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INTERNATIONAL BUSINESS DEVELOPMENT IN THE GLOBAL ECONOMIC SYSTEM

РОЗВИТОК МІЖНАРОДНОГО БІЗНЕСУ В ГЛОБАЛЬНІЙ ЕКОНОМІЧНІЙ СИСТЕМІ

Summary. Based on the Ease of Doing Business Index or the Doing Business Report using the correlation analysis, the relationship between the indicators of the Ease of Doing Business Index and its overall value has been estimated. It is proved that on average the impact of each component is 0.742 points and indicates that there is a close relationship between the indicators

and the total index. Based on the analysis of asymmetry of the prerequisites for international business development in the context of globalization on the basis of the Ease of Doing Business Index with the use of correlation analysis, it was concluded that the significant impact of each component of the index on its final value, with a significant advantage of the influence of components of a financial nature, namely: "Obtaining of credits", "Protection of minority investors", "Registration of business", "Obtaining construction permits", "Enforcement of contracts". It is substantiated that international business can be considered as an interconnected system of flows of financial resources caused by management decisions, and successful activity and long-term viability of the international business system depend on a continuous sequence of financial decisions and effective functioning of financial instruments that have economic impact on business.

Key words: international business, financial instruments, cryptocurrency, Ease of Doing Business Index, asymmetry analysis.

Анотація. На основі Індексу легкості ведення бізнесу або звіту Doing Business з використанням кореляційного аналізу було оцінено взаємозв'язок між показниками Індексу легкості ведення бізнесу та його загальним значенням. Доведено, що в середньому, вплив кожного компонента становить 0,742 бала і вказує на наявність тісного взаємозв'язку між показниками і загальним індексом. На основі аналізу асиметрії передумов для розвитку міжнародного бізнесу в умовах глобалізації на основі Індексу легкості ведення бізнесу з використанням кореляційного аналізу було зроблено висновок про значний вплив кожного компоненту індексу на його кінцеве значення, при значній перевазі впливу з компонентів фінансового характеру, а саме: "отримання кредитів", "захист міноритарних інвесторів", "реєстрація бізнесу", "отримання дозволів на будівництво", "забезпечення виконання контрактів". Обґрунтовано, що міжнародний бізнес можна розглядати як взаємопов'язану систему потоків фінансових ресурсів, обумовлених управлінськими рішеннями, а успішна діяльність і довгострокова життєздатність міжнародної бізнес-системи залежать від безперервної послідовності фінансових рішень і ефективного функціонування фінансових інструментів, що здійснюють економічний вплив на бізнес.

Ключові слова: міжнародний бізнес, фінансові інструменти, криптовалюта, Індекс легкості ведення бізнесу, аналіз асиметрії.

Introduction. Intensification of competition between business entities and industries due to competition from manufacturing companies not only for the sales market or within one industry, but also for the material resources of investors across the global economic space has significantly affected activity of international business entities and contributed to creation of new financial tools for solving specific problems.

Introduction of innovative financial instruments is driven by the needs of market players in new financial and information technology products that would allow them to respond adequately to changes in the financial environment, reduce risk in decision making, and ensure efficient international business, enabling both borrowers and lenders, both for professional market participants and for private investors, to hedge foreign economic risks, to use arbitrage capabilities of the European markets, and at favorable conditions — to implement a trading strategy. These circumstances make the topic of the research extremely relevant.

The purpose of the work is to deepen theoretical and methodological foundations of the study of the impact of financial instruments on development of international business in the global economic system and to develop a mechanism for attracting financial instruments to facilitate international business activity.

Literature Survey. The historical and logical emergence of international business occurred in connection with the development and expansion of the international division of labor, and in connection with development of the world market.

International business is interaction of organizations of different forms of ownership or divisions of a company located in different countries, the purpose of which is to earn income at the expense of the overwhelming benefit of international operations in the sphere of business relations [1].

International business includes various business operations conducted by two or three or more countries. Similar business relationships can occur between commercial organizations and between government agencies [15].

If consider international business from the standpoint of international relations in the economy, it is a configuration of subjects of interstate economic activity, which is aimed at mutually beneficial cooperation [10].

If commercial organizations are involved in international business, then all their activities are aimed at generating income, unlike government agencies, which, as a rule, have completely different goals.

