

Expecting Sharing Economy's Effect on Sustainable Growth of the World Economy after COVID-19 Pandemic

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Abstract

Markets that rely on data as a resource for goods and services depend on having access to data. Businesses active in the data economy have a strong interest in getting data from other market players since the accuracy and quality of information that can be derived from data rises with the quantity and quality of the raw data that is accessible. The aim of this paper is to create a theoretical framework that defines the sharing economy and examines potential connections between it and sustainability. The literature analysis is also used to evaluate the need for an institutional and legislative framework to promote the sharing economy as an economic driver, perhaps resulting in more sustainable global economic growth. Moreover, the role of sharing economy to encourage the investments and the importance of sharing data after COVID-19. The findings of this research will support the decision makers to give more attention for the data sharing economy as a main key in their macroeconomic strategic planning.

Keywords: Data-driven markets, data sharing economy, framework presentation, sustainable growth, Economic impact of COVID-19 pandemic.

I. Introduction

The concept of sharing economy, which has gained popularity across a wide range of forms and industries, particularly in the technology field, has recently emerged in the global and economic arena. Some experts believe that it will fundamentally alter the nature of individual and national economic and social relations, and some see it as a serious rival to individual-benefit capitalist thinking.

As a system of direct exchange of products and services between people through digital platforms, a sharing economy is sometimes referred to as a cooperative economy. It is predicated on the sharing of assets,

including people and physical space, between private and public institutions and individuals. (Leena Ajit KAUSHAL 2018)

A technique of arranging economic activity on the basis of sharing people and material resources is known as the "sharing economy." Peer-to-peer economy, mesh economy, collaborative economy, and collaborative consumption are some more names for the sharing economy, albeit these terms are used less frequently. Nivedita A., Robert S. (2019)

Since the sharing economy is founded on the concept of "being able to use something" rather than "owning something," it stands apart from the business-as-usual approach. The basic premise is that, in many instances (though not always), individuals are more interested in using or having access to goods or services than they are in necessarily owning them. As a system of direct participation, a sharing economy is also known as a cooperative economy. (Florin Bonciu, Ana-Cristina Bâlgăr 2016)

A collaborative and sharing economy is based on many features in five promising sectors:

- Housing and establishment, transport, financial services, labor services, domestic services, and many other areas, it is an economy that reinforces many values of service-sharing and outreach, and motivates them to get access, On additional access, through innovative means. It was spread to six major markets: Germany, France, the United Kingdom and the United Kingdom.
- The UN agencies, China, and some 680 million people worldwide have participatory economy platforms. This cooperation provided delivery services, vehicle rental and rental services, Electrical equipment, parking space rental, additional room rental, unit rental and land terminal, and crowdfunding.
- One of the workers who are based on the participatory economics system is Airbnb to rent and share rooms and apartments around the world, Uber and Lyft to share transportation the most prominent services of the cooperative economy in the country are delivery and vehicle rental services, electric equipment rental, car park rental, additional room rental and rental units and lending by Party and crowdfunding. Andreas B. & Alexander F.& Joakim W. (2021), Törnberg, P. (2022)

The Sharing Economy Market Research, 2023-2030 discuss the following facts and expectations.

- Between 2022 and 2028, the forecast predicts a strong expansion of the worldwide sharing economy business. Due to the main corporations' growing rate of strategy adoption, the market is predicted to grow throughout the anticipated time period in 2021.

- In theory, the sharing economy is a way to structure economic activity around the sharing of material and human resources. Other names for the sharing economy include peer-to-peer economy, mesh economy, collaborative economy, and collaborative consumerism, however these terms are used less frequently.
- A new business model built on strangers and the temporary transfer of the right to use things is commonly referred to as the "sharing economy." Its main goal is to bring within the line the resources for idle products, labor, education, and healthcare. After sharing vehicles, bikes, chargers, basketballs, umbrellas, parking spaces, tour guides, specialists, community services, WiFi, and even parking spaces, there is a high demand for mobile Internet.
- According to projections, the size of the worldwide sharing economy market would increase from 113,000 USD million in 2021 to 600,000 USD million in 2026, at a CAGR of 32 % from 2021 to 2026.
- The study makes a wonderful effort to highlight important opportunities present in the worldwide Sharing Economy market to assist businesses in obtaining a strong market position. It does so with industry-standard precision in analysis and excellent data integrity. The report's purchasers will have access to credible market predictions that have been independently validated, including data on the overall size of the worldwide sharing economy sector in terms of revenue.
- In general, the report demonstrates that it is a valuable instrument that participants may utilize to obtain a competitive edge over rivals and guarantee long-term success in the global Sharing Economy market. With the aid of reliable sources, all of the report's conclusions, facts, and information have been verified and confirmed. The researchers that wrote the paper used a cutting-edge research methodology to conduct a comprehensive examination of the worldwide sharing economy business.
- Global Sharing Economy Scope and Market Size Sharing Economy market is segmented by company, region (country), by Type, and by Application. Players, stakeholders, and other participants in the global Sharing Economy market will be able to gain the upper hand as they use the report as a powerful resource. The segmental analysis focuses on revenue and forecast by Type and by Application in terms of revenue and forecast for the period 2016-2027. Market Watch (2023), Global newswire (2023)

II. Literature Review:

Sharing economy and GDP

An indication of the sharing economy's impact on the economic sphere has been the association between GDP and the sharing economy. The study's findings showed that the growth of the sharing economy has no impact on achieving the quantitative objectives of sustainable development.

While many people celebrate the emergence of the sharing economy, in the other side James Pennington, an economic adviser to the British Foreign Office, cautions that while it is advantageous, the sharing economy is not good for GDP, due to four reasons, which are

- **Unrecognized value**

There is an increase in unrecorded value as a result of the sharing economy. It is not represented in GDP since it is not documented.

- **Better use of resources**

The sharing economy reduces GDP because it permits the use of already-existing resources without creating or developing new ones.

- **Improved personal well-being**

The sharing economy poses a challenge by failing to turn all resources into monetary equivalents e.g. rents) which lowers GDP.

