

A.A. Usipbekov¹, A.A. Nurumov²
JSC Financial Academy, Nur-Sultan, Kazakhstan.
(E-mail: a.usipbekov@mail.ru, nurumov-aldash@mail.ru)

Integration formation of the financial market

Abstract: In the article, the financial market appears as an integration formation, due to the development needs of the modern innovative reproduction process, positioned in an expanding economic space. The global financial market, the network branching of financial relations, the interaction of segments are considered in the financial market, the global financial network structure. The development of the structural organization of financial markets inevitably creates new opportunities and risks for their participants.

Keywords: financial market, risk, development, capital, global financial network structure.

DOI: <https://doi.org/10.32523/2079-620X-2020-2-160-164>

The process of accumulation and allocation of financial resources, carried out by the financial system, is directly related to the functioning of financial markets and the activities of financial institutions. The current stage of global integration creates qualitatively new opportunities for financial markets, since with the use of financial derivatives redistribution of risks is achieved, the overflow of free capital is accelerated and simplified, and the reliability of financial markets and their role in the economic system are enhanced.

At the same time, as the results of the recovery of financial markets from the global crisis, global integration is accompanied by a new round of expansion of gaps in real and fictitious capital, alienation of virtual financial relations from real economy. Virtual capital establishes dominance in the financial sector and subordinates production processes, managing real capital, regardless of its condition and effectiveness. This leads to the reproduction of the fundamental contradiction of the economic system associated with the separation of the reflected financial forms from its content. The indicated forms are derived with respect to the real economic basis and form a special superstructure over it.

An essential characteristic of relations developing in the financial market is their special informational content. It is expressed in the combination and interweaving of all the above reflected forms with information funds and flows. In this regard, we highlight the following points:

- the global financial market has a comprehensive, high-tech network of communication channels, resource and information flows that encircles the whole world; he works around the clock, in all time zones, in the form of organized exchange platforms and electronic trading systems, annihilating space and time by electronic means;

- financial markets transmit dynamic impulses, which, in the context of increasing interdependence of national economies, lead to a quick, almost synchronous reaction of market prices of stocks, currencies, prices of goods of strategic importance to changing conditions. Macroeconomic information and political events in developed countries cause chains of capital circulation in financial markets, redistribution of financial resources, investment inflow in some sectors due to outflow in others;

- these dynamic impulses can become destructive, especially for national markets of peripheral countries whose economies are not supported by the competitiveness of domestic goods; the allocation of the center and periphery in the global economy means the formation of a certain hierarchical dependence, in which peripheral markets are dependent and unstable;

- a breakthrough in the development of information technology and communication tools leads to qualitative changes in the conduct of financial transactions and the market structure.

The introduction of global computer networks provided real-time access to financial markets from anywhere in the world and the possibility of transactions without intermediaries, which allowed to form a large category of small private investors. The activities of global institutional intermediaries and investors have intensified, aimed at integrating trading systems into a single «electronic» global market and providing a full package of services to all categories of investors;

- the development of market trends is largely determined not only by the information itself, but also by the characteristics of its subjective perception. The subjects of the financial market influence the forms and nature of circulation of financial capital, forming new tools that embody the feedback mechanism between thinking and reality;

- modern financial capital is inseparable from the expanded reproduction of information, and therefore, from the process of increasing scientific knowledge [1].

The network branching of financial relations is manifested in the formation of various network structures in the budget, tax, insurance, stock, valuation and other fields. The dominant functions and processes in modern society are increasingly being organized according to the principle of networks. Note that financial relations relate to those forms of economic relations that are most susceptible to network organization.

The main reason for this manifestation of interaction in the financial market is that:

- the financial market in terms of its development, in terms of its role as a sector of the economy that creates financial services, is significantly developed in comparison with other areas of production. This is confirmed by the fact that it is represented by a wide range of services, the provision of which is accompanied by the latest marketing and IT technologies, and by the fact that it is regulated by more stringent supervision. All this leads to a high level of competition and therefore profitability is a determining factor;

- the national economy is dependent on the financial market, since it performs the main investment function and serves the circulation of goods, works and services. That is, if a certain cluster or association in the form of the Consumer Cooperation Union is created for the purpose of interaction within the created association (to reduce costs and increase the competitiveness of products), then this restriction is not established in the financial market (at least not for all instruments);

- Financial services have their own specifics. So, not being essential services in their “commodity” nature, as a result of the development of commodity-money relations, they have become such and therefore are widely in demand [2].

In modern society, capital accumulation and financial activities are increasingly carried out in global financial markets; From these network structures investments flow into all areas of economic activity: the information sector, the service sector, agricultural production, healthcare, education, manufacturing, transport, trade, tourism, culture, environmental management, etc.