The process of international business development is manifested in a special form of interaction between entities. This process has a specific structure, a certain mechanism, and is characterized by provisions and standards of conduct, results and outcomes achieved during such interaction [14].

International business theories should be viewed from the standpoint of both evolution of classical and institutional lines of economic thought and a functional approach that reflects use of different tools for effective functioning of international production [8].

Even the headquarters have to prove its right to control. In the context of contingency theory, the environment is considered as an external variable [3].

However, according to the theory of business networks, a company influences its environment. Therefore, all theories should be considered interdependent and interconnected [7].

Methodologically, “legends”-theories of international business are divided into static (economic) and dynamic (behavioral), which consider internationalization as a process. Static theory of international business aims to characterize and explain functioning of a business in an international, often unfavorable environment. There are three main components of the model [2]:

- environmental factors, i.e. the model of the environment in which a business operates;
- opportunities, i.e. alternatives available to a business;
- decision criteria. Most popular criteria are maximization of profit, market share, control and minimization of cost and risk.

First, due to imperfection of the market and opportunism of its participants, a business, having concluded agreements, incurs certain costs [9].

Second, a business improves its efficiency by reducing these costs [16].

Third, total costs can be reduced by integrating certain activities into an internal company structure [13].

The theory states that if such criteria as the degree of uncertainty about the results of transactions, the frequency of transactions, the number of investments required for implementation of transactions are highly valued, then this type of activity should be internalized, that is, performed by the company independently.

The Uppsala model deals with the process of acquiring knowledge of markets by a company and how that knowledge influences the nature of future investment [4]. Current operations of the company itself are the main source of knowledge. This assumption, in turn, leads to a second assumption — learning in the process of activity. The more information a company receives about a foreign market, the less risk it will face and, therefore, the greater the amount of actual investment will be made in that market [12].

Recognizing a significant contribution of scientists to the development of economic research on the outlined issues, it can be stated that the issues of introduction of the latest financial products in order to promote the international business activity of the country remain an underexamined area of modern economic science.

Therefore, in spite of the depth of the current scientific development of issues related to complex generalization of preconditions and factors of spatial asymmetry of international business development

and the role of financial component in it, the imperfection of the practice of forming a mechanism for effective involvement of financial instruments in international business activity, which greatly impedes the use of financial resources in conducting operations on the world markets, and the full entry of the country into the international business environment speak for the need for further developments in this direction.

Methods. The scientific provisions, conclusions and recommendations are fully substantiated, confirming existence of a logical interrelation between the formulated tasks and the results obtained, argumentation of theoretical conclusions, use of a wide range of statistical material and methods of scientific research.

The toolkit is based on a dialectical method of cognition and a systematic approach to study of the specifics of the impact of financial instruments on the development of international business in the global economic system. In the course of research general and special methods of scientific cognition were applied, in particular: combination of abstract and concrete methods; logical and historical methods; system analysis and synthesis.

Information and statistical bases of the research were results of own scientific researches, monographs and other publications of scientists, official statistical and analytical materials of international organizations (World Bank group, WTO, IMF, UNCTAD), expert assessments of rating agencies, materials of international news agencies, legislative and regulatory documents, European Commission statistics.

Results. At the present stage, development of a rational business system is an important aspect of international business development. An important prerequisite is to identify the factors that influence intensification of international business processes in the countries of the world and the global economy.

Functioning of international business is one of the many factors for ensuring a stable growth of industrial production and sale of quality competitive products abroad, namely:

- significant share of enterprises and organizations engaged in foreign economic activity;
- a significant proportion of enterprises and organizations that implement the latest technologies in the production of national products in order to increase its international competitiveness;
- providing the commercial sector with an appropriate legal framework for export — import operations;
- increasing output of innovative products in organizations.

But financial instruments in most companies are ancillary or servicing. Their task is to help sales, production, logistics, supply, administration functions to maximize profits by making rational use of the com-

pany's current and fixed assets. Assistance consists in assessing the impact on profit of certain managerial decisions, ensuring optimal volume of financing of operating activities at an acceptable cost, controlling the expenditures and working capital, monitoring the indicators of achieving strategic goals.

