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TÍTULO: Desarrollo de relaciones institucionales en el mercado regional de microfinanzas.

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RESUMEN: En los últimos años, en el contexto de la crisis económica mundial, la influencia del nivel de desarrollo de los mercados financieros en el crecimiento económico ha aumentado considerablemente en la Federación de Rusia. Se han formado nuevos tipos de mercados financieros, centrados en la implementación de solicitudes de servicios financieros de empresas pequeñas y medianas, que a su vez forman el mercado de las microfinanzas. En nuestra opinión, en esta situación, podemos hablar de un tipo de efecto macroeconómico: hay un poco de suavización de la desigualdad social en la sociedad, y se activa el desarrollo de empresas privadas, se proporciona empleo, y el estándar de vida de la población se incrementa.

PALABRAS CLAVES: crisis económica, competencia, mercado de microfinanzas, relaciones institucionales, instituciones de crédito no bancarias.

TITLE: Institutional relation development at Regional Microfinance Market.

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ABSTRACT: In recent years, in the context of the global economic crisis, the influence of financial market development level on economic growth has sharply increased in the Russian Federation. New types of financial markets have been formed, focused on the implementation of financial service requests from developing small and medium-sized business, which in its turn forms the microfinance market. In our opinion, in this situation, we can talk about a kind of macroeconomic effect - there is some smoothing of social inequality in society, and the development of private business is activated, employment is provided, and the standard of population living is increased.

KEY WORDS: economic crisis, competition, microfinance market, institutional relations, non-bank credit institutions.

INTRODUCTION.

In modern Russia, the foundations for the institutional support of the developing market operation and the interaction of its subjects - microfinance organizations, business structures, and population are still being laid.

The market under study is no longer perceived as a primitive microcredit market.

All of the foregoing highlights the need to study the problems of the microfinance market institutionalization in the system of economic relations in order to identify priority options for socio-economic development increase.

In the conditions of increasing competition, it is necessary, first of all, to understand the complex dynamics of a new independent financial market segment development - the microfinance market, explore the processes of contradictory interaction between market participants and identify the weak and strong positions of microfinance instruments.

DEVELOPMENT.

Research methodology.

The object of our research is the microfinance market, the subject is the institutionalization of economic relations at the microfinance market.

In the course of the work, they were used the methods of theoretical economic modeling, the evaluation of cause-and-effect dependencies, comparison, and deduction.

Research results.

In most scientific papers, concerning the problems of production relation structure study, the authors try to adhere to the concept by K. Mark, regarding his 4 factorial classical model - production - exchange - distribution - consumption. At the same time, the two-factor structure of production relations from a prominent Russian economist G.V. Plekhanov is of no less interest. It is based on the study of two components - socio-economic and organizational-economic one. It is also appropriate to recall here that the Academician L.A. Abalkin deepened the conclusions by G. V. Plekhanov concerning the development of over-centralized economy model [1].

Today, Russia is developing in the conditions of abandoning from the planning and administrative system - there was a radical decentralization of national economy management, new types of markets appeared, the country entered the WTO ... All this requires the analysis of modern organizational and economic relations in small business through the prism of institutionalism [2].

In the theory of production relation structure, the main dispute is about the blocks of organizational, economic and socio-economic relations.

The first block, as a rule, includes the organizations of various types, their organizational and economic mechanism of action and interaction, a set of tools, norms, rules, etc. In our work, we will try to focus our attention on the interactions of business structures in the sphere of financial relations. As a rule, any research on the problem under consideration begins with the study of various theories positions. In our opinion, the branch of an institutional theory called the new institutionalism is of great interest in our case. This theory has a number of modifications.

The proponents of the first direction of institutionalism (Veblen T., Commax J., Mitchell U., and others), exploring the problems of organization and control in the economy as a whole, did not allow the identification of such concepts as economics and market. They considered the market, undoubtedly, as an important, not a system-forming factor, the institutions of a competitive market were the sphere of interest. Such an approach obliged them to consider the basic concepts of law and transactions as the leading ones in the sphere of relations between market participants.

