

The Impact of Cross-Cultural Customary Transportation on International Capital Flows

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Abstract: Economic globalization promotes the development of cross-border investment, and cultural differences in transportation between different countries also play an important role in this process. Starting from cross-cultural customary transportation, analyze the impact of public transportation on international capital flow, and propose economic and legal suggestions from the perspective of transportation governance, for the sake of promoting the effectiveness of international capital flow. By combining theoretical analysis and interdisciplinary integration methods, the study suggests if the "left-hand" rule is applied to the driving direction, it can increase the traffic safety factor, promote the effective development of public transportation, promote exchange rates and international balance of payments, and improve the dispute resolution on international investment. Starting from the socio-cultural perspective, this study aims to explore interdisciplinary issues between law and economics, providing reference and inspiration for social governance and policy formulation.

Keywords: Road Traffic Safety Law, Cross-Border Investment, International Capital Flows, Social Governance Humanistic Philosophy

1. Introduction

In 1901, China first introduced British cars and followed the principle of left-hand traffic advocated by Britain. During World War II, China also introduced American cars dominated by right-wing behavior. In order to unify transportation, the Nationalist government changed the national traffic regulations to right-hand traffic at 00:00 on Jan. 1st, 1946. This traffic rule is still in use today. In the continuous improvement of China's legal process, it can be found that traffic regulations are full of the relationship between law and economy. There is considerable controversy in the legal community regarding issues such as human rights, freedom of movement, right of way, and right to life. Adhering to the current *Road Traffic Safety Law of the People's Republic of China* and the *Road Traffic Management Regulations of the People's Republic of China*, while emphasizing the importance of humanistic care and harmony in modern transportation, it is also necessary to further discover the impact of cultural differences in transportation on international capital flow. The state of public transportation also affects the flow of international capital. A well-developed and efficient public transportation system can enhance the competitiveness of cities, attract more international capital inflows, and promote economic prosperity. On the contrary, inconvenient transportation may become a negative factor that investors consider, suppressing the inflow of international capital. The relationship between international capital flow and public transportation are complementary and

reinforcing mutually. In the future, we should continue to strengthen international cooperation, promote the development of public transportation, provide broader space for international capital flow, and promote sustainable economic development.

2. The Connection and Problem between Cross-Border Customary Transportation and International Capital Flows

The development of public transportation attracts international capital inflows to support infrastructure construction and urban development, but excessive dependence on external factors may lead to capital outflows and local economic instability.

2.1. The Right of Way for "Right-Hand Traffic" in the Traffic Safety Law

The Road Traffic Safety Law of the People's Republic of China currently stipulates that vehicles should drive on the right side. [1] The right of way can be expressed as the relationship between traffic regulations and the personal attachment of traffic participants. Within the framework of traffic regulations, the right side right of way reflects the basic traffic requirements required by traffic participants in social activities. Based on traffic laws and regulations, it considers whether natural and human traffic habits comply with legal norms and constrains their behavior in traffic participation. The emphasis on infringement in law can also be fully demonstrated in traffic laws and regulations. Traffic violations or violations of road access rights can reflect infringement of the rights of others and disregard for the law and culture. Violation of the right of way, right of way, and right of occupancy constitutes a traffic violation infringement; Violating traffic laws is considered an illegal act. According to the regulations on right-hand traffic, all types of transportation should be driven within their own area. For example, forcibly merging lanes constitutes an infringement of the rights of others, and the legal consequences are borne by the infringer.

However, the current right-hand rule is not entirely in line with scientific evidence. Because the subconscious of both humans and objects rotates or tilts to the left, natural people drive vehicles on the right, resulting in traffic accidents. Vehicles may also deflect to the left due to gravity and collide with oncoming vehicles, leading to secondary traffic accidents. Most transportation vehicles today, such as bicycles, are designed to board on the left side, with support brackets on the left side and parking on the left side, making them more suitable for left-hand driving. If bicycles are applied to right-hand traffic rules, people are at risk of being left motor vehicles as soon as they get off the vehicle. However, changing traffic laws will bring the huge costs. From the perspective of social relations in transportation, as the main body, the rights and obligations of traffic participants are the objects. The traffic responsibility upheld by every natural person in society, as well as the rights and obligations conferred by each traffic law, are inseparable. [2] Traffic participants in social activities on the road should fulfill their obligations and protect their rights by avoiding traffic hazards. The right to life is the most significant aspect of human philosophy. China has transitioned from feudalism in history to a people-oriented humanistic philosophy today. *The Road Traffic Safety Law of the People's Republic of China* has also undergone the evolution of the *Road Traffic Law*, *Road Traffic Management Law* and *Road Traffic Safety Law*. From "management" to "safety", one can fully feel that society is gradually moving towards a more humane traffic management model. Therefore, by implementing effective road access rights, the traffic behavior of natural persons can be continuously regulated, thereby improving the orderliness of society. The right of way fully embodies the human rights value of citizens, and people have continuously formed a consensus on traffic management laws and regulations.