To accomplish these tasks, financial instruments use: long-term cash flow and company profit planning; current financial planning and management of working capital; prompt cash flow management; management accounting; costing, cost management, controlling; providing financing for operating activities, investment projects, working with creditors and investors; analysis of economic activity.

That is, international business can be regarded as an interconnected system of movement of financial resources caused by management decisions.

Successful operations and long-term viability of the international business system depend on a continuous sequence of decisions by managers who have an economic impact on the business.

The status of international business development in different countries of the world is very different, so in order to establish bilateral economic relations and business contacts, there is a need to compare quality and simplicity of doing business in different countries.

According to the 2022 rating, the following facts can be highlighted:

- 128 countries have implemented 314 reforms that improve regulation in all areas monitored by the Index;

- countries such as Afghanistan, Djibouti, China, Azerbaijan, India, Togo, Kenya, Ivory Coast, Turkey and Rwanda have achieved the best results in improving the indices from 2021 to 2022;

- almost 1/3 of all regulatory reforms covered by the 2022 Index were implemented in sub-Saharan Africa. With a total of 107 reforms, Sub-Saharan Africa is the leader in this indicator;

The BRIC countries (Brazil, Russia, India and China) have implemented a total of 21 reforms. Connecting to the electricity supply and international trade were the most common areas of reform in these countries.

The top 10 leading countries in the business-friendly rating have common characteristics of efficiency and quality of regulation, including mandatory inspections during construction, automated tools used by electricity suppliers to restore power during power outages, reliable guarantees available to creditors in the process of insolvency resolution and automation of specialized commercial courts;

Availability of training for service providers and users are positively related to the favorable business environment. Similarly, expanding communication between the public and private sectors on legislative changes and processes affecting small and medium-sized enterprises is associated with a large number of reforms and higher position in the rating.

Thus, financial instruments are among the components of the rating, namely: obtaining of credits; protection of minority investors; taxation; enforcement of contracts; 10) determination of insolvency.

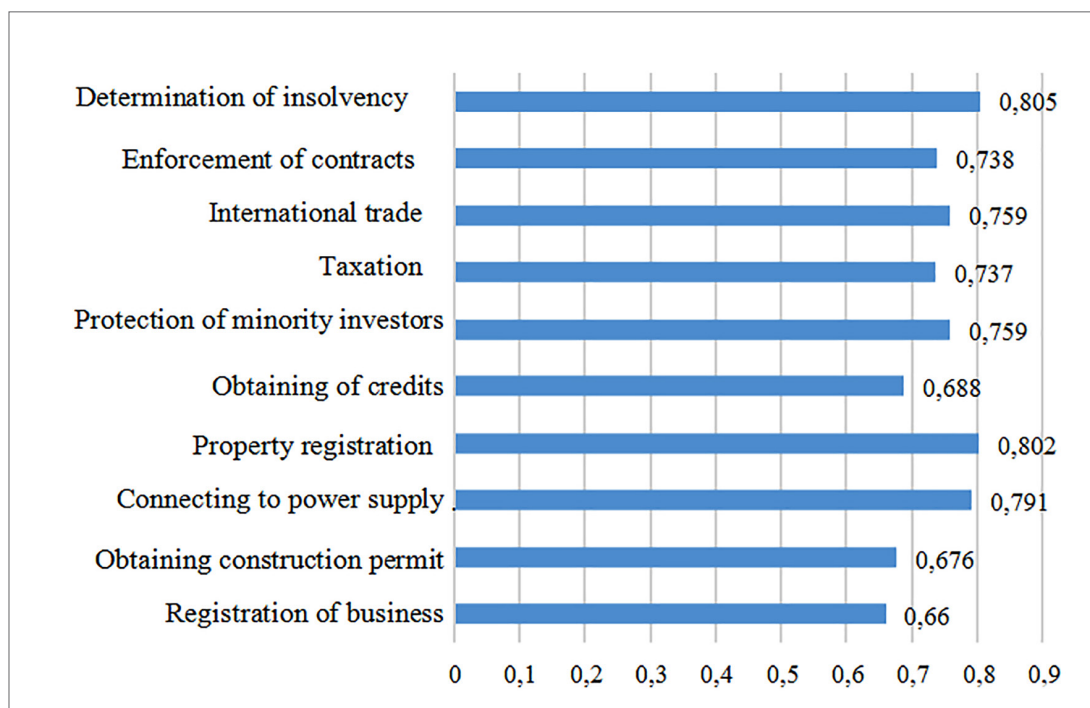


Fig. 1. The results of the correlation analysis of the impact of the components of the ease of doing business index on formation of its final value

Source: calculated by the author with the data of Doing Business 2022. URL: <https://doingbusiness.org>

The use of correlation analysis made it possible to evaluate the relationship between the indicators of the Ease of Doing Business Index and its overall value, Figure 1.

