

## The Modern System of Regulation in the Sphere of Financial Intermediation: Methodological Approaches and Solutions

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doi: <http://dx.doi.org/10.13005/bbra/1485>

(Received: 27 September 2014; accepted: 10 October 2014)

The aim of this research is to develop, on the basis of the synthesis of accumulated theoretical knowledge and practical experience, the methodological approaches to the concept of development and transformation of financial intermediation of banks in information and financial. The description of the new methodology of the relationship of information and the credit market and its regional segment led to the following conclusions. Information and credit market (ICM) has a sign of integrity, functioning of the whole set of its elements subordinate to the main goal - to overcome the information asymmetry, the effectiveness of mediation, but at the same time, the sum of all the qualities of ICM is not reducible to the sum of the qualities of its constituent elements. Conditioning behavior (existence of development) of the system depends on the behavior of its individual elements, to which, of course, can and should include the regional part of the information and credit market. The last mentioned one is structured, the behavior is determined by his analysis of the structural, because of the conduct of information and credit market as a whole is not so much the behavior of its individual elements as properties of the structure. That allows you to replicate the behavior of the system on its side, and at the same time part of the information and credit market affect the development of the market.

**Key words:** financial intermediation, banks, risk, information and credit market, Intermediation risk, collection agencies, process of disintermediation.

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Interaction of Asia-Pacific Region countries is becoming an important factor for economic development of Russian Far East, as one of the largest region, and the entire world economy. Based on this collaboration, it is accelerating the rate of movement of goods, services, financial capital and labor across national boundaries,

converging national economy. For the formation of the new World Trade Center in the region it is included labor and raw materials, developed technological basis. There is a development of economic, cultural, political and trade relations between Russia and Asia-Pacific Region. It became a cause of necessity for provision of these bonds through the banking system. Almost all banks in Russian Far East have developed a network of correspondent banks in the most influential countries of Asia-Pacific Region - the USA, China, Japan, and South Korea. However, there are a lot of very reliable and powerful banks and those of other countries with whom correspondent banking relationships have not been established. In particular, this DBS Bank, Oversea-Chinese

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Banking Corp (Singapore), Hang Seng Bank (Hong Kong), China Development Bank (China), Korea Finance Corporation, Industrial Bank of Korea (Korea), Bank of Taiwan (Taiwan) (according to the estimation of Global Finance Journal). The Far Eastern banks have the potential for active cooperation with banks in Asia-Pacific Region, but for the further development of this cooperation are necessary to develop the financial intermediation.

Financial intermediation is a product differentiation of economic activity, the result of which is the market exchange with the help of symbolic control behavior of the subjects in the money market.

Based on the theoretical construction of Talcott Parsons, where the most important elements of the interchanges are “symbolic media”, use only financial assets (cash, securities, currencies, etc.) without the involvement of specialized institutions, infrastructure, tools, in other words the regulators of metabolic processes in the market as a whole is not in the public interest and carries a high risk. In this regard, the financial intermediary is a symbiosis of facilities and special symbolic issues, which means the instruments through which occur the process of organization, coordination, control and regulation of the monetary and financial relations in the market.

## METHODS

The basic methodological aspects of research defines a dialectical approach, which helps to made a transition from one less deep (empirical) level of specialized scientific knowledge on the other, more theoretical level, which allows to discover the essence of financial and economic phenomena on the basis of theoretical analysis. The reference points for understanding the interaction of different elements of the theory in the process of its creation were the principles of dialectical relationship empirical and rational, meaningful and formal, intuitive and logical factors on the basis of which the individual limited financial and economic models and theoretical constructions were subjected to the critical analysis. The research used scientific methods of knowledge: analysis and synthesis, systematic approach, economic statistics, and others.

## RESULTS

The modern financial intermediation has more characteristic of institutional isomorphism, with different types of structures, which was represented. The institutional structure of financial intermediation in Russian market was presented below (Table 1), in fact, these indicators show the starting position of the subject of this market with good viewing prospects.

