The Correlation Analysis of Sharing Economy and Economic Inequality for Narrowing Gap or Creating New Inequalities between the Rich and the Poor

Qiyao Hu

College of Art and Science, New York University, New York, 10012, United States
qh2222@nyu.edu

Abstract: *This paper aims to explore the positive effects of the sharing economy in optimizing resource allocation, promoting efficient matching of supply and demand, and reducing transaction costs. At the same time, it deeply analyzes its theoretical opportunities and practical challenges in reconstructing the income distribution model, stimulating technological dividends, and promoting economic vitality. It examines the potential impact of factors such as platform monopoly, information asymmetry, and technological barriers on the fairness of income distribution, and reveals that the sharing economy may cause new economic inequality problems while promoting employment and income growth for low-income groups. By comprehensively evaluating the interest redistribution mechanism in the interaction between policy regulation and market structure, this paper aims to provide systematic theoretical support and practical reference for achieving sustained and healthy economic development and narrowing the gap between the rich and the poor.*

Keywords: *sharing economy; income distribution; digital divide; policy regulation*

1. Introduction

As an important economic phenomenon in the Internet era, the sharing economy is profoundly affecting the traditional economic model by optimizing the allocation of idle resources and achieving direct connection between supply and demand. On the one hand, the sharing economy has demonstrated significant advantages in improving resource utilization efficiency, reducing transaction costs and stimulating market vitality, providing flexible employment and diversified income-increasing opportunities for low-income groups, thus helping to improve the income distribution structure; on the other hand, its rapid expansion has also exposed problems such as information asymmetry, digital divide and platform monopoly, making it difficult for some groups to equally enjoy the benefits of technology, which may exacerbate economic inequality to a certain extent. This paper aims to explore the dual effects of the sharing economy in reconstructing the income distribution model and labor market structure from a theoretical and empirical perspective, and to conduct an in-depth analysis of whether it helps to narrow the gap between the rich and the poor or may cause new inequality problems[1]. It also hopes to provide strong theoretical support and policy inspiration for the formulation of relevant policies and market supervision.

2. Advantages of the development of sharing economy

2.1 Improve capital utilization efficiency

The sharing economy has demonstrated significant advantages in improving capital utilization efficiency. Its core lies in the systematic integration and allocation of idle resources through information technology platforms, so that various types of assets that were originally in an inefficient and idle state can be actively circulated and efficiently allocated in a broader market, thereby promoting the improvement of overall economic benefits[2]. Table 1 shows the main indicators of the development of the sharing economy since 2016.

Table 1 Main indicators of the development of the sharing economy since 2016

year	Non-financial market size (100 million yuan)	Participants in providing services/(10,000 people)	Total number of participants/(100 million people)	Financing scale/(100 million yuan)
2015	9	560	0.5	5.0
2016	13	660	6.0	6.0
2017	20	941	7.0	7.0
2018	29	420	7.5	7.6
2019	32	828	7.8	8.0
2020	33	773	8.4	8.3
2021	36	881	9.0	9.5
2022	38	320	9.2	11.3

In the context of the sharing economy, efficient integration and scientific scheduling of idle resources through the Internet platform has become an important path to promote the improvement of capital utilization[3]. The core lies in the use of big data and intelligent matching technology to enable various types of assets that have been in a state of low utilization for a long time to reactivate their efficiency in a broader market, and continuously optimize the efficient connection between supply and demand sides in the process of cross-industry and cross-field resource flow, breaking the shackles of time and space limitations and information barriers in the traditional economic model, and prompting idle resources to achieve dynamic balance and recycling in the continuous circulation and reconfiguration[4]. This not only alleviates the problem of resource waste to a certain extent, but also provides various economic entities with more diverse participation channels and development opportunities, and promotes the economic structure to continuously upgrade and develop in an efficient and reasonable direction under the dual drive of technology and market.

2.2 Promoting supply and demand balance

The sharing economy relies on digital platforms and integrates and coordinates the resources of both supply and demand sides to achieve efficient information flow and accurate transaction matching, thereby promoting the dynamic balance of market supply and demand relations[5]. This model uses big data and intelligent algorithms to break the geographical and time limitations of traditional transactions, effectively expand supply channels and service scope, enrich product variety and reduce transaction friction and costs, stimulate the innovation vitality of suppliers while meeting the diversified needs of consumers, further optimize resource allocation efficiency, and provide greater flexibility and transparency for market response, thereby building a solid support for economic structural adjustment and sustainable and healthy development.