As can be seen from the Figure 1 results of calculations of the impact of components of the Ease of Doing Business Index on formation of its total value for all 190 countries surveyed by the index in 2022, on the average the impact of each component is 0.742 units, indicating that there is a close relationship between the indicators and the final index. With regard to financial indicators, it should be noted that the closest relationship to the summary index is determination of insolvency.

However, for more objective analysis, the cluster and factor analyses were applied, which combined will not only group 190 countries of the world by the level of international business development, but also highlight the most important indicators of its formation for each of the groups of countries.

According to Table 1 it is possible to determine which clusters are leaders for each indicator of the Index, in particular, according to the indicator “Registration of business” the leader is cluster 5, and the outsider is cluster 3; according to the indicator “Obtaining construction permits” the leader is cluster 3, the outsider is cluster 3; according to the indicator “Connection to power supply system” the leader is cluster 3, the outsider is cluster 3; according to the indicator “Property registration”, the leader is cluster 3, the outsider is cluster 3; according to the indicator “Obtaining of credits” the leader is cluster 4, the outsider is cluster 3; according to the indicator “Protection of minority investors”, the leader is cluster 3, the outsider is cluster 3; according to the indicator “Taxation” the leader is cluster 3, the outsider is cluster 3; according to the indicator “International trade” the leader is cluster 3, the outsider is cluster 3; according to the indicator “Enforcement of contracts” the leader is cluster 3, the outsider is cluster 3; according to the indicator

“Determination of insolvency” the leader is cluster 3, the outsider is cluster 3.

In the Figure 2 the ratio of clusters by the level of international business development is given

Cluster 1	97.08709677
Cluster 2	107.5657895
Cluster 3	142.7660377
Cluster 4	63.92333333
Cluster 5	35.92631579

Fig. 2. The ratio of clusters by the level of international business development

Source: created by the authors

As can be seen from the Figure 2, the largest development of international business is observed in the cluster 5 (the highest), somewhat inferior to it in terms of international business is the cluster 4 (high), in the third place is the cluster 1 (sufficient), satisfactory level of preconditions for international business development has the cluster 2, poor level of ease of doing business has the cluster 3. Composition of the clusters is shown in the Table 2.

Here is a list of factor weights in the form of equations (1–5):

$$\begin{aligned} \text{Cluster 1} = & 0.843311 X_1 + 0.844157 X_2 + \\ & + 0.602676 X_3 + 0.562080 X_4 + 0.586860 X_5 + \\ & + 0.509033 X_6 + 0.506872 X_7 + 0.748301 X_8 + \\ & + 0.831085 X_9 + 0.747785 X_{10} \end{aligned} \quad (1)$$

$$\begin{aligned} \text{Cluster 2} = & -0.637551 X_1 - 0.467961 X_2 - \\ & - 0.412439 X_3 + 0.695353 X_4 + 0.569410 X_5 - \\ & - 0.739073 X_6 + 0.624620 X_7 + 0.654186 X_8 + \\ & + 0.408110 X_9 - 0.615791 X_{10} \end{aligned} \quad (2)$$

$$\begin{aligned} \text{Cluster 3} = & -0.055045 X_1 - 0.260775 X_2 - \\ & - 0.314530 X_3 - 0.161418 X_4 - 0.231867 X_5 + \\ & + 0.129138 X_6 + 0.119890 X_7 - 0.305475 X_8 - \\ & - 0.012760 X_9 - 0.290755 X_{10} \end{aligned} \quad (3)$$

$$\begin{aligned} \text{Cluster 4} = & 0.732704 X_1 + 0.89688 X_2 + \\ & + 0.834247 X_3 + 0.834247 X_4 + 0.828378 X_5 + \\ & + 0.719377 X_6 + 0.673341 X_7 + 0.941014 X_8 + \end{aligned}$$