Nowadays, the major participants in Russian market of supply and demand of financial assets are credit institutions (banks and non-structure) and their various subdivisions - branches, cash offices, representatives offices. When we say about the banking system, we can identify the polymorphism of banks as intermediaries (intermediators), which corresponds to a variety of intermediation functions and transformation of the traditional financial intermediation in information and financial. The similar phenomena were the starting point for the development of the information and credit market as a set of entities of credit relations, represented the owners and users of credit resources, the host in the form of exchange of information resources. The factors of development the financial intermediation are the economic contradictions. The resolution of it gives impetus to the economic growth, social welfare and national security. The basic contradictions were laying in the supply and demand of financial assets. We call it “resource issues” due to the fact that they reflect the excess or deficiency of finance and it means of the payment in the economy.

The free cash resources, which are not intended for immediate consumption, suggest the presence of many investment alternatives. Therefore, in the market there are always two categories of subjects of relations: actors (same subject / market participant) redundant resource units (RU) and actors of deficit resource units (DRU). The contradictions of market participants are not totally contradictory, and it is more likely contrary to enable it to always appear the third actor of the market - the mediator, who taking on performance, risk and responsibility to resolve these contradictions. Thus, the mediators are not only actors, but also a tool for creating three forms of utility: place, time, acquisition. The functional

task of the mediator is to transfer resources to provide the conditions or move them from actor RU to actor DRU, creating necessary resources available in a convenient location at the right time. The mediator has a special role in the establishment of relationships between subjects, achieving optimal management in meeting their needs in the development and harmonization of market factors. The financial intermediaries or the controllers in the financial markets form a functional layer between the users of funds (borrowers) and resource-owners such assets by investors, savers, etc. The presence of a third professional subject, expressing the interests of the other two, and at the same time taking risks or part of it at home, makes a perfect market structure. In this architecture, each intermediary relationship, in fact, is on the market a kind of resource pool, for different levels of monetary exchange, as between the primary subjects of transactions and intermediaries higher hierarchy. The flow of resources in the financial market is carried out in specific forms - financial services, a variety of

which is established subjects of economic relations.

The market of financial services is the first mediator between the actors. Mediating function is to provide some opportunities for direct communication vendors and consumers about the prices, supply, demand, and selection of the best partner. The content of the functions of the market due to the development of the institution of property brokers and perfection of market mechanisms for the transformation of the assets, business rules different financial and monetary institutions (banks, insurance, venture capital, factoring companies, microfinance institutions, credit cooperatives and unions, investment funds of all types, stock and currency exchanges, non-bank credit organizations), and others. Evaluating the effectiveness of the financial intermediary, primarily assess its ability to take risks as a threat to the economic well-being of the agent. Financial intermediaries transformed amounts of capital, the timing of its use, mediated managing of market risk of actors. Risk Management is the transformation

**Table 1.** The instruments of financial intermediation (unit)

	Data Jan. 1,2013	Data Jan. 1,2014
Credit institutions with the right of conducting the banking operations – total amount	956	923
Credit organizations with foreign participation in the share capital	244	251
Branches of credit institutions on the territory of Russian Federation	2 349	2 005
Representative offices of currently operating Russian credit institutions	415	344
Subjects of the insurance market	641	597
Credit and non-credit institutions, which have license for professional securities of market participants – total amount	1 231	1 149
Clearing organizations	6	6
Exchange offices	0	8
Private pension funds	134	120
Mutual funds – total amount	1 547	1 571
Incorporated investment funds	7	7
Management companies of investment funds, mutual funds and pension funds	409	401
Specialized depositary of investment funds, mutual funds and pension funds	43	44
Microfinance institutions	2 504	3 860
Self-regulatory organization of microfinance institutions	0	2
Household savings cooperatives	94	88
Credit consumer cooperatives	3 225	3 602
Self-regulatory organizations credit consumer cooperatives	10	10
Credit bureau	25	25
Rating agencies	8	9

of risk from the customer to the intermediary, and the sale on the market of speculative financial instruments with high risk. Financial intermediaries have an institutional advantage in the management of certain types of financial risks: lower transaction costs, easier access to the information you need, to have sufficient reserve capital to compensate for the adverse effects of accomplished risks. Intermediation of risk is becoming the one of the most important functions of financial intermediation in conditions of asymmetric information.

