A Study on the Dynamic Mechanism of Private Capital Participating in Urban Informatization Construction

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Abstract. During the construction process of urban informatization, private capital is an important source of funds. How to motivate the enthusiasm of private capital to participate in informatization construction is a key issue. This article analyzes the characteristics of private capital, sorts out the types of power that private capital enters into urban informatization construction, and constructs a dynamic model for private capital to participate in the construction from internal and external. At the same time, the formation mechanism and implementation strategy are designed according to different dynamic models.

1. Introduction
Private capital has inherent profit-driven nature from its essential attribute. In essence, the driving force for private capital to enter the operation and maintenance of urban informatization construction comes from the private capital's pursuit of its own economic interests[1]. Therefore, the motivation mechanism for private capital to enter the operation and maintenance of urban informatization construction is the process or mechanism of generating the motivation for private capital to enter the operation and maintenance of urban informatization construction by stimulating the interest motivation of private capital.

2. The driving force type of private capital entering into the operation and maintenance of urban informatization construction
From the perspective of private capital, the realization and enhancement of its economic benefits are mainly reflected in the capital appreciation and the increase of asset income. But beyond that, the owners of private capital serve their industries with their market courage, judgment, decision-making, professional knowledge and skills, management ability and reputation[2]. Their interests include not only monetary income, but also includes non-monetary income, such as the status and reputation improvement brought by the expansion of capital scale, the improvement of profit margin, the expansion of employment, the improvement of people's livelihood and the benefit to a place, etc. Therefore, for private capital, improving its economic interests is an important but not the only power source to generate its entry into the operation and maintenance of urban information construction. The driving force of private capital entering into the operation and maintenance of urban informatization construction can be divided into endogenous and exogenous[3]. Internal motive force is the driving force formed by the owners of private capital based on the judgment that entering into the operation and maintenance of urban informatization may bring them economic and social benefits. The external driving force is the driving force for private capital owners to enter into the operation and maintenance
of urban informatization construction promoted by other factors other than their own, including macro policies, institutional environment, market environment and hardware environment, etc.

The internal and external driving forces for private capital to enter urban informatization are not separated or isolated from each other, but need to be synergistic, interlinked and even transformed under certain conditions. Based on this understanding, although the internal power to a large extent determines whether and to what extent or scale private capital enters into urban informatization construction, external power can be generated or strengthened by creating conditions and optimizing the environment so as to transform it into internal power and finally achieve social capital's entry into the field of urban informatization.

![Figure 1. The dynamic model of urbanization informatization construction of private capital](image)

3. The endogenous driving force and forming mechanism of private capital participating in city informatization construction

From the perspective of the internal driving force of private capital entering the field of urban informatization, this internal driving force mainly comes from the new profit space generated by the combination of capital and urban informatization, that is, enterprises explore new markets through business innovation. At present, there are mainly four types of enterprises involved in urban informatization construction: the first type is weak-current intelligent enterprise, whose main business is broadband installation, community security system construction, etc. The second category is system integration and software service, mainly engaged in government information platform building, e-government, software service outsourcing, etc. The third category belongs to Internet companies that take advantage of their platforms to participate in urban informatization construction, such as Alibaba and Tencent. The fourth category is network operators, including China Mobile, China Unicom and China Telecom. The first three types of enterprises, by participating in the urban informatization construction, combine the original business basis with the urban informatization function module, enrich the business types of enterprises, expand the new market space, and form the new profit growth point of enterprises. The fourth type of enterprises, as operators, can well build intelligent management and intelligent platform of urban informatization. However, they are limited by the business scope of operators and can not form real intelligent construction in some areas that cannot be covered by operators' business. Therefore, they usually need to cooperate with the first three types of enterprises to provide network support and obtain profits.
Secondly, it reflects the improvement of the enterprise's technological innovation ability. The construction of urban informatization not only provides a broad business space for enterprises, but also puts forward high requirements for the technical level of enterprises with the rapid development of information technology. In the process of urban informatization construction[5], enterprises can constantly contact with new businesses and understand the new needs of users, which plays a guiding role in their innovation. In addition, enterprises participating in urban informatization construction can obtain the technical support provided by the government and the support of national science and technology plan, which provides intellectual support and financial guarantee for their innovation, and will greatly promote the improvement of enterprises' innovation ability.