Another trend of institutionalism is "new institutional economic theory" (Coase R., North D., Williamson O.). It is called neoclassical institutional theory In the world special literature. Its highlight is the concept of transaction costs and property right protection (the so-called "bundle of rights") [6,8,17].

We consider it is appropriate to note the contribution by North D. to the development of a new institutional economic theory. He proposed to consider institutions as the set of "game" rules, or rather, the restrictive framework that determines the relationship between people [8,19].

The third trend of institutionalism is called mathematical institutional economics. As can be seen from its name, the basis of this trend is mathematical determinism in the socio-economic arrangement of society [7,9,16].

The so-called economic theory of convention is the fourth trend of institutional theory development (Orleans A., Theveno L., Favro O., etc.).

The basis of this trend was the discourse on the "incompleteness of rules." The supporters of this approach argued that the coordinating function in economic reality belongs not to the rules themselves, but to their interpretations, agreements, and mutual expectations of transaction parties. In this regard, the "convention" concept was developed as the rule interpretation scheme, in contrast to the "institution" considered as the "game rule". We believe that this approach is most applicable to the microfinance market [11,15, 21].

In general, one can note the presence of a large and diverse approach and theoretical substantiations that expand the set of institutional structures considered in modern realities in the form of economic relation types [3,12,14,20].

Modern institutional forms of interaction between participants allow to expand the traditional generally accepted ideas about environmental interaction - they make useful additions to the current typology of new institutional relations through market and company.

It should be noted that two concepts of economic behavior prevail in modern Russia. The representatives of the federal center (Putin V., Medvedev D., A. Siluanov, and others) propose to strengthen the sustainability of the national economy, to form reserves by state regulation of raw material component development in budget revenues.

The supporters of the second approach (Belousov A., Titov B., Kudrin A., and others) focus on finding some possible ways of such growth by mobilizing the internal reserves of the national economy real sector, decentralizing of management and exploiting the competitive advantages of new trends for medium and small business development. And this is natural because small and medium-sized businesses enter increasingly actively into the solution of socio-economic issues by opening new jobs, the additional buildup of local budgets, etc. [4,10].

Under the conditions of the next world economic crisis and the sanctions of the United States and Western countries, the institutional insufficiency of the Russian credit market is particularly acute.

Over the past quarter of the century, many laws have been passed on the credit market development with the emphasis on the planning-command system. For the most part, they have many irregularities and norms of repressive nature for business structures, which, among other things, has generated mass corruption as an off-law method of everyday issue solution. All this has a negative impact on the budget process development, forcing to focus more on the commodity sector, etc.

For these reasons, the significant reserves of small and medium businesses are not involved.

In accordance with Russian banking legislation, there are two main types of credit institutions in the country: banks and non-bank credit organizations. It is clear that banks, in contrast to non-bank credit institutions, are able to provide the full range of legally allowed credit services. However, in recent years, banks have become more profitable to provide a limited range of services. Such specialization allowed the new segment of the financial market - the microfinance sector.

Leasing and financial companies, credit unions, investment companies, pawnshops, factoring firms, and other non-bank financial institutions can be mentioned among non-banking credit and financial organizations.

Non-bank credit institutions have the right to open and maintain the bank accounts of legal entities, make settlements on behalf of a legal entity in the interbank and foreign exchange markets, as well as in the securities market, make cash collection, conduct cash services, etc.

The main difference between non-bank credit organizations and commercial banks is that the former do not have the right to place money on their own behalf and engage in investing.

Further, the funds that remained on the account of a non-bank credit organization cannot bring additional income to it. In other words, we are talking about the absence of credit risks and the risk of liquidity and solvency loss due to the incompleteness of managers with customer funds; there is also no possibility of investing them in high-risk types of assets [15].

Under these conditions, the main specialization of domestic non-bank credit organizations is the production of high-quality and timely settlements between legal entities.