The last mentioned generates a special kind of mediation - information and specific markets – information markets. We can identify among these entities the information and credit market, which

occupies one of the special places (Drozdovskaya, Rozhkov, 2008). It is characterized as a large-scale complex system, which has a direct impact on the effectiveness of mediation participants. The elements of the reproduction of this system are: institutions and mechanisms that regulate the behavior of the owners and users of information resources and services, thus developing the mediation of form and function in subjects' transactions. In this case, the institutions operate on the principles of mutual exchange of information between market participants in compliance with all regulations and the protection of its confidentiality. Information and credit market (ICM) is a method and an instrument of coordination of the scattered

**Table 2.** Classification of subjects of Information and Credit Market (ICM)

Purpose	Functions	Representatives
<b>I Organizations providing the credit services</b>		
1. Getting information: about the borrowers. / partner, participant of ICM, and services.	1. Providing of the credit resources and services.	Banking system Para-banking system
2. Attracting customers.	2. Providing the data about its activities for the regulating administration and the federal government.	Organizations which providing goods or services on credit (utilities, telecommunications operators, etc.)
3. Reducing of the risks of its activities.		Non-profit organization for mutual financial support (credit consumer cooperatives)
4. Informing about its activities.		
<b>II Organizations providing the information and support services</b>		
1. Improving the security of market actors by increasing the availability of information, reduce information asymmetry.	1. Collection, storage, analysis, and presentation (fee usage and free of charge) of information resources.	Collectors, brokers, rating agency, statistic agency
2. Informing about its activities.	2. Presentation of data of its activities to the regulating administration and the federal government.	
3. Attracting new clients.		
<b>III Governmental political and economic institutions</b>		
1. Getting information for actualization the analysis of its own data, to conduct joint operations.	1. Maintenance of registers, databases in different directions.	Political institutes (political institutes of all levels)
FNO,	2. Providing of the information resources.	Economic institutes (FSFR, FAO, FMS, etc.)
2. Fulfilling of the regulatory and supervisory functions.	3. Regulating the actors' activities within the competence.	
<b>IV Consumers of credit resources and services</b>		
1. Getting information: about the borrowers / partner, participant ICM, and services.	1. Presenting the personal data.	Legal entities (actors of Groups I-III) Individuals
2. Informing about its activities.		

knowledge of financial product, conditions of handling of this product, the construction of a new risk management system and improve the overall information and communication competence of market participants.

ICM is dynamically varies in space and time, and consists of a set of objects (components, subsystems, and others). These criteria reveal the essence of this segment of the market as a complex of the stochastic system.

Applying the general theory of systems to the evaluation factors of effective management structures of this class, the objective is the investigation of the functioning of the market in the territorial subsystems.

It was considered the transformation of ICM in the spatial economy of Far Eastern Federal District, spending, in fact, the decomposition of ICM. The aim is to analyze the regional subjects of ICM, the dynamics of change mediation, a manifestation of general and specific processes in the reproduction of the system elements and the identification of mutual parts on the overall behavior of ICM.

Combining of the subjects of ICM on the key attributes - the institutional structure, resources, goals and functions, it could be identified as four conditional groups, participants of which can flow into one another, depending on the role playing in this moment of time.

