

Prerequisites for the growth of competitiveness of Chinese banks in the global financial market

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Competitiveness is a rather complex economic category, which requires detailed and comprehensive evaluation. The specificity of banking activity is reflected in the difficulty of assessing the competitiveness of a single commercial Bank and the banking sector of the country as a whole. At the same time, in the context of increasing globalization of the world economy, including its financial sector, the problem of ensuring the international competitiveness of national banks and the banking sector of the country becomes urgent (Kolesov P.F., 2012).

The experience of Chinese banks in increasing international competitiveness is interesting due to the high rates of development, both the banking system of China itself and the growth of the main indicators of the largest Chinese banks, which provide them with a dominant position in the global financial system and leading positions in international Bank ratings. However, it should be noted that the international competitiveness of the banking sector affects the global competitiveness of the country (as an indicator of the development of the financial market), which reflects the interest of the state in its strengthening.

Meanwhile, the study and modeling of the competitiveness of commercial banks began relatively recently. Due to the inertia and conservatism of banking business development back in the middle of the 20th century, marketing in banking was practically not used, as consumer preferences in choosing a Bank shifted towards the reliability of the credit institution, not the quality of service. Only increased competition in the financial markets has led to the fact that American and European banks began to use marketing tools to grow their business (Bateson J.E., Hoffman D.K., 1999), and the first scientific researches in this direction are performed with the 70-ies of the last century. Interbank competition at the international level in the research of leading scientists-economists is reflected twenty years later - in 1990 published a monograph by Michael Porter "Competitive Advantage of Nations", which deals with the financial components of the competitive advantages of the country.

Given the current trends in the globalization of the financial market and the need to ensure the international development of banking business, it is obvious that the task of improving the competitiveness of individual banks and the banking sector as a whole. The solution to the problem of achieving a sufficient level of international competitiveness of a commercial Bank is a combination of its financial and marketing aspects.

The phenomenal development of the Chinese economy helps to increase China's influence at the regional and global levels. Over the past decade, China's economy grew 2.4 times and currently holds second place in terms of GDP (Gribova N.V., 2017), providing its global growth by about a third (Pic. 1). The dominant contribution of China to global economic growth, while the figure for the last three years has increased from 29.7% in 2014 to 33.2% in 2016. This situation is justified by the outstripping growth rates of the Chinese economy compared to the dynamics of world GDP - 7.3% against 2.7% in 2014 and 6.7% against 2.4% in 2016. The effectiveness of the development of the Chinese economy is due to the introduction of special economic zones, focusing on the export of Chinese products and the reform of the banking system. The

dynamics of economic growth in China contributed to the growth of the global competitiveness index (GCI) from 4.55 in 2007 to 5 in 2017 (Pic. 2).

Chinese banks occupy a leading position in the world banking system, which ensures a high level of international competitiveness of the Chinese banking sector. The total amount of assets of the big four Chinese banks is 11.91 trillion. dollars, which covers around 46% of total assets of banks from the first world dozens[4]. Thus, in the current conditions of competitive development of the world banking system, it is the Chinese banks that form the basis for an effective increase in the volume of financial transactions and create preconditions for increasing the international competitiveness of the banking sector of the Chinese economy. The further development of the activities of the Chinese banks among the big four should be based on the strengthening of the achieved positions of the leaders of the world banking system and the direction of the accumulated resource potential to ensure the economic development of China.

Источники и литература

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Иллюстрации

Indicator, %	2014	2015	2016
The global GDP growth, %	2,7	2,6	2,4
The GDP growth of China, %	7,3	6,9	6,7
The share of Chinese economy in the growth of world GDP, %	29,7	30,0	33,2

Рис. 1. Contribution of the Chinese economy to global development (Gribova N.V., 2017).

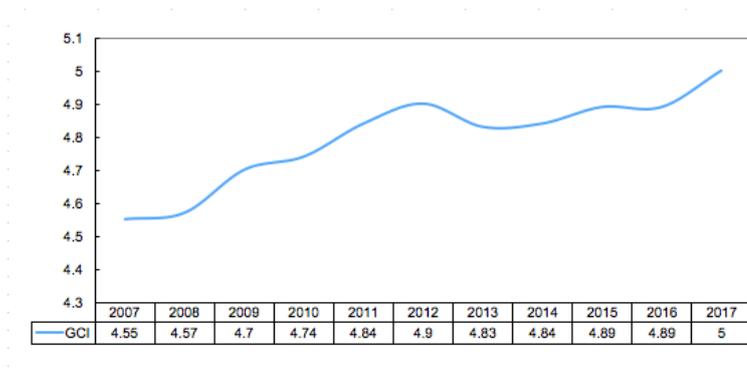


Рис. 2. The dynamics of the global competitiveness index (GCI) of China[4].