2.3 Reduce transaction and sharing costs

With the help of Internet platforms and intelligent technologies, the sharing economy model has demonstrated unique advantages in reducing transaction and sharing costs. It realizes high-speed information transmission and precise matching of resources through digital means, effectively alleviating the high transaction costs caused by intermediary links and information asymmetry in traditional markets[6]. At the same time, the platform's built-in evaluation and incentive mechanisms not only build a trust system, but also greatly improve transaction transparency and efficiency, enabling both supply and demand parties to achieve efficient communication and resource exchange in a short period of time, thereby promoting the optimization of resource allocation in the entire economic system. This model not only shortens the transaction chain and reduces unnecessary intermediate links, but also continuously optimizes and improves the transaction process through intelligent algorithms, providing various economic entities with a flexible, efficient and low-cost transaction environment, thereby providing solid technical support and institutional guarantees for achieving high-quality economic development and innovation-driven development.

3. The relationship between the sharing economy and the gap between the rich and the poor

3.1 Positive impact on low-income groups

Relying on the Internet platform and the application of big data technology, the sharing economy

has created flexible and diverse employment opportunities for low-income groups, effectively alleviating the structural constraints and income instability in the traditional employment market, enabling individuals to participate in short-term or sporadic work in their spare time to supplement their income[7]. At the same time, with the help of platform services and instant feedback mechanisms, it has lowered the employment threshold, enabled economically marginalized groups to gain more opportunities, and promoted the labor market to move towards a more flexible and open direction, thereby optimizing resource allocation and enhancing overall economic vitality and inclusiveness. In addition, this model not only helps to alleviate the economic pressure of low-income groups, but also promotes their skill improvement and social participation, stimulates entrepreneurial enthusiasm and self-development motivation, promotes the transformation and upgrading of regional economic structures, and breaks the limitations of traditional recruitment methods to achieve efficient docking of resources and labor, thereby releasing market vitality and continuously optimizing the economic structure, providing a new practical path for achieving social equity and reasonable income distribution, and fully demonstrating the positive effects of the sharing economy in promoting economic inclusiveness and narrowing the gap between the rich and the poor.

3.2 Workers' skills and income differentiation

Under the sharing economy model, there is a complex and multi-layered relationship between workers' skill levels and income differentiation. Workers with high professional skills and proficient application of digital technology can often obtain higher remuneration and more abundant market opportunities in various flexible employment and short-term projects with the help of the data-driven matching mechanism and performance evaluation system provided by the platform, while some workers with low skill levels or lack of necessary information access channels are prone to low income, which further manifests the existing income inequality in the sharing economy environment[8]. This situation not only reflects the continuation of skill barriers in the traditional labor market, but also the more obvious polarization trend of income gap due to the continuous improvement of technical standards and service requirements in the context of the emerging digital economy. Table 2 compares the new labor mode with the traditional labor mode under the sharing economy model .

Table 2 Comparison between new and traditional labor modes under the sharing economy model

Options	New way of working	Traditional working methods
Working Mode	Short-term labor relationship, flexible working hours, unlimited location, and free position	Long-term labor relationship, with relatively fixed working hours, job positions and work locations
Salary acquisition method	The platform takes a cut in proportion, and workers directly earn income from customers	The employer pays wages in accordance with relevant regulations within a fixed period of time.
Production materials	Workers provide	Provided by the employer
Insurance payment	The platform has no obligation to pay insurance. It will pay insurance for workers in a conditional manner based on the actual operation of the platform and related operations and agreed rules, but it is not subject to rigid constraints.	Actively pay various insurances and provide various benefits for workers in accordance with relevant legal requirements
Responsibility	Will not take the initiative to assume responsibility or only assume partial responsibility when the rights and interests of third parties are damaged	Actively assume no-fault liability when third-party rights and interests are damaged
Legal Relationship	Once you pass the review, you can directly post information and accept tasks on the sharing platform, and there is no need to follow legal procedures to terminate the partnership when you exit.	Sign a legal contract when you join the company and you will be protected by law. Go through legal procedures to terminate the labor relationship when you leave the company
Labor Relations	Ability to flexibly cooperate with multiple platforms and diversify labor relations	Can only work with the same company, single-layer labor relations
Dependencies	Weakening of subordinate relations	Strong affiliation

