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International Economics

GRADUATION THESIS
on
Global development of sharing economy

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ASSIGNMENT
FOR THE GRADUATION THESIS OF

Master's degree student Li Hongxia, group 19ЭЭМ(a)2, full-time mode of study

The topic of the graduation thesis: "Global development of sharing economy" was approved by the university order

dated «___» _____ 20__ no. _____

1 The deadline for the Master's degree student to complete the graduation thesis is 11.06.2021.

2 The input data for the graduation thesis is the regulatory and legal framework, scientific literature and reference books, and Internet data.

3 The list of issues to be studied includes the theory of the sharing economy, models of sharing economy, the impact of the pandemic on sharing economy, issues arising from the global development of the sharing economy, prospects for the global development of the sharing economy.

4 The list of visuals contains tables and figures.

5 The date of setting the assignment is 29.11.2019.

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The assignment was accepted by Master's degree student _____ / Li Hongxia /
(signature) (full name)

Schedule for completing the graduation thesis

No.	Content of the thesis	Deadline for completion	Due date, signature of the academic adviser
First year of study			
1	Analysis of scientific literature, choice and updating of the research topic	01.09.2019 – 28.11.2019	
2	Framing the scientific concept of research	29.11.2019 – 12.01.2020	
3	Devising the detailed plan of the first chapter and draft of the thesis	13.01.2020 – 23.02.2020	
4	Conducting theoretical research within the first chapter of the thesis	24.02.2020– 30.04.2020	
4	Substantiating the relevance, concept, and novelty of research	1.05.2020– 30.06.2020	
5	Preparing the first chapter of the thesis		
Second year of study			
6	Collection of statistical data and Material for the thesis	01.09.2020 – 30.09.2020	
7	Studying new literature sources within the topic of the thesis	01.10.2020 – 31.10.2020	
8	Conducting research within the first and the second chapters of the thesis	01.11.2020 – 31.12.2020	
9	Preparing the second chapter of the thesis	1.01.2021 – 1.03.2021	
10	Preparing the third chapter of the thesis	2.03.2021 – 2.05.2021	
11	Preparing the introduction and conclusion	3.05.2021 – 16.05.2021	
12	Completing the graduation thesis	17.05.2021 – 30.05.2021	
13	Handing in the thesis for compliance control and antiplagiat	31.05.2021 – 9.06.2021	
14	Getting acquainted with the feedback and review	10.06.2021	
15	Presenting the written thesis	11.06.2021	

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Summary

The graduation thesis comprises 62 pages, 3 chapters, 8 figures, 3 tables, 60 sources. SHARING ECONOMY, IDLE ASSETS, DIGITAL TECHNOLOGY, CONSUMPTION, TRANSACTION, GLOBAL ECONOMY, MODELS OF SHARING ECONOMY, MODEL THEORY, VALUE THEORY, CONNOTATION THEORY, LENDING, EXCHANGING, LEASE, POSSESSION, SERVICE.

The target of research is to investigate the global development process of sharing economy.

The goal of work is to study the nature and true content of the global development process of sharing economy; the development trend or direction of the sharing economy in the global process; issues and prospects of the current global development of the sharing economy.

The methodological framework of the paper is formed by the complex of theoretical and practical methods such as literature research methods, systemic and functional-structural research method, statistical methods of data analysis, method of logical, economic analysis, method of groupings.

The results of research include: studying of sharing economy as the global development process of a dynamic change, reflected in welfare effect, economic stability, security conditions; the two basic modes of sharing economy; the development trend or direction of the sharing economy in the global process; issues and prospects of the current global development of the sharing economy.

The recommendations on disseminating and applying the results are as follows: the theoretical and practical significance of work involves the possibility of using thesis's materials in scientific, pedagogical and practical work.

The theoretical relevance of the thesis is established by processing and analysing a large amount of theoretical works, normative and legal documents governing the processes under study.

The target of research can be further explored through the analysis of issues and prospects of the current global development of the sharing economy.

Content

Introduction	3
Chapter 1 Theoretical Basis	6
1.1 The theory of the sharing economy.....	6
1.2 Economic development theory.....	19
Chapter 2 The development status of sharing economy	24
2.1 Models of sharing economy	24
2.2 The impact of the pandemic on sharing economy.....	33
Chapter 3 The development problems and prospects of sharing economy in the world....	40
3.1 Issues arising from the global development of the sharing economy.....	40
3.2 Prospects for the global development of the sharing economy	44
Conclusion.....	54
Reference.....	60

Introduction

1. Theme Background

In the context of global over-consumption, environmental pollution, and economic transformation, the current international business market urgently seeks transformation. In this trend, the Sharing economy, a new economic form, has gradually become a trend. According to the forecast of PWC, the global sharing economy is expected to reach US \$306.4 billion in 2025, showing huge development potential. The essence of sharing economy is to maximize the use of idle assets, relying on the digital technology platform to achieve the right to trade on the basis of not transferring the ownership of goods. Specifically, in the field of consumption, the main difference between the sharing economy and the traditional economy lies in the fact that the ownership of goods does not transfer. Consumers obtain the temporary right to use products by paying the price of right to use, and return the products to the owner after use. Based on the characteristics of transaction right, the sharing economy can reduce the traditional consumption and production centered on the transaction of ownership of goods to a certain extent. Therefore, it is undoubtedly one of the most appropriate ways to promote sustainable consumption and production. The purpose of this paper is to investigate the global development process of sharing economy and determine: the nature and true content of the global development process of sharing economy; the development trend or direction of the sharing economy in the global process; issues and prospects of the current global development of the sharing economy.

2. Research Objects and Objectives

The research object set in this paper is the type mode of sharing economy and its global development. Through the study of the development process of the two models of sharing economy, constructive suggestions are put forward for the corresponding management decisions. Making management decisions is the analysis and evaluation of the global development process of the sharing economy.

The objectives of master thesis are:

- to determine the nature and true content of the global development process of sharing economy;
- to reveal the impact of the pandemic on sharing economy;
- to study issues arising from the global development of the sharing economy;
- to forecast the development trend of the sharing economy in the world, planning strategies for the global development of the sharing economy.

The subject of the thesis is global development of sharing economy.

3. Research methods

(1) Literature research methods

Through CNKI, Wanfang and various economics-related websites and other ways to consult the literature on the global development of sharing economy, to understand the development of this field in recent years, and to lay the theoretical foundation for the paper by summarizing and sorting out the literature.

(2) Theory and practice

In order to truly understand the development situation of sharing economy, we can query and statistics all kinds of relevant data, sort out the data, and obtain the data, pass the experience material, read a variety of relevant literature, use theory to analyze specific practical problems, analyze the reasons, put forward the corresponding problems to solve the countermeasure. The research is carried out by combining theory with practice.

(3) Analysis and synthesis

Based on the sorting out of the status quo, characteristics and problems of the development of sharing economy, this paper decomposes the development of sharing economy into a series of specific problems from point to point, analyzes the causes of each, and puts forward corresponding solutions from the overall perspective based on the analysis conclusions, so as to preliminarily complete the research tasks.

4. Research ideas

The first part combines the economic development theory and the sharing economy theory from the model theory, value theory and connotation theory to define the sharing economy and analyze the causes of sharing economy.

The second part describes the current situation of sharing economy from two modes.

The third part discusses the problems and prospects of the development of sharing economy.

5. Innovative points of research

This paper combines the theory of economic development with the development of sharing economy, and probes into the influence of the development of sharing economy on economic development from the Angle of literature. Sharing economy in the global development process is a dynamic change, reflected in its welfare effect, economic stability, security conditions. This paper studies the two basic modes of sharing economy, highlighting the research object of sharing economy. The development of sharing economy is a topic that keeps pace with The Times. The research on it should not be limited to a certain period, but should be devoted to its long-term development.

Chapter 1 Theoretical Basis

1.1 The theory of the sharing economy

(1) Definition of sharing economy

In Chinese, the terms of "sharing economy" are relatively uniform (Wang Jingmin et al., 2018). In addition to sharing economy, the term "sharing economy" is also used (Lv Pengyue et al., 2019), and the two have the same meaning. For example, the name of the Sharing Economy Research Center of the State Information Center of China used the term "sharing economy" in its early stage, and in its latest research report "China's Sharing Economy Annual Development Report 2020" (Sharing Economy Research Center of the State Information Center, 2020), it used the term "sharing economy".

However, in terms of understanding the connotation and extension of the sharing economy, the academia and the industry have different interpretations, mainly because sharing economy involves many factors such as economy, culture, society, science and technology, and involves analysis of multiple disciplines and perspectives.

Through the analysis of literature, it is found that the origin of the sharing economy, which is generally recognized by the academia and the practice industry, is marked by the establishment of Airbnb in the United States in 2008, and the sharing economy has been gradually paid attention to since then. In addition, since then, different nouns or terms have gradually emerged to express the meaning of the sharing economy.

Based on the source analysis of definitions quoted in most existing literature on sharing economy, the earliest and generational definition is scholar Botsman's definition of "Collaborative consumption". He pointed out "traditional sharing, trade of goods, lending, giving and exchanging" in 2010 and 2013 respectively (Botsman and Rogers, 2010.). "This is a new economic model based on product sharing, exchange, trade or lease, not for the purpose of possession, but to promote the use of services"[6].

In fact, many differences in the definition of the connotation of the sharing economy are related to the boundary between disciplines. For example, from the perspective of

economics, sharing economy is close to Lateral exchange markets, which are based on network platform intermediary and have equal participants [37]. This concept emphasizes the importance of both platform and participant, but its definition is too broad to include any digital platform that meets these basic elements. In view of the strong economic significance of the definition, it pays more attention to economic transaction-oriented, and takes less consideration of social and environmental protection and other factors.

From the perspective of Marketing, Eckhardt et al. (2019) published "Marketing in the Sharing Economy" in the top Marketing publication Journal of Marketing in 2019. It puts forward five basic characteristics to summarize the sharing economy:

- Temporary Access,
- Transfer of Economic Value,
- Platform Mediation,
- Expanded Consumer Role,
- Crowd sourced supply [14].

The five features include a distinction between sharing economy and non-sharing economy. Specifically, the meaning of immediate acquisition lies in the acquisition of the right to use the product, rather than the right of possession, and the economic value transfer mentioned here refers to the transfer of the use value. Therefore, e-commerce platforms based on product ownership transactions, such as Taobao, JD.com and Amazon, do not belong to the category of sharing economy.

In addition, the definition also states that the sharing economy is mediated by information technology platforms, and it cannot be called a sharing economy if it is just renting goods offline from neighbors. Furthermore, in the sharing economy, the individual masses are diversified. In addition to becoming consumers, they can also choose to become producers and consumers to participate in the supply of services, which involves the related service activities of crowd sourcing supply.

For example, Airbnb, a sharing economy platform, is mainly used to connect guests and hosts. The platform itself does not provide housing and offline accommodation service resources, but the housing resources and service labor related resources at the service

supply end are provided by these individual producers and consumers. Although the research on the connotation of sharing economy presents a diversified research trend, there are still some principles to follow.

This is because, although many scholars and practitioners have made different interpretations of the meaning of sharing economy from different perspectives, they have also proposed a variety of "synonyms" for sharing economy in the process of interpretation. The suggestion of these pronouns provides an important reference basis for clarifying the commonalities and differences between the concepts of sharing economy [21].

In view of this, this paper discusses sharing economy from three aspects: model theory, value theory and connotation theory.

The "Model Theory" refers to the sharing economy as a specific form of business organization created by Super and Airbnb. They define the sharing economy by grasping some key elements that are distinctive in the corporate behavior of the sharing economy. From the perspective of scholars' experience, these scholars are usually engaged in economics and management studies.

