

Analysis on the Risk Prevention Countermeasures of Internet Financial Economy

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Abstract: *On the basis of the background of modern development, there have been many unsolved risk problems during the period though Internet technology has promoted the development of Internet financial economy. Combined with the actual situation, the article gives several suggestions to deal with the risks of Internet financial economy, so as to provide some reference basis for related parties.*

Keywords: *Internet; financial economy; risk prevention*

1. Introduction

Whether it is in the lives of the masses or in production, the rapid development of technologies, such as the Internet, have created huge opportunities for the masses, but opportunities are often accompanied by risks. In the rise of our country's financial industry, there always exist the risks in the Internet era. And as the key parts that support the stable development of our country's economy, if the risks of Internet financial economy cannot be dealt with in time, it will naturally hinder the sustainable development of the industry, and at the same time constitute a relatively serious social crisis. It can be seen that only by properly restraining financial activities and accurately grasping the opportunities brought about by the Internet era are the important cornerstones of ensuring the rapid and sound economic development.

2. Strengthen risk prevention and control and early warning mechanisms

In the context of the Internet era, in order to better deal with financial and economic risks, the most fundamental thing is to strengthen risk prevention and early warning mechanisms. Among them, the most important is to reasonably set quantitative indicators. In terms of Internet finance, for a long period of time before, due to the inability to do a good job in careful supervision, this is the root cause of a series of risk problems. Only when the industry launches targeted prevention measures in a timely manner and quantified prevention indicators can it fully integrate massive amounts of data and information, rely on the improvement of the early warning system, and strengthen the prevention of risks of Internet financial economy. At the same time, big data can also be effectively used, and effective screening and research are carried out for all data covered in Internet finance, so as to fully discover hidden risk problems and formulate solutions in advance.

For example, a certain region of our country relied on big data and other modern technologies to build a platform serving the financial industry and government and other related institutions. By collecting all data, the "red and black lists" were clarified, and the information was passed to various units in a timely manner. By establishing and improving the corporate integrity mechanism, integrating data forces, and supervising various financial activities throughout the entire process, it can also detect illegal activities at the first time. Through a long period of time, the investigation section can find that it is precisely because of the strategic plan proposed by the company, effectively applied to various social units to promote the continuous development of financial-related businesses is also an important measure to create a safe market development environment to a certain extent.

3. Improve and deepen the construction of the regulatory system

From the perspective of deepening and perfecting the regulatory system, the analysis can be specifically combined with the following aspects: First, we should focus on the Internet finance and carefully find out its characteristics, and carry out the differentiated supervision in the financial

activities in the past. In this process, we need to pay attention to the fact that relevant personnel must clarify their supervision tasks and goals in advance, especially the difference between traditional and current Internet finance, so that they can better constrain their own behavior. In addition, relevant supervisors also need to uphold the principle of timeliness, emphasize the prevent, during-event and post-event links, accurately discover and deal with hidden risks, and stifle Internet financial economic risks in the cradle; Second, the value of supervisory associations should be highlighted. Starting from the government and other relevant departments, we should contact other departments to form a strict and professional supervision team, conduct dynamic inspections for the financial industry, etc., and strive to form a complete Internet financial regulatory mechanism in our country. In the work of this supervisory team, apart from inspecting financial institutions from time to time, regular inspection plans can also be formulated to conduct in-depth inspections within the institutions as much as possible to avoid Internet financial risks; Third, Internet technology should be efficiently used and regulatory issue timely handled. After years of development, the sustainable development of our country's Internet finance mainly relies on modern scientific and technological means. Then, during the period of Internet financial supervision, a series of advanced technology applications can also be brought into full application^[1]. Building an intelligent supervision platform, making use of the Internet cloud and big data, analyzes the technical risks and information security risks of the current financial business in simple terms, and controls the potential deficiencies of Internet finance to ensure the implementation; Fourth, the comprehensive level of personnel should be continuously improved. With the progress of long-term Internet financial supervision work, it has a direct connection with the comprehensive level of relevant management personnel if we want to ensure the steady progress of this work. In this regard, companies can organize personnel to participate in all-round skills training activities on a regular basis to ensure that personnel have in-depth knowledge of the Internet, but also have a strong moral quality, and apply their learning flexibly to actual regulatory activities, so as to truly improve the effectiveness of Internet financial supervision.

4. Increase the transparency of Internet financial transactions

In the development of Internet finance in the past of our country, the biggest drawback was the failure to share and transmit massive amounts of data in a timely manner. In a closed information environment, many risk issues have arisen. In view of the existence of this problem, the most fundamental demand is to increase the transparency of Internet financial transactions. For example, from the analysis of current banking units of our country, each transaction needs to accurately record the period process and data so that users can directly choose. And the Internet financial structure should also adopt the same transaction method. Not only that, on the basis of requiring more transparency in Internet financial transactions, both parties to the transaction not only need to verify the identity of the opposite party, but also investigate the information of the opposite party in all aspects to ensure that the data provided is authentic. It is also a key measure to create a healthy Internet environment through establishing a sound file management platform, emphasizing the importance of information disclosure between both parties, and striving to restrain participation in financial transactions between the two parties. In addition, to make the Internet financial mechanism more complete and reasonable, deposits, aggregates and securities should be integrated by standing on the previous financial products, and a unified supervision method should be introduced for the efficient development of various business under the prescribed procedures. And special instructions should also be issued for different products to achieve good operation. Especially for the current new P2P Internet financial products, institutions should be required to achieve self-disciplined management effects, strictly abide by the existing operational content of industry norms, and take good control of every key link, whether product manuals or investment cost details, etc., should be disclosed in public in advance, especially all information of the risks that may arise in the process must be available to the public. Fundamentally speaking, for the current growing online lending industry, it highlights the characteristics of strong complexity. In the process of implementing supervision in the industry, relevant personnel need not only extremely high professional capabilities but also enough patience and confidence to truly implement various regulatory measures^[2].

5. Conclusion

In short, it is extremely important to create a good financial market environment if we want to ensure that our country's economy maintains a stable development trend. In the context of the Internet era, our country's financial industry has also discovered many risks in the rapid development process.

This requires industry professionals to increase the transparency of Internet financial transactions, and a practical and feasible market supervision mechanism should also be promptly launched, and comprehensive plans to deal with risks well should be formulated, to maintain the sustainable development of our country's financial market and lay a solid foundation for the steady development of our country's overall economy.

References

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