



## **THE IMPORTANCE OF THE DIGITAL ECONOMY IN THE DEVELOPMENT OF THE ECONOMY**

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### **Abstract**

This article briefly discusses the impact of the rapidly evolving world on the potential of science, ie the economy, as well as Uzbekistan's attitude to the digital economy and the work being done. I think that by reading this article, you will know how important it is to develop the economy in line with the times.

**Keywords:** Digital economy, cybersecurity, dividends, business thinking

We always hear the term “digital economy” but rarely does it be explained or explained in detail. The digital economy has introduced many new services that were previously unthinkable, such as online delivery of food to dating programs. Creates important information that can give new insights. Mass production of information helps governments and charities to keep abreast of what is happening in the economy. The digital economy is a new stage in the development of the global economic system, transformations under the influence of information and telecommunications technologies.

The development of the digital economy has both theoretical and practical significance. This is relevant for the government because of the crucial role of digital technologies in enhancing national strategic competitiveness. Under explosive development and the large-scale penetration of new technologies in all areas, innovative development is of particular importance. The transformational impact of common information and communication technologies, which affect everyone in the digital economy (as defined by the European community), is the result of economic sectors and social activities. Thus, the digital economy is a cultural relationship based on economic, social, and digital technologies. According to the World Bank, the digital economy is an economic, social and cultural system, as well as a relationship based on digital information and communication technologies.

In 2018, the World Bank released its “Digital Dividends” report on the state of the digital economy. The benefits and risks of its development have been identified. According to experts, the advantages of the digital economy are: increased labor productivity; increase competitiveness; production costs; capitalization growth; new jobs; new markets; meeting human needs, improving living standards; low levels of poverty and social inequality. Potential threats include: cybersecurity; mass unemployment; the digital border between citizens and businesses and the border between countries.

In his book, *At the Speed of Business Thinking* (1999), Bill Gates argues that information technology and the Internet have had a significant impact on all aspects of society. The author said the growing “new economy” needs businesses to respond more quickly to change and challenges: consumer needs and competition. In the future, there will be two types of companies: those that exist on the Internet and those that have ceased to operate.

The main advantages of digitalization of business processes are:

Falling prices for services and new sources of income (online services are cheaper than traditional);



Accelerated access to the world market (goods and services reach and circulate the market quickly, open to people all over the world);

Products and services can be improved instantly to meet new requirements or needs;

Faster conditions for different information, education, scientific content will be created. They are better and more comfortable;

- Combining efforts to create a business, search for employees, partners (Internet sites) resources and trade markets;

Increase productivity and innovation (improvement of supply to meet demand and growing market) consumer needs.

Leaders of national companies understand that digital technologies can help them compete in domestic or foreign markets. However, companies are very practical. Therefore, enterprises need to understand that information technology is important for the economy, development in the field of corporate information technology and their innovative activities should be strengthened. Today, about 40% of the world's population has access to the Internet. Digital technologies are used to sell goods and services, provide public services, training. They help the administration to receive "digital dividends" (increasing national welfare, material benefits and public transparency).

In the modern world, no country can develop successfully without integration into the global economy. Today, there is a direct proportional relationship between the level of integration in the world economy and the level of development of the domestic economy. The digital economy, which is widely promoted today, is directly related to the level of integration of countries into the global economy in the development of the domestic economy. Today, the share of the leading countries in the digital economy in GDP is growing every year. For example, its share in the US economy is 10.9 percent, in Russia 3.9 percent, in India 5.5 percent, in Belarus 6.5 percent and in China 10 percent. Figures show that the stability and diversification of foreign economic relations have a significant impact on the dynamics and stability of the national economy, the formation of its composition, efficiency.

Also, if we look at the ongoing reforms in the digital economy in our country, large-scale reforms in the country on the basis of the Action Strategy for the five priority areas of development of the Republic of Uzbekistan for 2017-2021, put forward by President Shavkat Mirziyoyev. has been a factor in positive changes in various spheres of public life, modernization of the economy and improvement of the business environment. In his address to the Oliy Majlis, President Shavkat Mirziyoyev declared 2020 the Year of Science, Enlightenment and the Development of the Digital Economy. It is with satisfaction, pride and pride that we note that this appeal is of fundamental importance not only as a guide and guide for 2020, but also as a program that will determine the path of development of Uzbekistan in the medium term. can be evaluated as a historical document. In general, any science, including economics, and society cannot achieve greatness without the proper use of the achievements of mathematics. In the world experience, there are a number of countries, such as the United States, Japan, Korea, Malaysia, Singapore, China, Russia, which have achieved and continue to achieve rapid development based on the development of science. "This year, fundamental and applied research in the fields of mathematics, chemistry, biology and geology will be intensified, and all conditions will be created for



scientists," he said. The appeal sets specific tasks: "Development of the Digital Uzbekistan - 2030 program should be completed within two months." The development of the digital economy, in turn, requires thorough mathematical skills. Today, Uzbekistan cooperates with several countries in the social, economic, political, cultural and humanitarian spheres, including South Korea, China, the United States, Japan, the Russian Federation and Saudi Arabia. The following are the priorities for the development of the digital economy in Uzbekistan:

To determine the coordination of the necessary information systems and resources, software and electronic services on the ground by state and economic bodies, local government bodies;

Creation of favorable conditions for attracting foreign investment in the digital economy, information technology market in the country, including through the organization of technology parks and coworking centers on the basis of public-private partnership;

Coordination of the development of modern telecommunications infrastructure, communication technologies and networks, the introduction of modern telecommunications services;

Boost the digital economy through the introduction of e-services in public administration and the economy, the development of e-commerce and software markets;

Develop proposals for the development of the national segment of the Internet, digital media content through organizational, logistical and economic support;

Use in the management of urban and regional infrastructure, in particular the development of "smart systems" for housing and communal services, transport logistics, safe and "smart city";

Improving the system of training qualified personnel.

The implementation of the above will play an important role in enhancing the role of the digital economy in our country, accelerating the exchange of information. In addition, the widespread use of the Internet by households will play an important role in increasing the efficiency of networks and industries, reducing unnecessary costs and time, and increasing the share of innovative technologies in the economy. The development of the digital economy on the basis of such reforms will allow our country to take a place in the ranking of the world's most developed countries. Ultimately, the development of the digital economy will create an enabling investment climate in the country. The formation of a favorable investment climate indicates an increase in foreign investment in the country's economy. As a result, the country's economy can grow rapidly.

In conclusion, in order to increase the importance of the digital economy in our country, it is necessary to pay special attention to such issues as improving the information exchange system, increasing the level of Internet access, digitization of the economy with innovative technologies. It is necessary to follow the example of the work done by the Government of India in the development of this sector. Because India has realized that it can only enter this global world with this very field and is paying enough attention to increase the knowledge of the youth in this direction. Of course, similar processes are taking place in our country and are still developing.



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