Table 1

Ease of Doing Business Index indicators average values by 5 clusters

Indicators	Cluster 1	Cluster 2	Cluster 3	Cluster 4	Cluster 5
Registration of business	110.26	113.50	132.77	63.83	38.32
Obtaining construction permits	70.74	129.26	136.02	86.40	32.34
Connection to power supply system	77.23	108.47	149.70	86.47	28.76
Property registration	101.87	117.05	143.09	57.67	32.00
Obtaining of credits	122.06	56.82	145.58	47.53	54.61
Protection of minority investors	113.87	83.39	149.32	52.17	36.61
Taxation	73.23	126.76	144.02	71.63	33.45
International trade	94.55	116.21	144.08	47.70	42.34
Enforcement of contracts	84.03	127.11	142.96	68.93	27.89
Determination of insolvency	123.03	97.08	140.11	56.90	32.95

Source: calculated by the author with the data of CoinMarketCap. URL: <https://coinmarketcap.com>

$$+ 0.618948X9 + 0.914125 X10 \quad (4)$$

$$\begin{aligned} \text{Cluster 5} = & 0.920450 X1 + 0.912584 X2 + \\ & + 0.730823 X3 + 0.888586 X4 + 0.961769 X5 + \\ & + 0.935113 X6 + 0.897254 X7 + 0.849583 X8 + \\ & + 0.903728 X9 + 0.812725 X10 \quad (5) \end{aligned}$$

where X1 — the indicator “Registration of business”, X2 — the indicator “Determination of insolvency”, X3 — the indicator “Connection to power supply system”, X4 — the indicator “Property registration”, X5 — the indicator “Obtaining of credits”, X6 — the indicator “Protection of minority investors”, X7 — the indicator “Taxation”, X8 — the indicator “International trade”, X9 — the indicator “Enforcement of contracts”, X10 — the indicator “Determination of insolvency”.

In the cluster 5 countries with the highest level of international business development, all factor weights are approaching 1. For the cluster 4 countries that combines countries with high international business development environments, factor weights are also high, however, the indicators “Property registration”, “Protection of minority investors”, “Taxation”, “Enforcement of contracts”, have an average level of communication. The cluster 1 countries, which combines countries with a sufficient level of international business development, are

characterized by an average level of factor weight, but a high level of factor weight is characteristic of the indicator “Registration of business”, the indicator “Obtaining construction permits”, and the indicator “Enforcement of contracts”, the indicator “Determination of insolvency”. The cluster 2, which brings together countries with a satisfactory level of international business development, is generally characterized by low factor weight, including negative ones. However, this cluster is characterized by average factor weight for the indicator “Property registration”, the indicator “Obtaining of credits”, and the indicator “Taxation”. The cluster 3 countries, which combines countries with poor international business development, is characterized by negative values of all factor weights, which indicates that there is no development of prerequisites for doing business in general.

Among the studied impact indicators, financial ones are of particular importance. The financial indicators for clusters 5, 4 and 1, which combine the countries with the most attractive conditions for international business development, have high factor weights, which proves that the development of financial instruments is a substantial prerequisite for the international business development.