**Table 3.** Dynamics of changing the composition of the subjects of the information and credit market in Far Eastern Federal District (calculated by the authors on the basis of (The Central Bank of Russia, Far Eastern Federal District))

Group of objects	January 1, 2014								
	22005	22006	22007	22008	22009	22010	22011	22012	22013
First group - Organizations providing the credit services									
Branches of the Central Bank of Russia:									
- TU	9	9	9	9	9	9	9	9	9
- GRCO, RCO	95	95	95	95	83	83	76	70	65
The total amount of organizations** of banking system (without Branches of the Central Bank of Russia):	2252*	8848	11078	11821	11847	11821	11899	22021	22046
—credit institutes***	443	443	440	440	336	331	227	226	223
—branches of credit institutes***	557	557	446	339	333	523	112	88	77
Para-banking system, non-profit organizations of financial mutual aid									
Micro-financial organizations	00	00	00	-0	-0	00	00	448	1138
Credit consumer cooperatives	—	—	—	—	—	—	—	—	1101
Household and savings cooperatives	00	22	22	22	22	22	22	22	22
Private pension funds	11	11	11	22	22	44	44	44	44
Insurance companies	-	-	-	-	-	-	-	-	21
Other types of participants in the first group: organizations providing goods or services on credit (utilities, telecommunications operators, etc.)									
Second group - Organizations providing the information and support services									
Credit bureau	0	0	2	2	2	2	2	2	1
Collectors agencies	1	5	6	6	6	6	6	6	6

Other types of members of the second group: brokers, rating, statistics, news agencies and others

Third group - Governmental political and economic institutions

Political institutes (political institutes of all levels) Economic institutes (FSFR, FNO, FAO, FMS, etc.)

Fourth group - Consumers of credit resources and services

Legal entities (actors of Groups I-III) and Individuals

The set of subjects, serving the relationship between the lender and the borrower in terms of providing information and obtaining information services in the working process of the credit market form the infrastructure ICM. From a methodological point of view, such infrastructure is nothing more than a system, which is a connection of a plurality of macro structures and regional levels: organizations, resources (information, financial, etc.), credit relations, existing since the beginning

of the needs of one of the parties (the lender or borrower) in cash until the full repayment of the loan.

It is reflected the dynamics of changes in the composition of participants of regional segment of information and credit markets in Far Eastern Federal District (FEFD) (Table 3), according to the Central Bank of Russia, regional Branch of Federal Financial Markets Service, information of media and Internet sources. It is reflected a

**Table 4.** The indicators characterizing the qualitative changes of the regional banking system (calculated by the authors based on data from The Central Bank of Russia)

Indicators	January 1, 2014				Changes (+/-),%	
	2008		2013		Far Eastern Federal District	Russia
	Far Eastern Federal District	Russia	Far Eastern Federal District	Russia		
Changes of the structure of banking system						
1. The total amount of Banking Organizations	1 821	41 081	2 046	46 451	12,4	13,1
— branches of the Central Bank of Russia	95	782	65	505	-31,6	-35,4
— credit institutes	40	1 136	23	956	-42,5	-15,8
— regional offices of banking institutes	202	3 455	121	2 349	-40,1	-32,0
— additional offices of credit organizations	1 014	18 979	983	23 347	-3,1	23,0
— other structural divisions of credit institutes (operation offices, etc.)	470	16 729	854	19 294	81,7	15,3
2. The amount of banking institutes per 1 million people, units	342,3	289	370,8	325	8,3	12,5
3. The amount of accounts opened by institutions of banking system per 1 resident, units	3,1	3,0	4,3	4,7	38,7	56,6
«Visualization» of banking services, implementation of IT-technologies						
— a number of accounts with remote access, public credit institutions, thousand units	1 574,5	27 722,6	4 531,0	99 885,5	187,9	260,3
— a share of accounts with remote access, in the total number of accounts opened by credit institutions, %	8,5	6,5	16,9	14,9	8,4*	8,4*
— a number of devices for electronic payments with and without the use of payment cards (ATMs, terminals, etc.), units	2 161	65 104	7 840	220 876	262,8	239,3
— a proportion of transactions for paying goods and services made using payment cards on the volume of transactions made with payment cards (%):						
— by the sum	4,1	11,3	10,2	17,5	6,1	6,2
— by the amount	20,6	24,4	36,1	49,9	16,1	25,5

\* — percentage points

qualitative change in the institutional structure of ICM in the region in comparison with similar groups nationwide level indicators (Table 4).