Based on the idea of discipline classification, they study sharing economy as a special form of platform economy in industrial economy and emphasize the market attribute in it. Fraiberger & Sundararajan (2015) believes that the sharing economy is an economic model based on short-term rental of durable goods between individuals. The emphasis on "person-to-person" and "short-term rentals" differentiates it from traditional industries such as hotels and car rentals, as well as secondary marketplaces such as eBay. Expanding durable goods to the exchange of goods between objects, they argue that the sharing economy is a mutually beneficial exchange process through a digital platform that allows people to share their goods [19].

Henten & Windekilde (2015) directly defined the sharing economy as an economic model represented by Super and Airbnb that reduces transaction costs through Internet technology and platform mode, emphasizing the two characteristics of technological

progress and platform mode. It can be seen that individual, idle and platform are the core elements most emphasized by these scholars [27].

At the same time, the definition also implies that this mode seeks economic returns and does not include non-profit sharing mode. Proponents of "axiology" argue that the sharing economy should be a form of resource organization based on mutual assistance and mutual benefit, community building and sustainable development.

"Value theory" has a profound cultural and social foundation in European and American countries, which is also an important impetus for the rapid spread of the concept of "sharing economy". Among them, the most core value is "anti-consumerism". This is the reflection of scholars and community activists in Europe and the United States, especially in the United States, who feel that the high resource consumption of the lifestyle is unsustainable, and "sharing" is an important way to reduce consumption.

Early sharing economists believed that reducing consumption through sharing could not only contribute to the improvement of the earth's environment, but also contribute to the establishment of emotional bonds among individuals. This consistency in values led to a large number of owners at the very beginning of the sharing economy, which helped the outbreak of the sharing economy.

Based on this idea, scholars of this school will include traditional community mutual aid organizations, non-profit sharing organizations, and online collaboration organizations into the scope of sharing economy research. For example, Hamari et al. (2015) believe that online collaboration (such as improving Wikipedia entries), social commerce and online sharing all belong to the category of sharing economy [25]. Codagnone et al. (2016) will be Shared economic explanation for a series of using Internet technology, through commercial and non-commercial mode, contribute to the productive and consumptive resources exchange platform, as long as conducive to the exchange of resources can be considered as sharing economy, and can according to the participants (a person or organization), and organizational goals (profit or nonprofit) further.

It falls into four categories.

- First is the recycling of items such as EBAV and Craigslist\$

- Second, the optimal utilization of durable goods, such as Zipcar and Airbnb, which make full use of durable goods such as rooms and vehicles;
- Third, service exchange, such as the early time bank and the current task rabbit, mainly exchanges other resources through services;
- Fourth, the sharing of productive resources, including knowledge sharing and office space sharing, is conducive to the improvement of production rather than consumption [11].

The "connotation theory" holds that sharing economy is a new change of sharing behavior under the condition of new technology. Any new mode generated by using Internet technology can be included in the connotation of sharing and become the research object of sharing economy as long as it is conducive to improving the use efficiency of goods, services and information. Aru Satanrach (2017) is at the heart of this argument. On the basis of summarizing various kinds of practice and research, he extracted five connotation characteristics of the sharing economy and defined it accordingly. These five characteristics are:

- highly market-based;
- efficient utilization of capital;
- it has a group network structure rather than a centralized or hierarchical structure. The boundary between personal behavior and professional behavior is blurred;
- the boundaries between full-time and part-time,
- regular and temporary, work and leisure are blurred [2].

To sum up, as for the "model theory", the practice of sharing economy has gradually broken through the premise elements of "individual", "idle" and "platform". More and more professional hosts and full-time drivers have logged in Airbnb and Uber, and become the main providers of housing and travel services. And the sharing economy model of direct renting by manufacturers using the Internet has also become popular, with the emergence of shared bikes, shared cars and other business forms. And for the axiology. The development of the sharing economy is more about the power of commerce, rather

than the popularization and sublimation of values. More and more resources are involved in the business model of the sharing economy. Comparatively speaking, the elements of "intension theory" are more general, vague and lack of certain precision. However, it is more suitable to describe the emerging sharing economy as a whole and has a good growth potential.

In this paper, the definition of sharing economy is selected from China Sharing Economy Development Report (20). Sharing economy refers to the use of modern information technology such as the Internet, with the sharing of the right to use as the main feature, the integration of massive, decentralized resources, to meet the diversified needs of the total economic activities. Sharing is the information revolution and economic development to a certain stage after the new economic form, is the integration of all kinds of scattered resources and realize the supply and demand both sides to fulfill the diversified demands, accurately find fast matching way to optimize the allocation of resources, is the development trend of the information society the emphasis on the people-oriented and sustainable development, advocating the best experience and make a new consumption view and development view [41]. Sharing economy definitions are shown in Table 1.1.

Table 1.1 – Sharing economy definitions

Different perspectives	Meaning	Source
1	2	3
Collaborative consumption	This is a new economic model based on product sharing, exchange, trade or leasing, not for the purpose of possession, but to promote the use of services.	Botsman & Rogers, 2010. Botsman, 2013.
Economics	It is close to a Lateral exchange market, which is a trading market based on network platform intermediary and with equal participants.	Perren & Kozinets, 2018.

Marketing	Temporary access,Transfer of economic value, Platform mediation, Expanded consumer role,Crowdsourced supply.	Eckhardt et al., 2019.
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Table continuation 1.1

1	2	3
Model Theory	Sharing economy is an economic model between individuals based on short-term rental of durable goods. Through the reciprocal exchange process realized through digital platform, people can share their goods.	Fraiberger & Sundararajan 2015.
	Through Internet technology and platform mode to reduce transaction costs, the economic mode represented by Super and Airbnb emphasizes the two characteristics of technological progress and platform mode.	Henten & Windekilde 2015.
Value theory	A platform that uses Internet technology and facilitates the exchange of productive and consumptive resources through commercial and non-commercial models. Anything conducive to the exchange of resources can be considered a sharing economy. Online collaboration (such as improving Wikipedia entries), social commerce and online sharing are all examples of the sharing economy.	Hamari 2015.
Connotation theory	Highly market-based;Efficient utilization of capital;It has a group network structure rather than a centralized or hierarchical structure;The boundary between personal behavior and	Aru Satanrach.2017.

	professional behavior is blurred;The lines between full-time and part-time, full-time and casual, work and leisure blur.	
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Table continuation 1.1

1	2	3
In this paper	Using the Internet and other modern information technology, with the sharing of the right to use as the main feature, the integration of massive, decentralized resources, to meet the diversified needs of the total economic activities. Sharing is the information revolution and economic development to a certain stage after the new economic form, is the integration of all kinds of scattered resources and realize the supply and demand both sides to fulfill the diversified demands, accurately find fast matching way to optimize the allocation of resources, is the development trend of the information society the emphasis on the people-oriented and sustainable development, advocating the best experience and make a new consumption view and development view	Report on the Development of China's Sharing Economy 2020.

(2) Causes of the sharing economy

The mode of sharing has existed as early as the beginning of the origin of human society, but the mode of sharing has been widely used. The phenomenon of sharing is regarded as a special economic form, but it is the result of a series of comprehensive factors in the development of The Times [34].

In recent years, influenced by the economic downturn background, people's consumption concept is turning to open source throttling, consumer motivation, tend to be lower cost of consumer spending, together with the whole society concern on climate change, energy conservation and emissions reduction requirements have been put forward, so in the Internet technology is relatively mature and objective conditions, the Shared economy began to popular all over the world. The seller, the supplier, becomes a member of the Internet platform driven by the motivation of bartering and quickly and effectively disposing of idle goods, renting out profits, and then the buyer, the demander, seeks for product supply through the internetworking platform under the requirements of its pursuit of low expenditure consumption, green consumption and personalized consumption. Because of the virtual identity of the Internet platform, the direct connection between the seller and the buyer is generally realized in the sharing transaction, and the intermediate link of the transaction is removed. In addition, the completion of the transaction also depends on the trust mechanism hidden behind this mode. The trust mechanism exists in the tripartite relationship, which is the key to the development and perfection of sharing economy.

Based on a simple analysis of the operation process of the sharing economy, we conclude that there are four factors influencing the development of the sharing economy, which are consumption concept, technical support, trust mechanism and environmental change.

The first reason is egoistic consumption.

The green consumption concept of "use rather than possession" actually originates from pure "egoism". Research shows that most participants in the sharing economy accept sharing activities either to obtain additional benefits from idle resources or to meet consumption demands with lower costs. This subjective motivation of "self-interest" objectively promotes the development of green consumption, and when the participants of sharing activities find that their self-interest just promotes green consumption, their enthusiasm to continue to participate in sharing economic activities will also be strengthened.

According to a 2014 report by Price water house Coopers, 57% of the new generation of consumers agree with the concept of "sharing is owning", believing that the value brought by the experience of an item is much higher than the value brought by owning it. At the Innovation China Silicon Valley Summit in 2015, Jeremiah Owyang, founder and president of Crowd Companies, said he had conducted a survey of 90,000 consumers. The results show that 40% of them clearly support the implementation of the sharing economy. As for the attraction of the sharing economy, 75 percent of people think it is convenient, and 50 percent think it is cost-effective.

The second reason is Internet technology support.

The sharing economy develops rapidly with the help of Internet technology, which is the technical foundation of the sharing economy. It can be said that without the support of Internet technology, there would be no prosperity of the sharing economy. The progress of Internet technology has broken the spatial and temporal boundaries of traditional transactions, and the Internet has provided a convenient channel for the public to share transactions. Meanwhile, the operation mode of the Internet has effectively reduced transaction costs, improved transaction transparency, and alleviated the anxiety of both parties to the transaction risk of strangers to a certain extent.

Secondly, the mutual evaluation mechanism of Internet trading strengthens the sharing participants' strong sense of role entry, and this deep sense of participation will further stimulate the participants' continuous sharing trading activities. The development of the Internet has strengthened the connection between all sectors of society, and it can achieve rapid matching, providing an effective way to solve the problem between supply and demand. The convenience brought by the popularity of mobile phone terminals and the Internet makes the connection between them closer, and consumers can match the supply and demand anytime and anywhere.

According to the National Development and Reform Commission, as of February 2018, the total number of mobile Internet users in China has reached 1.28 billion, among which 1.1 billion are active users. Moreover, users are increasingly dependent on the Internet, and the average daily surfing time is close to 5 hours. The concentration rate of

online consumption time of consumers is 84.6%, which is second only to social networking. This indicates that more and more users choose to abandon the traditional consumption mode and choose more convenient online consumption. The consumption habits formed over a long period of time are also more conducive to the popularization of sharing economy.

Due to the convenience of the Internet, the boundary between seller and buyer is gradually weakened, and many people begin to play multiple roles such as producer, provider, consumer and so on. While enjoying the experience brought by the convenient, efficient and affordable new way, it also provides its own idle trade. With the progress of online payment, there are more and more functions available for the sharing economy and more and more security barriers, which are broadening the road for the development of the sharing economy market [47].

The third reason is the establishment of trust mechanism.

Under the protection of the law, any transaction is concluded on the basis of equality and free will. Whether the motive of a transaction is voluntary and whether the position of both parties is equal depends on the honesty and trustworthiness of the whole process of a transaction, so trust is the basis of a successful transaction.

In traditional transactions, the generation of trust can be guaranteed through interviews, fixed trading places, guarantees and other ways. However, in the sharing economy, the above steps to ensure trust have been replaced by the Internet platform, so the Internet platform must establish a new mechanism to guarantee trust. In the sharing practice, the Internet platform usually realizes the trust under the virtual transaction scenario by collecting the real identity information of the buyer and the seller, formulating the membership access and exit rules, GPS monitoring and tracking, transaction feedback function, etc.