- **Increased costs of alternatives**

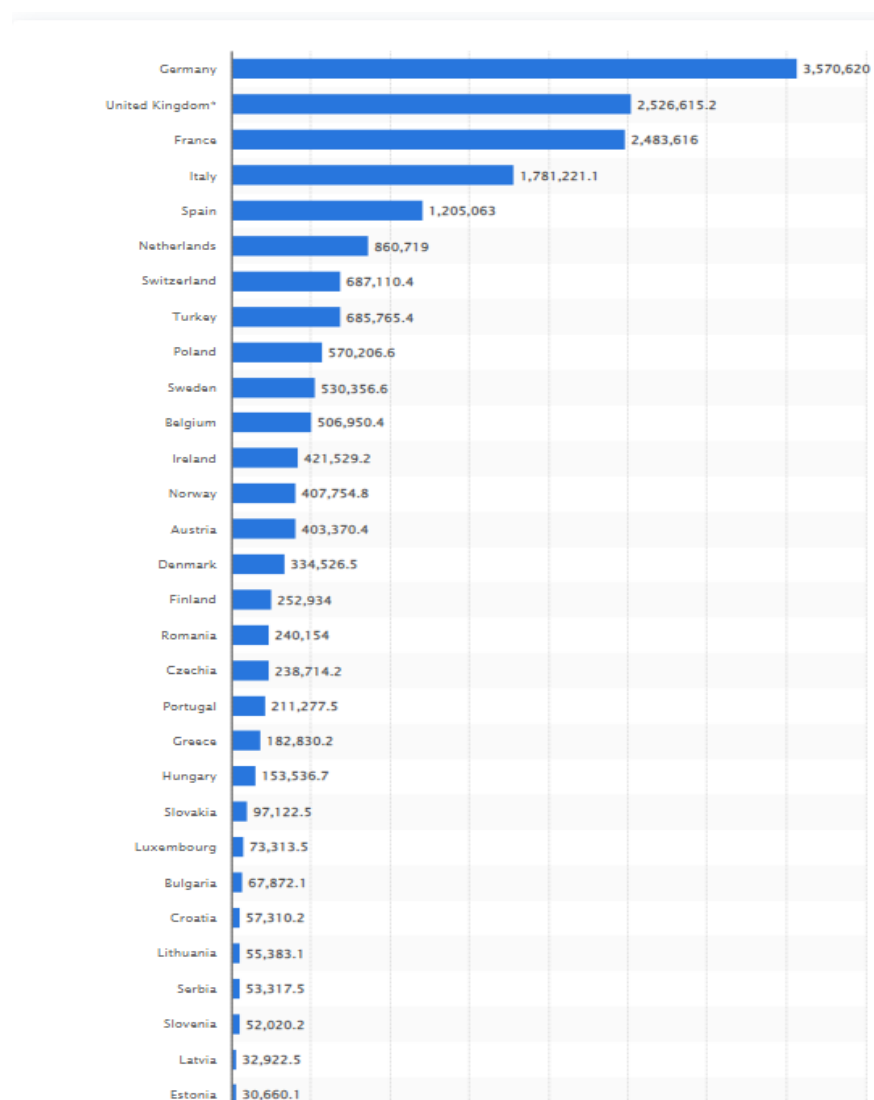
If someone using an alternative (such a public item or service) is more advantageous for him/her than owning the exclusive right to use it, they are willing to utilize it, which lowers GDP.

He concluded that: even if the sharing economy has little impact on GDP growth, it still has a positive impact on the economy. Governments must be careful to create laws that assure stable economic growth and also assist individuals in living and earning as they like. (FinTech Bulletin 2023)

Standard macroeconomic indicators have been developed as a result of the growth of the digital economy, but they are insufficient to evaluate the social, environmental, and economic dimensions of sustainable development. The inherent advantages of the digital economy are threatened by the current regulatory issues. The created model may be used to assess how the sharing economy affects the attainment of sustainable development goals and can also be refined in light of the current statistics base. (Hoskins, J. D., & Leick, R. 2019)

