

INFORMATION CONCEPT OF FINANCE

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Annotation. *This work attempts to formulate an information concept of finance. Information is shown as an attribute of finance. Two levels of financial information are shown – they are the primary and secondary information, and relationships between the two levels of information are studied. The genesis of informational asymmetry of finance, the continuity of dualism “information exchange and movement of money capital”, peculiarities of value-information interaction are revealed. The existence of such a regularity in finances as information approximation is described.*

Keywords: *finances, information, functions of finance, value-information interaction, financial accounting, informational asymmetry.*

Target Setting and Its Relevance. In search of answers to challenges of financial crises since the late twentieth century, often reeling the national and world economy, questions to the finance science and practice reasonably raise about the genesis of information asymmetry of finance, the continuity of information exchange phenomena and movement of money capital, peculiarities of manifestation of value-information interaction – that is essentially finances – in the modern economy.

Despite the fact that modern society faces the imperfection of existing financial relationships, their lack of transparency and information asymmetry, it is important to realize that finances, being by their nature an objective institution of the society, have to function organically in it, not to generate destructive phenomena, but to provide sustainable development. Accordingly, we can conclude that the depth and frequency of financial crises, as well as their devastating effects, testify to the fact that (a) the essence of finance, their place and role in the economy and the society are not yet fully studied, and (b) the practice of financial relationships is not adequate to their objective social and economic purpose.

Development of the information society leads to rethinking of the already well-studied institution of finance (institution of financial infrastructure of the economy) from the standpoint of the phenomenon of information. Noteworthy that proponents of the theory of information asymmetry of finance, which laid foundations for a radically new analysis of markets and of corporate finance management in conditions of asymmetric information – American economists George Akerlof, Michael Spence and Joseph Eugene Stiglitz – became Nobel Prize winners in economics right in the beginning of the information XXI century – 2001.

The scientific approach from the point of view of understanding the decisive role of the phenomenon of information (information exchange) in the economic life of the society can reveal new aspects of objectively existing links and regularities in financial relationships, better understanding of the social and economic purpose of the institution

of finance. The result of this is, in particular, formation of the information concept of finance.

The information conception of finance is different from the current view of the system of value and money relationships. Investigating manifestation of the phenomenon of information in finances, it allows a new understanding of the essence of finance, their place and role in the economy of the information society.

Information (information exchange) is constantly present in finances (financial relationships). At the same time, the role of information in the economy of the information society is qualitatively different: it becomes an important economic resource, a factor in creation of added value. It contributes to development of information technology and its global distribution.

The attributive concept of information is fundamental in consideration of the essence of the information concept of finance. At one time, it was formulated in the study of the fundamental philosophical question: what is the original – idea or matter? Today, it is a key information concept, and modern physics and philosophy follow it fully. According to it, information is an attribute of matter, of everything that surrounds us. That is, information is immanent (inherent, internally inherent) for everything, including finances. While, “together with energy, it determines parameters of movement of the material world, manifesting in its orientation and creation of ordered forms of the existence of matter as a result of information interaction. All the interactions in the nature and the society are build on its basis” [1].

Overview of Existing Research Topics. Modern Ukrainian financial science has already certain achievements, where financial relationships are studied from the standpoint of the information concept. In particular, in the fundamental scientific work “Theory of Finance” (2010), prepared under the supervision of Professors of KNEU Viktor Fedosov and Serhii Yurii, the financial concepts of information asymmetry, existing in the economic science, are analysed [2]. There is also a series of works, devoted to the information aspect of corporate finance (Babichenko, 2014, 2015; Krysovatyi, Fedosov and Ryazanova, 2013) [3; 4; 5; 6], which formulate key provisions of the concept of function of information of corporate finance. There are also studies, proving the immanence (attributiveness) of information to financial relationships at the macroeconomic level (Riazanova and Fedosov, 2017) [7].

Research Results. Finances are a special sphere of interaction in the society: it is a system of relationships, in which, and through which movement of money capital (value), its formation, distribution, accumulation and use take place in the economy. Financial relationships of participants of the economy are filled with information, or rather, the content of their financial relationships is precisely the information, which directly and (or) indirectly refers to movement of value, movement of money capital.