Laudable is Internet platform strong technology ability, especially the large data analysis applications, can omit the traditional trade in the consumer in order to improve the satisfaction of trial and error link, the huge amounts of trade mutual can automatically select high-quality trade object, and the credit evaluation is always in a state of dynamic

updating. Under this mechanism, transaction risks can be greatly reduced, shared satisfaction can be guaranteed, and online and offline activities of shared practices can be organically unified.

The fourth reason is the change of external environment.

In recent years, there has been significant downward pressure on the economy and a relatively poor employment environment. As a result, it has been difficult for people's incomes to increase, while the growth of consumption has slowed while the growth of consumption has remained stable. The lifestyle of "increasing income and reducing expenditure" has become popular in society. Under the action of this external environment, people begin to look forward to getting extra rental income from their idle goods, or actively seek to meet their consumption needs in a certain aspect at a lower cost. The operating mode of the sharing economy is just in line with people's consumption goals at the present stage. Therefore, under the spur and catalysis of the sluggish economy, the sharing economy can develop rapidly.

Secondly, the deterioration of the global ecological environment and abnormal climate have been more and more attention, green economy, environmental economy began to be respected by people. With the requirement of energy conservation, emission reduction and recycling, sharing activities such as transportation and accommodation are easily accepted by the public. When people feel the advantages of sharing in one area, sharing in other areas is easy to spread. As the practice of sharing deepens, the concept of ownership will fade away, and the right to use will become the original driving force for people's consumption activities.

Other macro factors, social factors and environmental factors are also considered to be the cause of the sharing economy. Reflection on consumerism, which wastes resources and damages the environment, has prompted people to be more willing to participate in the sharing economy, which also contributes to sustainable development. Consumers' pursuit of low-cost consumption and employment in the post-financial crisis period is also believed to be an important reason [4], from the perspective of social factors, believes that

the identification of community consciousness and the desire to increase social connections are another important reason.

1.2 Economic development theory

(1) Regional economic development

Regional economic development is a problem closely related to regional economic growth. Regional economic development is one that includes economic growth. A broader and more profound transformation, including the upgrading of the economic structure, technological innovation, social progress and improvement of people's welfare Cheng. In the contemporary world, science and technology are advancing with each passing day, and economic competition is becoming increasingly fierce. "Low speed is equal to stopping, or even equal to Bac". Regional economic development includes three aspects:

First, the increase in the level of per capital income is usually measured by GDP per capital. This is not only an important indicator to measure economic growth, but also an important standard to measure economic development. The difference is that per capital GDP growth is not enough. It also needs to be accompanied by increased levels of industrialization and urbanization.

Second, upgrading the industrial structure based on technological progress. Whether the upgrading of industrial structure is the basic criterion for realizing regional economic development. In developing countries, the upgrading of industrial structure includes the increasing proportion of industry and tertiary industry in GDP. The upgrading of industrial structure is based on the premise of technological progress and technological innovation. The industries with higher technological level gradually become the main driving force of economic development, which means that regional economic development has reached a new stage.

Third, the improvement of the level of urbanization. Economic development means that more people participate in the process of economic development, from traditional farmers to modern industrial workers, gathered in the cities and towns to engage in more efficient activities in the secondary and tertiary industries, thus driving the continuous improvement of the level of urbanization. If a country's industrialization is confined to a small number of areas or cities for a long time, large numbers of people live in the

countryside and have limited access to the cities, they live on the edge of poverty for a long time, and have nothing to do with the rapid industrialization in the cities, and neither can produce nor share in its fruits. Such industrialisation, which excludes most people, does not count as economic development.

In short, regional economic development refers to the continuous improvement of per capital income level and urbanization level on the basis of technological progress, and finally the upgrading of industrial structure and social progress.

(2) National competitive advantage theory

Porter's theory of national competitive advantage ultimately ascribed regional competitive advantage to industrial clusters, essentially a study of industry and industry as an object of study, beginning with mercantilism in the 16th century.

Mercantilism is divided into two periods, early and late mercantilism. There are obvious differences in their views. Early mercantilism believed that the outflow of precious metals should be absolutely prohibited when a country's industry participated in international trade, that is, it could only sell but not buy. Late mercantilism has evolved a lot, and one of the most prominent people at the time is Thomas Meng, who believes that you have to make money move in order to appreciate, that money creates trade, that trade increases money, and that the balance of trade theory, not just selling and not buying, but selling more and buying less [35].

Later, classical economists continue to take the "state" as the regional unit, and pay attention to the theoretical research of regional economic development. In the 18th century, Adam Smith expounded the mechanism of the "invisible hand" in his representative book "A Study on the Nature and Causes of National Wealth". He believed that economic subjects, driven by the interests of the market economy, could achieve a win-win situation by participating in international division of labor and international exchange, rather than one win or one lose.

His main idea was that economic agents in society produce under conditions that are absolutely favourable to them (that are absolutely low in cost of production). The practice of international division of labor, specialized production and exchange with each other can

increase the total output of labor and raise the level of social welfare, which is beneficial to all trading countries.

In addition, Adam Smith proposed that the basis of international division of labor is the absolute difference in labor productivity of the same industry between countries. This theory of international division of labor is based on the absolute low cost of production, and the measurement of production cost is mainly based on the single factor of production labor cost as the standard, that is, according to the principle of the lowest labor cost of international division of labor, mutual exchange, can save the production cost of both sides of the trade, increase the number of products exchanged. Adam Smith further pointed out that the existence of absolute differences in the production costs of the same industries in different countries is the direct cause of international trade, which provides a theoretical basis for the free trade competition between different industries [36].

Since then, David Ricardo in his representative work in the journal of political economy and taxation principle, proposed the theory of comparative cost, he thought, the principle of one country industry engaged in the international division of labor not absolute advantage, but a relative advantage, where each country to choose bigger or disadvantage smaller industry engaged in the international division of labor exchange, to improve labor production, saving labor. It is in the interests of all trading countries to raise welfare levels.

David Ricardo's comparative cost theory answered the question that Adam Smith's absolute cost theory could not answer, and put forward that the essence of comparative cost is to choose the two benefits more and the two harms less. The cost of an industry participating in international competition is not only determined by the single labor wage cost, but also affected by many factors, especially the cost of production factors that constitute the actual production cost.

At the beginning of the 20th century, Swedish economists Heckscher and Ohlin established a relatively complete theory of factor endowment, which transformed from a single labor factor of production to a variety of factors of production to analyze a country's

industrial participation in international competition. Examine the problem of industry competition and cooperation again from a brand-new angle of view.

Whether it is the absolute superiority theory based on the absolute difference of labor cost, the comparative advantage theory based on the relative difference of labor cost, and the resource evaluation theory based on the abundance and deficiency degree of production factors, the generation of comparative benefits is based on the unchangeable supply and production conditions of each country. Resources and production factors cannot be in the international flow and a series of preconditions [50].

Therefore, this traditional theory of comparative advantage has the characteristics of static state. However, under the condition of economic globalization, factors of production and resources can flow internationally. Natural resources can be improved, synthesized or replaced by new materials through technological progress, while human resources can make up for the disadvantage of quantity with "quality" advantage through human capital investment.

All these show that the static comparative advantage of most developing countries does not necessarily have the dynamic competitive advantage in international competition. Therefore, all these have affected the traditional comparative advantage theory to explain the mode of one country's industry participating in international competition in the form of economic globalization. The deficiency of the traditional theory of comparative advantage provided an opportunity for the birth of Porter's theory of national competitive advantage.

In the early 1980s, Michael Porter, a famous American economist, expanded the perspective of industrial research from a single industry of a country to all industries. In he and assistant studied dozens of developed countries such as America, Britain, France, Germany, Japan, Italy, the phenomenon of the post-war economic boom, in 1990 published "the competitive advantage of nations, which puts forward the" "national competitive advantage theory, the development of the traditional theory of comparative advantage, realize the leap from comparative advantage to competitive advantage.

Porter also pointed out that the goal of a country's economic development is to enable its citizens to have a high level of income, and the level of income is determined by

the income of the country's enterprises (or industries). Since only the development of high-level competitive advantages can enable enterprises to obtain sustained higher income, then, the level of national income also depends on whether the country's enterprises can obtain high-level competitive advantages.

In this way, Porter connects his theory of enterprise competitive advantage with the level of economic development of a country, and finally develops the theory of enterprise competitive advantage into the theory of national competitive advantage, which provides a theoretical basis for all industries of a country to engage in international competition.

Summing up the content of the first chapter it should be said that taking economic development theory and sharing economy theory as the breakthrough point, this paper defines sharing economy theoretically from regional economic development to model theory, value theory and connotation theory.

This paper analyzes the causes of sharing economy from four aspects:

First, the egoistic consumption concept, which is to meet the consumption demand with a lower cost;

Next, Internet technology support, break the time-space boundary, provide the public with a convenient channel to share transactions, effectively reduce transaction costs, improve transaction transparency, to a certain extent, reduce the unknown transaction parties on the transaction risk anxiety;

Third, trust mechanism greatly reduces transaction risks, ensures shared satisfaction, and organically unifies online and offline activities of shared practices.

And last, the reflection of external environmental changes on consumerism, which wastes resources and destroys the environment, makes people more willing to participate in the sharing economy.

Chapter 2 The development status of sharing economy

2.1 Models of sharing economy

Basic model of sharing economy

(1) Characteristics of the basic model

A capital-light business model. The ownership of the shared subject matter is always in the hands of individuals. Enterprises use Internet technology to establish a platform to facilitate the matching of supply and demand among individuals, thus attracting bilateral or multilateral users to join the platform and engage in sharing activities. Since platforms do not own assets directly, but rely on cross-network effects of platforms to expand the market, this mode of operation falls into the category of "asset light".

Platform competition model. With digital platform providing intermediary services for both supply and demand, the core competition of platform enterprises lies in how to attract a large number of users to use the platform. Only with a larger number of users can the platform more easily match diversified demands. Under the condition of rational person hypothesis and sufficient information, the competitiveness of the platform should be reflected in how to achieve accurate matching more quickly.

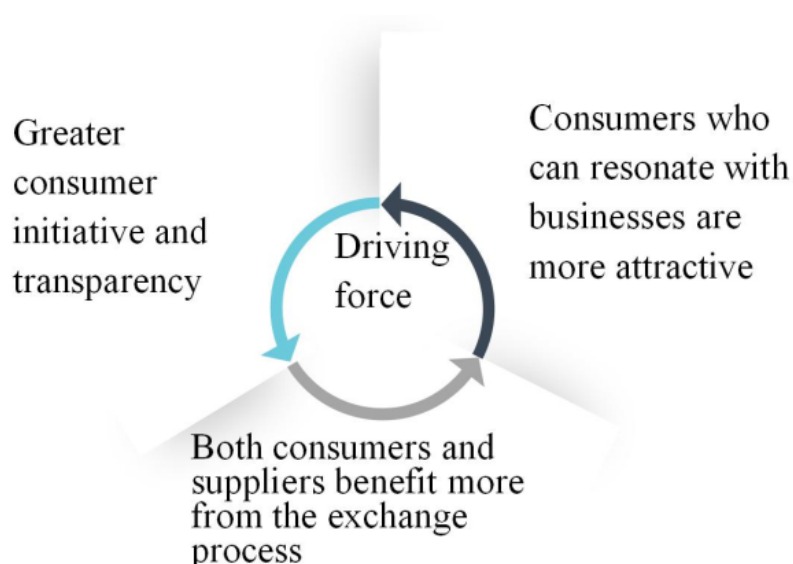


Figure 1.1 – Driving force diagram

However, speed and accuracy are sometimes in conflict with each other [17]. Accuracy means that more information is needed and the time required to collect information affects the timeliness of meeting demands. The suppliers of the sharing economy need to make a trade-off between speed and precision. On the one hand, this is related to the demands in specific situations. For example, people pay more attention to the rapid matching when calling for online car hailing, while they pay more attention to the precise matching of demands when choosing a short-term rental room. On the other hand, through technological progress, the basis of trade-off can be changed to improve the speed and accuracy. For example, the key to the popularization of online car-hailing is to meet people's travel needs while allowing people to enjoy lower prices and better services.