Table 2

Clusters of countries by level of international business development

Cluster	Level of international business development	Countries
Cluster 5	Highest	Australia, Austria, Azerbaijan, Belarus, the United Kingdom, Armenia, Hong Kong, Georgia, Denmark, Estonia, Ireland, Iceland, Spain, Kazakhstan, Latvia, Lithuania, Mauritius, Malaysia, Morocco, the Netherlands, Germany, New Zealand, Norway, UAE, North Macedonia, Portugal, Republic of Korea, Russia, Singapore, the United States, Thailand, Taiwan, Finland, France, Chile, Switzerland, Sweden, Japan
Cluster 4	High	Canada, Rwanda, Poland, Czech Republic, Slovakia, Slovenia, Belgium, Turkey, Kosovo, China, Moldova, Israel, Serbia, Montenegro, Italy, Romania, Hungary, Brunei, Mexico, Bulgaria, Cyprus, Croatia, Albania, Bahrain, Kyrgyzstan, Ukraine, Peru, Greece, Mongolia, Uzbekistan
Cluster 1	Sufficient	Vietnam, Luxembourg, Costa Rica, Oman, Tunisia, Bhutan, Qatar, Malta, Botswana, San Marino, Samoa, Tonga, Saudi Arabia, Saint Lucia, Seychelles, Kuwait, Fiji, Dominica, Jordan, Antigua and Barbuda, Namibia, Paraguay, Bahamas, Solomon Islands, Belize, Ecuador, Philippines, Saint Kitts and Nevis, Cape Verde, Marshall Islands, Saint Vincent and the Grenadines
Cluster 2	Satisfactory	Kenya, Puerto Rico, Colombia, India, Indonesia, Jamaica, Panama, South Africa, El Salvador, Bosnia and Herzegovina, Zambia, Vanuatu, Uruguay, Guatemala, Djibouti, Sri Lanka, Dominican Republic, Trinidad and Tobago, Nepal, Papua New Guinea, Ghana, Malawi, West Bank and Gaza Strip, Eswatini, Argentina, Honduras, Egypt, Côte d'Ivoire, Tajikistan, Uganda, Guyana, Pakistan, Cambodia, Afghanistan, Nigeria, Tanzania
Cluster 3	Poor	Iran, Barbados, Nicaragua, Palau, Mozambique, Togo, Maldives, Lebanon, Senegal, Mali, Niger, Gambia, Grenada, Mauritania, Burkina Faso, Guinea, Benin, Bolivia, Zimbabwe, Laos, Algeria, Ethiopia, Kiribati, Micronesia, Madagascar, Sudan, Maritime Islands, Suriname, Sierra Leone, Burundi, Gabon, Cameroon, Sao Tome and Principe, Iraq, Myanmar, Angola, Guinea-Bissau, Liberia, Bangladesh, Equatorial Guinea, East Timor, Syria, the Congo Republic, CAR, Chad, Haiti, DR Congo, South Sudan, Yemen, Libya, Venezuela, Eritrea, Somalia

Source: author's research

Attractiveness of financial markets is based on the opportunity to make a significant capital relatively fast. But in addition to this important factor, attractiveness of financial markets is ensured by continued emergence of new financial instruments. The first exchanges appeared in the Middle Ages, and the main financial assets were shares of companies. Futures contracts, bonds, options, etc. began to appear in the process of market development and communication technologies. Nowadays, the variety of financial instruments used by traders and investors has reached a huge number — more than 1300. But this process has not stopped at this, and with the development of blockchain technologies and financial payment systems, many modern investment assets emerged, to which most often the appearance of cryptocurrencies is referred to.

Profitability is a major aspect of working with cryptocurrency. But such profitability will not be constant and with increasing liquidity of the market, new instruments will appear, regulatory rules will be introduced, and accordingly, profitability will gradually decrease and correspond to profitability of traditional assets and markets.

Cryptocurrency exchanges, such trading platforms are plentiful, but the most popular in the cryptocurrency market are the services of such trading platforms as: Binance Exchange, HitBTC Exchange, EXMO Exchange, LiveCoin Exchange, Poloniex Exchange, Kraken Exchange, Bitfinex Exchange, Bittrex Exchange (new name — WEX), Bitstamp Exchange.

Each of these exchanges has its own list of trading currencies and terms of registration. Typically, registration involves basic personal information, and some special verification. As a rule, it is necessary to provide a copy of a person's foreign passport (scanned) and confirm the place of residence by providing copies of one's utility bills or a bank statement (in English). The TOP-10 cryptocurrency exchanges of the world are indicated in the Table 3.

At the current development stage of this market there are more than 100 types of cryptocurrencies, however, the most well-known are: Bitcoin, Ethereum; Ripple; Litecoin; Zcash; Dash. In the Table 4 the top 10 cryptocurrencies by volume of their market capitalization are indicated.