Consequently, the phenomenon of information (information exchange) is inseparable from finance (financial relationships). It is information that forms our perception of financial relationships: their nature, purpose, participants, peculiarities of movement of money capital, its structure, risks and other aspects. All this becomes known precisely

due to information, which, so to speak, “bears” financial relationships within itself of participants of the economy.

Based on the attributive concept of information, we can state that *information is an attribute (peculiarity) of financial relationships (i.e., finance, financial infrastructure of the economy)*.

According to the attributive concept of information, notions of the primary and secondary information differ. The primary is information, which, regardless of the will and consciousness of a person, objectively exists in the surrounding world. Perceived by a person, by technical means, and by any living creature, capable of seeing and decoding this information, it is represented as the secondary information.

The primary information cannot be measured, all measurements and calculations are carried out over the secondary information, actions in relation to which do not mean at all that the primary information is measured. In this case, the primary and secondary information exist in certain multidimensional dependencies: (i) the secondary information, characterizing peculiarities of the primary one, its structure and form, depends on it; (ii) having property, without loss of content, to recode repeatedly, transfer to other media and multiply, the secondary information does not depend on the primary one; (iii) the emergence of the new primary information occurs under the influence of the secondary and other primary information, and in this regard, the secondary and primary information are interdependent [1, P. 62-64].

Based on provisions, formulated by the attribute concept of the information, regarding the primary and secondary information, we can state that *financial information is also divided into the primary and secondary one. While, the primary information is an attribute of financial relationships. The human intelligence and technical means, perceiving and recording this primary information, form the secondary information*.

For a person, information about objects and processes is their reflection in the form of numbers, formulas, descriptions, drawings, symbols, images [8, P. 53-55]. The human intelligence processes the secondary information that is understood by a person according to its level of development, knowledge and ability to perceive information. The secondary information is presented to us by the data of statistics, accounting documents, financial reports, analytical materials, etc.

In finances, dependence between the primary information, carriers of which are financial relationships, and the secondary information, which is a result of fixing the primary information on a variety of media (human intelligence, human memory, paper, computer memory, etc.), is similar to that, which is formulated by the attributive concept of information. Thus, links between the primary and secondary financial information are characterized as follows:

(i) *the secondary financial information characterizes the primary one, its peculiarities, structure, and form, it depends on it;*

(ii) *the secondary financial information may, without loss of content, be repeatedly transferred to other media, multiplied, and therefore it does not depend to a certain extent on the primary one;*

(iii) the new primary financial information appears under the influence of both the secondary one, and other primary financial information, in which the secondary and primary financial information is interdependent.

In any link in financial relationships of the modern economy, we can find confirmation of manifestation of interdependence of the primary and secondary financial information. For example, new financial relationships of a participant in the economy (thus, the new primary information, which is carried by these relationships) may arise, when they attract the necessary money capital. This may be relationships under issuing securities or borrowing funds in the market of bank loans. But such relationships arise under the influence of the already existing secondary information, in particular, data of consultants, analysis of the financial market, potential lenders, investors and other topical issues. At the same time, relationships of this participant in the economy in terms of attraction of money capital are also influenced by other primary information, such as that contained in its new financial relationships with customers and suppliers (the very relationships with these customers and suppliers are likely to cause the participant to find money capital).

It is important to realize that *all the measurements and calculations under finances are made over the secondary information, which, describing peculiarities of the primary one, depends on it, but it is not a part of the primary information.* That is, in spite of the fact that in practice all the participants in the economy, of course, proceed from the fact that they use the complete information, in essence, various accounting documents, forms of reporting and analytical materials contain only that financial information, which human intelligence and various technical means have been capable, wanted and had the opportunity to record (that is, the secondary information), and not that, which has actually existed in the surrounding economic environment, in its financial relationships (that is, not the primary information).

There is plenty of evidence that, first, the society uses in its activities the secondary information on finance, which is not identical to the primary one, building its financial relationships in a proper way. Second, the level of adequacy of the secondary information to the primary one directly depends on human knowledge and the ability to perceive the primary information both by human intelligence, and by human-made media. Let us look at some of them.

