



## Causes of the inefficiencies on rural financial market

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The paper takes in discussion the main causes of rural financial market inefficiencies such as weak political environment, restrictive legal and regulatory framework, and the market failure. A special importance has the market failure, which appear when on a competitive market the allocation of credit is no more effective. The governments should take into account the different measures concerning the diminishing and elimination of market failure through intervention that might include subsidies or correction of it.