In terms of anti-monopoly of sharing economy, recent research results of the basic model show that platforms will impose higher pricing on multi-owned edges than on single-owned edges, and it is not easy for platforms to form monopoly in markets with high demand heterogeneity (Cullen, Faronato), higher pricing, and it is not easy for platforms to form monopoly in markets with high demand heterogeneity [30]. Diversified demand and supply within the platform makes the sharing economy closer to platform competition.

High risk model. It challenges the existing regulatory measures in terms of property use, market access and professional qualifications (Zhang Xiaoyu, 2016), and also leads to some social problems in terms of taxation, labor security, data privacy and so on. Although sharing economy companies have been actively communicating with the government to find mutually acceptable regulatory approaches, policy risks have always been one of the major risks facing the global development of the sharing economy [51].

Reduce costs and create value. By linking the idle resources among individuals, people can obtain products and services at a lower price, which has the characteristic of "cost reduction" in the circulation link.

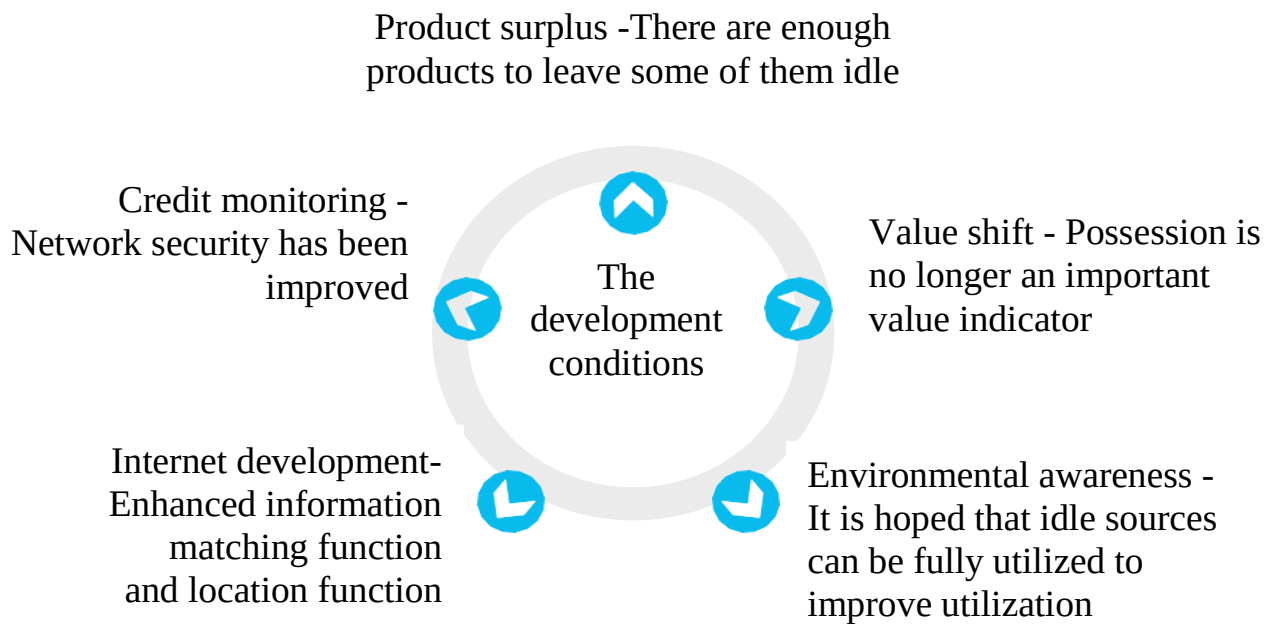


Figure 1.2 – Schematic diagram of development conditions

The representative of the basic model

Representative 1: Sharing in kind represented by short-term housing rent

With the development of information technology, people can divide the right to use individual houses in a fine way, and reuse the living space in the form of renting through the Internet platform, which improves the utilization efficiency of housing. Any owner with vacant houses can become the main body of short-term rental sharing, through the whole set of rental, independent single room rental and shared rental, to meet the needs of different customers, and the object is the idle house.

The transaction risk mainly lies in the moral hazard of tenants and the negative externality caused by the increase of floating population. For the former, the problem can be restrained to a manageable extent through appropriate incentives and insurance measures.

As for the negative externalities caused by the increase of tenants, such as noise and disturbance, hidden security, etc., the whole society needs to make joint efforts to reduce the impact of negative externalities on the society through the establishment of mechanisms such as education, information review and credit feedback.

Representative 2: Skilled sharing represented by online ride-hailing (Didi model)

Online ride-hailing platforms make use of mobile intelligent platforms to connect the supply and demand of travel, and instantly match passengers and drivers with data algorithms to meet people's personalized travel needs. Any driver can in theory become a sharing subject, with his car and skills being the objects of sharing through income and the opportunity to make friends as a part-time driver.

From the perspective of risk, the skill sharing model represented by online ride-hailing reshapes the employment relationship, making the difference between part-time and full-time employees no longer significant, and the platform becomes an important link in the labor relationship.

This mode will lead to unequal labor relations, because of the asymmetry of information and power; This new employment relationship may lead to a decline in the quality and safety of work and undermine the stability of work. How to evaluate and regulate this new labor relationship has become a key point for all countries to deal with the sharing economy.

Representative 3: Credit sharing represented by online lending

Online lending is a mode of matching idle funds between individuals through Internet technology. A mature network lending model can well meet people's demand for small loans and endow personal credit with value. But there are huge risks in this model. Online lending is based on the lease of the borrower's credit, and the exchange of credit for loan is a huge information asymmetry, while the credit risk of the borrower is concentrated in the financial platform, and the lack of supervision will give the financial platform space to control. Therefore, to deal with the risk of credit sharing, on the one hand, we should reduce the possibility of moral hazard of borrowers through system design; on the other hand, we should strictly control the platform behavior, make the platform behavior transparent, and eradicate the possibility of moral hazard on the platform.

The evolution model of sharing economy

(1) Characteristics of evolution model

The operating model changed from capital-light to capital-heavy. The enterprise owns the ownership of the shared subject matter and rents the right to use the shared subject matter through the Internet in exchange for profits. The enterprise bears the production cost and marketing cost of the shared subject matter. Under the assumption that the market is large enough, the market size occupied by an enterprise is directly related to its production capacity, and this operation mode highlights the importance of "capital".

The competition mode changes from platform competition to enterprise competition. In order to control the cost, suppliers in the evolutionary mode often provide only a few standard products and services, and the product differences among enterprises can meet the diversified needs of the market. Therefore, enterprises put more emphasis on the quality of products in market competition, and the existing anti-monopoly measures are still applicable to the sharing economy under the evolutionary model. The sharing economy in this model is closer to the traditional economic model and is dominated by competition among enterprises.

The risk goes from high to low. It does not break through the traditional regulatory framework, and the enterprise-led model is not too constrained by policy obstacles. However, as a new economic activity, the evolving model of sharing economy also has some policy hidden dangers. For example, shared bikes occupy too much road space, which has aroused a lot of negative social emotions. In the management opinions of shared bikes issued successively by various places, it is also clearly emphasized to punish illegal parking of bicycles.

Technology creates value. Through technological innovation, the combination of information technology and industrial means makes up for the technology gap in traditional industries to some extent, meets the needs of people in a specific environment, and has the characteristics of "making up for the weakness" in the production link.

(2) The representative of the evolution model

Representative 1: Asset sharing represented by shared bikes

Through the application of information technology such as GPS positioning, smart lock and mobile phone payment, shared bikes get rid of the shackles of traditional public bikes that must have parking, and can meet the travel demand of "the last kilometer". The sharing subject is the delivery enterprise of the bicycle, and the object is the bicycle.

The bike-sharing model also has some negative externalities. One is the waste of resources caused by fierce competition among enterprises. However, this situation will improve as the industry matures and technology barriers are established. Second, crowding out public space. A large number of bicycles occupy a large amount of road space, causing inconvenience to pedestrians, which requires enterprises, society and the government to jointly strengthen the governance level, to strike a balance between the efficiency and social costs of bicycles.

Representative 2: Service sharing represented by shared office

Shared office mode improves the efficiency of office service by intensive use of office equipment and services, and meets people's demand for flexible office. Enterprises or individuals with office needs can conveniently book workstations, conference rooms and roadshow halls in shared office places through smart phones, and decide the number, time and area of reservation according to specific needs.

In the shared office space, services such as network, copy equipment, public leisure space, small restaurant and so on will be provided to meet people's requirements for the office. For the demand side, which mainly consists of small and medium-sized enterprises and individuals, in addition to the cost consideration, the layout and design of shared office space can promote the communication between different enterprises and individuals, which is more conducive to the establishment of business contacts and the agglomeration effect. Shared office enterprise is the sharing subject, and the office related space and service it provides is the sharing object.

At present, the shared office mode is still in its pioneering stage, and its operation mode and functions are still being improved constantly. Its influence on the social level is also insufficient, and no significant risks or negative externalities have emerged [42].

Representative 3: Evolution of credit sharing represented by equity-based crowdfunding

Stock, bond and other capital markets themselves have a strong concept of credit sharing. Out of trust in the future performance growth of enterprises, people invest funds in them in order to create greater value. With the widespread use of information technology, the financing needs of start-ups have begun to receive more and more attention, giving birth to the typical B2C credit sharing case of equity-based crowdfunding.

Start-up companies from the perspective of the risk of earnings has a great deal of uncertainty, and raise the stakes in the pattern will be numerous links do not understand that uncertainty of ordinary investors into the market, on the other hand, equity and the raise pattern also exist in the moral hazard problem caused by asymmetric information, the two jointly determine the average investor faces, unexpected risk greatly. It also makes the protection of investors become the focus of equity-based crowdfunding regulations.

At present, more strict management measures have been taken for equity-based crowdfunding worldwide. Measures such as limiting the amount of investment and standardizing the behaviors of all parties are adopted to constrain the risks within a controllable range.

(3) Social effects brought by the model

Effect 1: Increase benefits

Welfare effect scholars generally agree that the business model of sharing economy can bring about an increase in social welfare. Horton & Zeckhauser (2016) and Fraiberger & Sundararajan (2015) used different theoretical models to demonstrate that the sharing of durable goods among individuals contributes to the improvement of the overall social welfare. Among them, Fraiberger & Sundararajan (2015) also made an empirical study on the inter-personal car rental market with the enterprise data of Getaround. Through

counterfactual comparison, they found that the number of people who bought cars decreased significantly.

In the case of the rental market, the price of second-hand car market decreased significantly, and the increase of consumer welfare was about 0.8%-6.6%, most of which came from the increase of welfare For low - and middle-income consumers. Greenwood & Wattal (2015) conducted a randomized trial analysis of California before and after the entry of UberX by using the double-difference method, and found that Uber increased the accessibility of services and reduced costs, and reduced traffic accident deaths caused by drunk driving by 3.6-5.6% [22].