In corporate finance, a vivid example of this is financial statements, which will definitely be further improved not only in form, but also from time to time in terms of content. Despite the fact that financial relationships of corporations are essentially the same at all the stages of development, covering economic relationships of corporations with other participants in the economy in the process of formation, distribution and use of their financial resources, accounting of financial information on corporate finances and reporting of corporations – have been changing. For example, Cash Flow Statement was adopted in countries with developed market economies only in 1950, and it was used in Ukraine only in the late 1990s. That is, in spite of the fact that information about cash flows has always been a component of economic relationships of corporations, only

in the middle of the XX century, the society realized the importance of assessing the financial condition of the company precisely on the basis of movement of its financial resources, and has begun to record and report appropriately such information.

Another example is the story of the balance of payments development, as a document that reflects the value break of the international relationships of the country. Such relationships, and therefore related flows of money capital, have existed since ancient times, and their essence does not change, only volumes grow and new forms of cash flows arise. At the same time, information on the international monetary capital movement became available to the public only at the end of the XI century, when the first attempts at accounting of international settlements were made in England. The very concept of “balance of payments” was introduced into the lexicon only in 1767 by Scottish economist James Denham-Steuart, a follower of mercantilism. That is, despite the fact that the international economic relationships were always an inherent value part, information about it was not accepted by the society for a long time, and therefore – was not used. And only with development of knowledge and technical capabilities, the society began to “extract” it from economic relationships and use information through the establishment of a proper accounting system.

Gradually, the system of the balance of payments was improved, which was accompanied by development of the practice of accounting for the international transactions and formation of the system of state bodies, which collect and analyse information on international money flow, among which: treasury, customs, budgetary and credit institutions. Over time, understanding of the society of the essence of the balance of payments changed, there was a need for comparing the international indicators and unifying methods of their compilation by different countries. It was only by the middle of the twentieth century that the balance of payments scheme was created, which the UN proposed to Member States to use in 1947. This scheme became the basis for further development by the International Monetary Fund (IMF) of the forms and principles of compiling the balance of payments. The process of developing the balance of payments and more accurate reflection by them of information on the international cash flow continues in the XXI century, and the IMF offers member countries new, improved schemes that contain deeper information – data on the international investment position [9]. Thus, by improving methods of drawing up the balances of payments, the society brings information, which it operates, closer to that, which is inherent in the international financial relationships. This is the basis of the effectiveness of the international finance, the international trade, and other types of foreign economic activities of countries.

In the sphere of the state finance, particularly in the budgetary practice, there is evidence of a “gap” between the secondary and primary information. For example, in Ukraine, unfortunately, the practice of numerous revisions and clarifications of the state and local budgets after their official approval by the law has become traditional. It is based not only on the unpredictable nature of the dynamics of the national and international economy and politics, but also to a large extent that the initial financial data for development of these budgets from the very beginning does not correspond to the real

state of affairs. For example, information that is fixed by the tax accounting of taxpayers and the relevant accounting systems of the state tax authorities, and used in formation of the revenue part of the budget, does not fully reflect information, which is actually borne by financial relationships of taxpayers and the state. Verifications, clarifications and other actions regarding collected tax information are all the steps, which reflect the desire to bring operational tax information (the secondary one) closer to information that really exists in financial relationships of taxpayers (the primary information).

Participants in the economy form their own judgement on finances, based on information they have at their disposal. At the same time, development of participants in the economy and the society as a whole is directly determined by the extent, how financial information they operate (the secondary information) is adequate to that, which is actually carried by financial relationships (the primary information). We believe that this is confirmed by the fact that in more developed economies, the gap between information, contained in financial relationships, and that perceived by man and technical means, is lower than in the rest of the countries. For example, the financial information database (financial statistics) in the United States, the United Kingdom and other economically developed countries is much more complete than in many other less developed countries. It is a prerequisite for the social and economic progress of developed economies and the result of a high level of their development. *The adequacy of the secondary financial information to the primary one, as well as the level of human perception and understanding of the existence of both levels of financial information, are key issues in ensuring the quality and efficiency of information exchange in finances.*

The phenomena of the primary and secondary information are directly related to information asymmetry of finance. The basis of information asymmetry is, first of all, that the secondary information is not identical to the primary one. In addition, the existing secondary information can be perceived by users in different ways. Finally, differences in interests and human factors can cause distortion of information by individual members of financial relationships. The discrepancy of the secondary information, compared to the primary one, leads to the fact that the new financial information, generated by such inadequate secondary information, carries new false data.

