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The Impact of "One Belt and One Road" Policy on Corporate Financing Constraints

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Abstract

This paper takes the introduction of the "One Belt and One Road" policy as a quasi-natural experiment, based on the data of A-share listed companies in Shanghai and Shenzhen from 2011 to 2016, and uses the Difference Inequality Method to investigate the impact of the "One Belt and One Road" policy on corporate financing constraints and its action path. The benchmark regression results show that the implementation of the "One Belt and One Road" policy significantly reduces the financing constraints of enterprises supported by the policy. After controlling for possible endogeneity problems by using the placebo test, this conclusion still holds. In addition, this paper also conducts grouping tests according to the industry characteristics of enterprises, and the results show that the mitigation effect of the "One Belt and One Road" policy on the financing constraints of enterprises is more significant in the high-tech industry. The analysis of the action mechanism shows that, on the one hand, compared with the enterprises not affected by the policy, the enterprises supported by the policy have more external financing and bank borrowing increments; on the other hand, compared with the enterprises not affected by the policy, the enterprises supported by the policy have lower bank borrowing financing costs and corporate bond financing costs, and more tax benefits. The study shows that the implementation of the "One Belt and One Road" policy mainly reduces corporate financing constraints through two channels: financing sources and operating costs. This finding not only helps to expand the research framework of macroeconomic policy and micro-enterprise behavior, but also has certain enlightenment for the in-depth understanding of the economic effects of the "Belt and Road" policy and the follow-up reform.

Keywords

The Belt and Road Initiative; Financing constraints; Quasi-natural experiment.

1. Introduction

In essence, the "Belt and Road" policy is a new engine for China to comprehensively promote opening-up, and it is proposed to strengthen the exchanges and cooperation between China and countries along the "Belt and Road" to achieve win-win benefits for all countries. It is true that the "Belt and Road" policy can bring broad opportunities for enterprises and promote transformation and upgrading, but at the same time, it also makes the "going to sea" enterprises must face the financial risks and pressure of international operations. At this stage, it is difficult for enterprises to meet the special needs of the "Belt and Road" project construction only with their own funds, and external financing needs are becoming increasingly prominent. Among the many factors that affect the external financing constraints of enterprises, the government plays a decisive role. As another great initiative in the process of China's reform and opening up, the implementation of the "Belt and Road" policy is bound to be highly valued by local governments and functional departments at all levels. However, at the same time, enterprises supported by

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the "Belt and Road" policy may also obtain more investment opportunities because they conform to the policy orientation, which stimulates enterprises to over-invest. When the capital demand of enterprises far exceeds the financing income, the financing constraints of enterprises will intensify [1][i]. So how will the financing constraints of enterprises affected by the "Belt and Road" policy change? How do relevant government departments and functional agencies influence the financing constraints of enterprises? In addition, the promotion of the "Belt and Road" policy is not achieved overnight, and with the implementation of the policy, there will be differences in the direction and degree of supporting measures formulated by local governments for this purpose, which may be related to the characteristics of enterprises. So, will different types of enterprises be affected by the "Belt and Road" policy?

This paper uses the data of A-share listed companies in Shanghai and Shenzhen stock exchanges from 2011 to 2016 as research samples, divides listed companies into processing group (referred to as supporting enterprises) and control group (referred to as non-supporting enterprises) according to whether the listed companies are registered in provinces along the "Belt and Road", and takes the formal implementation of the "Belt and Road" policy in 2013 as A landmark event. The influence of the "Belt and Road" policy on corporate financing constraints is tested by the method of difference-difference. In the robustness test, this paper adopts the placebo test, changes the classification criteria of supporting enterprises and proxy variables of financing constraints, deletes the sample observations in the pilot year, and controls the characteristic factors of the province and city where the enterprises are located. Subsequently, this paper discusses whether there are cross-sectional differences in the impact of the "Belt and Road" policy on corporate financing constraints, and whether there are differences between the implementation of the "Belt and Road" policy on the reduction of corporate financing constraints in emerging advantageous industries and traditional industries. The analysis of the mechanism of action shows that: On the one hand, compared with the enterprises without policy support, the enterprises supported by policy get more financing, which is manifested as the increase of external financing and bank loans; On the other hand, enterprises that are relatively unsupported by policies have lower operating costs, which are reflected in lower bank borrowing and corporate bond financing costs and more tax incentives.

