The international financial system is a public space where money "lives". Imagine the circulation of money. People receive money for their work as wages. Entrepreneurs receive money in the form of income, dividends. So money is concentrated with individuals, with the population. Part of the money goes to the purchase of things necessary for life, serves trade; the other part - is deposited in the reserve, serves to accumulate as an investment potential of a person, family. The population carries this money to banks, if they trust them, or, for reliability, keeps them “under their pillow”. Enterprises/entrepreneurs, producing goods and services, in competition with each other actually “fight” for the money of the population. By selling goods and services, businesses earn money. So the money is concentrated in legal entities. Enterprises (legal entities), in turn, distribute this money in several directions: part of the money goes to purchase things necessary for production; part - as wages to employees; part - as income of entrepreneurs, dividends to owners of enterprises; a part can serve as a reserve of an enterprise, a legal entity. Business money is in bank accounts. Banks accumulate money and, being also enterprises, provide financial services: they maintain accounts, make payments, and give loans. Therefore, it would be more accurate to say that money not only “lies” in bank accounts, but also “jumps”, “moves” from account to account - from the account of one person (individual or legal) to the account of another person. In the money cycle, which mediates the production and sale of things, services, various kinds of “money substitutes”, or financial instruments, are added - securities: bills, checks, shares, bonds, etc. There are enterprises that bring an element of organization to the securities market. These are stock exchanges (securities exchanges). If enterprises (legal entities), entrepreneurs do business with partners abroad, international economic relations arise. In this area, private individuals from different countries enter into legal relations with each other. To buy things (goods), services abroad, as a rule, “other money” is needed - not the same with which individuals and legal entities deal in their own country. Need foreign currency. You can "earn" it by selling your goods and / or services on the foreign market, or you can buy it at a bank or on a foreign exchange market. Foreign money crosses state borders and enters another economic and legal system. It should be borne in mind that as a result of competitive international struggle between individual national currencies and due to certain economic and political circumstances, some currencies turn into "world money" - money that everyone needs (dollar, euro). The state taxes individuals and legal entities, receiving "its part" of money from wages, incomes of the population, from the profits (incomes) of enterprises and entrepreneurs. A significant flow of money goes into the "pocket of the state" in the form of customs duties. The state also has other sources. So the money is concentrated in the state budget, which is adopted (approved), as a rule, by the parliaments of states. The state uses budget money in its internal and external activities. In internal public relations, the state allocates money for the maintenance of the apparatus and for social and economic programs, mainly in such projects that entrepreneurs do not go into because of the unprofitability of projects or the lack of investment potential of enterprises. Part of the state money goes to subsidies to producers and exporters, to large investment projects, to purchases for state needs; part - is deposited in the reserve. The state monitors the movement of things (goods) and services abroad and from abroad. When goods / services of national production are sold abroad, foreign money enters the country - money is concentrated in the state budget, which is adopted (approved) as In internal public relations, the state allocates money for the maintenance of the apparatus and for social and economic programs, mainly in such projects that entrepreneurs do not go into because of the unprofitability of projects or the lack of investment potential of enterprises. 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It is important that a certain balance be maintained between the national and foreign currencies. Foreign currency is placed in banks in the currency accounts of exporters. Exporters use this currency in order to buy the necessary goods / services abroad, or sell the currency to banks, the state. The domestic foreign exchange market is taking shape. Its main participants are banks that sell and buy foreign currency to serve their customers. Legal entities and individuals who need to buy goods/services abroad (importers) purchase foreign currency in the domestic foreign exchange market and pay foreign producers and exporters in the relevant foreign currency. If there is not enough foreign currency in the domestic foreign exchange market, enterprises (banks) buy it in the international foreign exchange market. Foreign currency "comes" into the country in the form of investments. Foreign individuals and legal entities invest in the creation of enterprises, in the purchase of shares, etc., give money in the form of loans. The state (usually represented by the central bank) monitors the flow of foreign currency into the country and regulates this process. At the same time, the state forms its own reserves in foreign currency by buying foreign currency on the domestic foreign exchange market or forcing exporters to sell (give away) foreign currency to the state. Foreign currency reserves also serve as, among other things, investment potential. If there is little foreign currency entering the country, this leads to a variety of serious consequences: foreign currency in the domestic foreign exchange market rises in price, and the national currency - becomes cheaper; the exchange rate between them changes; there may be a problem with the country's balance of payments when the outflow of foreign currency is greater than the inflow. The state is looking for a way out by borrowing foreign currency from abroad (in the form of loans) or by attracting foreign investment into the country. When the national currency becomes cheaper, national goods also become cheaper in the foreign market, so foreign partners are more willing to buy them - the export of goods and services increases (which, in turn, leads to an influx of foreign currency). borrowing foreign currency abroad (in the form of loans) or attracting foreign investment into the country. When the national currency becomes cheaper, national goods also become cheaper in the foreign market, so foreign partners are more willing to buy them - the export of goods and services increases (which, in turn, leads to an influx of foreign currency). borrowing foreign currency abroad (in the form of loans) or attracting foreign investment into the country. 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However, too much inflow of foreign currency is also a problem: it starts to become cheaper in the domestic foreign exchange market, while the national currency becomes more expensive; exchange rates change again. Together with the rise in price of the national currency, the foreign exchange price of domestic goods on the external market also rises - and they are bought less abroad (which leads to a reduction in the inflow of foreign currency). On the other hand, foreign goods in terms of the changed exchange rate become cheaper, increasing the import of foreign goods and services. An excess of foreign exchange can "kill" national production, since everything will ultimately be more profitable to buy abroad than to produce at home. Usually, states withdraw excess foreign currency, directing it to foreign exchange reserves, investment projects, providing loans to foreign partners. Moreover, states, in order to raise the national economy or revive it, artificially, unilaterally, underestimate the value of their currency, and the export of goods, which increases after that, helps producers. At the same time, such assistance to the national economy creates problems for the economy of the partner state, as it begins an unforeseen increase in imports and an outflow of foreign currency.Unilateral manipulation of exchange rates thus distorts export-import flows and leads away from mutually beneficial trade. That is why the problem of exchange rates was one of the first to be internationalized in the international financial system. The state of the exchange rate is closely related to the state of the country's balance of payments, and ultimately affects international trade, balance of payments and the economy of the countries involved and the entire international economic system. To ensure multilateral stability of the balance of payments of member states, the International Monetary Fund (IMF) was created, which, for obvious reasons, could not save the world community of states from many financial crises. From the above picture of the movement of money, it can be seen that the "money space" is multifaceted, it has many levels, aspects; it binds together individuals, legal entities and the state; it binds states together and with international organizations; it directly concerns the issues of international trade, investment, the economy as a whole, the internal and external economic functions of the state, etc. The material life of society appears before us in two perspectives: a) as material and b) as value (monetary). It is this second side of life that matters for the present course. Before proceeding to the study of international financial law, some special terms should be discussed in more detail, clarifying their content and relationship with each other. 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