Despite the fact that today in the society, there are factors of asymmetry of financial information, according to the author, one can also distinguish another provision in the information concept of finance: *regularity of the modern information society is information approximation of participants in the economy.* This is a manifestation of the law of unity and struggle of opposites. That is, information asymmetry and information approximation in finances exist at the same time, but the first is usually ahead of the second one. We believe that with the further development of the information society and its advanced information technology and human knowledge – the gap between the primary and secondary information in finance will decrease and the level of understanding and perception by human-made technical means – will grow. Already today in the society at all the levels – in the state, in the business environment, among the population – recognition of the need for openness of financial information, its

accessibility and comprehensibility to the general public, is growing. The civil society is emerging, demands for transparency and quality of disclosure are increasing.

Development of the information economy and its financial infrastructure are objectively accompanied by the process of raising the level of adequacy of the secondary information of finance to the primary one. In financial relationships, as opposed to the phenomenon of asymmetry of information, the process of information approximation is gradually increasing. *This is a logical, causal-consequential, that is, expected process that can be conventionally defined as the law of information approximation.* In our opinion, *the law of information approximation in financial relationships is of an asymptotic nature.* Such a vision is based on understanding of the postulate of the attribute concept of information, the essence of which is that the primary information cannot be measured. That is, with the development of the information society, there is a process of maximum approximation of the secondary information of finance to the primary one, but, at the same time, the complete correspondence of the secondary information to the primary one does not occur.

Summarizing the above, the essence of the information concept of finance can be formulated in a number of provisions.

(1) Information, being an attribute (peculiarity) of finance, is divided into the primary information (full) and the secondary one, which is the result of perception of the primary information by human intelligence and a variety of technical means.

(2) There are regular connections between the primary and secondary information.

(3) Participants in the economy operate only with the secondary information, which, coming closer to the original, is not identical to it.

(4) The gap between the secondary and primary financial information is an informational uncertainty. It is the basis of probability and risks in finance and the economy as a whole. As the secondary information is brought closer to the primary one, uncertainty decreases, and hence the risks.

Finance, being an infrastructure component of the economy, provides economic activities of the society and affect other areas of its life. Therefore, an important aspect of the information concept of finance is the position regarding their objective social and economic purpose (i.e., objective functions). An adequate understanding of the objective purpose of finance is an indispensable condition for the success of financial practice in the information economy: it refers to both authority structures, and business circles, and the general population.

To date, in the Ukrainian financial science, the view that the state and local finances are objectively inherent in two functions – distributive and control, prevails (4, P. 8-10; 10; 11; 12; 13, S. 15-29; 14]. Distribution function is recognized as the main one and is defined as being manifested in the distribution and redistribution of the value of the social product. Control function is considered to be due to the objective ability of finance to quantitatively reflect the distribution and redistribution of the social product in value terms. It manifests itself in the course of monitoring the distribution and redistribution

of the social product according to the intended purpose. A number of Ukrainian scholars believe that the following functions are inherent in finances: regulatory, stimulating, reproductive, stabilizing.

In a particular modification, distribution and control functions are considered as inherent in other spheres of financial relationships, in particular, corporate finance. For example, the following three functions of corporate finance are distinguished: capital formation of corporations, that is, attraction of capital from the financial market; distribution and use of capital, i.e. investment in accordance with business plans of the corporation; control over formation, distribution and use of capital [15, P.12-19, 20-26].

Despite the fact that the modern financial science has thoroughly studied the essential aspects of finance, we believe that the information concept of finance allows to discover new facets in them. After all, recognition of information as an integral attribute of financial relationships logically brings us to the issue of the existence of objective interactions between movement of capital (value) and the phenomenon of information. Therefore, it is necessary to find out peculiarities of manifestation of these interactions.

First of all, we recall the existence of interaction of information in the dualism of “energy-information”, the objectivity of which is recognized by modern physics and philosophy. Energy¹ is understood as the only measure of different forms of motion and interaction of matter, measure of transition of motion of matter from one form to another. This is a scalar (from the Latin scalar is – stepped) physical quantity, that is, one whose each value can be represented by one real figure. Along with such quantities as length, area, time and temperature, value can be classified as scalar. The concept of energy is related to the ability of a physical body or a system to perform work, while such a body or a system partially lose energy, spending it on changes in surrounding bodies [16]. Energy does not arise from anything and does not disappear anywhere, it can only move from one state to another, and, due to the existence of this conservation law, the concept of “energy” combines all the phenomena of the nature. Energy information exchange is everywhere, in everything, providing and linking the existence of everything.

