

Study of Internet Financial Risk Regulation Path

Yadong Guo

Yunnan College of Business Management, Kunming, Yunnan, 650106, China

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Abstract: Internet finance is an important part of current financial institutions. In order to promote the rapid development of the financial industry, we should strengthen innovation in financial institutions, make consumers an important part of the development of financial institutions, establish a market mechanism for competition, and develop a market-oriented development. The financial system promotes the reform and development of the financial transaction market and realizes the regulation of the financial risk path. The protection of financial consumers is an effective way to avoid financial risks. It is necessary to make the financial industry able to formulate reasonable requirements in accordance with the relevant requirements of the law. The price system is an important manifestation of the risk regulation path of the financial industry, which is conducive to the formation of fair prices.

1. Introduction

At present, as an important part of the Internet financial system, equity crowdfunding in Internet finance is regarded as an important mechanism and important content of economic innovation. It should promote the continuous reform and development of the financial system, strengthen the innovation of the financial system, and make the financial market internal. In the process of development, Internet finance mainly serves the innovation and entrepreneurship mechanism, can promote the continuous innovation of financing work, formulate a new financing mechanism, demonstrate the characteristics of Internet finance, and improve the Internet. The financial operating mechanism plays an important role.

2. Risk factors facing the development of Internet finance in China at the present stage

Up to now, domestic and foreign experts and scholars still fail to give a definition of standards for Internet finance. Some experts and scholars believe that Internet finance refers to the combination of traditional financial industry and advanced technology through cloud computing, search engines and big data. The new development model has effectively utilized the functions and values of the Internet media, and the new financial development model has been able to reconfigure and effectively utilize funds. However, some experts and scholars believe that Internet finance can be distinguished from a narrow perspective and a broad perspective, thus generating a new understanding. From a broad perspective, Internet finance involves a new business model generated in the financial market under the narrow concept. From a narrow perspective, it refers to the new financial development model formed by the Internet platform and advanced technology, the business process and financial data, and the user terminal as the basic carrier. In addition, experts and scholars believe that the so-called Internet finance is undoubtedly an important product of the information age, not only the innovation of traditional financial models, but also the optimization of Internet technology applications, which can bring high-quality, brand-new service experience to users. After the author's analysis, Internet finance is based on the use of Internet technology, effectively infiltrating Internet thinking, the formation of new financial services and financial products, etc., effectively integrating finance and the Internet. The emergence of Internet finance has brought huge impacts on traditional financial services, which has brought greater pressure on them. It has also changed the previous financial transaction model. The Internet itself has the characteristics of modernity, intelligence and openness, and integrates Internet thinking into finance.

The transaction link is undoubtedly the innovation and reform of the traditional financial development model. It has all the risks of traditional finance, and in addition, it has added many new security risks. It involves regulatory risks, cybersecurity risks, legal risks, and technical risks.

First, the risk is regulated. It mainly refers to the current stage of China's traditional financial model is divided into two categories: separate supervision and separation of business, Internet finance has a wide range of cross-border operations, but the Internet itself is complex, virtual and information redundancy. Sexuality, it is difficult to use effective supervision methods to avoid security risks. Not only that, but also the process of varying degrees of regulatory loopholes and regulatory issues. Second, cyber risks. The so-called cyber risk refers to the extremely complicated network environment. It is difficult to carry out the process of Internet financial business processing. It is generally faced with various threats such as viruses and hacker attacks, which makes the living space of Internet finance less. Seriously, it even directly led to the embarrassment of the Internet financial business, causing huge economic losses to customers. Third, legal risks. It mainly refers to the contradiction and conflict between the innovation of the Internet financial industry and the legal system, which makes it difficult for the Internet financial business to proceed as planned, thus creating legal risks. For example, in recent years, China's Internet finance has developed rapidly. However, the related financial laws and regulations have not been perfected and improved. In this period, Internet finance innovation and development needs cannot be met, and various contradictions have arisen. Fourth, technical risks. It refers to the Internet financial business development process, relying heavily on Internet technology, but due to the lack of perfection of the Internet itself, computer failures often occur, affecting the efficiency of business processing, to a certain extent, harming users' own interests, for Internet finance Long-term development is extremely unfavorable.

3. Internet financial risk regulation logic

Internet financial innovation is the main body of capital demand. When the financial market with high investment threshold is unable to meet its investment and financing needs, it will spontaneously turn to the Internet financial model and direct financing. Therefore, P2P, which operates in the form of private lending network, and equity crowdfunding, which operates in private equity, are not the real representatives of Internet finance innovation. Internet finance in the form of Chinese-style P2P and public-equity equity crowdfunding, such as credit transfer and asset securitization, has truly met the needs of investment and financiers. However, under the current legal conditions, market entities are required to regulate arbitrage. P2P and equity crowdfunding, as an endowed Internet finance format in the market, should not be limited to private lending and private placement. In other words, if P2P meets the requirements of net capital, accumulated bond balance and distributable profits of bond issuance, or meets the issuance requirements of asset-backed securities, then P2P-applicable bonds and securities issuance methods are also the general trend. If it meets the requirements of the main board, the GEM or the New Third Board market regarding the equity of the issuer of securities, the issuance quota, the qualified issuance conditions of non-listed companies, etc., the use of the Internet for small-scale public equity crowdfunding will definitely introduce the securities law. In the system design.