Cohen et al. (2016) calculated the consumer surplus using 50 million personal data of UberX. They used the difference in order rates between peak times (when Uber charges riders more) and normal times to calculate the elasticity of spending and, in turn, the consumer surplus. They found that for every \$1 spent by consumers, the average consumer surplus was \$1.60. They calculated that in 2015, the consumer surplus for four U.S. cities was about \$2.9 billion, and the total consumer surplus for Uber in the U.S. was about \$6.8 billion [12].

Production enterprises foresee that the goods sold will be used for leasing, so as to change the product properties to make it more in line with the demand for leasing, increase the attractiveness of the products, and earn profits. The change of attributes is mainly reflected in the following three trade-offs, one is the durability of the product. Goods that can be rented through a shared platform tend to be used more frequently than those for personal use, leading to faster depreciation. Therefore, in order to meet this demand, it is necessary to improve the durability of the product, in the long-term use can maintain the basic function of the product.

Second, the standardization of products. A new market needs to have enough buyers and sellers to match supply and demand, which means that the product needs to meet the common needs of enough people. While Internet technologies and communities can bring together even small groups, there is still a need for a wide market for profit-maximizing companies to test the waters of changing business models. Therefore, the improvement of

product standardization and powerful basic functions has become an important direction for the improvement of product attributes.

Third is the convenience of the product. Manufacturers can add some auxiliary equipment or services that are easy to share, so as to increase the competitiveness of products. The common goal of the three is to reduce the transaction cost of commodities in the trading of the sharing platform and increase the attractiveness of commodities to potential consumers.

Effect 2: Drive the new development of the industry

The impact and changes brought by the sharing economy on the production field can be mainly divided into two categories: the first is the impact on the incremental input mode of the market; the second is the change of the cooperation mode of enterprises. Among them, the impact on incremental input is rapidly forming a mature business model, which is another predictable breakout point of the sharing economy. The change of enterprise cooperation mode is a more long-term and potential influence. By absorbing the concept of sharing economy, imitating the mode of sharing economy, and integrating the thinking of sharing economy into various enterprises' cooperation, a new, more innovative and efficient enterprise cooperation mode can be formed.

Studies on the impact of relevant industries are mainly conducted by Airbnb and Uber. Zervas et al. (2013) conducted an empirical study on the hotel industry in Texas, the United States, showing that every 10% increase in the number of Airbnb listed rooms will reduce the monthly profit of the hotel industry by 0.37%, and reduce the pricing power of the hotel in the peak season. These influences are more obvious for low-end hotels and non-business hotels [3].

A progressive study of Iowa by Fang et al. (2015) found that the entry of the sharing economy has brought about an increase in employment opportunities and a reduction in tourism costs, benefiting the entire tourism industry [18]. However, due to the substitution effect of Airbnb on low-end hotels, the marginal revenue of the tourism industry will decrease with the expansion of Airbnb scale. A study of the Nordic countries found that Airbnb had no significant negative effect on average hotel industry profits in Norway,

Finland and Sweden, contradicting Zervas et al. 's data, but also found that while the effect on average profits was modest, the average price of a hotel room did fall in the areas where Airbnb was most active.

In addition to the impact on the hotel industry, the short-term rental market brought by Airbnb will also have a substitution effect on the long-term rental market. Horta and Merantea (2017) studied the data of Boston and found that the growth rate of Airbnb in the region reached 24% in 2015, which increased the price of long-term rental housing for more than 30 days by 93 dollars per month, proving the hypothesis that Airbnb's entry into the market would change long-term rental housing into short-term rental housing. And a standard deviation increase in Airbnb reduces the number of long-term rentals by 5.9% [29].

In the field of travel, the entry of LBER causes competition in the industry, which reduces the income of taxi companies and the price of taxi license plates (Bond, 2015; Golovin, 2014). According to the data of San Francisco Transportation Authority, the entry of Uber reduced the monthly taxi utilization rate by more than 65% in 2014 compared with 2012 [5].

Effect 3: Increasing the number of employed people

Scholars generally believe that the sharing economy helps to increase the income and employment opportunities of practitioners (Ikkala & Lampinen, 2015; Hall & Krueger, 2016; The research of Lampinen & Cheshsire, 2016) and Hall & Krueger (2016) shows that most Uber drivers have stable jobs and participate in Uber to make use of the flexible work system of Uber, so that their time can produce more value and balance the fluctuation of income [24]. Schor (2016) classified suppliers. She found that suppliers of sharing economy are often highly educated and have stable jobs [40].

In order to increase income, these suppliers engage in sharing economy activities, which will form a crowding out effect for suppliers with low skills and education. Li et al. (2015) compared the income differences between full-time practitioners and part-time practitioners. By comparing the differences between full-time and part-time hosts in Airbnb, they found that the daily average income of full-time hosts was 16.9% higher, the

occupancy rate was 15.5% higher and the probability of withdrawal from the market was 13.6% lower than that of part-time hosts through more flexible pricing methods [33].

2.2 The impact of the pandemic on sharing economy

The pandemic has caused significant changes in the economic development of all countries including sharing economy. This was reflected in particular on sharing economy of China.

In 2019, the transaction volume of China's sharing economy market reached 32,828 yuan, an increase of 11.6 percent over the previous year. The trading scale of sharing economy in the three fields of life service, production capacity and knowledge and skills ranks the top three, respectively 17,300 yuan, 3,063 yuan and 1,205 yuan, up by 8.8%, 11.8% and 30.2% compared with the previous year. In terms of development speed, the three areas of shared accommodation, knowledge and skills, and shared medical care grew the fastest, with growth rates of 36.4 percent, 30.2 percent, and 22.7 percent, respectively, over the previous year.

Table 2.1 – Development of China's sharing Economy (2018-2019 unit: 100 million YUAN)

Field	2018	2019	The growth rate
Transportation	2478	2700	8.96%
Shared accommodation	165	225	36.36%
Knowledge and skills	2353	3063	30.17%
Life service	15894	17300	8.85%
Shared medical	88	108	22.73%
The Shared office	206	227	10.19%
Production capacity	8236	9205	11.77%
Total	29420	32828	11.58%

19 years, the number of participants sharing economy in our country about 8 billion of people, to participate in the supplier number more than 7800 people, up 4% from a year

earlier, the platform of enterprise employees for more than 623 people, up 4.2% year on year 4.2019 years the scale of direct financing for our Shared economy \$714 yuan, fell 52.1% year on year, knowledge skills, service life and the scale of direct financing in the first three transportation field. The figures were 314 billion yuan, 22.15 billion yuan and 7.87 billion yuan respectively.



Figure 2.1 – Number of employees in the platform (2018-2019 unit: 10,000)

In 2019, ride-hailing services accounted for 37.1% of the total taxi traffic, up 0.8 percentage points over the previous year. Online food delivery accounted for 12.4 percent of the catering industry's revenue in China, up 1.5 percentage points from the previous year. Ride-sharing services accounted for 11.4 percent of urban residents' transportation spending, down 0.3 percentage points from the previous year. Shared accommodation revenue accounted for 7.3 percent of the country's accommodation revenue, up 1.6 percentage points over the previous year. Shared logistics revenue accounted for 1.65 percent of total highway logistics revenue, up 0.26 percentage points over the previous year. Spending on shared medical services accounted for 5.9 percent of personal health spending, up 0.06 percentage points from a year earlier.

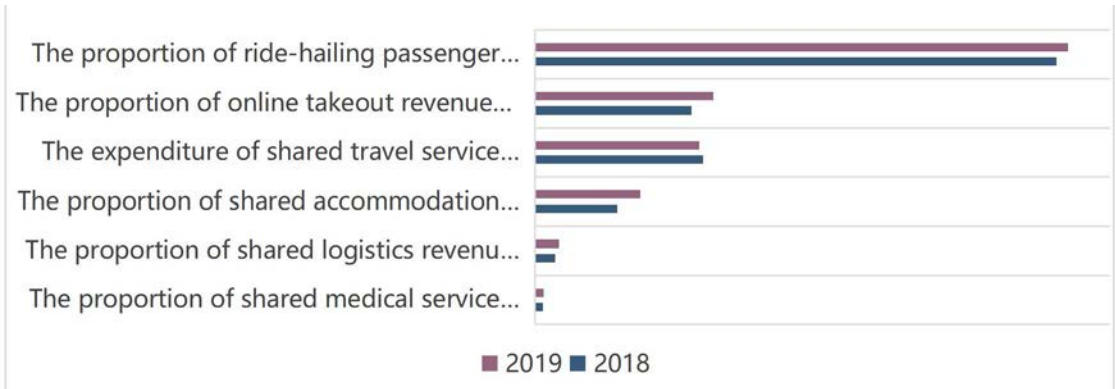


Figure 2.2 – The proportion of shared emerging services in each field in 2018 and 2019

From 2019 to 2016, the average growth rate of revenue of major shared services is much higher than that of traditional services, among which the catering sector reaches 7.3 times and the accommodation sector 5.8 times. The penetration rate of online takeout users increased from 30% to 51.6%; The penetration rate of shared accommodation users increased from 5% to 9.7%. The penetration rate of shared medical services increased from 14% to 21%.

Table 2.2 – Popularity of shared services in major areas of life in 2016 and 2019

Field	2016	2019	Average annual growth rate	2016	2019
Online car-hailing	22463	40512	21.70%	32.30%	47.40%
Shared accommodation	3500	8300	33.40%	5%	9.70%
Delivery service	20856	44057	28.30%	30%	51.60%
Shared medical	19476	35960	22.70%	14%	21%

The policy support from two aspects provides a stable environment for the development of China's sharing economy.

First, encourage the development of new forms of business in the sharing economy. In the field of transportation, the state issued the "Outline for building a transport power", proposing to vigorously develop shared transport and taking "intelligent, safe, green and significantly improved development level of shared transport" as an important development goal of a transport power;

In the medical field, the National Health Commission issued the "Notice on carrying out the pilot Work of" Internet + Nursing Service "and the pilot plan, setting specific requirements on service qualifications, service standards, management methods and other aspects, and confirming to carry out the pilot work of" Internet + nursing Service "in six provinces and cities including Beijing and Tianjin; In the field of manufacturing, the National Development and Reform Commission and other departments issued the "Implementation Opinions on Promoting the In-depth integrated development of advanced Manufacturing and modern Service Industries" and proposed to "develop a shared production platform". Take it as one of the ten key tasks of "fostering new forms and

models of integrated development"; The Ministry of Industry and Information Technology issued the Guidelines on Accelerating the Cultivation of New Modes and Forms of Shared Manufacturing to Promote high-quality Development of The Manufacturing Industry, proposing that a new pattern of high-quality development and coordinated development of the manufacturing industry should be formed with sharing of manufacturing capacity as the focus and sharing of innovation capacity and service capacity as the support.

Second, we will strengthen security and standardize the development of new business forms. The first is personal safety. The Opinions on Deepening Reform and Strengthening Food Safety issued by the Central committee and The State Council of The CPC pointed out that the responsibility of online food ordering platforms should be strictly implemented to ensure the same standard and quality of online and offline catering, and all catering units providing online food ordering services must have the operation qualification of brick-and-mortar stores; The Key Points of Transport Safety In 2019, issued by the Ministry of Transport, set out the requirements for speeding up the compliance process of online ride-hailing. The second is to ensure the security of users' funds. Ministry of transportation so on six departments jointly issued the new transportation forms users money management measure (trial) ", put forward to add jointly issued by the user of new transportation forms "money management measure (trial)", put forward to strengthen network about car, car share, share the bike new formats such as users to deposit and prepaid money management, operating the enterprise does not charge the deposit; The Ministry of Education and other six departments issued the "Opinions on standardizing the Implementation of Off-campus Line training", strictly restricting the collection and use of prepaid funds, standardizing the collection limit of course fees, and proposing to clearly publicize the charging items, standards and refund methods; And finally, information security. State Internet information office and other three departments issued "network audio and video information service management regulation", the station, via the Internet applications such as network platform, is the social public to provide audio and video information production, distribution, transmission service behavior, especially based on the deep learning, such as virtual reality application of new technology and new

online media attribute or social mobilization function of audio and video information service behavior, from the supplier qualification, the main body responsibility, safety assessment, information management and so on has carried on the detailed rules.