Table 3

TOP-10 cryptocurrencies of the world

No.	Name	Number of markets	Start
1	Binance	546	July 2017
2	Bibox	198	November 2017
3	LATOKEN	232	July 2017
4	CoinBene	214	September 2017
5	MXC	124	April 2018
6	Fatbtc	105	May 2014
7	OKEEx	447	January 2014
8	BitForex	176	June 2018
9	HitBTC	817	December 2013
10	Biki	69	June 2018

Source: compiled by the author after CoinMarketCap. URL: <https://coinmarketcap.com>

Table 4

Top-10 cryptocurrencies by market capitalization

Name	Market capitalization, USD	Price, USD	Volume, USD (24h)	Circulating supply
Bitcoin	180805712086	10102.95	14123374902	17896325BTC
Ethereum	20266344781	188.58	5481246742	107468265ETH
XRP	11622550210	0.270862	935677495	42909539227XRP
Bitcoin Cash	5498557008	306.04	1181624109	17966888BCH
Litecoin	4602907798	72.93	2066611619	63110724LTC
Binance Coin	4054853609	26.07	171415709	155536713BNB
Tether	4048064605	0.999742	15383331466	40491073 72USDT
EOS	3345983077	3.60	1272984018	928947988EOS
Bitcoin SV	2378810516	133.23	281293701	17854986BSV
Monero	1394640562	81.21	94679677	17173660XMR

Source: compiled by the author after CoinMarketCap. URL: <https://coinmarketcap.com>

Initial coin offering (ICO) is similar to the procedure for initial placement of company shares on the stock exchange. Presentations are also held, information is given to prospective investors, and even discounts are offered for first time buyers (sometimes very significant).

As Bitcoin and Ethereum are the two most popular cryptocurrencies with the largest market capitalization of around \$70 billion USD and \$30 billion USD respectively, their ICO is the world standard.

Thus, ICO is a form of collective support for innovative technology projects, one of the types of crowdselling in the form of attracting new participants. In the ICO process, there is an offer (token sale) of primary coins (tokens) for future holders in the form of cryptocurrency and/or crypto-assets based on blockchain technologies.

The main investment idea of participating in the initial public offering of a cryptocurrency is to invest money in an asset at its most minimal (initial) value.

The market of cryptocurrencies and tokens is actively developing. All of the world's cash is about \$5 trillion USD. Monetary stock (cash in circulation, demand deposits, time deposits, savings deposits, certificates and government bonds) is almost \$80 trillion USD.

Unlike the classic existing financial markets, the modern cryptocurrency market has the following differences.

The cryptocurrency market is characterized by diversity and a certain "chaos", it has a heterogeneous structure.

Cryptocurrencies do not have a single issuer (even if it's a token, the issue is decentralized, as is the case with Bancor). In addition, cryptocurrency is not a value for the sake of value, but a formalization of the process of transferring value (buying and selling).

The share of cryptocurrency in the global financial system at the present stage of development is not yet significant, and therefore for the global financial system Bitcoin and altcoins are safe in terms of economic impact.

Comparison of virtual currency markets (including markers) with the GDP of different countries shows that as of 2021, starting from the 58th line of the ranking of world countries by GDP, its indicators are lower than the capitalization of the cryptocurrency market.

The comparison shows that the market of crypto-assets is gradually becoming independent. The world economy does not always develop or develop unevenly. The new market will enable to create an additional instrument not only for stabilization but also for evolution of the financial system. Therefore, gradually cryptocurrency can take the place of old financial instruments, such as cash. Cryptocurrency expands the use of large financial inflows to small and medium-sized businesses, and accordingly, may start to form a new market for startups filled with private money.

At the present stage, the cryptocurrency market is ahead of the overall indicators of at least 133 countries of the world, which is 66.83% of all public entities as a whole.

In the Figure 3 the market capitalization of altcoins is shown as of the end of 2021.

Therefore, the analysis of the global cryptocurrency market enables to make a list of its main features:

- legalization or recognition — cryptocurrency and blockchain are gradually reaching the global level. Against this background, many governments and countries are beginning to work more actively on this issue;
- cryptocurrency affects lives of many people. Some of the companies that were born due to this topic

