

## Exploration on the Idea of the Sharing Economy Integrating into the Construction of the “Belt and Road”

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**Abstract:** In the Internet age, the free flow of information and the idle resources generated during the socialized production expedites the rapid development of the sharing economy. By integrating the idea of the sharing economy into the framework of the "Belt and Road"(the B&R), we can break the barrier of limited information flow and introduce our country's excess productivity into countries along the B&R route. With political mutual trust as the foundation and popular feelings interworking as the guide, the economic circle of infrastructure connectivity, unimpeded trade, and capital financing will be established to achieve mutual benefits and win-win results.

### 1. Idea of Sharing Economy and its Development in China

#### 1.1. Intension and extension of sharing economy

The term “Sharing Economy” can be traced back to the 1978, in the paper Community Structure and Collaborative Consumption: A Routine Activity Approach, which written by Marcus Felson, Professor of Sociology at Texas State University and Joel. Spaeth, Professor of Sociology at the University of Illinois. However, the reality of the Sharing Economy has not been rising until recent years with the development of the Internet industry, and increasingly showing a trend of vigorous development [1]. The concept of the Sharing Economy has no unified conclusion. Generally speaking, the use of excess productivity or intermittent idle resources to generate economic benefits is a Sharing Economy.

The five major elements of the booming Sharing Economy are: first, the idle resources are not used rationally; second, use rights and ownership can be separated; third, the demand side and the supply side can be linked effectively; fourth, low-cost and convenient information interaction; fifth, resources and goods are more fluid, and the covering are more gridding. The idle resources are used irrationally is an endogenetic impetus of Sharing Economy [2]. In the past, when the information economy was not sufficiently developed, the cost of idle resources for effective use was too high, and the information between demand-side and supply-side cannot be connected efficiently and accurately. With the leap of science and technology, the cost of information exchange has been greatly reduced, and the protection of property rights has been strengthened and the ownership and use rights of objects have been separated along with the further improvement of modern laws and regulations. In addition, with the steady progress of the urbanization process in the world, the population is more concentrated and dense, which greatly enhances the availability of sharing services and sharing goods. The above five elements have contributed to the development of the Sharing Economy. Besides, the improvement of social credit system and convenient online payment has further promoted the prosperity of the Sharing Economy.

#### 1.2. Analysis of the development of sharing economy in China

The development of a Sharing Economy in China has a unique advantage. First, the rise and prosperity of China's Internet industry has provided the possibility for the development of a Sharing Economy. China missed the first, second, and third industrial revolutions, which were always left behind by the West in modern and contemporary history. However, the rise of the Internet industry in China coincides with the time. We have not missed the wave of development in the Internet age,

and the level of information technology has improved dramatically. Internet applications such as online shopping, online payment, online car-hailing, and shared bikes have blossomed everywhere in China.. Second, the size and concentration of China's population have greatly exerted the scale effect of the Sharing Economy [3]. Taking shared bikes as an example, only when the demand for bikes is sufficient, and the bike coverage and demand structure is matched, and the conditions for higher bike circulation efficiency are met, shared bikes can yield economic benefits. Third, because the Sharing Economy requires the separation of ownership and use rights, the healthy development of the Sharing Economy is ensured by the improvement of the credit system. Although China's personal credit information system is still not sound enough, with the development and expansion of credit platforms supported by large data such as Sesame Credit in Alipay and JD.COM's small white credit, partial free or unsecured resources can be shared and transferred. In summary, the development of the Sharing Economy in China has certain advantages and potentials.

## **2. Strategy Analysis of Developing Sharing Economy under the Framework of the B&R**

### **2.1. Expand the cooperation area and territory of the B&R, and play network effects of sharing economy**

Increased economic interaction will promote the Sharing Economic growth. In the first three quarters of 2017, the growth rate of imports and exports to the countries along the B&R increased by 20.1% in China, 3.5% higher than the overall growth rate of those, and the economic interaction between countries along the route and China increased significantly. The Ministry of Commerce of the People's Republic of China(MOFCOM) publishing the latest edition of *Guide to Foreign Investment Cooperation Countries (Regions)*, which contains basic situation of countries (regions) along the route, economic development analysis, current policies and regulations, investment opportunities and risks, etc. It provides basic information for China to develop various economic cooperation with countries along the route.

In 2017, China's industrial capacity utilization rate was 77%. Although it was the highest level in the past five years, it can be seen from the data that China's productivity is still idle, and it has the strength to export productivity to countries along the route [4]. By constructing a Sharing Economy ecosphere with countries along the route, it will not only help China absorb excess productivity, but also help countries along the route take advantage of development to enhance economic development vigor and achieve mutual benefits and win-win results. With more and more national-level regions participate in the initiative of the B&R, the sharing economic circle will expand again, opening up the occlusion of the supply side through complementary advantages, using an open market environment to open the channel of the demand side, and effectively play network effects of the Sharing Economy.