We believe that in the economy analogy to the concept of energy is the concept of value (money capital). The identity of these concepts is already recognized to some extent, in particular, by some representatives of the Ukrainian economic sciences who appeal to the concept of “energy of capital” [17]. Like energy, value (money capital) is in constant motion, it is formed, distributed, transmitted, accumulated, invested and used. In economic relationships of the society, the very value (money capital) is a universal measure of everything during creation, distribution, exchange, accumulation, investment and use.

Exploring from the standpoint of the information concept of finance the issue of the objective social and economic purpose of the institution of finance (financial infrastructure of the economy), it is important to briefly focus on the relationship of such

¹ The concept of “energy” was introduced by Ancient Greek philosopher Aristotle in his treatise “Physics”, where physics was first viewed not as a doctrine of the nature, but as a science of motion. In ancient Greece, this concept meant action, activity, strength and power.

key concepts for finance and the economy as value and money capital.

According to the philosophy, “everything in the world exists in constant motion, interaction and flow of forms in the content, and then again in form. The content of one phenomenon is simultaneously a form of another, and this form, in its turn, is the content of another phenomenon” [18, P.199-207]. *The phenomenon of value and the phenomenon of money capital are interconnected as content and form, and they are links of a single chain of flow of social and economic relationships of the phenomena of content and forms.*

That is, value is an essential (meaningful) category and is inherent in everything, which is included in the human being in the economic space (circulation). Then, value flows into money capital, which, being a form in relation to value, is, in its turn, content of financial relationships. Financial relationships (finance), being a form in relation to money capital, are, in their turn, content of economic relationships. Economic relations, being a form in relation to finance, form content of human relationships in the society. In addition, for the purpose of carrying out commodity exchange operations in the economy, there is a need to determine value (price) of money capital, and here value is a form, and money capital is its content. Every link in this chain is necessary, and value is a universal measure of everything in the field of economic relationships of the society, measure of various forms of movement of factors of production, their transition from one form to another. In this case, for the quantitative expression of value, the society uses both absolute values in certain currency units and relative ones (for example, interest).

We believe that the key concepts in the study of the objective social and economic purpose of finance are value and information. It is within the limits of financial relationships that movement of value (money capital) takes place, and content of these relationships is information that directly and (or) indirectly relates to movement of value (monetary capital).

It is logical to conclude that *the objective purpose of finance as being a security, infrastructure subsystem for the economy of the society, is, first of all, the provision of movement of value (money capital) at all the stages. While the process of value movement is a logical sequential cycle that encompasses not only movement as such, but also formation (creation) of value, its distribution, accumulation, investment and use. These processes are possible only in conjunction with information exchange between participants in the economy, that is, in the existence of value-information dualism*”. Thus, *the objective public purpose of finance is to implement two functions – value and information.*

In the Ukrainian financial science, the idea of the existence of value function was first formulated by Professor V. Fedosov [5]. After studying the essence of corporate finance through the prism of their connection with the fundamental definition of “capital”, he substantiated the value-formation function in corporate finance. Its essence lies in the fact that corporate finance enables such a movement of capital value, in which conditions of rising value are formed. The author of this article shares completely this point of view.

We believe that finances as an integral institution of the society (financial infrastructure

of the economy) is inherent, first and foremost, as value function. *The essence of value function of finance is that it is in the course of (within the limits) financial relationships in the economy that the movement of value, its formation (creation), distribution, accumulation, investment and use occurs.*

Based on the theory of institutionalization, the general architecture of finance (financial infrastructure of the economy) can be represented as a set of segments such as: household finances, corporate finances, state and local finances, as well as financial markets and international finance. Each of these spheres of financial relationships there is a movement of value as such, as well as there are absolutely all the stages of the cycle of value movement – its formation (creation), distribution, accumulation, investment and use. At the same time, each sphere of financial relationships has characteristic peculiarities that determine their place and role in provision of value movement (monetary capital) in the economy. In each sphere of finance, only one or several stages of the overall cycle of value of money dominate, and they determine the main (but not the only) objective value purpose of this subsystem of finance. Taken as a whole, all the spheres of financial relationships represent a single system that provides a complete cycle of value movement in the economy.