2. Theoretical Analysis and Research Hypotheses

2.1. Literature review

As for the influencing factors of corporate financing constraints, the existing literature mainly studies the macro-level and micro-level. Firstly, the macro level focuses on the following three aspects: [2] Monetary policy: Li Lianjun and Dai Jingwei [3] believe that tight monetary policy intensifies the financing constraints of listed companies, and has a more significant impact on private enterprises; By analyzing the impact of different monetary policy tools on corporate financing, Qi Yang et al. [4] also proposed that loose monetary policy alleviates corporate financing constraints by increasing money supply. [5] The role of the government: Zhang Xizheng et al. [6] proposed that unreasonable government regulation would intensify the financing constraints of enterprises, thus inhibiting the investment and growth of enterprises; However, Yu Wei et al. [7] believe that political connection can alleviate the financing constraints of enterprises by reducing information asymmetry and enhancing resource acquisition ability. [8] Financial innovation: Zhao Ziyi and Zhang Xinyue [9], Liang Bang and Zhang Jianhua [10] believe that the development of Internet finance can effectively reduce the information search cost and transaction cost of both the supply and demand of capital, help expand the financing channels of enterprises, reduce the financing cost of enterprises, and alleviate the financing constraints. Li Quan et al. [11] proposed that shadow banking has comparative advantages in reducing the information asymmetry in the credit market of smes,

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thus helping to alleviate financing constraints. The micro level focuses on the following three aspects: [1] Company ownership structure: Lin et al. [12] Luo et al. [13] and Jiang Fuxiu et al. [14] proposed that in shareholy-concentrated companies, there is a fierce conflict of interest between controlling shareholders, minority shareholders and creditors, and external investors will reduce their investment willingness due to the expected infringement of interests by controlling shareholders, resulting in higher financing costs and financing constraints. (2) Corporate information disclosure: Watts [15], Bagnoli [16], Li Lianjun and Dai Jingwei [3], Jiang Fuxiu et al. [17], Yin Zhujia [18] and other scholars discussed ways to alleviate the financing constraints of enterprises by reducing internal and external information asymmetry from the aspects of accounting conservatism, financial experience of directors' secretaries and directors' contacts. [8] Financial linkage: Deng Jianping and Zeng Yong [19] proposed that financial linkage could effectively alleviate corporate financing constraints; Jiang Fuxiu et al. [14] studied the role of financial correlation in broadening corporate financing channels and easing financing constraints from the perspective of whether ceos have financial experience.

The identification of the relationship between the above factors and corporate financing constraints may be affected by endogeneity. The proposal of the "Belt and Road Initiative" as a quasi-natural experiment, the company heterogeneity characteristics that are external to the micro level can effectively alleviate the endogenous problem and make the conclusion more reliable. Xu Liang [20] believes that the "Belt and Road" Initiative has enhanced the trade complementarity between China and countries along the route, which is of great significance for China to export excess capacity and realize industrial structure upgrading. Yang Bai et al. [21] pointed out that under the "Belt and Road" strategy, Chinese enterprises should pay attention to overcoming cultural barriers when participating in transnational operations, so that cultural conflicts can be used for the operation and development of enterprises. Zhang Shucun [22] believes that the Belt and Road Initiative has created opportunities and conditions for the optimization of China's OFDI layout. Yan Jiajia and Xin Wenting [23] used the systematic GMM model to demonstrate that the Belt and Road Initiative can learn from the Marshall Plan to promote the internationalization of RMB. Li Bing and Yan Xiaochen [24] found that trade between China and countries along the "Belt and Road" has a comparative advantage of immunity from terrorism, and then demonstrated that the "Belt and Road" initiative has a realistic basis. However, the macroeconomic response to national economic policies takes a long time, and enterprises, as an important microeconomic subject, can provide short-term empirical evidence for evaluating the implementation effect of the Belt and Road Initiative. Based on this, existing studies believe that the Belt and Road Initiative is conducive to improving enterprise investment level [25], internationalization level [26] and innovation ability [27], and increasing corporate performance [28] and enterprise value [29], but there is a lack of quantitative research on the impact of financing constraints.