Assessment of basic indicators of the information and credit market suggests that there are some processes observed at the macro level, it is a disintermediation and re-intermediation processes, transformed the regional, but in a different format as the qualitative response changing environment. It is primarily the strengthening of integration processes responsible for the presence of the major participants of the economy - financial intermediaries. In this context, it is observed the growing interest in the creation of bank holding companies, as one of the ways to solve the problem of low capitalization of regional banks, as well as testing new forms of banking. The trends in mergers and acquisitions of regional banks got its stable expression after the liquidity crisis that hit the national banking sector in 2005, which was developed as a global financial issue in 2008. The practice shows that today it is becoming the norm in the institutional restructuring of the banking regional subsystem in the direction of the absorption of large credit institutions, even by Russian standards. The example is the transformation of the independent major regional commercial bank of "Dalcombank" in the branch of MTS- Bank.

Another example of a possible reform of the banking sector in the region in the near future is a decision to establish the Government Corporation for the development of Far East and Siberia (16 regions, occupying about 60% of the territory of Russia: from the western borders of the Krasnoyarsk to Kamchatka, the Kuril Islands and Sakhalin Island), which can be established on the basis of a subsidiary of "Vnesheconombank". If this bank is not apply to the credit institution, by definition of the legislation of the Central Bank of Russia – this bank does not have a banking license, its activity is regulated by the Federal Law "about Bank for Development» ! 82-FZ of May 17, 2007, the banks belonging to his corporation - JSC "MSP Bank", Svyaz-Bank and others, create a pool of financial intermediaries for solving major public problems.

The opening of branches of foreign banks (JSC "Bank of China" Vladivostok and Khabarovsk branch) in Far Eastern Federal District

is a reflection of the trends of globalization - the process of global economic, political and cultural integration and unification.

The quantitative reduction of banking institutions, the changing of its organizational form and, as a consequence, the preference in servicing corporate clients, set a precedent for the emergence of appearing the new participants in the regional market of credit products - credit unions, consumer credit cooperatives, microfinance organizations (MFO). Its activation is vivid express of effective solution to the problem of availability of financial services (but very expensive) for the population, a small business enterprise. The economic potential of these subjects cannot compete with the capabilities of traditional banking institutions, although hypothetically MFO has sufficient financial instruments to occupy a niche competitor information and credit market. Such perspective is obvious, really appreciating the dynamics of the growth of such structures and the existing of international experience of the functioning of MFO as partners and opponents of the banks. Flexibility of forms, contact proximity with the client makes the organization attractive and objectively necessary in areas where banking is inefficient and costly. According to this research, in some regions of Far Eastern Federal District, for example, the Jewish Autonomous Region, Magadan region, Chukotka Autonomous Region, where there is no one single representative of the credit institutions, the dynamics of the growth of MFO is very high. According to official statistics at the beginning of 2012 the credit market was a little more than a thousand organizations of its kind and at this moment there are about 3 thousand. In Far Eastern Federal District during only the last two years the number of MFO grew in 2.8 times, from 48 to 138 units. This argument clearly shows promising MFO as financial market players and competitors to banks involved in express credit procedures. Since the MFO pricing policy is flexibly differentiated, it realized in the mode of adaptive mechanism to demand criteria, safety, minimize costs, the cost of its credit services becomes comparable with the proposals of banks. Increasing the demands on borrowers, in other words reducing their risks, banks have created their competitors in the face of MFO.

At the same time, MFO are clients of

banks as it attracts loans to refinance its activities. With the growth of the volume of such a high-risk, but profitable, business, it is clear that at some point they can become a source of systemic risk. Due to the imperfection of Russian legislation with regard to the creation of preventive mechanism against external economic risks when it wasn't set up an elementary system of refinancing MFO in case of sudden loss of liquidity, these players may be faced with one hand, with a high level of non-payment of their customers, and on the other, not execution their liabilities to banks - creditors. It is the intermediation risk from one market to another one.