Finally, enterprises combine their social responsibility with urban informatization construction, integrate enterprise vision with urban informatization vision, work hard to cooperate with local governments, and strive to promote sustainable development of economy, society and environment with responsible operation. Besides, corporations will join the ranks of promoting the upgrading of China's industrial structure, the improvement of urban service management level and the construction of corporate social responsibility of smart cities with their contribution to climate change, people-benefit information and responsible communication guarantee, so as to perfect their social images, improve their reputations among the public and eventually widen social space for business operations.

4. External motivation and attraction strategies for private capital to participate in urban informatization.
Specifically, from the government level, the following methods can be used to generate or strengthen the external motivation for social capital to enter urban informatization and convert it into internal motivation.

First, reduce the entry cost and operating cost of social capital into urban informatization by vigorously improving infrastructure, and improve its profit expectations. Any social capital with an obvious commercial nature will consider the costs and benefits of its production and operation. The initial entry cost and subsequent operating cost are the focus of consideration, only when it considers any external "everything" to enter and operate the urban informatization. They already have it, and the "east wind" that it decides to enter will naturally blow. So, for governments at all levels, it is necessary to prepare for everything here from the two perspectives of developing the hardware and software of urban informatization itself, that is, to "build a nest." This investment is necessary, even if it is not from the perspective of attracting social capital but from the perspective of urban informatization development.

Second, by improving and optimizing system supply, all kinds of worries about social capital entering the city's informatization should be eliminated. Marketization requires the contract as a criterion to restrict the behavior of both parties. For a long time, the status of the government and the enterprise in the process of signing and fulfilling the contract is different, and there are many that make the interests of private enterprises extremely vulnerable. For example, the government promised that the supporting facilities were not completed, the government took back the right to operate, and changed the business plan. The root cause of this phenomenon is that local government departments have exposed problems such as weak execution and lack of contract spirit in the past project implementation process, which has caused private capital to worry about the market model, which greatly affected the confidence and confidence of private capital in cooperation with the government. In order to solve these problems, through the establishment of a system to regulate the contractual relationship between government agencies and private enterprises, at the same time, to ensure the effectiveness of the implementation of the system from the legal level, form a mechanism for protecting the interests of private investors, and provide a booster for enterprises to participate in the construction of urban informatization."

Third, policy support. Preferential tax policies and financial support policies are more sensitive policy motives for enterprises, especially for small and medium-sized enterprises in the field of urban information construction, whose financial strength and technical capabilities are weak, coupled with the
possible uncertainty in project construction and operation, Policy support can greatly reduce the worries of enterprises and form the traction for enterprises to participate in the construction of urban informatization. At the same time, in addition, to ensure the continuity of policies, some local governments still have the problem of blindly constructing projects for political achievements. Whenever the government leadership changes, many original plans and policies will change, causing projects that have already invested a lot of money to fall into the dilemma of a dilemma is detrimental to both the enterprise and the urban informatization construction itself. The correctness and effectiveness of the policy are the prerequisites for ensuring the continuity of the policy, and it should start with top-level design.

Fourth, reputation incentives. The construction of urban informatization has strong conductivity. Through the establishment of a "reputation" incentive mechanism, the government can also learn from the award of honorary awards or awards to enterprises for the performance and outstanding performance of construction operators in urban informatization projects. The qualification grading system of construction enterprises makes the level of corporate reputation as an indicator for qualification upgrade. At the same time, a good corporate honor and corporate image can be transformed into intangible assets of the company. In particular, the urban informatization construction has regional conductivity. The success of the pilot city will become the target of emulation by the surrounding cities. The higher the corporate reputation, the more it will win. Trust and support have strengthened the cohesion, attractiveness and market competitiveness of enterprises, and also strengthened the enthusiasm and sense of responsibility of enterprises to participate in urban informatization projects.

Fifth, strengthen corporate social responsibility awareness. Enterprise participation in urban information investment is the investment with the highest degree of social responsibility. Smart cities require smarter urban planning and management, more reasonable and adequate resource allocation, sustainable development of the city, adequate environmental protection in the city, the ability to provide more employment opportunities, and the ability to respond to emergencies.

5. Conclusion
The state should strengthen the guiding role of corporate social responsibility investment in terms of urban informatization investment policies, formulate corporate social responsibility investment standards and evaluation index systems, and make this investment that benefits the country and the people develop in a healthy direction.

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