2.2. Research hypothesis

The "One Belt, One Road" policy has much in common with the existing industrial policies. As an important means for the government to allocate resources and achieve strategic goals, the "One Belt, One Road" policy directly or indirectly changes the external environment faced by enterprises, thus exerting influence on the financing situation of enterprises. Under different logic, macro policies will have different impacts on the financing constraints of enterprises. Based on the two main analysis lines of "government support" and "investment expansion", this paper puts forward two opposing hypotheses.

Existing literature shows that macro policies and industrial policies will have a significant impact on enterprise investment and financing [30]. As an important national policy for deepening reform and opening up, the Belt and Road Initiative has been supported by local governments and functional departments since its implementation. In China, the direction and

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scale of local banks' credit issuance by local governments play an important role [1]. Whether credit funds flow to enterprises supported by policies and the scale of credit obtained by enterprises are one of the important bases for judging whether local governments actively respond to the "Belt and Road" policy. Existing studies have found that industries supported by policies can obtain more loans from banks [30]. In order to promote the construction of the "Belt and Road", major financial institutions have increased the credit support for the "Belt and Road" project, especially to strengthen the financing support for key enterprises and projects. In addition, under the guidance of the "Belt and Road" policy, the Silk Road Fund established by the government and the national policy bank also provide medium - and long-term financial support for enterprises to invest in "Belt and Road" projects. Based on the above analysis, this paper proposes:

H1: Enterprises that are not supported by the "Belt and Road" policy have a lower level of financing constraints.

Data from the National Development and Reform Commission shows that from 2013 to 2016, Chinese companies invested more than $60 billion in countries along the Belt and Road. Among the overseas investment projects of Chinese enterprises, most are infrastructure projects based on transportation, telecommunications and energy [31]. These projects generally require high investment in the early stage of construction, and often have the characteristics of long fund recovery cycle and low return on investment. Moreover, the Belt and Road are mostly developing countries, and there are many uncertainties in payment ability and credit level [32]. The high cost and uncertain returns of enterprises' foreign investment determine that in a long period of time, enterprises related to the "Belt and Road" may need to bear greater financial pressure. Although the introduction of the "Belt and Road" policy makes it easier for relevant enterprises to obtain loans from banks and raise financing from the bond market, the amount of bank loans and bond financing may not be able to fully meet the capital needs of enterprises. In addition, Zhang Xinmin et al. pointed out that banks' support for policy-supported enterprises has the characteristics of short-term effect. In the long run, banks' support for enterprises will gradually decline, and the "Belt and Road" investment is a long-term investment mainly based on infrastructure projects, which will further aggravate the financing constraints faced by enterprises. Based on the above analysis, this paper proposes:

H2: Enterprises that are not supported by the "Belt and Road" policy have a higher level of financing constraints.

3. Research design

3.1. Sample source

In this paper, the proposal of the "Belt and Road" policy is taken as the experimental event, which occurred in the second half of 2013, and 2014 and subsequent years are taken as the experimental period. In order to ensure the consistency of the time interval before and after the experimental event, this paper selects 2011-2016 as the sample period, and the research objects are all A-share main board listed enterprises (1). The specific screening principles for samples in this paper are as follows: financial and ST samples are excluded; Remove samples with missing financial data; Discard samples with owner's equity less than 0. In addition, in order to ensure the comparability of the samples before and after the implementation of the policy, this paper further cleaned the samples in accordance with the principle of retaining the observed values of enterprises before and after the implementation of the policy. In order to prevent the influence of outliers, all continuous variables are indented at both ends of the 1% quartile. In addition, this paper also adjusts the standard error on the enterprise-year level of dual Cluster. The financial data in this article are from iFinD, CSMAR and RESSET databases and are cross-checked.

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3.2. Research model

Regarding the research on the impact of the "Belt and Road" policy on the economic consequences of micro-enterprises, the few existing literatures mainly adopt the differential differential method in the specific model setting. In this paper, enterprises affected by the "Belt and Road" policy are taken as the "treatment group", and other enterprises not affected by the policy are taken as the "control group". The differential model in this paper is as follows:

$$Y_{it} = \beta_0 + \beta_1 Treat_{it} + \beta_2 Post_{it} + \beta_3 DID + \beta_i controls_{it} + \varepsilon_{it} \quad (1)$$