### **2.2. Strengthen infrastructure interconnection and effectively reduce transaction cost of economic cooperation**

In transnational trade and international economic cooperation, a considerable part of the transaction cost come from information communication and logistics transportation. The logistics cost in economic cooperation will be greatly reduced through the interconnection of infrastructure. Besides, convenient international transportation helps improving talent communion level among countries [5]. The rapidly economic development in China over the years has relied on a gradual improvement of infrastructure to some extent. Infrastructure construction is a prerequisite for economic development, China's efforts to help countries along the route improve infrastructure construction are also based on this consideration.

In the construction of infrastructure interconnection under the information age, we should pay high attention to the interconnection of information communication network and promote the construction of communication facilities network jointly, such as cross-border cables, and create a smooth information road. With the help of the interconnected network infrastructure, achieve the free flow and effective docking of information, and reduce the information communication cost are

important enabling forces for the Sharing Economy under the B&R initiative.

### **2.3. Enhance political mutual trust and popular feelings interworking, and lay a trust foundation in the construction of the B&R**

The expansion of the scale of the Sharing Economy depends on the continuous enrichment of the types of Sharing Economy. However, the richness of the types of sharing is constrained by the trust of both parties to the transaction. The expansion of China's Sharing Economy with countries along the route is based on the increase in political mutual trust and the deepening of popular feelings interworking [6]. Under the B&R initiative, it is not only China's excess productivity can be shared, but also capital, production technology, and scientific culture. Only when the Sharing Economy is pushed to a deeper and higher level, the "cake" of the Sharing Economy can be made even bigger and the two sides can achieve a win-win situation at a higher level.

## **3. Main Dividends Brought by Sharing Economy to Countries along the B&R**

The implementation of the B&R initiative has brought huge economic dividends to the countries along the route, and the development of the Sharing Economy has provided a good precondition for the construction of the B&R. Although theoretically, It is very difficult to achieve the integration of the B&R, the Sharing Economy can overcome the theoretical difficulties to some extent, and realize the exchange and communication of the countries along the route.

### **3.1. The economy benefits brought by sharing economy integrating into the B&R**

Through the integration of the Sharing Economy, the B&R initiative has brought new ideas to the effective integration of various industries and the comprehensive development of various formats. In this process, the principle of "sharing and co-building" in the concept of Sharing Economy is integrated with the concepts in the B&R initiative, and there are many similarities. That is to say, a bilateral benefit and unified economic growth point is established through economic cooperation of countries along the route, and every country along the B&R can obtain certain economic benefits through the implementation of this national strategy [7]. At the same time, this is also the basis for the establishment of a good international cooperative relationship. For the peaceful development of the world, the establishment of good political mutual trust relationship and the strengthening of communication and exchange between countries have a very positive role and significance.

From the current situation, the B&R initiative covers more than 40 countries and regions in the world, and more than two-third of the world's population benefit directly, which makes the development and implementation of this initiative receive sustained attention in many aspects. At present, Chinese enterprises have already established more than 50 economic and trade cooperation zones in nearly 30 countries and regions along the route that have directly brought huge profits and taxes, and also created a large number of employment opportunities, which can solve the employment problems of hundreds of thousands of people, and relieve the pressure on local governments effectively. These are the directly benefits of countries along the route from the B&R initiative [8]. Besides, the China-Europe train has already been opened in more than 20 cities in China. Along with the Silk Road's footprint, these trains carrying the great rejuvenation of China dream constantly shuttle across countries along the B&R route, which can push China into the world. It is also a huge dividend for the countries along the B&R brought by the Sharing Economy.

### **3.2. The benefits of enterprises brought by sharing economy integrating into the B&R**

In the construction process of the B&R, the biggest gained subject is enterprise. The state-owned enterprise will play a vital role, and private enterprises can achieve an increase in economic income through the B&R. In the current production situation, there is excess productivity phenomenon in many companies in China, too many products cannot be sold in time, and leads to heavy pressure to the development of the enterprises. In order to achieve sustainable development, solve the problem of surplus production is the key point. With the implementation of the B&R, some enterprises with

excess productivity have received unprecedented opportunities for development. They can sell excess products to foreign countries directly, and foreign countries are just in short of the materials, as long as the product quality passes, sales will not be a problem [9]. In 2017, China amounted to exports nearly 100 million tons steel to foreign countries, which has increased by nearly 50% than last year. Steel has been in the situation of surplus production before, many workers were laid off, and small companies were on the verge of bankruptcy. The implementation of the B&R saved steel companies in China and achieved a win-win situation between countries.

At the same time, the B&R encourage Chinese enterprises to “Going Out”. Therefore, some large enterprises with independent intellectual property rights have taken steps to internationalize, and while driving the economic growth and promoting local employment, the internal industrial structure of the enterprises has been adjusted, and to a certain extent has laid a solid foundation for the economic transformation and development, which is very beneficial to the sustained and healthy development of the company.

#### **4. Conclusion**

In summary, the integration of the Sharing Economy concept into the B&R plays a very positive role in promoting the exchange and communication among countries, enhancing political mutual trust and popular feelings interworking, and promoting the coordinated economic development of countries along the route. Therefore, we should pay enough attention to this, innovate and perfect the way and method of integrating the idea of Sharing Economy into the construction of the B&R constantly, innovate the form of cooperation, actively encourage enterprises to go abroad, promote the economic level, and continue to improve the world's influence.

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