Despite the paradigm of China's financial regulations, the rationality of correcting the pricing mechanism and financial functions of the financial market still needs to be tested by theory and practice, but its inherent risk regulation logic is very clear. The uncertainty of return on investment is a basic feature of financial markets. The volatility of investor returns due to the risk difference of financial assets is the reflection of the uncertainty of investment returns in each financial transaction, and is the factor that affects the risks and benefits of financiers and investors. The results of the open market pricing of financial assets. Therefore, the logical main line of legal rules affecting the risk of financiers and investors is also to control and adjust the matching relationship between financier financial asset risk and investor income.

4. Discussion on the Path of Internet Financial Risk Regulation

At this stage, foreign countries have a relatively complete and systematic Internet financial supervision system. For example, the two-level multi-headed supervision system established by the United States starts from the federal and state perspectives and comprehensively supervises third-party payment platforms. Targeted regulatory agencies, combined with the state's laws to develop effective regulatory mechanisms. From a federal point of view, the Federal Deposit and Loan Insurance Company needs to provide a deposit extension insurance mechanism in accordance with the actual needs of customers, and comprehensively supervise the settlement of funds. In view of the design methods of Internet regulatory agencies in foreign countries, China can also effectively learn from and reference, set up financial regulatory agencies, mainly responsible for controlling and supervising the transfer of funds, and ensuring the basic rights and interests of consumers to the greatest extent. Regulators also need to monitor Internet financial transactions, avoid cybercrime, and make the Internet financial transaction process more standardized and order, thus making the Internet financial system more efficient and safer, and avoiding potential security threats.

At this stage, developed countries in the West have developed a comprehensive legislative supervision system for Internet finance. In the United States, for example, the United States has established corresponding laws and regulations based on Internet financial services, and at the same time, increased supervision. For example, the regulations clearly stipulate: The crowdfunding method can be used as an important way of financing, but the crowdfunding platform must have a sound supervision system, effectively manage the crowdfunding financing platform, and at the same time do a good job of risk prevention, and maximize the protection of the investor's vital rights and interests. Investment risks bring huge economic losses to investors. China's laws and regulations are also constantly improving. For example, strict restrictions on p2p, detailed regulations on the operation process, prohibiting deceptive guidance, credit discrimination and money laundering, and ensuring the legitimate rights and interests of consumers to the greatest extent. In addition, we need to strengthen the legislative work on Internet finance, increase supervision, strictly control Internet financial transactions, provide legal protection, and gradually create a good and orderly Internet financial market, making financial Development is more rational, the rule of law, norms and science. Finally, develop

At present, China's Internet finance supervision is still insufficient. Most of them rely on the state and the government to wait for supervision to create a good financial environment. However, the government and other departments have experienced inadequate supervision, which requires both individual users and financial enterprises. Improve safety awareness, strengthen self-discipline, and complete self-government. Business enterprises should strengthen communication with consumers, form a good communication mechanism, sum up experience in practice, and gradually form the most appropriate and fair industry standards. As an industry norm, not only guarantees The immediate rights and interests of consumers can also lay a good foundation for the long-term development of financial enterprises. Internet finance business can be described as a new business model, which promotes the progress of China's social economy. As beneficiaries and users, we must face up to the influence of legal norms, and strengthen the understanding and mastery of relevant legal mechanisms, improve the awareness of sound prevention and security, and timely discover potential hidden dangers in the process of Internet financial transactions, and then properly solve them through legal channels. To ensure the efficient implementation of transactions. In addition, users and enterprises should raise their overall safety awareness, require the government and the state to increase publicity, recognize the important role of Internet finance in social development, give full attention to guide users and enterprises to clearly regulate Internet financial risks, and gradually build A sound financial trading platform to create a good trading environment.

5. Conclusion

Under the background of the current information age, the operation and development process of

all walks of life are increasingly aware of the importance of introducing the Internet concept, and the financial industry has also penetrated the Internet thinking to form a new Internet financial service model. This financial development The emergence of the model, facing various types of risks, it is necessary to establish a legal mechanism, set up a regulatory body and other means to avoid risks in the process of Internet financial services, through the above channels to regulate the Internet financial services process, so that More orderly and reasonable, effectively protect the legitimate rights and interests of consumers, and severely crack down on financial development risks. In addition, users and enterprises are required to improve their safety awareness, use legal channels to safeguard their own interests, create a good Internet financial environment, and promote financial services. Steady and rapid development. Finally, I hope that the author's analysis and discussion will bring reference and reference to relevant researchers.

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