2.2. The Influence of Transportation Differences on Cross-Border Investment Decisions

In the international community, the "left-hand" and "right-hand" rules in transportation are not only a code of conduct for transportation, but also reflect the history, traditions, and customs of different cultures and countries, which have a direct and indirect impact on international capital flows. Firstly, the "left-hand" and "right-hand" rules in transportation directly affect the business decisions of cross-border investors and enterprises, as they need to consider local traffic rules and customs when choosing investment locations or conducting commercial activities to ensure the smooth operation of commercial activities. Secondly, the "left-hand" and "right-hand" rules in transportation also indirectly affect the direction and scale of international capital flows. The driving behavior of drivers under different rules may affect their psychological habits and behavioral tendencies, thereby affecting their decision-making in the commercial and financial fields. [3] This impact may lead to some countries being more likely to attract investment from countries with the same rules, resulting in a trend of international capital flow under "left or right" rules.

In the context of globalization, cross-border investment, as an important economic activity, is increasingly attracting the attention of enterprises and investors from various countries. Investors need to consider many objective factors, such as transportation and cultural differences, when making international investments. The cultural differences in transportation not only reflect the lifestyles and values of different countries and regions, but also directly affect the behavior and decision-making of investors in cross-border investment processes. Firstly, the cultural differences in transportation among different sovereign countries have had different impacts on the investment methods of cross-border investors. In some countries, people prioritize punctuality and efficiency, with strict traffic rules; In other countries, people place more emphasis on interpersonal relationships and flexibility, and traffic rules are relatively relaxed, which leads to different investment behaviors and preferences adopted by investors in the investment decision-making process. For example, when choosing an investment location, investors may pay more attention to transportation convenience and efficiency, or place greater focus on building great interpersonal relationships with the governments or companies to make sure the well operation of international investment. Secondly, the differences in public transportation between countries are also reflected in the level of infrastructure construction. [4] The higher standard transportation infrastructure could improve the efficiency of logistics and pedestrian flow, which is good for commercial activities. Therefore, investors may be more inclined to choose areas with convenient transportation and well-developed transportation infrastructure for investment and may hold a cautious attitude towards areas with traffic congestion and insufficient transportation infrastructure.

Urban transportation is one of the important challenges faced by many cities today, which not only affects the quality of life of urban residents, but also influences financial market stability of cities and the economic operation directly. Firstly, traffic congestion leads to prolonged stagnation and delay of goods and personnel within and between cities, increasing production and commercial costs and reducing production efficiency. Therefore, enterprises may face an increase in transportation costs and an extension of production cycles, which will affect their competitiveness in domestic and international markets, thereby influencing exchange rate fluctuations, demand relationships and currency supply. Secondly, traffic congestion also affects the consumption habits and behavioral choices of urban residents. Long periods of commuting and transportation delays make residents more inclined to shop and consume in nearby business districts, rather than going to distant commercial and shopping centers, leading to uneven commercial activities and market fragmentation, which in turn affects the speed of currency circulation and the stability of exchange rates. In addition, traffic congestion also affects the development of the city's tourism and service industries, reduces the city's international image and attractiveness, and further influences the flow of international investment and

the stability of exchange rates. Moreover, the better public transportation has an great effect on exchanging rate. Convenient transportation leads to an increase in economic activity, which in turn drives an increase in currency demand, thereby driving the appreciation of exchange rates. Finally, the convenience of public transportation will also attract foreign tourists and investors, further increasing the economic activity and international trade of the city, thereby affecting the exchange rate. [5]

3. Legal and Economic Measures for Differences in Cross-Cultural Customary Transportation

The problems caused by the cultural differences in transportation among different sovereign countries are effectively managed through legal and economic means to maximize the dual development of investment compliance and economic efficiency.