In the process of achieving efficient resource allocation and promoting flexible employment, the platform economy's internal algorithm mechanism and market competition rules have continuously upgraded the skill requirements for workers, which has invisibly aggravated the problem of skill mismatch and structural inequality in income distribution. Some workers can quickly integrate into the

high value-added service chain and obtain generous returns by virtue of their advantages in professional knowledge, information processing capabilities and innovative applications, while those with insufficient skills may be at a disadvantage in the fierce market competition, further solidifying the income differentiation and social class stratification among workers[9]. This phenomenon poses a severe challenge to the overall social fairness and economic inclusiveness, and prompts policymakers to focus on strengthening vocational education, improving the skills training system and improving the social security mechanism in the process of promoting the development of the sharing economy, so as to achieve reasonable adjustment of workers' income distribution and fair sharing of social resources while stimulating market vitality.

3.3 Platform Monopoly and Uneven Benefit Distribution

Against the backdrop of the continuous expansion of the sharing economy model, platforms have gradually formed a highly concentrated market structure with their strong data integration capabilities and technological advantages, allowing a few large platforms to formulate transaction rules and pricing mechanisms while controlling market resources and user data[10]. This situation not only puts small and medium-sized enterprises and individual workers at a disadvantage in competition, but also, under the influence of information asymmetry and technological barriers, capital and technology-intensive enterprises are able to further consolidate their market position, prompting obvious imbalances in resource allocation and benefit distribution within the sharing economy, thereby exacerbating the imbalance in interest distribution inherent in the economic structure at the macro level.

As platform monopoly becomes increasingly evident, companies can not only achieve efficient resource integration and rapid response to market demand on the platform through in-depth mining of user behavior data and intelligent management of transaction processes, but also continuously strengthen their monopoly advantages through algorithm optimization and technology updates. This mechanism, while improving operational efficiency, makes the profits mainly concentrated in platform owners and their associated capital forces, while traditional workers and small and medium-sized enterprises are squeezed in the distribution of profits, leading to further differentiation of income and wealth in the entire economic system. This reality calls on policymakers to promote market innovation while striving to achieve fairness and sustainable development of resource allocation in the sharing economy through strengthening supervision, optimizing the legal system and improving the social security mechanism.

4. The impact of the sharing economy on economic inequality

4.1 Reconstruction of income distribution model: opportunities and challenges

The sharing economy has triggered a fundamental reconstruction of the income distribution model through the continuous evolution of digital platforms and intelligent matching technologies[11]. Its mechanism of action is to use advanced information technology to achieve a rebalancing of the traditional income distribution system, so that various economic entities can obtain flexible and diverse employment opportunities in the process of participating in platform economic activities, and to a certain extent break the class solidification phenomenon brought about by the original fixed distribution model, thereby injecting new vitality into economic equity against the backdrop of digital transformation and economic reconstruction, and providing a theoretical and practical basis for the optimization of the overall wealth distribution structure of society.

The efficient and transparent features of digital platforms in resource allocation and information flow have provided unprecedented opportunities for all participants in terms of profit sharing and risk sharing. The evaluation and incentive mechanism built on big data and intelligent algorithms has made the income distribution process more flexible and personalized. Its inherent incentive effect not only encourages workers to pursue personal development and value realization while stimulating their enthusiasm for participating in innovation and entrepreneurship, but also builds a bridge for the synergy between traditional industries and emerging economic fields, thereby reconstructing the income distribution model in the ever-changing market environment, showing the potential for economic inclusiveness and diversified development.

However, the digital platform has also exposed many challenges in the process of reshaping the income distribution model. The technical threshold, information asymmetry and imbalance in the control of internal platform resources may cause some workers to be at a relative disadvantage in the

market competition that relies heavily on algorithm evaluation and data-driven decision-making, which in turn leads to a new imbalance in the distribution of economic benefits among different groups. This phenomenon reveals to a certain extent the restrictive role of the digital divide and skill barriers on the income redistribution mechanism under the sharing economy model. At the same time, it also reminds policymakers and market regulators that while promoting the development of the platform economy, they must continuously improve relevant laws and regulations and social security systems to ensure that the technology dividend can benefit all members of society more widely, so as to achieve the long-term goals of economic fairness and social justice under the situation of coexistence of opportunities and challenges. Table 3 reflects the advantages and disadvantages of the income distribution method under the sharing economy model.