The specifics of banking services are that they look formally simple to use, relatively affordable product in the market. In fact, it is not a simple operation process, the implementation of which requires the client to a certain level of information and communication competence. It makes the credit institution is not only a manufacturer of banking services, and fills its work with new content and a new direction - information and financial intermediation. Nowadays, there is no one commercial bank, which does not have a virtual representative in the internet and does not offer its services through Internet banking, SMS-services, and other virtual services. In modern conditions, the bank must have a commercial flexibility and be able to deliver services of any nature or kind - credit, investment, information and others.

The appearance in the regional segment of ICM the new types of information intermediaries - credit bureau (CB), the purpose of which is to collect and disseminate information about the creditworthiness of the borrowers, collection agencies - claimants receivables in the pretrial order, expanding infrastructure market, filling it with global forms of information mediation.

The process of disintermediation in the region accompanied with re-intermediation on the market of new subjects in the face of information intermediaries (collectors, etc.), a new type of financial intermediaries (MFO, KPK, etc.). However, the amount of banking organizations, in terms of regional consumer, is extremely few, despite the fact that the saturation index of institutional banking services exceeds the average level in Russia. For all other characteristics - the region

does not reach a addictive figures. On the background of a sufficient number of banking institutions, the satisfaction of providing banking services remains the low level.

Considering the regional dimension of the functioning of the information and credit market, it is impossible to ignore the regulatory activities of the Central Bank of Russia, namely the activities of regional offices in the face of territorial divisions that are currently becoming a regional information processing point of the Central Bank of Russia - is collected, processed according to certain rules and transfer (intermediation) of information.

The main types of information processing of Territorial Administration of the Central Bank of Russia are the providing settlement and payment system of the Central Bank of Russia in the region, monitoring the economic sphere of the region in all directions, and the transmission of information to the central office, providing information exchange between actors of ICM in the region.

Territorial administration is a regional coordinating center of the ICM, which is engaged in the collection and transmission of various kinds of information in the interests of all market participants.

## DISCUSSION

Despite the abundance of scientific publications, and a long history of researching the essence and principles of functioning of the banks, as individual economic units, and the banking system as a whole, a number of aspects of banking activities are still scarcely explored. The theory of financial intermediation, which gradually transformed into line with the general trends in the development of economic analysis - from neo-classical to neo-institutionalism - better takes into account the new realities of a rapidly changing world in terms of the information revolution, internationalization, globalization, etc. (Allen, 1997; Scholtens and Wensveen, 2003).

This evolution of economic analysis offers the prospect of forming a complex of new theoretical propositions of the concept of financial intermediation.

Long before the formation the theory of financial intermediation of communication concept of financial intermediation and economic growth



have been widely discussed. In J. Schumpeter's researches, he devoted the financial intermediaries on behalf of banks increasingly important role in promoting the economic growth, linking bank credit to the work of "capitalist engine" (Joseph, 1939). J.G. Gurley and E.S. Shaw the contrary directly linked the economic development with the development of the financial system (Gurley and Shaw, 1955). In addition, the process of economic development is closely linked to the emergence and development of financial intermediaries of different types: "Economic development is hindered if financial intermediaries do not develop and is only available direct and self-financing ...» (Gurley and Shaw, 1955 p.516).

One of the first works in which the authors justified position of the causes of the financial intermediary, became published in 1976, it was the article of George J. Benston and Clifford W. Smith (Benston and Smith, 1976). It is caused by the presence of imperfections in (market imperfections) the market frictions in the form of information and transaction costs.