3.1. Feasibility Suggestions for the Legal Framework of "left-handed Traffic" for the Orderly Development of Society

In Chinese history, the term "leftist" has a derogatory connotation, such as the custom of referring to demotion as "leftist"; The word "left" in English carries the meaning of clumsiness and evil. This is because people have a habit of using their right hand as an important support, which naturally overlooks the importance placed on the left side, leading to misunderstandings about the left side. China's traffic laws tend to consider the rights of victims. In previous traffic regulations in some regions, if pedestrians fail to walk on pedestrian crossings and cause traffic accidents, pedestrians are fully responsible. In the new traffic regulations, it is explicitly stipulated that pedestrians have absolute priority, and motor vehicles need to slow down when passing through sidewalks; If there are no traffic lights, motor vehicles need to stop to allow pedestrians to pass first. [6] There are still many humanized regulations like this. This reflects that traffic laws protect special groups relatively, reflect the protection of vulnerable groups by the law, and is an important manifestation of the protection of people's "right to life" and "human rights" by the law. It is a symbol of human social progress.

The humanistic care in traffic regulations is reflected in the emphasis on the rights and interests of vulnerable groups. Motor vehicle owners must strengthen their sense of social responsibility and be brave enough to bear the consequences of illegal activities while driving. The new traffic regulations stipulate that unless it is clearly proven that a traffic accident was caused by the intentional act of the victim, automobile owners must stand corresponding responsibilities. [7] However, if it can be fully proven that the non-motor vehicle party has violated traffic laws, and the motor vehicle driver also takes necessary measures accordingly, the responsibility of the motor vehicle owner can be reduced. In addition, when a traffic accident belongs to the intentional behavior of pedestrians or non-motor vehicles, the driver of the motor vehicle is not responsible for the accident. This change clearly demonstrates the combination of law and humanistic sentiment, which is in line with the essential purpose of law, making economic compensation for both parties about traffic accidents by insuring automobile. The reason why the law appropriately takes care of vulnerable groups is because there is environmental inequality or significant gap between motor vehicle drivers and non-motor vehicle owners, in order to maintain relative social fairness. In order to protect the right to life of citizens, it is necessary to avoid all potential preventable dangers, for sake of achieving a high standard unity between obligations and human rights. People need to constantly use rationality as a criterion, advocate for a reasonable and legal traffic order, and strive to achieve safe and orderly traffic behavior. China advocates the legislative concept of safety first, so citizens themselves need to constantly strengthen requirements such as giving way to pedestrians and strictly adhering to traffic rules. Even in the event of a traffic accident, the injured do not need to consider the cost of treatment and can

receive assistance as soon as possible. Citizens also need to bear corresponding obligations when participating in traffic activities to ensure that the rights and interests of other traffic participants are effectively protected. [8] In addition, many countries have made clear regulations on whether pedestrians should walk on pedestrian crossings and whether social vehicles should drive in an orderly manner, which further improves traffic safety and is conducive to the combination of traffic laws and regulations with human emotions, further serving humanity. When people's rights and obligations are unified, traffic problems will be effectively solved, and the safety factor of citizens in society will continue to increase.

3.2. The Development of Public Transportation Improves the Balance of International Payments Indirectly

As an important component of urban infrastructure, the development of public transportation has a significant impact on the stability of urban economy and the balance of international payments. Firstly, developing public transportation can improve the quality of life and work efficiency of urban residents, thereby promoting economic growth in the city. By providing convenient, fast, and safe public transportation services, residents can more conveniently travel to workplaces, schools, commercial centers, and other places, reducing traffic congestion and commuting time, and improving work and production efficiency. The impact of improving production efficiency and quality of life indirectly promotes the growth of urban economy, providing a good foundation for increasing gross domestic product (GDP) and trade activities, and therefore making contributions to the balance of international payments. [9] Secondly, the development of public transportation could decrease the costs of cities and transportation, improve the competitiveness of cities, promote the rational allocation of resources and the prosperity of international trade. By providing diversified public transportation options, the cost of resident travel has been reduced, enabling more efficient utilization of resources. The reduction of transportation costs and the rational allocation of such resources could improve the competitiveness of cities to be more productive, promote the stable transaction of international trade and influence the stability of international balance of payments.