Table 3 Comparative analysis of income distribution methods under the sharing economy model

Profit distribution model	Main Features	Advantages	Challenges and limitations
Platform-led model	The platform controls the core data, pricing power and transaction rules, and workers mainly serve as service providers.	Efficient and convenient, with obvious scale effect, it helps to quickly match supply and demand and reduce transaction costs	Profits are highly concentrated in platform owners, which may exacerbate income polarization and information asymmetry
Worker Participation Model	Workers directly participate in the distribution of benefits through cooperation agreements or platform mechanisms, and benefits are linked to work performance	It helps to improve income transparency and fairness, and motivate workers to improve service quality and innovation capabilities.	The profit distribution structure is easily affected by the platform algorithm and performance evaluation, and transparency and fairness are difficult to guarantee.
Cooperative Model	With workers or service providers as the main body, joint ownership and decision-making, and distribution based on member contributions	Democratic decision-making and shared economic benefits directly benefit participants, helping to narrow the gap between the rich and the poor	There are difficulties in management efficiency and scale expansion, the decision-making process may be more complicated and the coordination cost is high
Blending Mode	Integrate platform control and worker participation to achieve benefit redistribution through diversified mechanisms	Balance market efficiency and fair returns, stimulate the enthusiasm of all parties to participate, and provide diversified path support for economic equilibrium	It is necessary to rely on a sound regulatory system and policy guidance to ensure reasonable distribution of rights and responsibilities among various stakeholders and prevent monopoly risks.

4.2 Technological dividends and digital barriers: the battle between fairness and exclusivity

In the process of the development of the sharing economy, technological dividends have brought unprecedented efficiency improvements and economic incentives to various market players. Through digital platforms, efficient information circulation and precise matching of resources have been realized, enabling workers and enterprises to quickly capture new economic opportunities in the global market competition, thereby promoting the transformation of industrial structure and the diversification of economic growth to a certain extent. The release of this technological dividend not only depends on the continuous innovation of technological means, but is also closely related to the integration of data resources and intelligent decision-making. Its internal mechanism enables market participants to use advanced tools to rapidly enhance their own value and accumulate wealth, thereby promoting the overall evolution of the economic system towards efficiency and intelligence.

Although the popularization and application of digital technology has promoted the transparency of economic activities and the optimization of resource allocation to a certain extent, it has also formed

obvious digital barriers within the society. Specifically, there are large differences among different groups in terms of information acquisition, technology application and digital literacy. Such differences make it difficult for some disadvantaged workers and small and medium-sized enterprises to fully enjoy the dividends brought by the digital economy, and even marginalize them in the fierce market competition, thus further aggravating the imbalance in the distribution of economic resources and wealth. This situation reflects that in the context of continuous technological iteration, how to effectively narrow the digital divide has become a structural problem that needs to be solved urgently. Its impact not only involves economic fairness, but also poses a potential challenge to the overall stability and harmony of society.

In the complex interaction between technological dividends and digital barriers, the contest between fairness and exclusivity is reflected in the fact that while market forces promote innovation, they may also inadvertently solidify the gap between existing advantaged groups and marginalized groups. This trend requires policymakers and industry regulators to focus on building a more inclusive and inclusive digital ecosystem while encouraging technological progress and the release of economic vitality. Through multi-dimensional measures such as improving skills training, increasing digital infrastructure construction, and optimizing resource allocation mechanisms, the technological dividend can be shared on a broader level. In this way, while stimulating economic development vitality, efforts can be made to solve the social exclusivity problems caused by digital barriers and promote coordinated, balanced and sustainable development of the economy and society.

4.3 Policy regulation and market structure: promoting balance or solidifying stratification?

Against the backdrop of the rapid development of the sharing economy, the government aims to achieve a reasonable allocation of resources and benefits through institutional guidance and market regulation by formulating and improving relevant policies, strengthening regulatory mechanisms, and promoting open competition in the digital economy, thereby promoting balanced economic development and fair income distribution to a certain extent. However, the effectiveness of this policy regulation system depends to a large extent on whether it can effectively respond to the market dynamics brought about by technological progress and the monopoly phenomenon formed by platform companies using their digital advantages. Therefore, in the process of promoting the healthy operation of the sharing economy, the role of the government is not only to build a fair and competitive market environment, but also to guide capital and technology dividends to benefit a wider range of social groups through policy incentives and regulatory means.