Information approach in the theory of financial intermediation has its origins in the 1970s of the XX century. The first of the scientists, who used the idea of modern information theory to the economic theory of financial intermediation, was Hayne E. Leland, David H. Pyle (Leland and Pyle, 1977). The analysis of financial intermediaries and the structure of its capital they put the research of adverse selection in the financing of investment projects. Leland and Pyle have shown that the formation of equity intermediary and high quality of buying the low-risk assets is the essential for proper mediation - maintain a high degree of leverage in the capital structure.

Later, the information approach to the research of financial intermediaries has been further developed by Tim S. Campbell, William A. Kracaw (Campbell and Kracaw, 1980). They considered the financial intermediaries as the producers of information.

The significant contribution to the development of the informational approach have some researchers by Douglas W. Diamond (Diamond, 1980; 1984; 1996), who in the early 1980s, developed the concept of financial intermediation as delegated monitoring, which is based on the minimization of production costs information (the

costs of monitoring the borrower) required to solve the problem of incentive behavior of the borrower (broker) in the interests of the lender. According to the concept of D.W. Diamond, the activities of brokers should be organized in such way as to reduce the costs and achieve net cost advantage to their depositors.

American scientists John H. Boyd and Edward C. Prescott (Boyd and Prescott, 1985; Boyd and Prescott, 1986) developed a model of financial intermediation, interacting with a variety of borrowers and depositors. A distinctive feature of this model is that the mediator is faced with information asymmetry prior to the contract (a situation of adverse selection) and at the same time - with the need to manufacture additional information (assessment of investment projects) after its conclusion.

A distinctive feature of the above theories of financial intermediation is that in explaining the necessity for the existence of banks and other intermediaries, emphasis on their active operations. This situation caused some backlash in the research that has led to the emergence of a new wave of concepts, which emphasized the role and importance of passive operations (Bryant, 1980; Diamond and Dybvig, 1983).

The further development of the post-industrial economy in the developed countries identified new trends in the functioning of its financial and credit systems. Banks and other intermediaries raises urgent task of finding new ways to reduce the costs of participation, thus enabling an increasing number of investors to be able to manage its risks. Such symbiotic way of movement was known by American scientists Robert C. Merton, Zvie Bodie, they called it "financial innovation spiral" (Merton and Bodie, 1999).

Thus, traditional banking theory relate primarily lending processes and attract deposits by banks, while it becomes a smaller part of their business, not only because of the changing composition of the income structure, but also because of the blurred boundaries between the actions of other financial intermediaries (Scholtens and van Wensveen, 2003). In other words, this theoretical approach does not fully describe the operation of banks in the real conditions of developed countries and requires further improvement.

## CONCLUSIONS

This research of the theoretical and empirical estimations of financial intermediation in the modern economy, as well as the relationship of the new methodology for the information and credit market and its regional segment allow us to conclude the following statements.

Information and credit market, as a complex system, has a sign of integrity, functioning of the whole set of its elements (concepts, objects, subjects and resources) which is a subject to a single or primary objective - to overcome the information asymmetry, the effectiveness of mediation, but at the same time, the sum of all the qualities ICM is not reducible to the sum of the qualities of its constituent elements.

On the one hand because of the conduct (existence and development) of the system depends on the behavior of its individual elements, to which it can and should include the regional part of ICM. On the other hand, since ICM was structured, then its behavior is determined by analysis of the structural, conditionality behavior of ICM as a whole is not so much defend the behavior of its individual elements as properties of the structure. The connection of these two factors allows replicate the behavior of the system on its side, and at the same time parts ICM affect the development of the market.

The most important feature of a holistic ICM, transferred all of its elements, including its regional parts - information - components (in our research, the regional ICM) exchange information with each other and the environment.

## ACKNOWLEDGEMENT

The authors acknowledge receiving support from state-funded research program of Russian Ministry of Education and Science. The results of this research were achieved within the frameworks of the governmental assignment of Russian Ministry of Education and Science in the sphere of scientific research during the researching assignment ! 26.1478.2014/K “The structural transformation of Russian Economy through the integration installation in the industrial markets of Asia-Pacific Region”

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