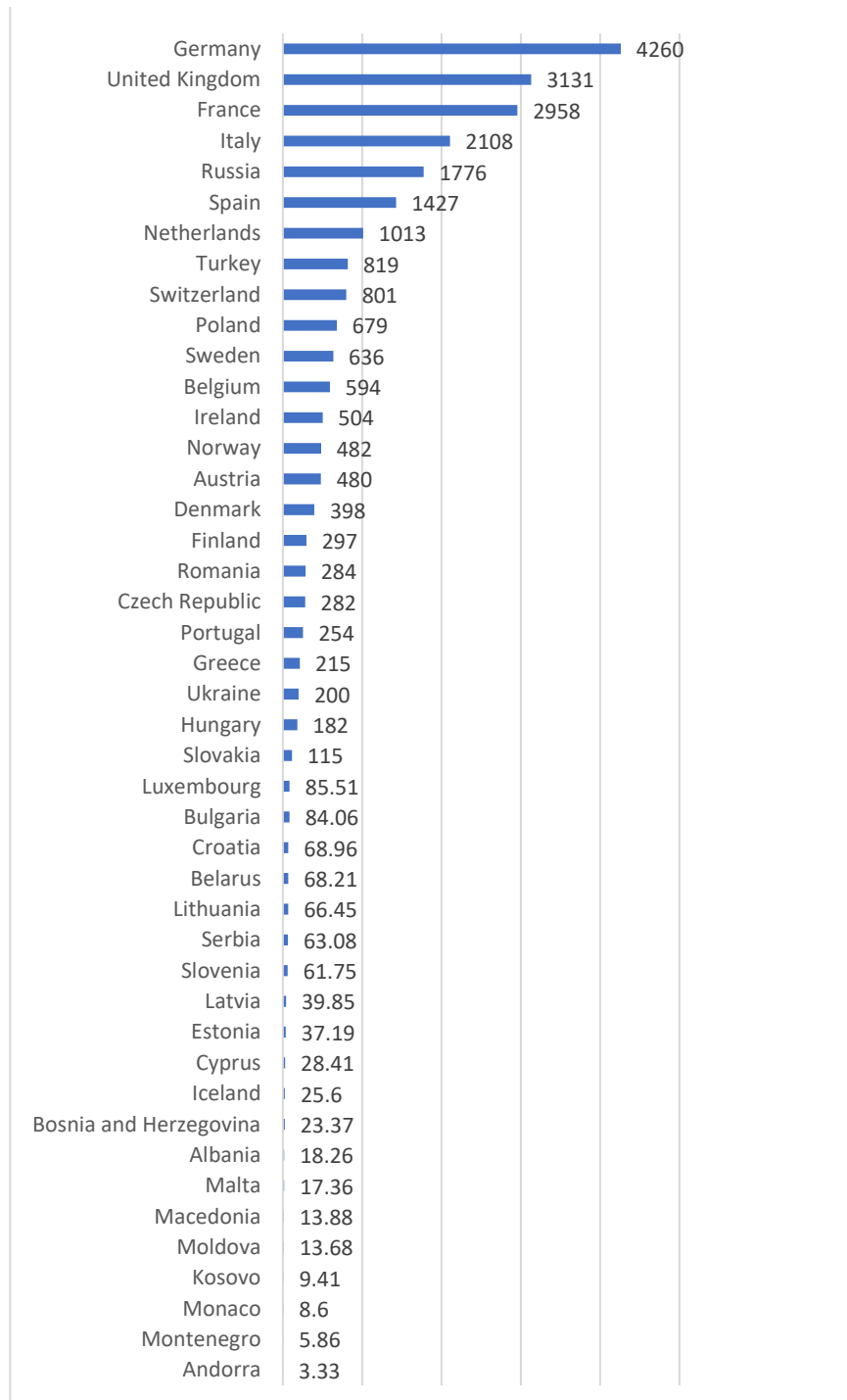
The Fig 1 and Fig 2 show the GDP in the European Union member states, while Fig 3 and Fig 4 show the GDP in the Arab countries

Fig 1: 2021 GDP in the European Union member states



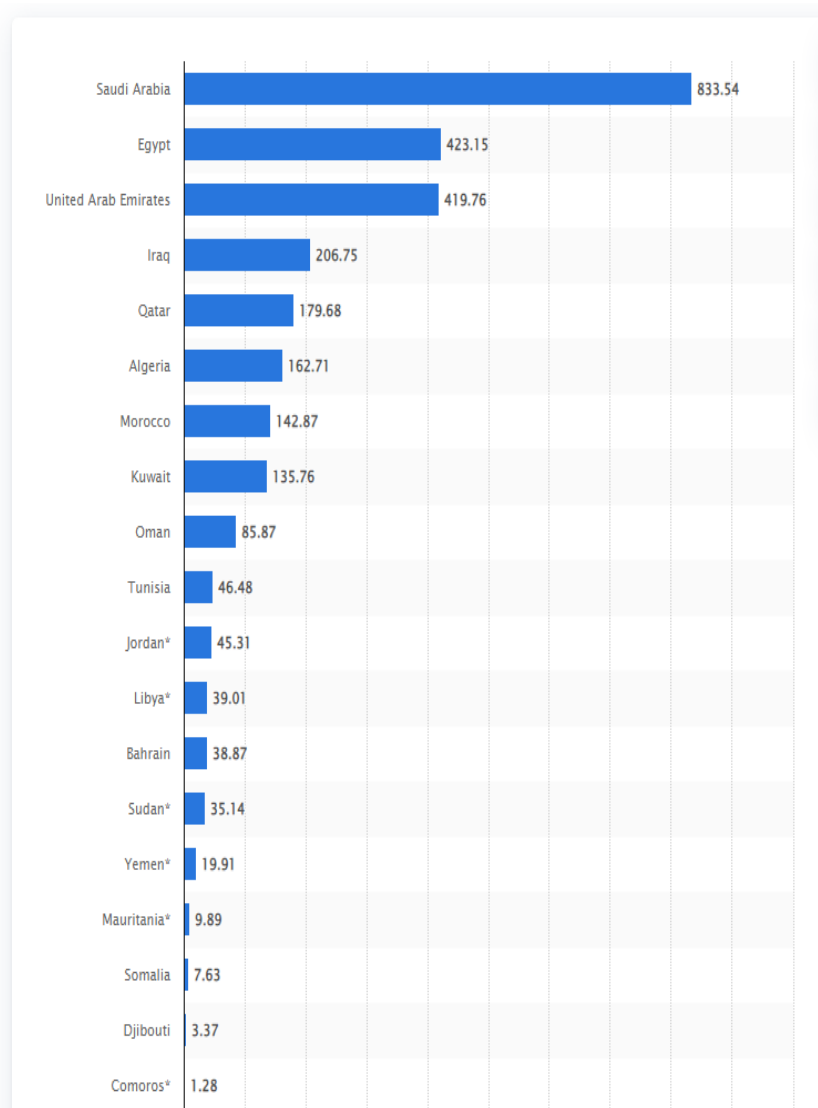
Source Statista <https://www.statista.com/statistics/1373346/eu-gdp-member-states-2021/>

