

Ways to Strengthen the Competitiveness of National Financial Markets in the Context of Financial Globalization



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ABSTRACT: The financial market mobilizes free funds and turns them into financial resources, idle money in the hands of the population into a source of income. The financial market, which includes deposits, bills, foreign exchange, stock, bond, derivative and insurance markets, is usually the driving force of the economy. It serves to solve social problems by developing the financial market, improving the competitive environment, promoting the use of new types of financial management, attracting investments to business entities, and creating additional jobs.

KEYWORDS: financial market, stock market, transnational corporations, international financial relations.

INTRODUCTION

Despite the extensive research of international models of corporate governance related to the organization of financial markets, this scientific and practical experience is poorly applied in the real sector of our country's economy. As a result, the conditions of corporate governance are not sufficiently fulfilled in the activities of joint-stock companies. Financial market liquidity is not as required and the current state of secondary market efficiency weakens the activity of the population and other participants of the securities market in the financial market.

In the conditions of the market economy, the essence of economic concepts is defined by scientists and experts through debates, scientific-theoretical views, combined with the ideas of that time, its functions, principles, specific features, characteristic aspects, market segments and their from the point of view of economic relations between its participants, a deeper scientific justification is being improved and brought into a system, it is being developed on a scientific basis in accordance with the requirements of the time and fundamental factors.

In particular, the economic essence of the international financial market was created by economists who lived in different periods through their different ideas. However, each economic category is constantly improving based on modern factors. Today, the international financial market also performs new and diverse functions in an additional way. From this point of view, a deeper study of its economic essence, taking into account the theoretical scientific views of several economists, current modern factors and other specific aspects, indicates the relevance of the topic.

Different authors do not interpret the term international financial market in the same way. Often, this concept is used in the plural: international financial markets. In addition, it is common to compare the international financial market with the concept of the world loan capital market. The definition of the term international financial market in different interpretations is its broad or narrow interpretation. In this case, the broad or narrow interpretation is also understood in different ways. For example, the famous scientist L.N. Krasavina notes that "International financial markets in a broad sense are the field of market relations that ensure the accumulation and redistribution of money capital between countries. In essence, this concept refers to the interaction of the interests of its participants, which determine the terms of international financial transactions. The international financial market is a stock market in a narrow sense, that is, a market for transactions with securities" [1]. Also, Krasavina presented the structure of international financial markets in relation to national and international actors (Table 1).

Table 1. Structure and participants of international financial markets [1]

| <i>National participants</i> | <i>Market structure</i> | <i>International participants</i> |
|------------------------------|---|-----------------------------------|
| 1 | 2 | 3 |
| Corporations | Currency markets, including the Eurocurrency market | International corporations, TMK |

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| | | |
|--|---|--|
| Banks and specialized credit and financial institutions, including insurance companies | Debt capital markets: a) money market; b) capital market; c) euro market | International banks, TNC, specialized credit and financial institutions, including insurance companies |
| Stock and commodity exchanges | Stock markets | Major stock and commodity exchanges International currency credit and financial organizations |
| | Insurance markets | |
| | Gold markets | |

A well-known scientist in the field of international financial relations D.M. Mikhaylov shows the international financial market from the point of view of the instruments in circulation in it. In his opinion, the global debt capital market and the international financial market are "conceptually more similar categories in the practical use of this concept", and in the international financial market debt capital, debt instruments and derivative contracts appear as objects of trade [2].

The similarity of the concepts of the financial market and the credit market can be found in other sources. For example, "Financial market (loan capital market) is a mechanism of redistribution of capital between creditors and debtors with the help of intermediaries, based on demand and supply of capital. In practice, it represents a collection of credit and financial institutions that direct the flow of funds from owners to debtors and vice versa. It is possible to meet the concept that the main task of the financial market is the transformation of inactive funds into loan capital" [3].

Uzbek economists A.Vahobov, N.Jumayev, U.Burkhanov in the textbook "International Financial Relations" write "International financial markets are based on the principles of protecting the national interests of countries, which is a comprehensive interstate cooperation." international financial markets and their global markets in the form of stock, or states as a set of markets implementing a single financial and credit policy [6].

Also, J.Kh. Ataniyazov, E.D. Alimardonov's textbook "International financial relations" gives an opinion on the structure of the international financial market and the mechanism of entering this market. In particular, it recognizes that the international financial market consists of the national financial market and the international financial market. The authors focus on the sum of foreign securities, i.e., the set of markets that arise through the international circulation of Eurobonds in countries [7].

ANALYSIS AND RESULTS

The high level of organization of the financial market is determined by its special mechanism of operation. This mechanism is determined by the results of the direct participation of all participants of the financial market on the basis of the full application of the laws and categories of the economy and on the basis of the regulatory policy of the state, and is jointly implemented by the state and economic entities.

As of 2020, a significant share of the financial market is distributed among a small number of countries. The largest of these are the USA (40%), Japan (8%), "Science and Education" Scientific Journal / Impact Factor 3,848 (SJIF) February 2023 / Volume 4 Issue 2 China (7%), Hong Kong (7%), Great Britain (4%), France (3%), Germany (3%) are the most powerful countries in the world.

It can be seen that two-thirds of the world's financial market belongs to most developed countries. One of the main segments of the world financial market is the stock exchange or securities (capital) market.

The development of the financial market and modern financial infrastructure is one of the main conditions for the transition to the path of innovative development. Only under such conditions will it be possible to activate investment activities and generate investment flows, and then redirect them to the field of high technologies. Direct investment, which is one of the main factors of economic growth, cannot be achieved without creating the basic elements of modern financial markets.

Compliance with the main principles of the financial market is ensured on the basis of harmonization of the rules developed by the stock exchanges and associations of market participants along with the regulatory measures of the state.

On the other hand, the mobilization of money as capital for production strengthens the economic potential, accelerates innovation, scientific and technical progress and, on this basis, serves to further increase the well-being of the people.

CONCLUSION

In the conditions of financial globalization, the main goal of the development of the financial market is to increase the export potential of manufactured goods, to provide consumers with goods that meet global requirements, and to ensure the stability of the country's monetary policy.

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In the measures for the development of the capital market in our country, it is necessary to form a comprehensive strategy for the development of this market, to assist in the formation of its effective infrastructure, and to activate practical actions aimed at the rapid development and expansion of the secondary securities market, to improve the corporate management system based on advanced foreign experiences, capital issues such as the development of international relations in the field of market regulation should be given special priority.

A large amount of investments will be necessary to further deepen the economic reforms being carried out in our country. Investments can be brought through the financial market and the stock market. That is why the role of the financial market and securities in the economic growth of the country is extremely large.

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