Development Trend

In 2020, the growth rate of the sharing economy will fall due to the impact of the epidemic, and it is expected to drop by 8-109%. In 2021 and 2022, the growth rate will pick up considerably. In the future, the annual compound growth rate of the sharing economy is expected to remain within the range of 10%-15% in three years. The impact of the epidemic will be short-lived. Once the epidemic is over, repressed and restricted consumption and production activities will resume, and the sharing economy will regain its former vitality. Yingjia Internet Information Office also issued a "regulation on Network Ecological governance", which proposed that online information content service platforms should earnestly fulfill the main responsibility of network ecological governance, and defined the scope of illegal and undesirable content prohibited by producers of online information content service.

With the acceleration of building a well-off society in an all-round way, policy support related to the sharing economy continues to increase, the development potential of the sharing economy in key areas of people's livelihood such as education, medical care and old-age care will be speeded up, the business model of platform enterprises will become more mature, and the listing pace of platform enterprises is expected to accelerate.

With the recovery of the market, the market competition in many fields will become more intense, and the pace of industry reshuffle and pattern adjustment will also accelerate. Reducing cost, increasing efficiency and increasing revenue and reducing expenditure are the primary choices of business strategies of platform enterprises in 2020. The trend from scale and speed to cost quality, service and security will become more obvious. Whether it can bring better experience and more value to users will also become the key to future market competition.

Shared manufacturing will become an important support for the transformation and development of the manufacturing industry during the 14th five-year Plan period. The

resource opening of large manufacturing enterprises and the ability of sharing platform for manufacturing enterprises will become an important hand for the future development of shared manufacturing.

Block chain technology will become a new hot spot in the development of sharing economy, and the leading sharing platform will accelerate the research and development of blockchain related technologies. Block chain technology will be widely used in the development of the sharing economy in identity information authentication, transaction behavior record, copyright authentication, content dissemination of the whole process traceability, rights proof and ownership division of interests and other aspects.

The "Internet plus supervision" and credit-based differentiated supervision in the sharing economy will be accelerated.

Thus the present situation of sharing economy is described from the basic mode and evolution mode of sharing economy. The basic modes of sharing economy are summarized as follows: capital-light operation mode, platform competition mode, high-risk mode, cost reduction and value creation; Through the drive of technology, the basic model of the sharing economy has changed: the operation mode has changed from light on capital to heavy on capital, the competition mode has changed from platform to enterprise, the risk has changed from high to low, and the technology creates value.

The development of the sharing economy has increased the overall welfare of the society, and services have reduced the risk factor, which is more in line with humanitarianism. By absorbing the concept of sharing economy, imitating the model of sharing economy, and integrating the thinking of sharing economy into various enterprises' cooperation, a new, more innovative and efficient enterprise cooperation model can be formed, thus driving the new development of the industry and increase employment.

Chapter 3 The development problems and prospects of sharing economy in the world

3.1 Issues arising from the global development of the sharing economy

(1) Sharing and sustainable development

The profit-making sharing exchange squeezes out the real sharing, and sharing economy enterprises actually use the positive concept of sharing to hide their self-interested behavior. Henwood (2015) and Morozov (2013) also believe that the sharing economy makes daily life commoditized and hinders the establishment and consolidation of real social relations [28]. Richardson (2015) and Acquier et al. (2017) also argue that the sharing economy is a self-contradictory concept and that it is impossible to expect sharing to be achieved with capitalist logic [1]. Satanrach (2017) therefore proposes to call the sharing economy "mass capitalism" [2]. They questioned whether sharing economy contributes to sustainable development.

Botsman & Roger (2010) pointed out that collaborative consumption can change the status quo of excessive consumption in capitalism and contribute to sustainable development [7]. But Martin used transformation theory and framing theory to find that, Since the Botsman & Roger put forward the collaborative consumption over the past five years, sharing economy is not on the path of a block of sustainability behavior, but is seen as an economic development opportunity, more focus is on the creation of a new market and new employment pattern, instead, to further strengthen the institutional framework of the existing capitalist, didn't really conducive to the sustainable development of transformation measures [20]. But he also agree with Heinrichs (2013), compared with the internationalization of Shared economy enterprise, some Shared at the community level, the local organization is practising for the transformation of sustainable development, and the organization and behavior actually are not under the influence of digital technology innovation, marks a society does not match between the idea and technology innovation [26].

Sharing economy is the product of enterprises' continuous application of new technologies and exploration of new models. In order to cope with these new changes, the government also needs to adopt new technologies to enhance its capacity and realize real-time supervision and embedded supervision of the market and enterprises [8]. On the one hand, we should improve the ability of data collection and integration, mine internal resources and integrate data of different lines into applications, and at the same time establish a data sharing mechanism, access corporate data, and establish a government big data platform with sharing and publishing mechanism. On the other hand, I should strengthen my ability to interpret and analyze data and predict the development direction and risks of the industry from the data. At present, deep learning-based artificial intelligence systems are fully capable of identifying some simple outliers and common risks with the support of massive data, which can become an important helper for the government to improve its ability.

(2) Discrimination and other negative externalities

The researchers found that while the sharing economy expands choices for consumers and income for providers, it also lowers the cost of discrimination. Edelman & Luca (2014) found that ethnic minorities were discriminated against in the sharing economy, and it was more difficult for them to connect to consumers, resulting in reduced income opportunities. Their research showed that under the same rental conditions, non-black householders could receive 12% more rent than black householders [15].

Enterprise rights and responsibilities are not clearly implemented, resulting in significant negative externalities of enterprise operation. Sharing economy enterprises often regard themselves as "network service providers" and are unwilling to assume relevant responsibilities. As a result, there is no supervision of vehicle safety and insurance measures, no management of disturbance to surrounding residents in house leasing, and no guarantee of safety of food sharing.

Sharing economy has provided certain economic benefits and convenient services for the suppliers and demanders involved in it, and at the same time, it has caused serious impact and huge impact on traditional industries. Many traditional industries are not

necessarily connected with the Internet, and the corresponding business model is also greatly different from the sharing economy model. Sharing economy has been favored and recognized by the public, especially young people, in a short period of time due to its advantages such as low consumption and convenience. However, traditional enterprises are often unable to maintain sufficient competitiveness in market competition due to high consumption and insufficient convenience. And for traditional industries, sharing economy belongs to the "latecomer", to hand over a part of the market is naturally difficult to accept. It is in this context that some traditional industry practitioners began to resist the promotion of sharing economy. In addition, after the sharing economy completely occupies the market, the market monopoly problem will inevitably occur, which will lead to the decline of service quality and the reduction of the treatment of workers.

Under the mode of sharing economy, information security, property security and even personal safety are difficult to be fully guaranteed. The sharing economy requires the use of citizens' personal information and even the information related to bank accounts, while the corresponding platform management and supervision system is still not sound. There are also some sharing platform software can obtain or even steal users' mobile phone information without authorization, which is no guarantee for the security of users' personal information, and may even cause unpredictable property losses to users. In addition, the operation of some sharing platforms is not standardized enough, and the screening, review and supervision of service personnel are not in place, as well as the management system is not sound, which may lead to accidents threatening the personal safety of users.

(3) The bad of labor relations

With the rapid development of sharing economy and a certain competitive relationship with traditional industries, the impact of sharing economy on the working environment of practitioners has become the focus of research by scholars. Moreover, as the number of full-time workers engaged in sharing economy related businesses gradually increases, the working environment of full-time practitioners has attracted particular attention. The argue that the sharing economy has lowered the barriers to employment and

enabled many low-skilled workers to make a living by participating in the sharing economy on a full-time basis, but they also point out that low-skilled full-time workers in the sharing economy earn very little and sometimes cannot even afford basic needs. Slee (2015) believes that the sharing economy also damages the traditional employment relationship, which leads to the decline of job quality and security and the loss of job stability [44]. From the perspective of negotiation ability, Rosenblat & Stark (2016) believed that Uber platform enhanced its control over drivers by taking advantage of the asymmetry of information and power, and established a cooperative relationship beneficial to enterprises between drivers and enterprises on the platform, thus enabling enterprises to have stronger negotiation ability [39]. Steve Hill (2017), after an in-depth investigation into the working environment of relevant practitioners, believes that practitioners of sharing economy cannot get labor security, but can only get very meagre income, and are in the most vulnerable position among consumers, platform enterprises and practitioners. He denounced the sharing economy as "breadcrumb sharing economy" [43]. Cui Xuedong and Cao Yingfan (2019) further pointed out that the sharing economy is a "gig economy" with exploitative nature but no wage labor relationship, which is the restoration of the normal wage labor of capitalism under neoliberalism [9].

(4) Sharing economy leads to fierce competition among enterprises

The overheated venture capital caused by excess liquidity is the main reason for the sharing economy to absorb a lot of capital. Since the 1980s, with the collapse of the Bretton Woods System and the further liberalization of capital controls in Britain and the United States, the world has gradually entered an era of excess liquidity. At the institutional level, the dominance of the dollar encourages the United States to release liquidity to the world, while through direct investment and industrial transfer, emerging economies become the recipients of liquidity and accumulate a large number of dollar claims, which then flow back to the United States through the capital market. This institutional cycle enabled both the United States and emerging countries to enjoy the benefits of "high growth and low inflation" in the short term, but the consequence was the rapid expansion of asset prices (absorbing the excess liquidity) [10].

From the policy perspective, the excessively loose monetary policy and excessive innovation of financial instruments also lead to the rapid increase of liquidity. The continuous innovation of financial instruments enables many assets with poor liquidity to circulate widely after being packaged by financial instruments, while the laissez-faire attitude of various countries towards financial innovation further leads to the rapid growth of liquidity. In addition, quantitative easing, widely used after the 2008 financial crisis, has greatly increased global liquidity [45]. On the one hand, excess liquidity reduces the cost of capital, and on the other hand, it will increase the proportion of capital held by enterprises and increase the investment motivation of enterprises, thus leading to investment overheating and pushing up asset prices (Su Dongwei and Min Xiaoping, 2019). For enterprises in the sharing economy, excess liquidity makes it easier for them to get venture capital and may obtain higher asset prices, i.e. valuation, which will further stimulate investors to invest in the sharing economy.

The innovation in business model of most sharing economy forms is greater than that in product quality, which makes it difficult for the first mover to form technical barriers, and the competition among enterprises is easily reduced to homogenized product competition. In contrast, the advantage of the first mover is more based on the user engagement and traffic advantages brought by the cross network externalities, which can be easily reversed by the investment of capital subsidies, that is, the late mover can exchange for traffic through subsidies and use the traffic to build a competitive advantage over the first mover.

As a result, capital plays a significant role in the short term. Once venture capital is injected into one side of the market, the other side must also absorb venture capital, otherwise it will be at a competitive disadvantage. Market competition has become the competition for capital, financing capacity has become the core competitiveness of enterprises. In order to attract capital, enterprises must operate according to the interest demands of capital. The profit-seeking behavior of capital makes enterprises pay more attention to the operation methods that reflect the potential profitability, such as

strengthening market share, while ignoring the long-term improvement of product quality and reduction of transaction costs.