Fig 2: 2022 GDP in the European Union member states



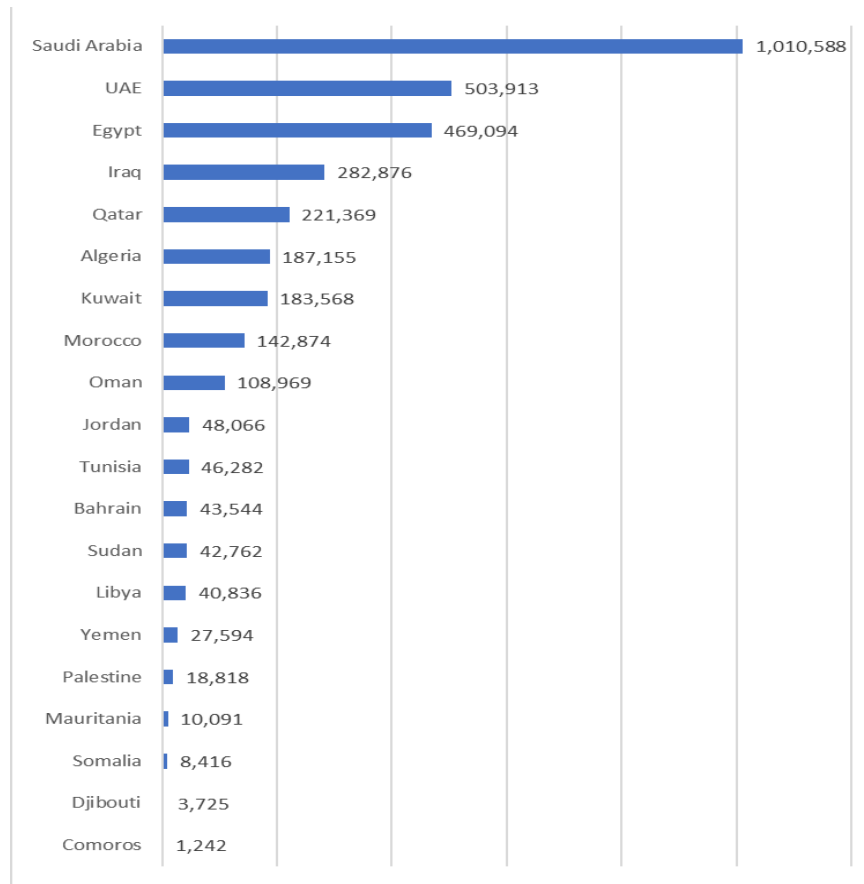
Source Statista <https://www.statista.com/statistics/1373346/eu-gdp-member-states-2022/>

Fig 3: 2021 GDP in Selected Arab Countries



Source Statista: <https://www.statista.com/statistics/806135/gdp-of-the-arab-world/>

Fig 4: 2022 GDP in Selected Arab Countries



Source Statista: <https://www.statista.com/statistics/806135/gdp-of-the-arab-world/>

Sharing Economy in the Arab World

The Arab World has mostly avoided public and government debate on the policy challenges that this significant growing sector emphasizes as it undermines established businesses, despite the unfavorable news coverage the sharing economy has received. Global policymakers are confronted with the dilemma of adopting innovative, digital services that may reduce prices and boost convenience for customers while balancing the ongoing competitiveness of existing sectors. As the sharing economy has evolved, it has perplexed them.

Many different online platforms that enable users to exchange access to assets, resources, time, and talents are part of the sharing economy. Despite the increasing number of regional businesses that have entered the market, well-funded startups from Silicon Valley continue to dominate the Arab World. Due to high customer demand, sharing economy companies have swiftly expanded their operations throughout

the Arab World, from Marrakech to Beirut and other towns in between. However, most regional officials haven't yet thought about how to control the sharing economy.

Arab policymakers have two options when deciding how to regulate the sharing economy: either embrace the efficiencies the sharing economy can bring to increase innovation and harness the growth of the shared economy to promote socio-economic growth, or dismiss new sharing economy platforms by regulating them out of existence and maintaining legislation that favors market incumbents. (Hoskins, J. D., & Leick, R. 2019)

According to a recent study, the presence of sharing economy participants in the short-term rental industry has a detrimental influence on hotel room income. However, lower-end hotels and hotels that don't cater to business visitors frequently drop their prices in reaction to incumbent hotels' competitive responses. Sharing economy companies that specialize on short-term rentals have the potential to cut hotel room costs for customers while also increasing the variety of accommodations available. Dubai's implementation of licensing regulations as a means to regulate the sharing economy may ultimately have the unintended consequence of lowering tourism by encouraging higher lodging rates, insofar as reduced accommodation prices might drive tourism numbers even higher. Tushev, M., Ebrahimi, F., & Mahmoud, A. (2022)

Regulatory and operational overlaps of governmental agencies can cause serious inefficiencies throughout the Arab World. Reduced quality of public service delivery and lower service standards are frequently unforeseen consequences when government organizations provide a service, set delivery standards, and monitor compliance with standards. The Arab governance tradition has resulted in a number of instances when regulatory bodies, which should be answerable to Ministries and focused on setting standards to ensure high quality public services, have been overly involved in operational tasks that are driven by business interests. The sharing economy's potential expansion might be stunted by excessive government engagement in operational operations, which would eventually harm customer convenience and choice. (Tahseen Consulting, 2023),

Embracing the Sharing Economy for Regional Socio-economic Development

The World Travel and Tourism Council estimates that the travel and tourism industry support 11 million jobs and provides \$283 billion to Arab economies. This indicates that the travel and tourist industry's contribution to the regional GDP is on equal footing with the banking sector, chemical, agricultural, and automotive industries. It is obvious

that during the coming ten years, travel and tourism will contribute significantly to economic growth and job creation in the Arab World.

The sharing economy has the potential to greatly contribute to regional socio-economic development insofar as it is a major driver of travel and tourism. Even though there haven't been any comprehensive studies of the shared economy's socioeconomic effects in the Arab World, the region's travel and tourist industry appears to be more dependent on it, according to the minimal information that is available. For instance, 40% of Uber users in Dubai are international. According to statistics like these, regional economies may be significantly impacted by global sharing economy trends and penetration rates. Apte, U. M., & Davis, M. M. (2019).

According to Express Wire 2022's The Sharing Economy Market Report. The following organizations are among the top participants mentioned in the sharing economy industry report: the following services: Didi, Global, VaShare, Steam, Eatwith, Prosper, and E-stronger. Uber, Lyft, Limezust Park, Zipcar, Spotahome, Stashbee, Hubble, Fon Omni, Fiverr, Snap, Couchsurfing, BlaBlaCar, and Silvernest.

