

STEPS TO THE DIGITAL ECONOMY OF THE REPUBLIC OF UZBEKISTAN

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Abstract. *The article examines the possibilities of developing the digital economy, the stages of historical development of the sector on the scale of the developed countries of the world. It analyzed the level of development of the digital economy in Uzbekistan and described ways to further develop this sector and eliminate existing shortcomings based on the experience of developed countries.*

Keywords: *digital economy, information and communication technologies, internet speed, decisions.*

Digital economy is a new system that implements political-economic, scientific-social, cultural and educational relations using digital technologies. One of the main features of the development of the modern economy is the development of digital information and communication technologies and increasing the role of man in this system.

The new concept of the digital economy is a unified system of storage, processing and transmission of all information within the scope of human activity. Digitalization of the economy creates an opportunity to build a new economy with a creative approach.

The process of digitalization of the economy and society forms the basis of the formation of the digital economy. The digitization process gradually covers various areas of economic activity. Mass adoption of digital technologies leads to socio-economic transformation of society. Thanks to digitalization in the social sphere, we can have information about the time our children have been in school, the grades they have received, social metro cards provide the opportunity to use free transport services, in addition, we can give examples of conveniences such as online services, online shopping, electronic payments.

The term "digital economy" was introduced into scientific practice by Manuel Castells, a Spanish and American sociologist, a leading researcher of the information society. In this regard, he published his three-volume monograph "Information Age: Economy, Society and Culture". To date, the theory of the digital economy has not yet been fully formed and is widely studied by many economists. In the scientific literature, the modern "New digital economy" is called by different terms. For example, "Post-industrial economy" (D. Bell), "Information economy" (O. Toffler), "Mega-economy" (V. Kuvaldin), "Economy based on information and communication" (I. Niiniluto), "Techno-economy or digital economy" (B. Gates), "Economy based on knowledge" (D. Tapscott). [1]

Many scientists have worked on the digital economy. Mark Porat is one of the American scientists who distinguished between primary and secondary economic sectors. The primary sector can be clearly evaluated economically because it creates direct market value. Although the secondary sector is considered important for the economy, its economic evaluation is considered a more difficult task because it involves information activities within companies and state-owned enterprises. [2]

Russian scientist N.S. Revenko also studied the changes in the trends of the digital economy in the context of globalization, and V.M. Bondarenko dealt with the issues of formation, development and improvement of the digital economy. [3]

Complex measures are being implemented in our country for the active development of the digital economy, the widespread introduction of modern information and communication technologies in all sectors and areas, first of all, in public administration, education, healthcare and agriculture.

As a result of the reforms implemented in the new Uzbekistan, openness, the development of international economic and political relations have created opportunities for modernization, technical and technological re-equipment of industrial sectors in our country. An example of this is the increase in the volume of foreign trade of our country. Hundreds of expressions such as "electronic government", "electronic management", "telecommunications", "internet", "website" have become an integral part of our life.

About 300 laws aimed at the fundamental reform of all spheres of state and public life during the past period within the framework of the Action Strategy on the five priority areas of development of our country in 2017-2021,

More than 4 thousand decisions of the President of the Republic of Uzbekistan were adopted.[4]

Also, systematic work was carried out to ensure human rights, strengthen the accountability and openness of state bodies, and increase the role of civil society institutions, mass media, and political activity of population and public associations.

As a result of the last five-year reforms, the necessary political-legal, socio-economic and scientific-educational foundations for the establishment of New Uzbekistan were created in our country.

The digital economy is important because it manifests itself primarily in small businesses. Small business itself is notable for being one of the main drivers of the development of the digital economy. This situation especially requires the small business of developing countries to move from the traditional model of development to the innovative model.

As the President of our country stated, "There is no future for the country's economy without a digital economy." The digitized state, enterprises and firms, households are interdependent and serve to ensure economic growth by entering into an economic relationship. Economic growth, in turn, leads to the solution of the issue of employment, the improvement of the quality of services and ultimately the provision of social welfare and the improvement of Uzbekistan's position in international rankings.[5]

In the ranking of 132 countries in the "Global Innovation Index" by the World Bank, which represents the implementation of innovations in the regions, in 2023 Switzerland took the 1st place, Sweden took the 2nd place, and England took the 3rd place (Table 1). Switzerland is continuously taking the 1st place, the main reason for this is the high share of high-tech products in the manufactured products, as well as the high quality of local educational institutions, and it is one of the leading countries in the world in terms of spending on scientific research. In Sweden, which has the second place, work in this regard is being encouraged, with special attention being paid to increasing the effectiveness of online creativity. When this list was studied, it turned out that Uzbekistan took 82nd place..