Excessive competition based on capital and inadequate regulation of the sharing economy have combined to create a race to the bottom. Under the intervention of capital, sharing economy has typical characteristics of excessive competition:

Firstly, product differentiation is small;

Secondly, the entry threshold is low, but the exit threshold of venture capital is relatively high due to the pursuit of profit and dilution of equity\$

Thirdly, capital subsidies enable firms to operate at a price below marginal cost.

Fourthly, under the continuous capital injection, the logic of capital profit replaces the logic of enterprise industrial development, and the optimal choice of capital replaces the optimal choice of enterprise.

Especially the last point, for venture capital, it can make huge short-term gains by beating the drum to exit, such as increasing the valuation of the enterprise, going public or attracting new capital to exit. However, for enterprises, their long-term profits are more in need of high-quality products, services and reputation, which need long-term investment and maintenance. However, it is difficult for the start-up sharing economy to gain the favor of capital by relying on these long-term investments, and they have to take the road of competitive capital.

3.2 Prospects for the global development of the sharing economy

(1) New development of mobile finance

Global app marketing platform Adjust and app intelligence provider Apptopia have launched the Mobile Finance Report 2020, which provides a global data benchmark for banking, payments, and investment and wealth management apps. The report shows that the global financial applications have accelerated due to the impact of the epidemic. Compared to the first half of 2019, the use of financial apps by countries/regions in the first half of 2020 is as follows:

For investment and wealth management apps, which allow you to trade stocks directly on your phone, user activity has increased dramatically. The number of daily conversations increased by 88% between January and June 2020. Trading platforms such as Acorns and Stash offer apps that make it easier to invest, encouraging more people to use apps to invest. Data shows that investment and finance applications will be the second fastest growing mobile application category globally in 2020. The growth rate is much higher than that of casual and ultra-casual game apps. The report shows an average growth of 49% in global payments app sessions. The highest growth rates occurred in Japan (75 per cent), Germany (45 per cent), Turkey (39 per cent), the United States (33 per cent) and the United Kingdom (29 per cent). To maintain a safe social distance, more and more users are using mobile devices for financial transactions [59].

Globally, the total number of banking and payment app sessions increased by 26%. Among them, Japan (142%), Germany (40%), Turkey (31%) and the United States (27%) have significantly higher growth rates of conversation volume than other countries/regions. Super Apps are still one of the hottest trends in the mobile industry. With WeChat and KakaoTalk as the representative, super apps have set off a hot trend of global application development in Asia. But other regions are not far behind. For example, Revolut, the UK online payment service, is seeking to become a "super app".

In 2020, users around the world are also spending more and more time in financial apps. In the first half of 2019, users spent an average of 7.7 minutes per session on banking and payment apps, but by 2020, that figure had risen 8.9 percent to 8.35 minutes. Adjust's data also confirms that the growth rate of financial apps peaked in the second quarter of 2020, a time when the world was in lockdown. Of all the countries analyzed, Argentina's app usage increased 72% in 2020 compared to last year, putting it at the top of the list. It was followed by Ukraine, with a 62 per cent increase, followed by Russia and Brazil, each with an increase of about 50 per cent. Japan's was 21 per cent.

While COVID-19 has transformed the financial economy and society, the cost of user acquisition for banking and payment apps has also fallen dramatically. Statistics show that from February to May 2021, the application's effective cost per install (ECPI) dropped

by 77.49%. The COVID-19 epidemic has led more and more people to use mobile apps for financial, investment, trading and other services. Mobile Maketer's analysis suggests that as the epidemic eases, users who are used to financial apps are likely to continue to do so, providing opportunities for these apps to expand their services.

(2) Online car-hailing

Ride-hailing has been the fastest growing mobile service in the world over the past decade, disrupting the taxi and car rental industries and creating a new way of getting around.

The Strategy Analytics Automotive Connected Mobility Research Service (ACM) Forecast 2019 H1 -- Global Ride-hailing provides forecasts for each operator's total number of active drivers, total number of active users and revenue. The total number of active drivers, total number of active users and revenue are expected to continue to grow over the next 10 years, the forecast report said. The Asian and Western European markets will contribute significantly to this growth; Meanwhile, markets such as Germany, Japan and South Korea have also begun to liberalize ride-hailing services. The Australasian and Latin American markets are expected to grow substantially over the next 10 years, making these regions key battlegrounds for major ride-hailing operators.

Strategy Analytics, which tracks more than 140 operators in 119 different countries, released a global ride-hailing market update for the first half of 2021 and its associated global ride-hailing market forecast. 2020 was a tough year for ride-hailing operators in all regions, with the industry's total global revenue (gross bookings) down 18%. Uber announced a record high total bookings for March 2021 on April 12. It is clear that a rebound in the industry is just around the horizon, but the market is set to change forever as many operators have turned to the express/delivery sector and see it as key to long-term growth.

In the first half of 2020, major ride-hailing companies including Uber, Lyft, Bolt, Careem, Didi, Free Now, Grab, Gojek, Ola, and Yandex have seen a sharp drop in ride-hailing traffic as global ride-hailing companies struggled to cope with the COVID-19 epidemic. Major ride-hailing operators have carried out mass layoffs, a new round of

funding and epidemic-related initiatives such as medical transportation, food, grocery and parcel delivery.

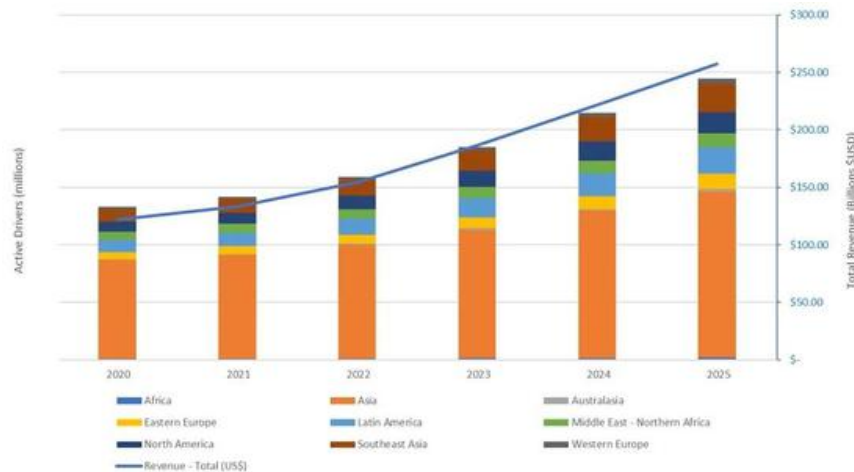


Figure 3.1 – Global ride-hailing volume

Global Ride-hailing Market Update for the First Half of 2021, according to Strategy Analytics' Connected Mobility (ACM) report. It is estimated that the number of active drivers for global ride-hailing services will grow at a compound annual growth rate of 9.8% over the next 10 years, with the global market expected to recover by the end of 2022 [57].

Roger C. Lanctot, Director of Connected Mobility Services at Strategy Analytics, said: "Despite an imminent recovery, global operators such as Uber, Didi, Grab and Yandex will look very different in the future as they seek to consolidate their dominant market positions while fend off regional competitors. "Food delivery is a focus as it drives the development of multi-purpose payments and financial applications." Ben Lundin, Strategy Analytics Automotive Connected Mobility Services Industry Analyst, added: "The short-term shift to food, groceries, medicine and package delivery is clearly paying off, but driver supply is an issue -- operators are dealing with historical demand for food delivery services while also seeing travel demand grow in 2021-2022."Strategy Analytics

forecasts that the global ride-hailing market is worth about \$122 billion and will grow to more than \$200 billion by 2023 [58].

(3) Shared office

The coronavirus pandemic has forced employers to largely embrace telecommuting arrangements to keep employees safe, and flexible schedules to allow workers time to care for their families. Hannah McConnaughey, product marketing manager at Microsoft, says, "Without hallway conversations, chance encounters, and small talk over coffee, it would have been hard to feel connected even to my immediate team, let alone build meaningful connections across the company".

Apple, Amazon, Google, Facebook spend billions on shiny new offices. Now they're almost empty. Employees also say they want flexibility, not complete remote work. Of the employees surveyed by Microsoft, 73 percent said they hoped the telecommuting option would stay, and 46 percent said they were planning to move now that they can [56].

Microsoft's findings suggest that this is a very disruptive time for people just starting out in their careers. They have a hard time finding their footing because they don't have the in-person induction, networking and training that they would expect in a normal year. In its conclusion, Microsoft recommends that companies invest in technologies that help connect the physical and digital worlds so that teams can work remotely and in offices. Kaspersky's research found that 47 per cent of people were able to spend more time with their family, highlighting this as a major benefit of working from home.

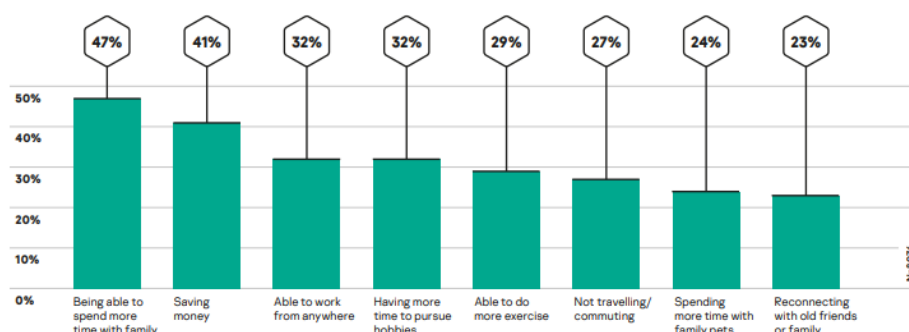


Figure 3.2 – Survey of the results of working from home

Work-life balance: Staying at home can make it difficult to maintain a proper work-life balance, with nearly a third of respondents (31%) in the April survey admitting they are now working more and 46% of respondents spending more time on personal activities. But attitudes seem to have shifted towards working remotely, with nearly three-quarters of workers (74 per cent) happy never to return to at least some traditional workplaces, the November survey found [55].

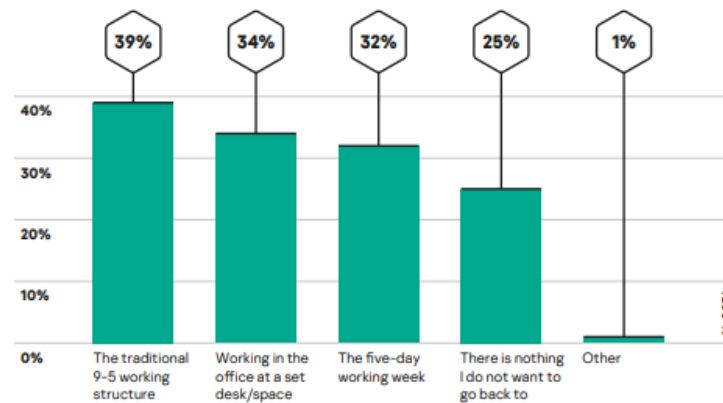


Figure 3.3 – Work/Life Balance Survey

Productivity levels: Studies show that remote work can actually increase productivity. Kaspersky found that 40 per cent of workers had not noticed a change in their productivity levels, with 29 per cent admitting to being more productive. Just as important, employees still lack certain aspects of the traditional work environment, mainly face-to-face interaction with colleagues (34%).