Where, Constraint is the financing constraint of enterprise i in year t; Treat is a virtual variable. In this paper, listed enterprises in the "Belt and Road" concept plate are defined as "Belt and Road" supporting enterprises, the value is 1, and the rest are non-supporting enterprises, the value is 0. Post is a dummy variable, which is defined as 1 from 2014 to 2016 and 0 from 2011 to 2013. This is because September 2013 was the earliest time when the concept of "One Belt, One Road" was proposed. Based on this, this paper constructs this dummy variable. Controls is a set of control variables. In order to alleviate the possible endogeneity problem, this paper adopts one-phase lag treatment for the control variables. In addition, this paper also adds industry dummy variables. Among them, β1 measures the difference in financing constraints between supporting enterprises and non-supporting enterprises before the implementation of the "Belt and Road" policy; β2 measures the difference in financing constraints faced by non-supporting enterprises before and after the implementation of the "Belt and Road" policy. β3 is the focus of this study, which reflects the change of financing constraints of supporting enterprises and non-supporting enterprises before and after the implementation of the "Belt and Road" policy. Further, the indicators are set as follows.

Corporate financing constraints. In the existing literature, KZ index is widely used to measure the degree of financing constraints of enterprises [33]. In this paper, variables such as net operating cash flow, cash dividend holdings, asset-liability ratio and Tobin's Q are used to construct KZ index (KZ). The larger the KZ index value, the more serious the financing constraints enterprises face.

Enterprise characteristics. It mainly includes enterprise Size (Size), net Fixed assets (Fixed) and operating income (Inc). It is generally believed that the scale of an enterprise will have an impact on the financing constraints of the enterprise. Larger scale enterprises generally have better operating conditions, and the availability of funds is higher than that of small scale enterprises, so large scale enterprises are subject to less financing constraints. In addition, the ratio of fixed assets and operating income of enterprises have been proved by existing literatures to have an impact on the degree of financing constraint of enterprises [34]. Refer to Table 1 for specific variable definitions.

Table 1. Variable definition

Explained variable	KZ	The financing constraint index is constructed based on the enterprise's net cash flow through business, cash share profit, cash holdings, asset-liability ratio, Tobin's Q and other indicators. The larger the index value, the higher the degree of financing constraint
Primary explanatory variable	Treat	The listed enterprises in the "Belt and Road" concept plate belong to the "Belt and Road" supported enterprises. The value is 1 The value is 0
	Post	1 for 2014 and later
Control variable	Size	Number of enterprises
	Fixed	Net fixed assets
	Inc	Operating income

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4. Empirical results and analysis

4.1. Descriptive statistics

Table 2 shows descriptive statistics of the main variables. It can be observed that the average value of KZ index in the sample enterprises is about 1.7, and the average value of Treat is about 0.52, which means that 52% of the sample enterprises are "Belt and Road" supporting enterprises. Among the control variables, the mean value of the variable Size is 5014, and the mean value of the variable Inc is 21.1, but the standard deviation is 1.57, with a large fluctuation range.

Table 2. Descriptive Statistics of Variables

variable	N	mean	sd	p50
KZ	45197	1.700004	2.892282	1.38991
treated	45197	0.523773	0.49944	1
Size	45197	5014.883	17875.55	1755
Inc	45185	21.10456	1.578358	21.00358
Fixed	45177	19.93685	1.750998	19.89774

4.2. Parallel trend test

A potential prerequisite for differential estimation is that supportive and non-supportive firms have cotrend prior to policy implementation. Therefore, before carrying out differential regression, this paper tested the annual trend distribution of financing constraint degree of supporting enterprises and non-supporting enterprises, and visually presented the change trend between the two in the form of a graph.