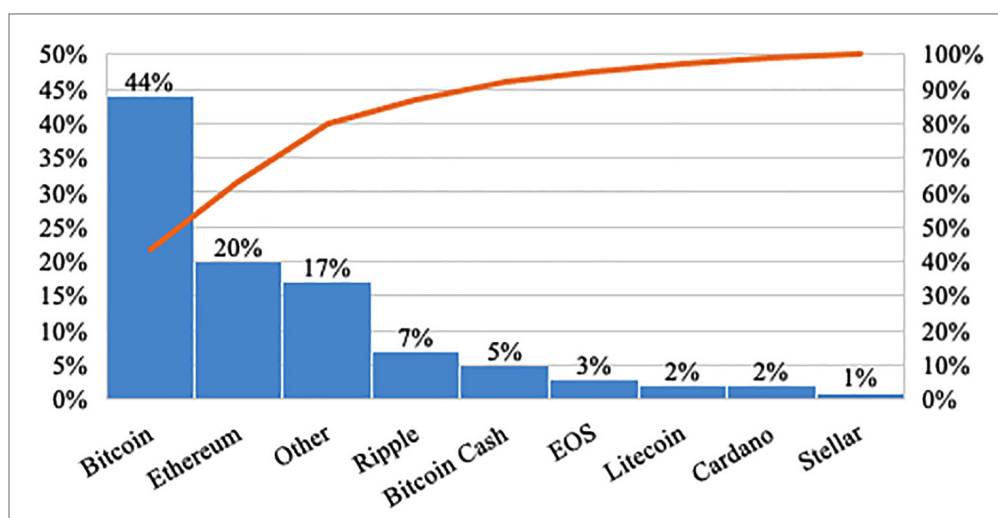


Fig. 3. Market share of cryptocurrencies

Source: compiled by the author after Global Cryptocurrency Market Report.

URL: <https://www.grandviewresearch.com/industry-analysis/cryptocurrency-market-report>

are developing quite rapidly. The number of active bitcoin wallets increased from 0.6–2.6 million units in 2015 up to 5.8–11.5 million units in 2020. Currently, cryptocurrency wallets use 2.9–5.8 million unique users;

- globalization — many industry and other business players are testing blockchain solutions. These trends can be a driving force for development;
- great volatility and instability of the exchange rate. Cryptocurrencies are often created as “pure” technological tools, while the nature of money is in regulating social relations;
- careful attitude for personal data and anonymity at the expense of the latest developments in cryptography;
- issuing “money” by any entity or associations thereof, which means a significant simplification of procedures for raising funds, both in terms of interest rates and bureaucracy;
- so far there are no very strong players on the cryptocurrency market. With their arrival, an influx of new money can be expected. Now hedge and pension funds, state corporations and countries are considering this opportunity.

Conclusion. The use of cluster and factor analysis allowed to group 190 countries of the world by the level of development of international business and to distinguish the most important indicators of its formation for each of the groups of countries. Conducting a factor analysis made it possible to estimate the asymmetry of factor weights of the International Business Index indicators cluster-wise and to form a mathematical view of the equation, in particular, in the cluster 5 countries with the highest level of international business development, all factor weights approach 1. For the cluster 4 countries, that unites countries with high preconditions for international business development, factor weights are also high, however, the indicators “Property registration”, “Protection of minority investors”, “Taxation”, and “Enforcement of Contracts” have an average level of communication. The cluster 1 countries, which include countries

with a sufficient level of international business development, are characterized by an average level of factor weights, but a high level of factor weights is characteristic of the indicators “Business registration”, “Obtaining construction permits”, “Enforcement of contracts”, “Determination of insolvency”. For the cluster 2, which brings together countries with a satisfactory level of international business development, is generally characterized by low factor weights, including negative ones. However, this cluster is characterized by average factor weights for the indicators “Property registration”, “Obtaining of credits”, and “Taxation”. For the cluster 3, which combined countries with poor international business development, are characterized by negative values of all factor weights, which indicates that there is no development of prerequisites for doing business in general.

Thus, the study of the prerequisites for development of international business in the context of globalization proved its considerable asymmetry, allowed to distinguish clusters of countries by the level of ease of doing business and to determine a significant impact on promotion of international business of financial instruments.

Development of cryptocurrencies in the short term prospects has a significant impact on the economy. Given the significant benefits for users in the near future, cryptocurrencies will become a widespread means of payment and a promising investment tool, which will help to push countries of the world to determine clear legal status of cryptocurrencies and optimize regulatory activity of government bodies. This, in turn, will facilitate further development of the cryptocurrency market infrastructure and increase the number of participants. Although today cryptocurrencies do not significantly affect functioning of traditional currencies, however, in future things should be expected to change.

Banks and private companies show considerable interest in using them, the number of legal entities accepting cryptocurrencies as a means of payment is increasing, the number of transactions is increasing.

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