All this makes it possible to declare that the indicator of business activity is the key indicator of non-bank credit organization activity, defined as the ratio of the organization total turnover over some time period to the size of its assets.

The following situation should be noted: in accordance with university textbooks on economics and finance, there is a two-tier banking system in Russian Federation:

Level 1 - The Central Bank.

Level 2 - Commercial banks, which is no longer true to reality. It seems to us that it is high time to talk about the third level of the Russian banking system - non-bank credit organizations. For we see a real competitive alternative in it to the monopolism of commercial banks that absolutely dominate the credit market. Moreover, nowadays non-bank credit institutions are not only an effective tool of lending to business structure representatives but also a full-fledged institutional organization that has a significant impact on the development of financial relations.

All the abovementioned allows us to define a non-bank credit organization (from the point of view of institutionalism) as an organization with a set of institutional functions for the real economy sector and population servicing. Non-bank credit organizations provide financing needs for small and medium-sized businesses, participate in business entity financing, interact with banks and government agencies in financial service regulation ...

In general, the etymology of the term “non-bank credit institutions” is interesting. There is a certain paradox - in accordance with the law, a “non-bank organization” performs banking operation exclusively. At the same time, some non-bank credit organizations may also not have a credit license (and may have the so-called settlement license), but they are still officially called “credit organizations”. Due to these circumstances, there are quite a few correct comments and suggestions on renaming non-bank credit organizations into “Settlement Bank”, “Banking Organization” and others.

The development of a bank of microfinance organizations (MFO) is of particular interest to scholars and practitioners. Approximately, $\frac{3}{4}$ of this market consists of credit cooperatives.

However, this market has its own characteristics in Russian reality. These characteristics must be considered when the vector of its development is determined.

The MFO market is developing in the grip of the huge financial and credit market of Russia and in the conditions when banking institutions are unable to “reach out” to every settlement.

Secondly, the formation of the MFO market takes place in parallel with the chronic lag of regulatory document development governing its activities, which inevitably contributes to the formation of illegal and, therefore, unlawful credit structures.

Thirdly, in many regions, especially in the depressed republics of the North Caucasus, there is still the traditional prevalence of the administrative resource over the economic ones. Thus, local elites

are formed, who mostly make decisions without the necessity to take into account the needs and the demands of the local population - all this ends with different sorts of economic distortions.

Experts note that the “credit boom” is occurring in Russia. The same is confirmed by the Central Bank - the volume of lending exceeded the pre-crisis level. Clearly, in this case, it is necessary to talk about microlending by the banking sector.

According to the All-Russian Public Opinion Research Center (VTSIOM), more than 35% of Russians consider the current economic situation to be favorable for loan obtaining.

It seems to us that, to put it mildly, we must carefully dissect the credit trust index, which has been at the highest level during the past three years.

We believe that contradictory tendencies are hidden behind such growth, because, as judicial and other trials show, the majority of citizens officially take loans only for consumer purposes, although in fact they are spent on production needs. And this is understandable - nowadays it is much more profitable to do this than to take a loan for the development of small business. However, it must be admitted that it is almost impossible to track the dynamics of such processes.

It is necessary to recognize another factor - the structure and the price of household consumption far exceed the payment possibilities for various goods and services.

The most active players in the MFO market are new lending institutions like “payday loans”, short-term loans, etc. There is every reason to believe that this segment of the consumer lending market will be developing most actively in the near future. And this is understandable - the “low level” of lending, i.e. small amounts of credit loans expand the consumer lending market, while the growth is achieved not by the attraction of potential customers for commercial banks, but by new ones.

The credit market of Russia is rapidly expanding due to the so-called “payday loans”. It must be pointed out that this system has been successfully operating for many decades in the USA, EU

countries, etc. Only in the USA, the turnover of MFO market reaches 40 billion dollars. At that, it is a special loan product, not intended for microcredit business.