In corporate finance, the stage of formation (creation) of value prevails, so value function here is represented predominantly by value-formation function, which has already been described by the Ukrainian financial science and is that financial relationships of the corporation enable movement and growth of exchange value of capital. Regarding the state and local finances, prevalence is taken by *value-distribution function*². Its essence is a similar to distributive function of finance, which has been thoroughly investigated by the Ukrainian financial science.

The financial market sphere differs from corporate finance and the state, and local finances in that it has simultaneously several stages of value movement, which prevail. Therefore, the financial market is objectively characterized by the following functions: value-saving, value-investment and value-price.

Taken the overall value-saving and value-investment functions can be combined into value-mobilization function of the financial market. Details of these functions were already described by the author earlier [19]. *Value-accumulation function* is that the market accumulates money capital, which its participants offer for further investment. This, for example, occurs in the course of accumulation of money capital by banks on deposit accounts of their depositors. Or, when institutional investors – non-state pension funds, insurance companies, joint investment institutions (corporate and unit investment funds) – accumulate money capital of their clients. . This is an extremely important function, because due to its small amount of money, capital can be transformed by financial intermediaries into large volumes of investment, required by issuers and borrowers. In addition, by implementing value-accumulation function,

² Since certain spheres of financial relationships are important to be seen as constituting a single integral financial infrastructure of the economy, then functions of each sphere, having the same roots, are logically to be defined by with single-word phrases.

the financial market accumulates a different by time money capital, which can then be transformed into long-term investments. The main source of accumulation is savings of households. *Value-investment function* of the financial market is to enable the market to place accumulated money capital. When implementing value-investment function, the financial market should ensure movement of money capital towards higher returns and minimize risks, that is, invest in the most effective projects.

As for value-price function, the society needs information about value (price) of money capital for the provision of commodity exchange in the economy. Therefore, another value function of the financial market is value-price function, which is implemented in the course of performing the first two functions – value-accumulation and value-investment functions. The essence of *value-price function* of the financial market is that the price of money capital is determined and fixed in this market. Given this, the society has the ability to digitize (express) prices and price proportions between the rest of the goods and services. Information on the state of formation of prices in the financial market – the state of affairs of the financial market – in the modern economy belongs to the main one in analytical materials and forecasts of development of the national and world economy. An example of such information is stock indices that generalize the dynamics of prices for money capital (securities).

These three functions of the financial market are interconnected and implemented practically simultaneously (in parallel). At the same time, while implementing value-accumulation, value-investment and value-price functions, the financial market simultaneously plays a unique role in ensuring value movement as such. At the present stage, the volume of capital movement in the economy is estimated, in particular, by data on the level of capitalization of the stock market. This data indicates the volume of the market, but taken in the dynamics, allows to assess the qualitative side of functioning of the market.

In addition to value function, finance also performs objectively an information function. Information is an attribute of financial relationships, their content. Value function of finance, as well as the corresponding value functions of each of the spheres of financial relationships, can only be realized simultaneously with the relevant information exchange. That is *the dualism of value-information is embodied in interaction of value and information function of finance*. After all, due to the fact that financial relationships carry information about value break of economic relationships, between their participants, the processes of movement of value, its formation, distribution, etc. are possible. The fact that all the stages of value movement need to have the relevant information is indisputable. It is information function that serves the basis for the ability of the society to evaluate flows of monetary values, analyse, plan and control them. *The essence of information function of finance lies in the fact that financial relationships always carry information that directly and (or) indirectly relates to value (money capital)*. This information is about movement, formation, distribution, accumulation, investment and use of value (money capital). On the price characteristics of money capital, its physical structure, owners, sources, directions and other aspects of movement of value in the economy.

The objective purpose of information function of finance is to reduce uncertainty (unpredictability) in the economy in matters, relating to movement of value (money capital). Information asymmetry of finance is one of manifestations of uncertainty in finances. Information function of finance is realized during registration, accumulation, processing, preparation of the relevant information for users and their subsequent actions with information received. Proper information and its effective exchange is an indispensable prerequisite for minimizing risks, sustainable financial and economic development.