The global sharing economy market trend and market development status are also studied in more detail in the report. In order to conduct a thorough analysis and disclose the market's profile and prospects, it also divides the sharing economy market segmentation by type and by applications.

The production, revenue, price, market share, and growth rate of each product type are mentioned in the research, which is organized largely into two categories

1- Product type category which displayed into 8 common sectors: transportation, space, finance, food, health care, knowledge education, task services, and items.

2- End user/applications category which displayed in 3 common sectors: the market share, consumption (sales), growth rate for each application based on the end users and applications with its 7 categories: traffic, education, electronic, lodging, food and beverage, and tourism. (News wire 2022)

The Future of the Sharing Economy in the Arab World

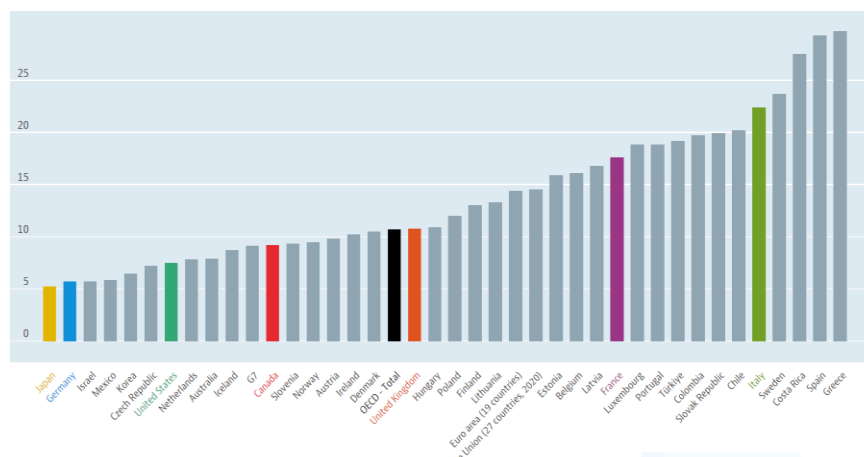
The way that governments approach sector regulation will have a significant impact on how the sharing economy develops in the Arab World. The probable significant beneficial socio-economic development consequences that the sharing economy might have will be prevented by hasty governmental decisions. In the GCC countries, entrepreneurship initiatives and wage subsidies have a great deal of potential to draw residents and private capital to burgeoning sharing

economy industries that can cut down on employment in the public sector.

The sharing economy can provide job opportunities for young people in middle-income Arab countries that can be supplemented with government funding and training initiatives to finally result in company ownership. Through a well-thought-out public policy response that harnesses the sector's potential growth for regional socio-economic development, the Arab World has the chance to stand out as a region that embraces the sharing economy in contrast to other nations that are restricting consumer choice through excessive regulation of the sector. (Tahseen Consulting, (2023) Regulating the Sharing Economy in the Arab World)

There is unquestionably solid proof that this link is incongruous. Fig 5 below displays the unemployment rate in red and the rate of new company development in the UK in blue. As you can see, amid the global financial crisis of 2007–09, unemployment began to rise, and shortly thereafter, business formation. With youth unemployment rates in the Arab world hovering around 25%, around 30% of young people seek to launch their own companies. The sharing economy makes it easier for anybody to operate a small business; programs that foster innovation, like coworking spaces or hackerspaces, give business owners a conducive setting in which to develop and introduce new ventures. In the sharing economy, people may also fund their ventures and concepts more rapidly owing to programs like community-owned commercial centers, crowdfunding, and crowd investment. In other words, sharing economy is an effective tool to reduce the unemployment rates in the Arab world and the whole world as well. Fang, Y. H., & Li, C. Y. (2022)

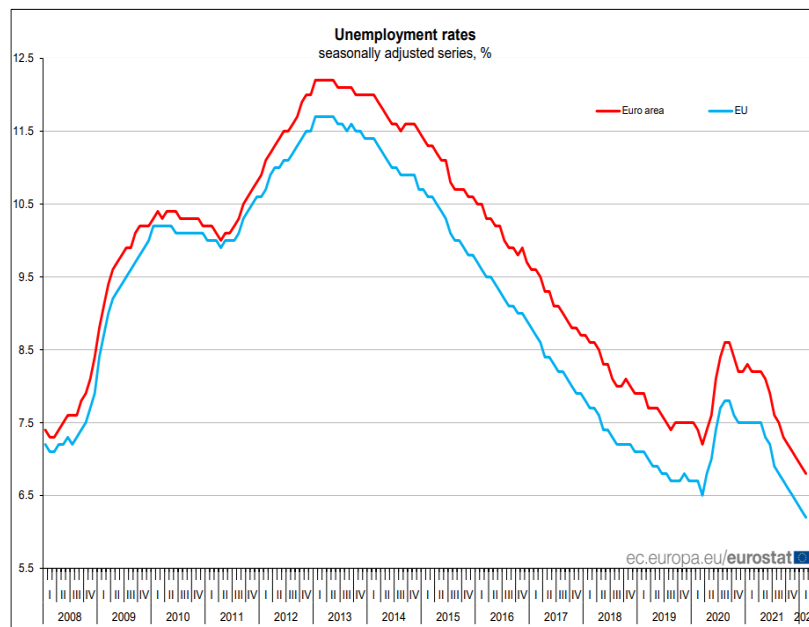
Fig 5: Unemployment rate by age group 15-24-year-olds, % of Labor force, Mar 2023.



Source: <https://data.oecd.org/unemp/unemployment-rate-by-age-group.htm>

Fig 5 shows the seasonally adjusted unemployment rate for the Euro area in February 2022 was 6.8%, down from 6.9% in January 2022 and 8.2% in February 2021. In February 2022, the unemployment rate in the EU was 6.2%, down from 6.3% in January 2022 and 7.5% in February 2021. Eurostat, the European Union's statistical agency, released these data. According to Eurostat, 11.155 million people in the euro area and 13.267 million men and women overall were jobless in the EU in February 2022. In the EU and the euro region, there were 221 000 fewer jobless people in January 2022 than there was overall. In the EU, unemployment reduced by 2.568 million people since February 2021.