It should be noted that non-bank credit organizations have such a feature as risk-free. This situation allows these organizations to provide budgeting services and continuous monitoring of investment projects, any client business banks in any territory, including technical supervision and a settlement system with suppliers and other organizations. It should be noted that commercial banks do not provide such services, although the demand for them is very high.

At the same time, the microfinance market in Russia is extremely deformed. Today, interest rates on short-term consumer loans are unacceptably higher than on ordinary consumer loans. The mini-loan rates, for example, at "Mini-Loan Express" make 3 percent per day. Entrepreneurs explain such a high percentage by non-return risks and the high provision cost. We believe the reason is different and it is the absence of competition; and this is natural, because the considered segment of the consumer lending market is still at the initial stage of its development and the interest rates on loans are rather close to the maximum possible ones. It is indisputable that as the competition for a consumer intensifies and the credit offer develops, as well as the emergence of various organizational and legal forms on the microfinance market, the rates will decrease steadily.

As we noted above, the observed deformation in the microfinance market arose from the fact that microcredits received formally for production needs satisfy consumer goal actually.

A great contribution to the microfinance market development is being made by Russian Post and Pension.

Undoubtedly, these two institutions have reduced the shadow microloan market to a large extent. The organizations of two levels appeared.

In the first option, an organization provides loans to business entities and individuals. In the second option, an organization acts as an intermediary and provides loans to microfinance institutions. It

should be noted that the resources of the second level of microfinancing are aimed at illegal MFO market reduction for small and medium-sized businesses. Such organizations are designed to solve specific problems, and not to maximize profits. In accordance with this approach, the interest on loans to entrepreneurs is significantly lower than the market offers of the financial sector. The RF Ministry of Economic Development is interested in the development of the second level since this helps to neutralize and squeeze the shadow microfinance market, especially in socially significant areas.

However, it must be stated that with regard to the majority of business projects being implemented, the interest rates are still quite high, almost at the level of bank offers. This requires the solution of full and partial interest rate subsidies for a particular category of entrepreneurs.

The depressed republics of the North Caucasus almost have no modern efficient lending technologies. There are many reasons for this, including the presence of increased lending risks, on the one hand, and extremely limited provision possibilities for these loans.

In Western countries, more than 70% of small enterprises undergo bankruptcy procedures within 5 years from the day they were created. In Moscow, at least 80% of restaurants undergo this procedure after two years of operation.

We still do not have a reasonable guarantee and non-return insurance system on loans. The courts are still not effective, there is no collateral legislation and pledge implementation procedure. Apparently, for this reason, banks require collateral from potential borrowers, which is not possible for an absolute majority of entrepreneurs.

An important role should be played by regional authorities. The republics of the North Caucasus Federal District have about 10 federal and regional target programs for the development of small and medium-sized businesses, including the development of tourism, small and medium-sized

businesses, and the development of investment activities. At the same time, it is possible to note some dispersion of funds among close programs (by content).

Business structures also have a lot of problems that make it difficult to obtain bank loans, also due to non-transparent and often inaccurate reporting, the lack of incentives to reflect reliably the final financial results in reporting, the small scale of small business that makes it difficult to assess its condition; a low attraction of loans, etc.

CONCLUSIONS.

It seems to us that the development of the regional microfinance market for small businesses requires the following:

- The introduction of standardized procedures in commercial banks that will significantly reduce the cost of lending operations, the time for loan applications from small and medium-sized businesses.
- The increase of commercial bank liability urgency. This will make it possible to reduce the gap between assets and liabilities in terms of demand and repayment of loans, to improve their liquidity and introduce a refinancing mechanism;
- The creation a mechanism for credit risk reduction at the federal and regional levels by activating various schemes guaranteeing and securing loans to small businesses, attracting large regional enterprises to the guarantee institution for small and medium enterprises;
- RF Bank regulatory requirement improvement in order to reduce the cost of banking business services and reduce the interest rates on loans.

Conflict of interest.

The authors confirm that the presented data does not contain a conflict of interest.

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