

The study of cultural development obstacles of capital market in Iran

Hamid Nakhaie¹, Asma Esmail Zadeh²

¹Mahan Center, Islamic Azad University, Mahan, Kerman, Iran

²Department of IT, Kerman Branch, Islamic Azad University, Kerman, Iran

Abstract: Capital market in countries' national economics is very important. It is one of the factors in growth and dynamics of national economic.

The capital market plays an important role in the national economics of countries. It is one of the factors for national economic dynamic & growth. Certainly to highlight the role of capital, we need a complete, integrated and long term strategy. In many cases, authorities have not taken the cultural problems into consideration in capital market area.

These problems prevent the development of this market. The purpose of this paper is the study of the cultural obstacles of capital market development in Iran and to provide cultural infrastructure strategy needed for more capital absorption to this market. These obstacles include uncertainty, the permanent illusion of conspiracy, to be interested in secretiveness, opportunism, expectation and permanent dissatisfaction,

Keywords: Cultural development, capital market, cultural obstacles

1. Introduction

Formal accuracy of modern economics means theoretical abstraction, mathematical analysis and its reliance on scientific impartial method to test the hypotheses related to how the behavior of economic as a disciplinary is lacking in cultural context, and it acts in a world that doesn't subject to cultural phenomenon. But according to radical critiques of modern economics, this kind of described economics cannot be without of culture as rationale effort. Therefore we should consider a special position in economic activities for culture, especially when speaking capital absorption and trying for public economic participation.

1.1. Culture:

The word of "culture" is said Culture, culture, Kultur in English, French and German respectively, which originates from the term of "culture". Its Latin root 'Colere' has broad meanings. It means "to reside, cultivate, to guard, and to worship". We can define "culture" as human special behavior, which is known along with material instrument like integral part of behavior. There are six definitions about culture. The major meanings include descriptive, historical, normative, psychological, structured, and genetic meanings in which can identify subsidiary groups and approaches based on other differences. According to Gidens, culture includes values that the members of a specific group have and follow them. Brois Quen believes that culture is a set of some acquired, ideological and behavioural characteristics of a certain society members. The culture is common between individuals. Everybody has unique and specific characteristics that the others have not. These characteristics are not included culture, only if the other persons learn it and it becomes the group habits and customs and the others participate in them. On the one hand, culture is aggregated by the public. It is the storage of human knowledge through continuous generations. Because of this, every inventions is based on the past concrete background that is the outcome of human's group efforts. That maybe true that the most complete definition about culture belongs to Taylor: the culture is a sophisticated collection includes the representative, beliefs, arts, industries, techniques, morality, rules, customs and finally all habits, behaviors and codes that a human being learn it as a member of society from her/his society and commit her/him self to cultural development.

The development includes all human's life aspects and necessarily the culture is affected by it. Some persons evaluate the cultural development "positive" and the others "negative" and know it as destroyer of a nation culture. UNESCO has introduced the conception of cultural development in discussions related to development from the early 1980s. It has more valued load and dimensions compared to the other development meanings. It emphasizes non-material needs of society people, so it is a process in which capabilities and beliefs form a specific personality by changing in human's perceptual, cognitive, value and tendentious areas. The outcome of these is certain behaviors and actions which are suited to development. On the other hand, separating inappropriate development sub cultures is an outcome of cultural development process. The cultural development is the promotion process of different society cultural aspects according to desired purposes and targets to provide appropriate background for growth and development of human beings. The concept of development culture includes the social and economic form of society development. Development means to provide some conditions and equipments for society people to achieve development and growth indices.

In another definition, cultural development means the increase of power and culture efficiency in responding to cultural, spiritual and material needs (salehi, Amiri). Also it is said that the cultural development is a change in a certain society through irreversible accumulation of cultural elements, and the society controls the social and natural environment by it. In this irreversible accumulation, knowledge and techniques are added to pre-existed elements. Here, the main point is that in some cases the culture development is equal to forget, separate and dissociate from of past customs. But it doesn't mean so, because the customs are the storage of a society history. Development is formed based on enlargement of past experiences and customs and not based on the negation of them. Development is a process in which are reconstructed the past experiences and customs based on new conditions and needs. So there are no differences between cultural identity and development concepts.

Capital market is a market in which corporate and participating stocks are transacted according to regulations and standards.

Also in capital market, the shares of public companies are supplied and transacted. There are two kinds of capital market, as follows:

- Primary market: Here, securities are issued and interchanged for the first time. The new shares which are supplied in aftermarket are not primary market.
- Secondary or aftermarket: It includes sellers and buyers of debentures and stocks which have been distributed before.
- For example, if a person wants to sell a debenture or stock that has bought it from a company for the first time, he/she should go to the aftermarket (secondary market). Accordingly, when a person wants to buy a debenture or stock related to a company from the aftermarket, he shouldn't wait for public diffusion of new company's stocks. Stocks market is the most important after market institution for debenture transactions. It is a place in where the issued stocks are bought and sold. The difference between the primary and secondary market or after market is that in primary market, supplier sells the stocks to investor directly.
- Cultural obstacles :
- Sensitive market is a stock market which reacts against economic and political changes including annual budget, undesired industrial growth, cancellation or regulations of prices control, government change and so on. But here sensitivity to cultural problems and their influence on capital market area has been neglected.
- In Iran, our society's cultural characteristics largely affect on capital market. Some of these including uncertainty and permanent conspiracy hallucination, to be interested in secretiveness, opportunism, permanent untrusting and expectations, knowing-all and....
- -Uncertainty and permanent conspiracy hallucination
- Uncertainty and pessimism which are a part of our culture affect on social life as well as economic activities of society. Overall, we put confidence in somebody very late and we are in doubt, and

always we are suspicious to the same our self-structured heroes. Sometimes we are seeking a pre-designed conspiracy out and want to persuade the others that there is a conspiracy behind every work. Ahmad Ashraf, the professor of Printston and Tehran universities, in his book “Quests about conspiracy hallucination” defines the conspiracy hallucination as follows:

- "Conspiracy hallucination is a kind of collective or individual mental disorder. An individual disorder, suspicion to everything and everybody is called paranoia, and the collective disorder is collective disorder which is called conspiracy theory. Individuals with conspiracy hallucination think that all political events and adventures are because of powerful and hidden foreign politics and terrible politic, economic and even religious organizations related to that policy. One with conspiracy hallucination faiths in his/her idea. Since we cannot analyze conspiracy scientifically, it is not provable or deniable. So we call “conspiracy hallucination” a disorder. The effect of this factor on capital market is obvious. When there is conspiracy hallucination, one doesn't accept capital market basically, and doesn't invest in it.
 - To be interested in secretiveness
 - One of the other characteristics that affects on our economic activates and especially on capital market is to be interested in secretiveness. Of course its role in economic activities and investment is obvious, the role of governments and their efforts for establishing economic security of investor are very important. Because if there is not economic security needed, persons will invest in other countries, not in their own countries. For example Iranian investors are absorbed in the other countries like Aboudabi, Turkey and so on.
 - Opportunism
 - Opportunism means not to have a certain economic, social and politic idea and policy. Opportunist is a person who is more anxious to gain an advantage for him them to consider whether he is trying to get it fairly. These persons adapt themselves with every condition.
 - They are always advocating of governing system, the powerful party or groups. These causes the persons are seeking the opportunities in which there is a great and windfall profit, instead of doing proper economic activates. This characteristic develops commission in society. We shouldn't use this word about entre premieres.
 - Expectation and permanent unsatisfactory.
 - We are severely expectant from our family, friends, and government and in summary from all and ourselves. Since these our expectations are not met, so we are not satisfied. These permanent dissatisfaction and expectation result in not to trying in capital market and we are seeking the other work to invest.
 - Knowing – all
 - One of social and cultural factors that separates us from investing in capital market is our knowing – all. It causes that we don't confer with the other in economic activities, and think that we are know-all. This characteristic is one of the most important obstacles for investment absorption in capital market, because investment in this market needs skill and expertise that everyone doesn't know it.
 - Relationship between culture and development
 - Development is the result of a continuous chain which is formed by loops including economic, politic, cultural and social factors. To separate each loop from this chain means to terminate the development. Culture is one of the most important factors in development process, because culture presents in all aspects of human life. There are two states related to the place of culture in development process:
1. If development is considered in material- comprehensive concept and culture means a set of material outcomes (attitudes, customs...), therefore development and culture are the over lapping and common concepts that include all aspects of human life, so, in this view development will be synonymous with cultural development.

2. If we suppose development in the concept of comprehensive, but limit “culture” in the spiritual dimension, in this case cultural development will be a dimension of development process. It has a international relation with material development.

Material development (economic)

Development

Spiritual development (cultural)

- Diagram of cultural development relationship

The deep cultural change causes development in European countries. Ingelhart believes that the important cultural changes have facilitated industrial revolution in west. Underdevelopment has two origins, external and internal.

The internal origin divides into two categories: authorities (government) and the other, behavioral and social tendencies of people (public culture). The cultural damages and weaknesses have resulted in retardation. If such weaknesses have been met, the effect of the other factors would be reduced.

- The place of cultural development in removal of obstacles :

As we mentioned above, the result of cultural development process is to retire developmental inappropriate subcultures.

These subcultures are the large obstacles in the front of society development .What should we do to remove these obstacles?

In answer to this question, we should say the best way to remove these obstacles is consideration for and enforcement of cultural development indexes. According to UNESCO, cultural development indexes include:

- 1. Cultural heritage
- 2. Literature and printed words
- 3. Music
- 4. Playing arts
- 5. Plastic arts, painting, graphic...
- 6 .Cinema and photography
- 7. Radio and Television
- 8. Sports activities
- 9. Activities related to environment
- 10. Social and educational activities

The reinforcement of these parameters results in reinforcement of cultural development. Also the major obstacles in economic development as well as capital market development are removes. This is an international effect of culture and development. Finally, we must accept that we have a number of cultural problems and must remove them. To solve these problems, firstly we must identify and understand them.

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