Fig 6: Youth unemployment rate in EU member states as of February 2023.



Source EUROSTAT:

<https://ec.europa.eu/eurostat/documents/2995521/14358254/3-31032022-AP-EN.pdf/56d0f0a6-de1f-9099-63e2-a2cbf543e4c2?t=1648654477051#:~:text=down%20from%2014.3%25%20in%20both%20areas%20in%20the,and%20by%20512%20000%20in%20the%20euro%20area.>

Fig 7: UK new business creation and unemployment, 2006-2020



Source: World Economy Forum

<https://www.weforum.org/agenda/2022/11/rising-unemployment-economists/>

While the sharing economy may have produced a number of multibillion-dollar triumphs, such as Kickstarter and Airbnb, and brought communities back into the spotlight in Europe, it is also not without its detractors. Many people now ponder if the Arab world benefits from the sharing economy and whether it can address any of the region's issues.

Gulay Ozkan and Ahmad Majid, contributors to Wamda, spoke about how the sharing economy may benefit markets in Saudi Arabia, Turkey, and the rest of the Arab world a few months ago. Wamda also described how the sharing economy functions and how quickly it might be adopted in the Arab world. The case for accelerating the region's shift to a more collaborative one has at this point been presented with strong evidence. Here are four ways the sharing economy could address some of the largest problems in the area and the globe if you're still unconvinced.

Juho H., Sjöklint M., Ukkonen A. (2016) & Wamda reports (2013)

III. The sharing economy characteristics

a. Collaborative Economic Goals.

The goal of the participation economy is to generate income from underutilized human, skilled, or material resources, including assets, property, and real estate, which lowers the cost rate. Additionally, it attempts to stimulate communication, collaboration, the sharing of knowledge, and innovation in order to open up new chances for non-

traditional forms of profit. It also aims to rationalize resource usage and lessen pollution.

b. Sharing Economy Characteristics

1- Providing a win-to-win situation for the Contributors

Gain and the basis for profit are two concepts in participatory economics. What you may consider to be time, information, or property to be valuable or useless may really be advantageous to someone else. As an illustration, Airbnb developed a novel, cooperative concept that enables people to rent out their homes or even share a room at home with visitors and profit from vacant spaces as opposed to making traditional hotel reservations, which saves money, helps travelers learn more about the local culture, and helps locals learn about visitors' habits and customs. These businesses are starting to pose a serious threat to the hotel sector, which might be replaced by less expensive options.

Yuming Zhang (2021) & Market Watch (2023)

2- Individuals are the true wealth and Culture is changing:

People are your customers and your most important resource. When Ronaldo established the consultation of the Souq website in 2006, the online shopping culture was unfamiliar to Middle East residents. However, in the region with 110 million users, according to a Baybal website count, the site attracted more than 6.2 million registered users, between a vendor and a buyer. Cheng, M. (2016).

IV. Main Partners supporting the participatory economy

- The people who share:

Founded in January 2011, a British non-profit organization whose mission is to promote a participatory economy is to conduct a campaign to raise awareness and organize events related to the participatory economy, the most famous of which are: Global participation Day, with access to more than 70 million people in 192 countries in 2014.

- Oui share:

A French non-profit organization designed to link efforts within the framework of a participatory or cooperative economy to create a global network of co-operating parties, founded in France in 2012, and then expanded its activities to Europe, Latin America, and the Middle East.

- Shareable:

A non-profit news center for participatory transformation, the first global e-Journal for participatory economics.

- The Mesh:

It has a global guide to participatory economics, and the Mesh2013 events organized the first event of its kind that brings together the "fans" of the participatory economy.

Xusen C., Jian M., Xiangbin Y. I (2021)

V. Data Sharing Platforms: Models and Developments

A variety of platforms relating to B2B data sharing are currently emerging. These platforms may be seen of from a technical perspective as a "architecture allowing programmability and reuse of content and data, typically through API, and organizing modularity between a stable core and variable components." Platforms for data sharing therefore offer the necessary technological framework for the exchange of data between several parties. Their primary economic purpose is to minimize transaction costs by merging various data sources, connecting consumers and providers, and facilitating data exchange. However, it is crucial to know what value propositions are behind the creation of data sharing platforms in order to comprehend pertinent industry changes. Despite the fact that "platform" first seems neutral. Heiko Richter & Peter R. Slowinski (2019)

VI. The Gulf Cooperation Council experience regarding the participating economies

According to a 2016 survey of GCC participating economies, Gulf consumers spent US\$7.10 billion on participating economy programs in five key sectors: Accommodation, transportation, domestic services, business services, and finance. Spending is expected to increase because of a marked evolution in citizens' behavior, in particular, to increase demand for participation in economic services

The participating economy in the Gulf Cooperation Council countries has witnessed growth in different sectors. Despite the fact that one-third of people polled still don't know what a participatory economy is or how to utilize it, this indicates a sizable untapped customer base whose earnings can help the sharing economy's increase in returns. However, usage across sectors and countries varies depending on the type, age, and nationality of users.

The transport sector has the highest rate of use in the sharing economy, with 28 per cent of respondents using it regularly, and the rate of employment in the UAE's participating economy has been the highest in all sectors - except transport, where it was on par with Qatar and Saudi Arabia. Many factors have contributed to this high use in the UAE, where 80 per cent of the joint economic programs are local and have

high levels of technological progress. The presence of a large number of expatriates in the UAE has also increased the use of applications in the concept of participatory economy and uses it in the form of participatory economy because those expatriates are more familiar with the citizens. More systematic and gender-sensitive men had the highest rates of use for housing, commercial services and finance, while women often used domestic services and transportation. Not surprisingly, the small generation (18-29 years old) has the highest rate of use, as the largest consumer of technology. (Leena Ajit KAUSHAL (2018), Grybaitė, V., & Stankevičienė, J. (2018)

VII. Sharing economy powering the Arab countries to achieve their 2030 sustainable development goals

One of the tools of a global green economy is participatory economics. The concept of a comprehensive green economy focuses heavily on achieving sustainable progress in citizens' conditions and promoting an economy of efficiency. To alleviate poverty and to do so, it focuses on equitable growth in policy implementation, moving public and private sector-to-sector green in the economy, and creating decent and sustainable jobs

The SDGs provide an opportunity to reformulate economic policy on key elements of sustainability and the achievement of objectives; achieving the goals is a key component of the 2030 Plan, adopted at the Arab Summit in Mauritania in 2016.