Some activities are more profitable than others, going through different cycles, experiencing the ups and downs of the market, experiencing the impact of global competition. Moreover, regardless of what exactly provides profit (producers, consumers, technology, nature or institutions), it falls into the metaset of financial flows [3].

New economic forms are attracted to global financial network structures, and access to knowledge through such networks is the basis of innovative production.

The combination of transparency of financial relations for all of their participants and the systemic closeness of these relations corresponds to their role in the system of economic relations. On the one hand, transparency of financial relations is necessary for their public existence. Such a socio-economic characteristic, as public trust, is an integral attribute of financial relations.

On the other hand, the systemic closeness of financial relations is absolutely necessary to ensure the reproduction of financial capital - the system of financial domination is closed to all who embody submission to it. The ability to use the achievements of information technology to

track the entire aggregate of constant changes in the financial virtual capital system is illusory; the complexity of the system is connected not only with the variety of information and its mobility, but with fundamental lack of control and unknowability. The latter, in particular, is due to the fact that financial dominance extends to the formation of the market framework and the rules of the game on it, as well as the development of special forms of interaction of entities personifying this dominance with formal formal dominance in some cases, and informal contractual relations in others [4].

The study of constitutive signs of financial relations allows us to approach the refinement of the economic content of the financial market. The financial market is a certain kind of financial relationship that develops in the process of formation, circulation, public distribution and end use of special goods - financial instruments. The general generic characteristic of these goods is given by the totality of the constitutive signs of financial relations given above. The specific difference of financial instruments is that they are forms of fictitious capital.

Based on the principles of the reproductive approach, we summarize the above initial definition of the financial market. Since the formation, circulation, social distribution and end use of financial instruments represent different phases of the reproduction process, it is possible to define the financial market as the economic space for the reproduction of forms of fictitious capital.

The study of the financial market implies, therefore, an appeal to questions of the economic nature, forms and role of fictitious capital in the economic system. It should be noted that in relation to these issues in the economic literature has not developed a single point of view.

Starting from the second half of the 20th century, during the period of mass introduction of new financial technologies, globalization and liberalization of financial markets, significant changes are taking place in the external forms of existence of fictitious capital. In the structure of the financial market, along with numerous and traditional capital flows, fundamentally new directions of its movement have arisen. As a result, there was a separation between capital, which had deep roots in the economy, and currency-speculative, playing in the financial markets [5]. In parallel with the increase in the imbalance between the magnitude of fictitious and real capital on the scale of both national economies and the global economy as a whole, a growing gap between the movement of monetary and real resources is gradually being discovered. It is this gap that caused the current global crisis.

The functional content of financial market relations can be disclosed based on an analysis of two groups of relationships:

- between the forms of manifestation of the relations of the financial market and the forms of organization of economic processes in the economic complex of this level (horizontal section of the study of the problem);
- between the forms of manifestation of financial market relations and the corresponding forms of financial market relations of other levels of the global economic system (vertical section of the study of the problem) [6].

As part of the analysis of the horizontal slice of the analysis of the functional content of financial market relations, the leading function is to ensure the reproduction process in the economic complex of this integration formation. Opening this function, we proceed from the integration paradigm of the study of socio-economic systems, which is affirmed in the domestic economic literature.

In accordance with the indicated paradigm, the formation of integration entities is considered as an objective process of rapprochement, functional interweaving and structural merging of previously separate economic entities into the systemic integrity. The boundaries, scale and measure of economic isolation of individual regions and economic entities are successively, step by step, shifted and modified in accordance with changes in the creative potential and system of

needs achieved at this stage of development [7].

At the same time, a variety of possibilities opens up for effective combination of the resource potentials of integration entities in order to increase the total resource potential and create conditions for intensifying innovative processes and modernizing the technological base, functioning capital and organizational structure of the economy, as a result of which integration education can gain competitive advantages that meet the requirements of the modern economy .

In line with this paradigm, the financial market appears as an integration entity, due to the needs of the development of a modern innovative reproduction process, positioned in an expanding economic space. The circulation of financial instruments acts as a factor interconnected with functional and structural changes in the real business sector, which predetermines the requirements for consistency in the movement of fictitious and real capital agreed.

References

- 1 Шарапов, Ушаков А.С. Мезо-уровень организации финансовых рынков // Вестник ФГБОУ ВО «Кубанский государственный аграрный университет имени И.Т. Трубилина» – Краснодар: - 2010. - № 3 – С. 49-57
- 2 Адамбекова А.А. Финансовый рынок Казахстана: становление и развитие. Монография.- Алматы: Дауир, 2007.- 453с.
- 3 Мэрфи Дж. Межрыночный анализ: Принципы взаимодействия финансовых рынков / Дж. Мэрфи– М: Альпина Паблишер / Пер. с англ., 2012. – 299 с.
- 4 Ломтатидзе О.В. Регулирование деятельности на финансовом рынке / О.В. Ломтатидзе, М.А. Котляров, О.А. Школик. – М.: КноРус, 2012. – 288 с.
- 5 Joseph Stiglitz Financial Systems for Eastern Europe’s Emerging Democracies. – San Francisco: ICS Press, Cal., US,
- 6 Гришина Н.П. Финансовый рынок в современной мировой экономике // Вестник Саратовского государственного социально-экономического университета. 2018. № 1 (42). С. 23–27.
- 7 Сидорова Е.В. О тенденциях развития мировых финансовых рынков // Финансы 2014, №12, с 65-66.

