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PROBLEMS AND PROSPECTS OF INTEGRATION OF UKRAINE'S BANKING SYSTEM IN THE WORLD FINANCIAL MARKET

Speaking of integration, no matter the integration of political or economic, or any other, it should be noted that globalization is the main neighbor with which integration exists alongside. Thus, the relevance of this problem, due to the fact that the integration of domestic commercial banks in the global financial system is characterized by globalization.

Globalization – the process of global economic, political and cultural integration, the main characteristics of which is the global division of labor migration in the world-wide financial, human and industrial resources, standardization of legislation, economic and technological processes, as well as the convergence of cultures of different countries. The economic aspects of globalization are characterized by free trade, free movement of capital, reducing taxes on profits, ease of industries moving between different states in the interest of reducing the cost of labor and natural resources, etc. [1, p. 70].

A significant contribution to the development of the functioning of the financial market and the commercial banks have been made by modern Western economists Markowitz H., R. Merten, Myshkin F., Peters E., Rose P., Fabotstsy F., Thomas J., Fischer I., Sharpe W.

The current global financial system is a two-level: first level – the international business (universal and specialized) banks, the second level – the interstate financial institutions. This system provides optimum building relationships both vertically and horizontally. As financial intermediaries serve all business entities, the main function of which is to carry out financial transactions. It does not include organizations engaged in financial transactions to limit the groups of market relations that empowered them to this function, i. e. brokers, notaries.

Multinational banks are universal banking systems, which mobilize the significant amounts of money in different currencies, provide loans for any length of time, perform internationally securities transactions, use various forms of financing production and foreign trade, develop massive trustees. The industrial monopolies get the commercial information from TNB, recommendations and advice concerning the organization of production, management structure, market forecast and so on [4, p. 266].

Integration processes in the banking sector are characterized by the introduction of the banks' activities programs of institutional development, systems modernization and automation, international banking standards, the implementation of which contributes to a national clearing system, getting the right credit through loans of the World Bank and other international credit lines [6, p. 110].

Institutional development programs provide three ways for technical assistance to domestic banks, especially – the establishment of relationship with a foreign bank-twin, mobilization of the international consulting firm; cooperation with bank-twin and international consulting firm.

The necessary conditions for the full integration of domestic banks in the global financial system are:

- Ensuring political and economic stability, the lack of which is a major drawback integration of Ukraine into the world economy;
- Achieving financial stability, convertibility rate and the development of inter-regional domestic monetary, foreign exchange, stock markets;
- Adaptation of the banking system of Ukraine to the conditions of world monetary markets.

Integration Bank in international banking system has three stages:

1. The working-out plan to market, which includes an analysis of internal needs and capabilities of a commercial bank for the following areas:

- Targets of the banks' outs into the market of industrialized countries;
- Financial support for the organization and operation of foreign bank structure;
- Availability of qualified personnel.

2. Analysis of domestic law that governs the ability to access commercial bank market of the industrialized countries in the following areas:

- The order of the Central Bank permits authorized banks to participate in the capital of banks and other credit organizations abroad and opening branches abroad;
- Compliance with domestic law and international standards of capital banks that operate in more than one country.

3. Analysis of existing rules and regulations of industrialized countries that regulate the activities of foreign banks in their territory, in terms of the greatest of ease for entering Ukrainian commercial banks in their market.

Integration Bank in international banking system enable if provide the following: domestic currency legislation measures up international standards, bank management understands the global trends in international banking and, according to them, the general strategy of the bank [5, p. 310].

One of the main components of the financial strategy of Ukraine is deepening its integration into the international financial community. The need for this is determined by two factors. Firstly, the objective needs of the resource. Second, the objective laws of development of modern economy. In conditions of globalization further development of financial system of Ukraine is possible only on the basis of the integration process.

Ukraine's integration into the international financial sector is directly related to the restructuring of the domestic financial system in general and public financial management in particular.

The problem of Ukraine's integration into the international financial is multifaceted and involves solving several problems: the transformation of the national financial system, all components which have the right of operating on market principles. And finance, and tax and budget system, and banks and other financial institutions should be unified as a whole with international requirements, this harmonization of Ukrainian legislation with international financial criteria and requirements; important area of integration processes have access to global financial markets, which should provide free movement of capital, the process of integration into the international financial solution provided the basic task – providing international money flows through the system of international payments.

A key area of Ukraine's integration into the international financial system is to develop its relations with major international financial institutions – the IMF and the World Bank. They play a growing role in the world, contributing to the economic development of indi-

vidual countries, providing revenue to the national economy a significant proportion of credit and investment resources [2, p. 96].

The nature of relations between Ukraine, like any other country, with international financial organizations depends on two fundamentally important points. Firstly, there is the dilemma of financial organizations dependence on their loans in the medium, and the more long-term development. It has two opposite but equally possible outcomes: external borrowing can become a factor of economic growth and become a threat to national economic security. Second, the strategy of the international financial institutions is determined by many factors of political, economic and humanitarian character that does not always coincide with the national interests of the country. Therefore, based on the relationship with them should be the consistency of goals and objectives, priorities and directions of development.

Among the key factors of successful integration of Ukraine into the global economy are the following:

- Growth of international trade outstripping growth in exports
- growth of foreign investments in Ukraine
- growth in operations hryvnia on the world currency market
- minimize the level of correlation between the negative trends in the global economy and the national economy [3, p. 33].

Summarizing the material presented, we can conclude that the problem of integration is the maximum speed and efficiency of such integration and simultaneously minimize the globalized world financial environment facing Ukraine, requires consideration of the features of modern structure of the world economy, careful selection and use of tools that can provide possible losses from this process. Special attention should be paid to the risks that accompany the process of integration of the national economy to a globalized financial environment [7, p. 15].

So, everything is clear evidence of slow but inevitable process of integration of the national economy into the global economic system. The positive effects of such integration are evident today, especially in the field of international trade. At the same time, it can be seen the lagging integration into the global economy in the financial sector that requires immediate correction of economic policy in order to increase foreign investment in Ukraine.

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