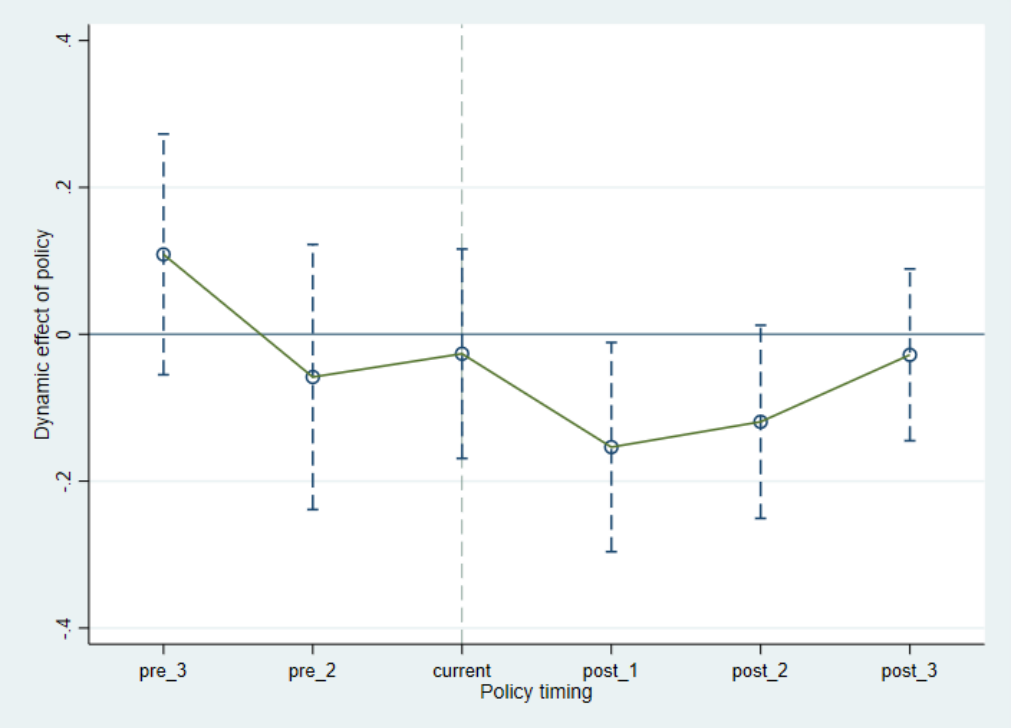


Figure. 1 Parallel trend test

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Figure 1 shows a parallel trend chart of supported and non-supported enterprises. It can be seen from Figure 1 that the financing constraints of both supported enterprises and non-supported enterprises from 2011 to 2013 are within the confidence interval, indicating that the parallel trend hypothesis in this paper is basically satisfied.

4.3. Reference regression

Starting from the quasi-natural experiment of the "One Belt, One Road" policy, this paper uses the differential and differential method to investigate the impact of the "One Belt, One Road" policy on corporate financing constraints, and the results are shown in Table 3. (1) is the regression result of introducing the control variables of the benchmark regression model but not controlling the industry characteristics, and column (2) shows the regression result after further controlling the industry characteristics of the enterprise. Regardless of whether the industry characteristics are controlled or not, the regression coefficients of DID are significantly negative at the levels of 10% and 5%, indicating that compared with non-supporting enterprises, the implementation of the "Belt and Road" policy significantly reduces the financing constraints of supporting enterprises. The estimated results of other variables are basically consistent with the expectation, and the financing constraints of state-owned enterprises and large-scale enterprises are relatively good. The income of enterprises is positively correlated with financing constraints, because the better profitability of enterprises will stimulate enterprises to expand investment, which will further intensify financing constraints, which is consistent with the findings of Lu Shengfeng and Chen Sixia [35]. In addition, the asset-liability ratio of enterprises is negatively correlated with financing constraints. The possible reason is that since enterprises can have a high asset-liability ratio, it also indirectly indicates that enterprises have smooth financing channels and weak financing constraints.

Table 3. Regression Results

	(1)	(2)
VARIABLES	KZ	KZ
did	-0.0958*	-0.0965**
	(-1.96)	(-1.98)
time	-0.9885***	-1.0408***
	(-27.96)	(-29.37)
treated	0.0600	0.0838**
	(1.58)	(2.21)
Size		-0.0000***
		(-4.30)
Inc		0.0767***
		(6.60)
Fixed		0.0647***
		(6.71)
Constant	1.7541***	-1.1334***
	(64.28)	(-6.12)
Observations	38208	38177
r2_a	0.0451	0.0521
F	602.2113	350.5975

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t-statistics in parentheses
*** p<0.01, ** p<0.05, * p<0.1

4.4. Placebo test

This paper assumes that if the improvement of the degree of corporate financing constraints is not due to the implementation of the "Belt and Road" policy, but is caused by the improvement of the corporate operating environment over time, this improvement has no connection with the "Belt and Road" policy. To rule out this effect, the corresponding placebo test is also conducted by constructing false policy years. The results are shown in column (1) of Table 4. In column (1), this paper sets the policy implementation year as 2011 (when it is before 2011, the value of Post is 0; When it is from 2011 to 2019, the value of Post is 1). Under this assumption, the influence of the "Belt and Road" policy on corporate financing constraints is tested. The setting method of column (2) is similar to this.

