

## DEVELOPMENT TRENDS OF "DIGITAL ECONOMY" IN UZBEKISTAN

*Arzuova Shargul Ansatbaevna**cand. economy Sciences, docent**Nukus branch of the Tashkent University of Information Technologies named after**Muhammad al-Khorezmi, Republic of Uzbekistan ([arzush2016@yandex.ru](mailto:arzush2016@yandex.ru))**Zhalgasbaeva Kundyz Khalmuratovna, Tursunbaeva Nilufar Shukhrat kizi**students in the direction of Digital Economy**Nukus branch of the Tashkent University of Information Technologies named**after Muhammad al-Khorezmi, Republic of Uzbekistan*

## ANNOTATION

The article provides an overview of the development that the digitalization of all segments of the economic cycle is a fundamental global trend, the timely implementation of which into economic practice depends on the strategic competitiveness of the economy.

**Key words:** digital economy, innovation, internet, commerce, development, technology.

The digital economy is a worldwide network of economic activities, commercial transactions and professional interactions that are supported by information and communication technologies (ICTs).

It can be briefly described as an economy based on digital technologies.

In its early days, the digital economy was sometimes referred to as the internet economy, the new economy, or the web economy due to its reliance on internet connectivity. However, economists and business leaders argue that the digital economy is more advanced and complex than the internet economy, which, by one definition, simply means economic value derived from the internet.

In the international sense, the digital economy is a network, system-organized spatial structure of relationships between business entities. It includes the sector of creation and use of new information, technologies and products,

telecommunication services, electronic business, electronic commerce, electronic markets, remote service and other components.

The digital economy reflects the transition from the third industrial revolution to the fourth industrial revolution. The third industrial revolution, sometimes referred to as the digital revolution, refers to the changes that took place at the end of the 20th century with the transition from analog electronic and mechanical devices to digital technologies. The fourth industrial revolution is based on the digital revolution.

Although some individuals today use technology to easily perform existing tasks on a computer, the digital economy is more advanced. It's not just about using a computer to perform tasks traditionally done manually or on analog devices. The digital economy highlights the opportunity and need for organizations and individuals to use technology to get things done better, faster and often differently than before.

In addition, the term reflects the ability to use technology to complete tasks and participate in activities that were not possible in the past. Such opportunities for existing organizations to do better, do more, do things differently and do something new are included in the corresponding concept of digital transformation. Like the Internet, robots have the potential to change the educational process by assisting in lecture recording and direct learning.

In medicine, technology will enable the creation of personalized solutions, taking into account the characteristics of each patient. Telepresence robots have a great future, as well as robots in the field of security, home automation. Another trend in the confluence of the robotics and Internet markets.

The digital economy goes far beyond digitization and automation. Instead, this new innovation promotes multiple advanced technologies and new technology platforms. These technologies and platforms include, but are not limited to, hyper-connectivity, advanced analytics, wireless networks, mobile devices, and social media. The digital economy uses these technologies, both individually and in concert, to recycle traditional exchanges and create new ones.

To compete, organizations—whether they be commercial enterprises, service-oriented businesses such as healthcare systems, or non-profit and government agencies—all will need employees who are capable of innovation and the use of digital technologies.

The digital economy is a vital sector that is generating quite significant growth. In addition, the impact of the digital economy goes beyond information goods and services to other sectors of the economy, as well as lifestyles in general. The development of mobile devices, in particular, has greatly expanded the reach of the Internet in society. Consequently, competition issues that arise in the digital economy are becoming increasingly significant in competition issues.

Competition in digital markets has certain distinctive features and often in digital markets often takes a rather characteristic form. First, competition between business models or platforms tends to be more important than business model competition. In other words, the dominance or even monopoly of Internet platforms almost always brings business success.

Second, digital markets are often characterized by strong network effects and economies of scale that reinforce this feature of competition through dominance. Third, many digital marketplaces are bilateral, so at least two groups of users benefit from using the digital platform. For example, search engines are using the internet and so are advertisers to access viewers.

Fourth, digital markets are characterized by high rates of investment and innovation, which lead to rapid technological advancement in the industry.

Competition in digital markets has historically often been cyclical. A successful firm may acquire significant market power, but this dominance may be vulnerable to the next cycle of innovation.

The digital economy permeates every aspect of society, including how people interact, the economic landscape, the skills needed to get a good job, and even political decision making. The emerging digital economy has the potential to generate new research and breakthroughs, fueling jobs and economic growth.

Today in the world there is no common understanding of such a phenomenon as the "digital" economy, but there are many definitions.

So, in accordance with the Decree of the President of the Republic of Uzbekistan dated October 5, 2020 “On approval of the Strategy “Digital Uzbekistan - 2030” and measures for its effective implementation”.

The large-scale policy document includes road maps for the digital transformation of priority economic sectors and regions.

In December 2019, the President of our country signed a Decree on the ban on paper document management in state bodies, which provides that from January 1, 2021, ministries, departments and executive authorities will completely refuse to fill out forms, forms and tables in paper form and switch to electronic format .

The digital economy is an economic activity in which the key factor of production is digital data, the processing of large volumes and the use of the analysis results of which, in comparison with traditional forms of management, can significantly increase the efficiency of various types of production, technologies, equipment, storage, sale, and delivery of goods and services.

There are also scientific definitions for this concept. Thus, some scientists define the digital (electronic) economy as an economy, a characteristic feature of which is the maximum satisfaction of the needs of all its participants through the use of information, including personal information.

This becomes possible due to the development of information, communication and financial technologies, as well as the availability of infrastructure, which together provide the opportunity for full interaction in the hybrid world of all participants in economic activity: subjects and objects of the process of creating, distributing, exchanging and consuming goods and services.

According to the definition of the World Bank, the digital economy is a system of economic, social and cultural relations based on the use of digital information and communication technologies.

Some scientists distinguish three basic components of the digital economy: infrastructure, including hardware, software, telecommunications, etc.; electronic

business transactions covering a business process implemented through computer networks within the framework of virtual interactions between the subjects of the virtual market; e-commerce, which involves the delivery of goods via the Internet and is currently the largest segment of the digital economy.

The main features of the digital economy are determined by the following:

- economic activity is focused on the platforms of the "digital" economy;
- direct interaction between producers and consumers;
- the spread of the sharing economy.

It can be concluded that the digital economy is a new type of economic relations in all sectors of the world market, which is now developing at a rapid pace and in the near future, with the growth of high technologies, may become the main type of commodity-money exchanges at the global world level.

The creation and improvement of new technologies is happening so fast that it is simply not possible to keep up with old technologies. Therefore, right now it is necessary to be included in the general information and technological flow of updates and try to apply them effectively.

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