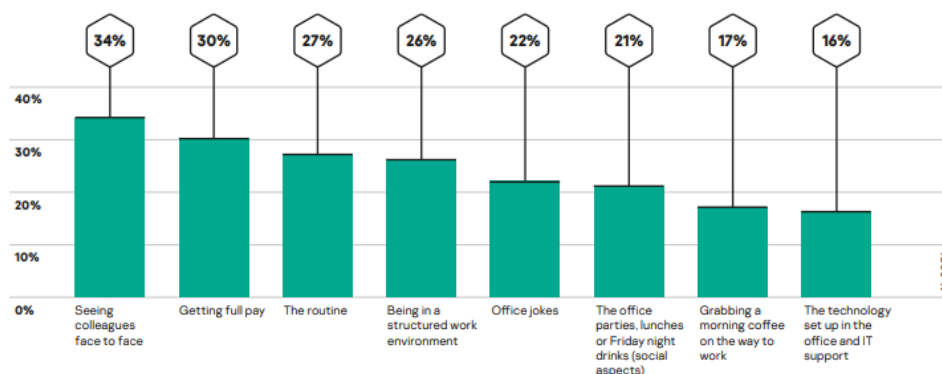


Figure 3.4 – Survey of productivity levels

(4) Goods tracking demand is strong, sharing economy and logistics open up new space for growth.

Goods tracking is an important tool for supply chain management with high market value. Cargo tracking can provide the operator with high quality real-time data about the cargo, including the status information, location information, time information and so on. Based on the high quality information, operators can better arrange the handover between goods and customers, make more accurate scheduling, and finally realize modern supply chain management and improve operating efficiency.

According to Berg Insight, the number of active tracking devices deployed globally for cargo loading units such as trailers, intermodal containers, rail trucks, air cargo containers, crates and pallets reached 7.5 million in 2019 and is expected to grow to 23.2 million by 2024, with a CAGR of 23.3%. According to Berg Insight, trailer cargo tracking accounted for 40.7% of total equipment volume in 2018, followed by general cargo tracking and container tracking, which accounted for 27.7% and 24.8%, respectively. The remainder accounted for the remaining 6.8%. In terms of market value, Berg Insight estimates that the global market for trailer tracking and container tracking will be worth €1.1 billion in 2019 and €2.2 billion in 2024, with a CAGR of 16.2%. The total cargo tracking market is estimated to be worth €3.36 billion in 2024, assuming the share of each tracking method remains unchanged from 2018 [60].

In the face of such a development trend, it is necessary to attach great importance to the problems in the development of sharing economy, and take reasonable measures to optimize the development of sharing economy.

First, we should guide innovation in traditional industries.

Under the background of sharing economy, traditional industries should embrace the new environment with a more open and innovative attitude, and actively innovate under the guidance of the government. Traditional enterprises should actively change traditional thinking, fully implement the publicity and cultivation of sharing economy thinking, and vigorously explore the development path of "Internet +". Enterprises should accurately realize that sharing economy is an important trend of future economic development, and it

is not wise to resist it blindly. They should combine sharing enterprises with their own actual situation, try to innovate and reform, and build a more suitable operation and management mode in the new era. Companies can try to use their surplus capacity, such as office space, personnel and even expertise, to consume. Enterprises actively integrate resources and participate in the sharing economy, which is an effective measure to achieve a win-win situation, but also an important means to prevent the sharing economy from monopolizing the market.

Second, we need to improve laws and regulations.

The improvement of laws and regulations is an important foundation for supporting the legal, standardized and sound development of the sharing economy. According to the actual situation, the government needs to accurately grasp the legal problems that may be encountered in the development of sharing economy, and improve the legal system related to sharing economy as soon as possible. Based on the existing social and legal environment, the legal environment involved in the fields and industries covered by the sharing economy will be comprehensively analyzed, and the corresponding laws and regulations will be optimized according to the existing legal provisions. Sound legal system is a long-term and arduous task, at the same time faced the social environment change, sharing the uncertain factors of economic development, so in practice should not only consider the current actual situation, also want to focus on the future, to share economic development trend is analyzed on the basis of the forecast of early from all aspects to perfect the legal provisions. Of course, it is also necessary to dynamically adjust laws and regulations, which is the key to ensure that laws and regulations can play an effective role.

Third, we will speed up the construction of a social credit system.

The construction and operation of social credit system can provide support and guarantee for the healthy and sustainable development of sharing economy. With the support of the social credit system, both the supply side and the demand side of the sharing economy model need to rely on certain social credit as the basis to enter the corresponding sharing economy platform, which can effectively protect the rights and interests of both

sides. Under the norms of the social credit system, businesses need certain qualifications to enter the sharing economy market, and the corresponding access threshold has been raised, effectively protecting the rights and interests of the vast number of consumers. At the same time, the market exit mechanism should be improved to cooperate with the supervision work and vigorously crack down on the misdirection and deception of consumers by merchants. At the same time, users should also strictly abide by the norms of sharing economy under the social credit system, and use shared goods and enjoy shared services according to the requirements of merchants. Whenever users maliciously damage shared goods, their social credit will not only be reduced, but also will face a corresponding fine.

Fourth, we need to comprehensively build a regulatory system.

Strengthening supervision and management is a necessary means to ensure the healthy and sustainable development of the sharing economy. In view of the current difficulties in the implementation of regulation, relevant government departments should actively build a systematic, scientific and comprehensive regulatory system and conduct all-aspect and whole-process supervision on the sharing economy, so as to ensure the stable and sound operation of the sharing economy. On the basis of laws and regulations, we will standardize the structure, responsibilities, systems and procedures of regulatory organizations, and require relevant departments to coordinate and work together to implement regulatory work. The regulatory mechanism should be improved, the regulatory system should be combined with the social credit system, and the regulatory level should be comprehensively improved with the help of advanced computer technology, information technology, information security technology, cloud computing technology and big data technology to comprehensively supervise businesses, consumers and all kinds of sharing economy behaviors. We will introduce incentive mechanisms in line with local conditions to crack down on illegal activities in the development of the sharing economy. We should improve the risk prevention and control mechanism, formulate scientific emergency plans, strengthen the analysis and prediction of various risks in the sharing economy, and try our best to deal with risks before they break out and as soon as possible

after they break out, so as to minimize the damage and impact caused by risks. To strengthen the supervision of enterprise software, it is necessary not only to ensure that there are no irregularities in the operation and management of enterprises' sharing platforms, but also to supervise and help enterprises to improve the level of software security protection, and to help enterprises better participate in the sharing economy. Also need to focus on strengthening information security supervision. We should ensure the information security of enterprises and consumers, and make full use of advanced technologies to strengthen information supervision. Any act of intentionally spreading users' privacy information, stealing personal information or stealing enterprise information must be seriously dealt with and punished through administrative or even criminal means.

Concluding on the chapter it should be said that the problems and prospects of the development of sharing economy are discussed. The main problems can be summarized into four points: first, there is a contradictory relationship between sharing and sustainability that hinders the development of sustainability; Second, discriminatory negative externalities; The third is the destruction of labor relations; Fourth, excessive venture capital due to excess liquidity, excessive competition based on capital and insufficient regulation of the sharing economy all lead to competition among enterprises. Financial sector, global ride-hailing market scale, shared office and logistics open up new growth space. In the face of such a development trend, four constructive suggestions are put forward. First, we should guide the innovation of traditional industries, fully implement the publicity and cultivation of sharing economy thinking, and vigorously explore the development path of "Internet +"; Second, we need to improve laws and regulations, support the lawful, standardized and sound development of the sharing economy, and make dynamic adjustments to laws and regulations. Third, speed up the construction of a social credit system to provide support and guarantee for the healthy and sustainable development of the sharing economy. Fourth, we should build a comprehensive regulatory system. The government should actively build a systematic, scientific and comprehensive regulatory system to ensure the stable and sound operation of the sharing economy.

Conclusion

According to the theory of economic development and sharing of economic theory as the breakthrough point, from the regional economic development to pass judgement, define the value and connotation about economic theory, sharing economy is refers to the use of modern information technology, such as the Internet, share rights as the main characteristics of integration of vast and diversified resources, total and meet the demand of diverse economic activities. Sharing is the information revolution and economic development to a certain stage after the new economic form, is the integration of all kinds of scattered resources and realize the supply and demand both sides to fulfill the diversified demands, accurately find fast matching way to optimize the allocation of resources, is the development trend of the information society the emphasis on the people-oriented and sustainable development, advocating the best experience and make a new consumption view and development view.

This paper analyzes the causes of sharing economy from four aspects: the egoistic consumption concept, which is to meet the consumption demand with a lower cost; Internet technology support, break the time-space boundary, provide the public with a convenient channel to share transactions, effectively reduce transaction costs, improve transaction transparency, to a certain extent, reduce the unknown transaction parties on the transaction risk anxiety; Trust mechanism greatly reduces transaction risks, ensures shared satisfaction, and organically unifies online and offline activities of shared practices. The reflection of external environmental changes on consumerism, which wastes resources and destroys the environment, makes people more willing to participate in the sharing economy.

Regional economic development is a broader and more profound process that includes economic growth, structural upgrading, technological innovation, social progress and improvement of people's welfare. Porter's theory of national competitive advantage ultimately attributes regional competitive advantage to industrial clusters, which is essentially a study of industry and takes industry as the research object. Classical

economists continue to take the "state" as the regional unit and pay attention to the theoretical research of regional economic development. Swedish economists Heckscher and Ohlin established a relatively complete theory of factor endowment, from a single labor factor of production to a variety of factors of production to analyze a country's industrial participation in international competition. Examine the problem of industry competition and cooperation again from a brand-new Angle of view. In the process of economic development, economic growth, technology, enterprise and welfare are closely related topics. Through the description of regional economic theory and national competitive advantage theory, it provides a solid theoretical basis for analyzing the development of global sharing economy from point to surface.

The present situation of sharing economy is described from the basic mode and evolution mode of sharing economy. The basic modes of sharing economy are summarized as follows: capital-light operation mode, platform competition mode, high-risk mode, cost reduction and value creation; Through the drive of technology, the basic model of the sharing economy has changed: the operation mode has changed from light on capital to heavy on capital, the competition mode has changed from platform to enterprise, the risk has changed from high to low, and the technology creates value. The development of the sharing economy has increased the overall welfare of the society, and services have reduced the risk factor, which is more in line with humanitarianism. By absorbing the concept of sharing economy, imitating the model of sharing economy, and integrating the thinking of sharing economy into various enterprises' cooperation, a new, more innovative and efficient enterprise cooperation model can be formed, thus driving the new development of the industry. Increase employment.

Finally, the problems and prospects of the development of sharing economy are discussed. The main problems can be summarized into four points. First, the contradiction between sharing and sustainability hinders the development of sustainability, and the mismatch between social concepts and technological innovation; Second, the negative externality of discrimination, in some specific circumstances, income opportunities of the income-earners are reduced; Third, it destroys labor relations and breaks the traditional

model. Sharing economy is a "gig economy" with exploitative nature but no wage labor relations, which is the restoration of the normal wage labor of capitalism under neoliberalism. Fourth, excessive venture capital due to excess liquidity, excessive competition based on capital and insufficient regulation of the sharing economy all lead to competition among enterprises.

The growth rate of financial apps peaked in the second quarter of 2020, with the global ride-hailing market valued at around \$122 billion and growing to more than \$200 billion by 2023. The advantages of shared working are too obvious and too easy to accept. Goods tracking demand is strong, sharing economy and logistics to open up a new space for growth. In the face of such development trend, four constructive suggestions are put forward for the problems in the development of sharing economy. First, we should guide the innovation of traditional industries, fully implement the publicity and cultivation of sharing economy thinking, and vigorously explore the development path of "Internet +"; Second, we need to improve laws and regulations, support the lawful, standardized and sound development of the sharing economy, and make dynamic adjustments to laws and regulations. Third, speed up the construction of a social credit system to provide support and guarantee for the healthy and sustainable development of the sharing economy. Fourth, we should build a comprehensive regulatory system. The government should actively build a systematic, scientific and comprehensive regulatory system to ensure the stable and sound operation of the sharing economy.

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