Urban managers and government departments can adopt a series of strategies and measures to address the impact of public transportation development on the balance of international payments. Firstly, gain more investment of public transportation systems, expanding the quality, coverage and service scope of public transportation will do more benefit to the society. By introducing advanced management methods and high-tech, optimizing operating methods and public transportation routes, improving convenience of public transportation and efficiency, attracting more people to use public transportation, reducing the people to use of private cars, it is conducive to reducing energy consumption, improving the problem of environmental pollution and promoting stable balance of international payments. Secondly, strengthening management supervision and policy support for public transportation, making a better design of scientific transportation policies and law making, it is better to promote the use of public transportation systems by enterprises and people, for the sake of increasing the market share of public transportation. Through policy guidance and management supervision, adjust the transportation structure, reduce urban transportation costs, promote the rational allocation of resources, and promote the healthy development of international balance of payments. [10] Finally, strengthen international cooperation and exchanges, draw on and learn from the experiences and practices of public transportation development in other countries and regions, jointly promote the stable balance of international payments and development of the public transportation system. In summary, increasing investment and construction in public transportation systems, strengthening policy support and management supervision, and strengthening international cooperation and exchanges are important strategies and measures to address the impact of public transportation development on the balance of international payments.

3.3. Dispute Resolution on Promoting International Investment through Transportation Convenience

Transportation facilitation refers to the improvement of service levels, the promotion of the flow of people and goods, and the promotion of economic development and international cooperation between cities and countries by increasing transportation infrastructure and improving transportation efficiency. For the dispute resolution of international investment, transportation convenience is quite significant. Firstly, transportation facilitation can promote communication and cooperation among international investors, improve information flow and sharing, and strengthen mutual trust and cooperation willingness among international investors. By improving transportation infrastructure and service levels, the transportation and time costs for multinational investors have been reduced, making it easier for them to engage in cross-border investment activities, expand markets and cooperation opportunities. The effect of increasing communication and cooperation is conducive to resolving disputes in international investment multilateral treaties, alleviating conflicts and differences among investors, and improving the development of international cooperation on investment. [11] Secondly, convenient transportation also helps to improve the efficiency and speed of resolving disputes in international investment multilateral treaties. By improving the efficiency and convenience of transportation, it is possible to accelerate communication and negotiation among international investors and improve the efficiency and quality of problem-solving. The role of improving resolution efficiency is conducive to timely resolving disputes in international investment multilateral treaties, safeguarding the legitimate rights and interests of investors, and ensuring a better cooperation on international investment.

The international community can adopt a series of strategies and measures to address the role of transportation facilitation in promoting the resolution of disputes in multilateral investment treaties. Firstly, in order to achieve transportation convenience, it is better to make more investment on transportation infrastructure. By introducing advanced technology and management methods, optimizing transportation infrastructure construction and operational management, improving the quality and coverage of transportation services, reducing transportation and time costs, and building a platform for cooperation and communication between international investments, it is conducive to promoting the resolution of disputes in international investment. Secondly, we will increase the supervision and management of international investment, and continuously improve the mechanism for resolving investment disputes. By establishing diversified resolution mechanisms and channels, such as arbitration, mediation, etc., disputes over international investment multilateral treaties could be resolved to safeguard the interests of investors and legitimate rights to improve a better cooperation of international investment. Finally, strengthen international cooperation and exchanges, promote the negotiation and updating of multilateral treaties on international investment, timely respond to the development needs and changes of international investment, and improve the sustainable development and stability of international investment, in terms of multilateral treaties. [12] In summary, strengthening investment and construction in transportation infrastructure, improving the regulatory and management mechanisms of international investment multilateral treaties, and strengthening international cooperation and exchanges are important strategies and measures to address disputes in promoting international investment multilateral treaties through transportation facilitation.

4. Conclusion

Cross cultural transportation habits play an important role in international capital flows, which involves both legal norms and compliance, as well as economic efficiency and costs. The international capital flow is affected by economics and law concurrently. In terms of law, it requires investors to

comply with the traffic regulations and legal systems of the destination country to ensure the legality and stability of investment activities; In terms of economy, it affects the operating costs and efficiency of enterprises, the possibility of market expansion and commercial cooperation and also affecting the international capital flow. On the other hand, driving on the right side is not good to maintain the stability of traffic safety, while the rule of driving on the left can greatly avoid traffic accidents and thus maintain the right to life. Integrating law and humanities into an organic whole, promoting further social development. When promoting the spirit of humanism, it is also necessary to effectively control society through economic means, and then organically combine the economy with society. Therefore, international capital flows need to consider the factors of cross-cultural transportation habits, develop scientific and reasonable investment strategies and risk management measures, in order to cope with the challenges and opportunities brought by the transportation environment and habits of different countries or regions.

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