Paragraph (3) lists 2015 as the year of implementation. The results show that the interaction coefficient DID between the false policy years and the Treat in columns (1) - (3) is not significant, indicating that except 2014, if other years are taken as the implementation year of the "Belt and Road", the estimated results of the baseline regression cannot be obtained, indicating that the previous analysis results are not caused by conventional random factors.

Table 4.Placebo test and Robustness test

	(1)	(2)	(3)	(4)	(5)
VARIABLES	KZ	KZ	KZ	KZ	SA
did	-0.1339	-0.0038	0.0035	-0.0947*	-0.0433***
	(-1.56)	(-0.15)	(0.14)	(-1.94)	(-8.75)
time	-1.2580***	0.0901*	-0.6063***	-0.9477***	-0.2333***
	(-20.23)	(1.70)	(-22.72)	(-26.81)	(-63.19)
treated	0.1298	0.0847	0.1612	0.0521	0.0045
	(1.59)	(2.03)	(1.77)	(1.41)	(1.13)
Size	-0.0000***	-0.0000**	-0.0000***	0.0000***	0.0000***
	(-3.01)	(-2.03)	(-3.04)	(2.59)	(4.86)
Inc	0.0834***	0.0917***	0.1177***	0.0413***	-0.0512***
	(6.90)	(7.23)	(9.33)	(2.89)	(-3.32)
Fixed	0.0508***	0.0419***	0.0387***	0.0472***	0.0000***
	(5.12)	(4.06)	(3.78)	(4.99)	(53.92)
Constant	-0.5862***	-1.9299***	-1.9527***	1.7034***	-3.5878***
	(-2.97)	(-9.37)	(-9.71)	(63.10)	(-1143.68)
Observations	35329	35329	35329	36887	36887
r2_a	0.0311	0.0069	0.0225	0.0436	0.3039
F	190.1072	45.4939	148.8818	281.4654	2.7e+03

4.5. Robustness test

This paper further tests the robustness of principal regression by replacing proxy variables and deleting sample observations in the pilot year.

(1) Delete the sample observations of the pilot year. The previous study defined 2011-2013 as before the implementation of the "Belt and Road" policy, and 2014-2016 as after the implementation of the policy (Post). Because the concept of "One Belt, One Road" was first

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proposed in 2013, the observed values of all sample enterprises in 2013 were deleted for robustness consideration, and model (1) was re-tested. The correlation regression results are reported in column (4) of Table 4, and the coefficient of the interaction term Treat×Post is significantly negative at the level of 10%, which is not substantially different from the baseline regression results.

(2) Change proxy variables. Drawing on Hadlock and Pierce (2010), this paper also uses SA index (SA) to measure corporate financing constraints. The specific construction formula is as follows: SA=-0.737×Size+0.043×Size2-0.04×Age, where Size is the natural logarithm of the total assets of the enterprise, and Age is the establishment years of the enterprise. The SA index calculated in this paper is all positive, and the smaller the value of this index, the higher the degree of financing constraints faced by the enterprise. Considering that the construction of SA index is related to the enterprise Size variable (Size) in the control variable, in order to alleviate the endogenous problem of the variable, this paper does not use the enterprise size variable (Size) in the control variable, but adopts the natural Logvalue of the total market value to represent the enterprise size. The results in column (5) of Table 4 show that the regression coefficient of DID is significantly positive at the 1% level, and the conclusions obtained are consistent with the above.

5. The impact of the "Belt and Road" policy on corporate financing constraints: heterogeneity test

The above empirical results show that the implementation of the "Belt and Road" policy has eased the financing constraints of supporting enterprises. It should be noted that the "Belt and Road" policy will not have an equal impact on all companies. Chen Donghua and Yao Zhenye (2018) pointed out that with the implementation of macro policies, the supporting measures formulated by local governments for implementing policies will vary in direction and degree, which may be related to the characteristics of enterprises. Therefore, this paper preliminarily anticipates that different types of enterprises may be affected by the "Belt and Road" policy to some extent. This part starts from the industry characteristics and geographical characteristics of the enterprise respectively, and examines the cross-sectional differences of the "Belt and Road" policy affecting the financing constraints of enterprises through the grouping regression method.