At the same time, the evolution of market structure and the scale effect of platform enterprises, while driving the rapid expansion of the sharing economy, have also inevitably led to the reconstruction of the traditional economic stratification model. In this process, on the one hand, the platform uses digital means to optimize resource allocation and transaction efficiency, thereby enhancing overall economic vitality. On the other hand, the differences in income distribution caused by technological barriers and information asymmetry have put some workers and small and medium-sized enterprises at a disadvantage when participating in the platform economy, which may further amplify the original problem of income disparity under the new economic form or transform it into other forms of inequality.

Therefore, the interactive relationship between policy regulation and market structure becomes an important determinant of whether the sharing economy can truly help narrow the gap between the rich and the poor. If regulatory measures can be coordinated with market development, by increasing support for small and medium-sized enterprises and workers, improving digital skills training, improving the social security system, and preventing platform monopoly risks, it is expected to stimulate economic innovation and growth while promoting fair distribution of wealth and income on a broader level. Otherwise, under the dual influence of technology and market forces, the development of the sharing economy may invisibly solidify existing stratification and even give rise to new inequality patterns, thus posing a long-term challenge to the overall fairness and stability of society.

5. Conclusion

The sharing economy has demonstrated unique advantages in achieving optimal resource allocation, efficient matching of supply and demand, and reducing transaction costs, injecting new impetus into economic vitality. However, its potential problems in income distribution, skills gap and platform monopoly cannot be ignored. It may provide flexible employment and income-increasing opportunities

for low-income groups, but it may also solidify existing stratification and even give rise to new inequalities due to technological barriers and information asymmetry. Therefore, effective coordination of policy regulation and market structure is particularly important. Only with the joint efforts of the government, the market and all sectors of society, through comprehensive measures such as improving the regulatory mechanism, strengthening digital skills training and optimizing the social security system, can we stimulate the innovative vitality of the sharing economy while ensuring the fairness of benefit distribution and the sustainable development of the society as a whole, thereby providing solid theoretical support and practical paths for achieving economic justice and social harmony.

References

[1] Shi L , Guo M ,Lyu X , et al. Promoting community resident support for private charging pile sharing: A micro survey[J].Transportation Research Part D,2025,1(4):210-246.

[2] Li J , Zhao Z , Wang X , et al. Optimized configuration of shared energy storage in renewable energy power plants considering multiple master-slave game pricing modes[J].Journal of Energy Storage, 2025, 1(1):511-560.

[3] Giang T T H , Dung T L .Sharing economy and retailer sustainable performance: the mechanisms via business model innovation and digital capabilities[J].Journal of Innovation and Entrepreneurship, 2025, 14(1): 27-27.

[4] D'Alfonso T , Or G E , Roma P . Sharing economy and quality competition among traditional service providers[J]. Electronic Commerce Research and Applications,2025,7(1):149-152.

[5] Benoit S , Merfeld K , Tunn S V , et al. The B2B sharing economy: Framework, implications, and future research[J]. Journal of Business Research,2025,1(9):111-152.

[6] Yu C, Margolin D .Sharing inequalities: Racial discrimination in review acquisition on Airbnb[J].New Media & Society,2024,26(3):1627-1647.

[7] S. A P ,M. J F .A nexus between airbnb and inequalities in water use and access.[J].Environmental Development,2023,47(8):621-654.

[8] Iqbal H H , Fakarudin K ,Mohamad A N A , et al. Does income inequality influence the role of a sharing economy in promoting sustainable economic growth? Fresh evidence from emerging markets[J].Journal of Innovation & Knowledge,2023,8(2):241-265.

[9] Yao C, M. A D .Tax-Induced Inequalities in the Sharing Economy[J]. Management Science, 2022, 6(4):62-88.

[10] Sijia M , Fei R ,Fei W .Sharing benefits? The disparate impact of home-sharing platform on industrial and social development[J]. Electronic Commerce Research and Applications, 2022, 53(2): 78-96.

[11] Shunyuan Z , Nitin M ,Vir P S , et al. Frontiers: Can an Artificial Intelligence Algorithm Mitigate Racial Economic Inequality? An Analysis in the Context of Airbnb[J]. Marketing Science, 2021, 2(4): 142-165.