We believe that information function is objectively inherent in both the general institution of finance and all its subsystems. In this case, the essence and manifestation of information function in corporate finance are already described by the Ukrainian financial science [5]. The information public purpose of corporate finance is that financial relationships of corporations, “bearing” in themselves data that directly and (or) indirectly relates to movement of value (money capital), thereby enable this movement, provide formation (creation) of value, its distribution, transfer, accumulation, investment and use.

Information function is clearly manifested in functioning of the financial market, which is marked by the financial science and practice. In particular, one of the fundamental provisions of the modern theory of the financial market is the hypothesis of an efficient market, formulated in the late 1970s, which is essentially entirely based on the information concept. Its author is American economist Eugene F. Fama, who became the winner of the Nobel Prize in Economics in 2013. According to this theory, all the relevant information is immediately and fully reflected in prices of its financial instruments in the efficient market. At the same time, depending on the availability of information to market participants and its reflection in prices, the financial market is classified into three levels of efficiency. (1) The weak-form efficiency market, when current market prices are based only on historical information, that is, past information about its prices. (2) The semi-strong efficiency market – formation of current prices takes place according to historical information on prices and all the public information that is relevant and can relate to financial market prices. (3) The strong-form efficiency market, where prices are the result of decisions of market participants, taken under the influence of not only historical information on prices and all the public information, but also on the basis of information with limited access – insider information. That is, the basis of the hypothesis of E. Fama is essential recognition that information component is inherent in the financial market relationships, but the problem is that information is not fully recorded and used by the market participants.

Value and information functions of finance exist in interaction, and value-information links permeate and connect the economy of the society, ensuring its functioning. That is why – in terms of the theory of institutionalization – the institution of finance is a security, infrastructure subsystem of the economy. It is important to note that *value-information relationships, being objective in essence, in the real economic life of the society are extremely subjective*. That is, *in real economic relationships in the objective*

dualism of “value-information” so to speak, dissonance (divergence) arises.

Dissonance in value-information relationships manifests itself in the fact that information on movement of value (monetary capital) does not correspond to reality, does not reflect the real state of movement of value (money capital) in the economy. This is essentially a manifestation of the above-discussed situation regarding the difference in the secondary information in finances from the primary one. The reason for this lies in human factor: (i) insufficient level of financial and economic literacy of the society, (ii) mistakes, (iii) as well as financial selfishness of participants in the economy. The essence of the latter is the desire of individual participants in the economy to receive financial benefits at the expense of others, often to the detriment of others, for which they conceal truthful information. In addition, (iv) participants in the economy often use imperfect technical means of recording and processing information, which also contribute to the discrepancy in the value-information dualism.

In the real economic life of the society, the situation of the financial market, when its participants perform virtual transactions with money capital, can serve as a vivid example of such dissonances. On this occasion, George Soros, in the book “The Crisis of Global Capitalism. Open Society Endangered” (1999) [20], writes that the scale of swap markets, forward transactions and derivative securities is enormous and margins are very small, and therefore amounts, with which operations are carried out, are many times higher than the capital, actually used in commercial activities. Such dissonances underlie the phenomena, described by the notion of the “financial bubble” now familiar to us, as well as the global financial crises of the late 20th and early 21st centuries.

To minimize the dissonance (discrepancies) described above in the architecture of the financial infrastructure of the economy, there is an objective information subsystem that rapidly develops in the information society. It takes on the greatest relevance and development from the end of the XX - the beginning of the XXI centuries, since, as G. Soros, in the book “Alchemy of Finance” (2007) [21], states that one of the postulates of finance of the information age is that the simple understanding of the situation by its participants is not sufficient and can not be regarded as knowledge: in finances, the completeness of information is important.

Conclusions. The information concept of finance, revealing the existence of two levels of information, inseparable value-information interaction in the economy and the objectivity of information approximation, which exists along with information asymmetry, reveals new facets of the institution of finance (financial infrastructure of the economy). With development of the information society, when the role of information as an economic resource and the factor of added value increases, these provisions of the information concept of finance are extremely relevant. They form the basis for understanding the objectivity of the processes of disclosure of information and transparency of finance, the need for development of an information subsystem of finance – financial accounting. Based on the provisions of this concept, one can better understand the nature and essence of financial crises, and thus minimize their probability and ensure sustainable economic development of the society. These questions are subject

of an individual research.

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