1. Inspection based on industry characteristics

Under the national "Belt and Road" policy, the Ministry of Commerce, starting from the overall layout of the "Belt and Road" and based on China's own industrial advantages and the actual situation of countries along the route, clearly defines the "Belt and Road" foreign investment cooperation key industries, which are mainly divided into high-tech industries and non-high-tech industries. Among them, high-tech industries include transportation infrastructure, power engineering construction, information and communication engineering and services, and high-tech innovation; Non-high-tech industries include transportation infrastructure, steel, building materials and housing, mineral resources development, and agriculture. The report to the 19th National Congress of the Communist Party of China stressed the need to effectively promote the transformation of economic growth patterns and vigorously develop emerging industries. The research of Yang Xingquan et al. and CAI Qingfeng and Tian Lin shows that when an enterprise or industry belongs to the type of policy support, it will obtain more resource elements. Under the advocacy of the "One Belt and One Road" policy, industries such as transportation infrastructure and power engineering construction industry have been included as emerging advantageous industries, and the government's focus on high-tech industries will have a significant impact on the development of enterprises and resource allocation in the corresponding industries.

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Columns (1) and (2) of Table 5 give the group test results based on industry types. The results show that in the samples of emerging advantageous industries, the regression coefficient of DID is significantly negative at 1% level, indicating that for enterprises supporting emerging advantageous industries, the financing constraint level of enterprises has decreased significantly after the "Belt and Road" policy is proposed. In the samples of non-high-tech industries, the regression coefficient of DID is not significant, indicating that for supporting enterprises in non-high-tech industries, the "Belt and Road" policy has no significant impact on corporate financing constraints. The research results in columns (1) and (2) of Table 5 show that the easing effect of the "Belt and Road" policy on the financing constraints of enterprises is mainly concentrated in high-tech industries, indicating that the "Belt and Road" policy is conducive to concentrating capital advantages and accelerating the optimization and upgrading of industrial structure.

Table 5. Heterogeneity Results

	(1)	(2)
VARIABLES	KZ	KZ
did	0.045	-0.159***
	(0.51)	(-2.71)
time	-1.120***	-0.993***
	(-17.95)	(-23.16)
treated	0.008	0.105**
	(0.12)	(2.33)
Size	0.000	-0.000***
	(0.97)	(-4.06)
Inc	-0.055**	0.075***
	(-2.12)	(5.64)
Fixed	0.249***	0.028***
	(11.38)	(2.60)
Constant	-2.256***	-0.265
	(-5.88)	(-1.23)
High-tech industry or not	No	yes
Observations	11,928	26,249
R-squared	0.062	0.050
F test	0	0
r2_a	0.0615	0.0495
F	131.4	228.7

6. Conclusion

Based on China's "Belt and Road" policy, this paper examines the role of local governments and functional departments in the implementation of the policy. The research findings are as follows: (1) After the "Belt and Road" policy is proposed, the degree of financing constraints supporting enterprises has been significantly alleviated. (2) Heterogeneity analysis shows that the easing effect of the "Belt and Road" policy on supporting corporate financing constraints is more significant in emerging advantageous industries and export-oriented node cities. (3) Mechanism analysis shows that the "Belt and Road" policy mainly alleviates the financing

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constraints of enterprises through two channels: expanding financing sources and reducing operating costs. On the one hand, enterprises without policy support receive more financing, which is reflected in the increase of external financing and bank loans. On the other hand, enterprises that are relatively unsupported by policies have lower bank borrowing and corporate bond financing costs and more tax incentives.

Starting from the perspective of enterprise financing, this paper reveals the economic consequences of the "Belt and Road" policy on micro enterprises, and finds that the "Belt and Road" policy can significantly improve the financing environment of enterprises, so that enterprises can obtain funds at a lower cost and higher efficiency. While studying the above issues, this paper also further derived a series of new research directions: After the financial pressure of enterprises is relieved, how will enterprises use the funds obtained, and whether the mode of use of funds conforms to the direction encouraged by the "Belt and Road" policy? In addition, how can the government or relevant regulatory departments effectively formulate policies and guide enterprises to efficiently allocate funds to industrial projects encouraged by the "Belt and Road" policy in combination with market means, avoid the funds intended for industrial development from "real to virtual" or deviate from the direction of policy encouragement, and further improve the investment efficiency of projects supported by the "Belt and Road"? It also deserves long-term attention and research.

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