A participatory economy is essential to achieve the objective of decent employment and sustainable economic growth. The UN 2030 Agenda for Sustainable Development comprises 17 goals to address the most pressing social and environmental concerns. The objective is sustainable production consumption, through their ability to conserve and configure capital, public wealth, technological innovation and job creation, which contribute to inclusive sustainable economic growth, decent work for all and full employment. With the completion of capacity-building activities under the ten-year plan for programs on sustainable consumption patterns, supported by a range of policies and measures.

Moreover, a framework of legal regulations and legislation is more flexible to achieve sustainability of the sharing economy, regulations and legislation are needed to support such participatory systems and to motivate them to continue. Economic firms participating in many developed countries have faced considerable opposition, which has required policy makers (for example, Uber in a rapid response in some cases, resulting in a total ban on many Arab countries or very strict controls, although more adapted systems have been developed in recent times, there are concerns that regulating the sharing economy may create a barrier to potential business entry. Companies are allowed

to start growing. For example, home cooked meals are subject to the same regulations as the restaurant, but there are some health and safety requirements. (Zhu, N.L., Hong Z., Xianchang L., (2023), Rojanakit, P., de Oliveira, R. T., & Dulleck, U. (2022).

VIII. Sharing Economy Conceptual Framework

In the last decay many authors discussed the idea of building a conceptual framework to deal with the sharing economy types for controlling the affect on both the GDP and unemployment in the world. Despite of the various try tempts which conducted by the research, it was noticed that, there is no implemented model to deal with the sharing economy as an essential tool to increase the GDP and decrease the unemployment as well. Researches like Akbar, P., & Hoffmann, S. (2023), Belezas, F., & Daniel, A. D. (2022), Benoit, S., Wang, Y., Teng, L., Hampson, D. P., & Li, X. (2022), Zhang, H., Leung, X. Y., & Bai, B. (2022), Köbis, N., Soraperra, I., & Shalvi, S. (2021), Netter, S., Pedersen, E. R. G., & Lüdeke-Freund, F. (2019), Ritter, M., & Schanz, H. (2019),

Kumar, V., Lahiri, A., & Dogan, O. B. (2018), and others before 2018 contributed a lot for this target. Based on the deep survey, the below points were noted.

Hernaes 2015 presented the pertinent Consumer-focused categories of five processes. Consumers first educate themselves on the services they require and then contrast them. Second, they gain access to pertinent services, including car-sharing electronic keys. Third, customers make a payment to utilize the service. Frictions related to using shared services are decreased if (micro) payment functions are offered by the sharing platform. Fourth, extra value-added services encourage resource sharing among customers. An illustration would be insurance services, which lower the risks for the providers and increase confidence. Last but not least, consumers evaluate the entire service quality using factors like convenience, which also acts as a trust-building mechanism. Customers generally utilize electronic market platforms at the systems layer to find the items and services they want.

The proposed model has manly the 2 traditional layers the owner (or service provider) and the user (or the customer) in addition to the main player which represented by the Government.

AI will play the following essential rules in the proposed framework

- 1- Application to support the Government selecting the suitable sharing economy type for the country according the national strategic plan
- 2- Applications to facilitate the owner Sharing the underutilized items with the user through Mega database “Knowledge & Data Sharing”

3- Applications to facilitate the owner Sharing Sustainable Usage Instead of Ownership

with the owner through Mega Data Base “Knowledge & Data Sharing”

4- Based on the owner’s information: Identification, Requirements, Conception, Development, Implementation, Operations, and Enhancement, the possible assists can be shared with the user through the MDB.

5- Based on the user’s Information, Access, Application, Renting fees, Usage, and Rating

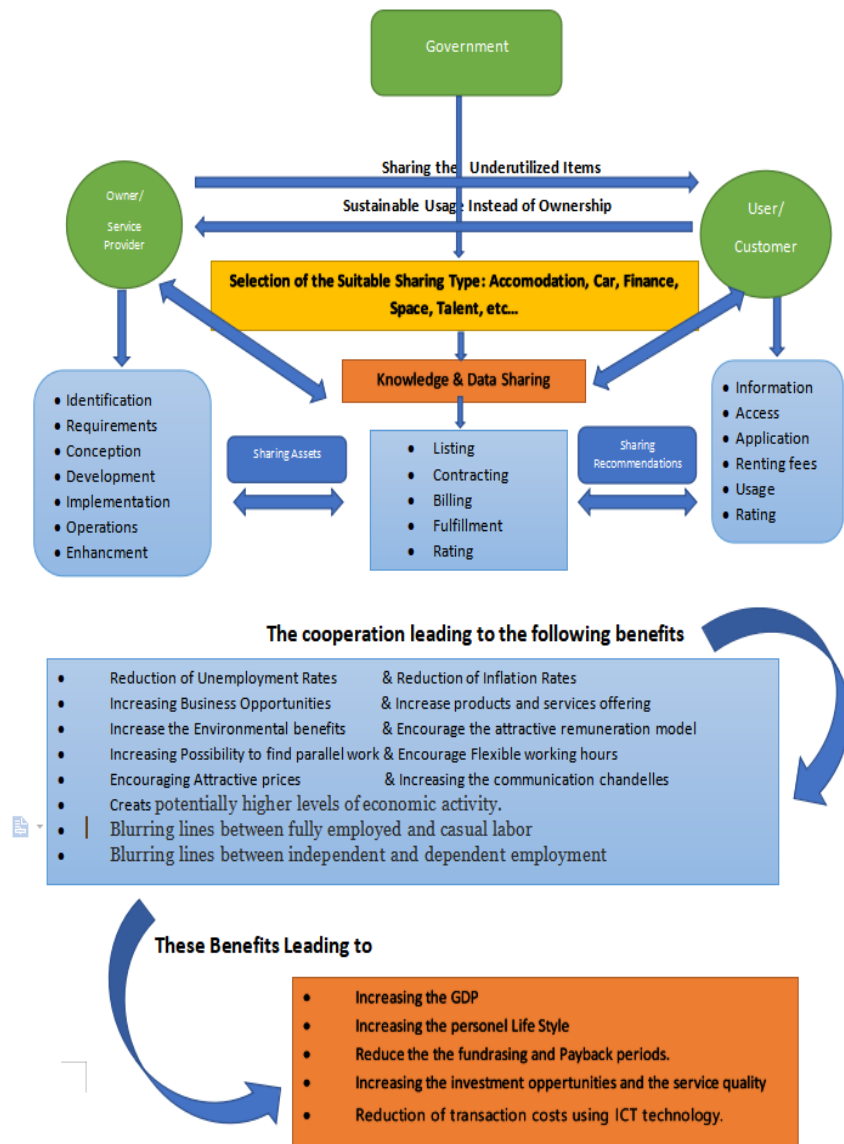
the required recommendations can be shared with the owner through the MDB.

