen, Tong Jinyao. Industrial Policies for the Digital Economy, Market Competition, and Corporate Innovation Quality [J]. Journal of Beijing University of Technology (Social Sciences Edition), 2023(01): 125-136.

[25] Liu Peilin, Qian Tao, Huang Xianhai, et al. The Connotation, Implementation Pathways, and Measurement Methods of Common Prosperity [J]. Management World, 2021(08): 117-129.

[26] Yu Yongze, Cao Rui. Targeted Allocation of Emissions Reduction Goals and Regional Common Prosperity [J/OL]. Journal of Quantitative Economics and Technical Economics: 1-21 [2023-11-27].

[27] Zhou Wen, Han Wenlong. Creation, Distribution, and Common Prosperity of Digital Wealth [J]. Chinese Social Sciences, 2023(10): 4-23+204.

[28] Cheng Kaiming, Liu Shucheng. Mechanisms and Effects of Urbanization on Common Prosperity: An Income Gap Perspective [J/OL]. East China Journal of Economics and Management, 1-11 [2023-11-22].

[29] Xi Heng, Wang Rui. The Connotation, Measurement, and Policy Implications of Common Prosperity in Urban and Rural Areas in China [J]. Journal of Northwest University (Philosophy and Social Sciences Edition), 2023(04): 15-26.

[30] Yu Shenghua, Li Dan, Zhu Shujin. Does the Agglomeration of Productive Services Promote the Upgrading of the Manufacturing Value Chain? An Empirical Study Based on Micro-Enterprises in 277 Cities [J]. International Trade Issues, 2020(05): 57-71.

[31] Hayes, Andrew F. Beyond Baron and Kenny: Statistical Mediation Analysis in the New Millennium [J]. Communication Monographs, 2009, 76(4):408-420.

[32] Hui, Xianbo. Digital Economy, Entrepreneurial Activity, and Common Prosperity: Evidence from Smart City Development [J]. Contemporary Economic Management, 2023(05):18-24.

[33] Yuan Shengchao, Lü Cuicui. Local Government Cooperation and Regional Resource Allocation Efficiency [J]. Contemporary Finance and Economics, 2022(09): 3-14.