А.А. Усипбеков, А.А. Нурумов

АО «Финансовая академия», Нур-Султан, Казахстан

Интеграционное образование финансового рынка

Аннотация. В статье финансовый рынок предстает как интеграционное образование, обусловленное потребностями развития современного инновационного воспроизводственного процесса, позиционированного в расширившемся хозяйственном пространстве. Рассматриваются глобальный финансовый рынок, сетевая разветвленность финансовых отношений, взаимодействие сегментов на финансовом рынке, глобальная финансовая сетевая структура. Развитие структурной организации финансовых рынков неизбежно создает новые возможности и риски для их участников.

Ключевые слова: финансовый рынок, риск, развитие, капитал, глобальная финансовая сетевая структура.

А.А. Усипбеков, А.А. Нурумов

«Қаржы академиясы» АҚ, Нұр-Сұлтан, Қазақстан.

Қаржы нарығының интеграциялық қалыптасуы

Аңдатпа. Мақалада қаржы нарығы кеңейтілген экономикалық кеңістікте орналасқан қазіргі заманғы инновациялық өндірісті дамыту қажеттіліктеріне байланысты интеграциялық қалыптасу ретінде көрініс тапқан. Әлемдік қаржы нарығы, қаржылық қатынастардың желілік тармақталуы, қаржы нарығындағы сегменттердің өзара әрекеті, жаһандық қаржы желісінің құрылымы қарастырылады. Қаржы нарықтарының құрылымдық ұйымдастырылуының дамуы сөзсіз олардың қатысушылары үшін жаңа мүмкіндіктер мен тәуекелдер тудырады.

Түйін сөздер: қаржы нарығы, тәуекел, даму, капитал, ғаламдық қаржылық желінің құрылымы.

References

- 1 Sharapov, Ushakov A.S. Mezo-uroven' organizatsii finansovykh rynkov [Meso-level organization of financial markets], Vestnik FGBOU VO «Kubanskij gosudarstvennyj agrarnyj universitet imeni I.T. Trubilina» [Bulletin of the FSBEI HE «Kuban State Agrarian University named after I. Trubilina»], Krasnodar, 2010, No. 3 - P. 49-57
- 2 Adambekova A.A. Finansovyy rynek Kazakhstana: stanovleniye i razvitiye. [The financial market of Kazakhstan: formation and development.] Monograph (Daur, Almaty, 2007, 453 p).
- 3 Murphy J. Mezhrynochnyy analiz: Printsipy vzaimodeystviya finansovykh rynkov [Intermarket analysis: Principles of interaction of financial markets], Translated from English (Alpina Publisher, Moscow, 2012, 299 p).
- 4 Lomtadidze O.V. Regulirovaniye deyatel'nosti na finansovom rynke [Regulation of activities in the financial market], O.V. Lomtadidze, M.A. Kotlyarov, O.A. Schkolik (KnoRus, Moscow, 2012, 288 p).
- 5 Joseph Stiglitz Financial Systems for Eastern Europe's Emerging Democracies (ICS Press, Cal., US, San Francisco)
- 6 Grishina N.P. Finansovyy rynek v sovremennoy mirovoy ekonomike [The financial market in the modern world economy], Vestnik Saratovskogo gosudarstvennogo social'no-jekonomicheskogo universiteta [Bulletin of the Saratov State Socio-Economic University]. 2018, 1 (42). P. 23–27.
- 7 Sidorova E.V. O tendentsiyakh razvitiya mirovykh finansovykh rynkov [About development trends of world financial markets], Finances 2014, No. 12, P. 65-66.

Information about authors:

Usipbekov A.A. - PhD student of JSC Financial Academy. Nur-Sultan, Kazakhstan.

Nurumov A.A. - Doctor of Economical Sciences, Professor, Head of the Department of Finance and Customs, JSC Financial Academy. Nur-Sultan, Kazakhstan.

Усипбеков А.А. - «Қаржы академиясы» АҚ докторанты. Нұр-Сұлтан, Қазақстан.

Нурумов А.А. – экономика ғылымдарының докторы, профессор, «Қаржы академиясы» АҚ «Қаржы және кеден ісі» кафедрасының меңгерушісі. Нұр-Сұлтан, Қазақстан.