6- Based on the exchange of assists and recommendations between the two players, the MDB comes up with Listing, Contracting, Billing, Fulfillment, and Rating. Then the players can proceed.

7- The controlled cooperation by the government will lead to: Reduction of Unemployment Rates, Reduction of Inflation Rates, Increasing Business Opportunities, Increase products and services offering, Increase the Environmental benefits, Encourage the attractive remuneration model, Increasing Possibility to find parallel work, Encourage Flexible working hours, Encouraging Attractive prices, and Increasing the communication chandelles

8- As a result of the above the nation will get various benefits, mainly affecting positively the GDP, reducing the unemployment rates, Increasing the Life Style, reduce the fundraising and payback periods, increasing the investment opportunities, and reducing of transaction costs using ICT technologies, finally, most importantly the governing the sharing economy activities.

Fig 8: The VIII. Sharing Economy Conceptual Framework



IX. Economic issues to activate the participation economy in the Arab countries

Identify the most important policies and mechanisms proposed to provide a legislative and structural environment and economic issues to activate the participation economy in the Arab countries Proposed mechanisms for the functioning of the sharing economy.

To make the most of the sharing economy, all Arab countries need to establish a comprehensive framework that takes into account the characteristics of each country's market to enhance the economic benefits such as job creation and innovation. Minimizing the risks to consumers, this phase involves four key axes as follows:

A governance model to oversee the activities of those economies involved in their different sectors and address any issues arising from those that are active to enhance consumer confidence, from the availability of all information, through product or service matching, to smart payment methods.

To bring legal regulations into line between the markets that are involved with the development of frameworks for legal accountability and consumer protection

Modern labor policies should include the concept of "part-time employment" for citizens or for immigrants to participate in the sharing economy.

Tax policies for these activities should be clear and publicly stated through the relevant authorities. Achieving these four pillars requires activating a number of practices, including providing the governmental environment to support the participation economy in the Arab countries, as the policy environment necessary to support the sharing economy is still relatively unknown to the governments that encourage the sharing economy. Imam, R. (2022)

The Arab countries could do the same to reach the highest indicators to achieve satisfactory results for this type of economy. A notable example of development is Seoul, South Korea, which saw 2012 the city government's announcement that it will become a participating city and implement the "participation Promotion Act." The city government has followed such measures as setting a set of standards by the government for companies to receive a "business engagement" rating, led by a commitment to solving urban problems, including: Traffic congestion, environmental pollution, and reducing household expenditures through commodity sharing. Thus, it is eligible for government support, and so far more than 77 companies in the city have received this designation. In addition to offering incentives to entrepreneurs to start participatory businesses, including awards and contests, the Seoul government has also sought to identify and resolve barriers to corporate participation, particularly barriers related to transport, taxation, and insurance. Infrastructure the Government has established contests, conferences and other services to support participation in economic business and the city has made public assets available to the public so that the public can rent spaces such as meeting rooms. Hossain, M. (2020)

X. Recommendations

- The governments are requested to approach the sharing economy sector on the strategic level of the nations to granted a significant impact on how the sharing economy develops in the Arab World
- The governments are requested to support the sharing economy sector by funding and training initiatives to provide job opportunities for young people in Arab countries.
- Provide an encouraging environment for firms in the sharing economy system and reduce uncertainty about regulation. ·
- Broader review of policy objectives and broader adoption of the broader regulatory system
- Develop flexible regulations that can accommodate technological change and focus on results rather than describing activities.
- Develop policies that also consider improving social and environmental objectives and consider implications for participating employees.
- Harness the data generated by business engagement to help with governance.
- Consider the potential for self-regulation, for example, labor platforms can set minimum wage levels.
- Consideration of end-user perspectives and consultation with stakeholders to obtain input into regulations; for example, Barcelona has used a consultative approach based on crowd gathering for regulation.

XI. Conclusion

The sharing economy literature is very extensive yet dispersed across several study traditions, and it is now clear what sharing actually is and up to which level the sharing economy is crucial for the world specially for the Arab part of it.

Based on a review of the literature on sharing economy business models, definitions, and categories of sharing activities, this paper suggests a thorough conceptual framework for the sharing economy which depends on the digital transformation for the data and the high-level controlled communications between the owners and the users.

The Implementation of the suggested model the Arab nations will get various benefits, mainly affecting positively the GDP, reducing the unemployment rates, Increasing the Life Style, reduce the fundraising and payback periods, increasing the investment opportunities, and reducing of transaction costs using ICT technologies, finally, most importantly the governing the sharing economy activities.

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