Table 1. Innovation index by region. [6]

Areas / ranking	Countries	Position in the global innovation index ranking (in 2023)
North America		
1	United States of America	3
2	Canada	15
Southeast Asia, East Asia and Oceania		
1	Singapore	5
2	Republic of Korea	10
3	China	12
African countries		
1	South Africa	59
2	Bostvan	85
3	Senegal	93
Latin America and the Caribbean		
1	Brazil	49
2	Chile	52
3	Mexico	58
North Africa and Western Asia		
1	Israel	14
2	United Arab Emirates	32
3	Turkey	39
Europe		
1	Switzerland	1
2	Sweden	2
3	Great Britain	4
Central and South Asia		
1	India	40
2	Iran	62
3	Kazakhstan	81

As it is known from the stages of economic development in foreign practice, the impact of the digital economy on business or, on the contrary, the impact of business on the digital economy, the conscious attitude of consumers to the economic system was manifested through the interpretation of the economy with new types of specific names, namely: "on-demand economy", mobile economy, sharing economy, collaborative economy, wkinomics, hi-tech gift economy, platform economy, giganomics ", gig-economy)" are completely new types of economic activity that did not exist before the advent of digital technologies.

The development of the digital economy is directly determined by the development of information and communication technologies:

- production of goods and provision of services, as well as increase in value-added knowledge and information. This is reflected in the increase in costs for scientific capacity, scientific research and experimental design development in the product;
- increase in economic efficiency of digital product (service) due to reduction of production costs;
- scope of unlimited use of one labor and other resources within the infrastructures of enterprises, specialized regional "digital clusters";
- Rapid development of Internet trade and financial exchanges due to unlimited trading platforms on the Internet;
- downsizing of enterprises, emergence of virtual enterprises, etc. in order to gain a competitive advantage in the markets.

Karl Schwab, the founder and president of the Davos Economic Forum, argued that the main factor of production in the digital economy is still not capital, but human capacity, according to which "the fourth industrial revolution will create fewer jobs in new sectors compared to previous revolutions [7].

Odegov Yu.G. and Pavlova V.V. "Based on the accumulated knowledge, today we are facing the disappearance of the difference and separation between industries, the integration of industries and the emergence of new professions, and this process is accelerating" [8].

Digitization of economic processes is becoming a comprehensive trend that covers not only the direct information and communication network, but also all areas of the country's economic activity. Some elements of the digital economy are already working successfully in our country. Nowadays, taking into account the mass transfer of documents and communications to digital means, authorization of electronic signatures and communication with the government are also transferred to electronic platforms. Internet trade, digital agriculture, "smart" electric grid systems, driverless transport, personalized healthcare system are also strongly affected by the digital economy revolution. An important aspect of the Internet economy and the digital economy, in particular, is the unique technology of doing business.

The approval of the Decree of the President of the Republic of Uzbekistan dated October 05, 2020 "On the approval of the "Digital Uzbekistan-2030" strategy and measures for its effective implementation" confirms our above-mentioned opinion.

According to the decree, comprehensive measures are being implemented for the active development of the digital economy in our country, the wide introduction of modern information and communication technologies in all sectors and areas, first of all, in public administration, education, health care and agriculture. In particular, improvement of the electronic government system, further development of the local market of software products and information technologies in all regions of the republic

The implementation of more than 220 priority projects aimed at providing the sector with qualified personnel has begun.

In addition, the complex program "Digital Tashkent" is being implemented, which envisages the launch of a geoportal integrated with more than 40 information systems, the creation of an information system for the management of public transport and communal infrastructure, the

digitization of the social sphere, and the subsequent implementation of this experience in other regions.[9]

By the decision of the President of the Republic of Uzbekistan dated May 24, 2023 "On measures to increase the scope and quality of digital services and digital transformation of industries, sectors and regions" No. PQ-162 in order to improve, reduce bureaucratic procedures, as well as digital transformation of public administration, sectors of the real sector of the economy and regions:

a) 300 priority projects to be implemented in 2023-2024 within the framework of the "Digital Government" and "Digital Territory" programs, including:

a list of 112 priority projects for digitization of public administration;

a list of 51 priority projects for digitalization of the real sector of the economy;

list of 137 priority projects for digital transformation of regions;

b) a list of 95 services and services that will be introduced on the portal first in the framework of increasing the number of services provided on the Unified Interactive State Services Portal to 570 by the end of 2023;

g) the list of 47 types of information, which will be canceled from December 1, 2023, to be requested from the population and business entities through the digital presentation of the "Digital Government" system on the interagency integration platform;

d) the list of reminders and notices sent to residents and business entities on the status of using services is approved. [10]

By the decision of the President of the Republic of Uzbekistan dated August 22, 2022 "On measures to bring the field of information and communication technologies to a new stage in 2022-2023" No. PQ-357:

- increase the level of coverage of residential areas with a broadband mobile communication network to 98%, high-speed mobile Internet coverage along international highways to 60%;
- increase fiber optic communication coverage to 80% by building 40,000 km of fiber optic communication lines and making it possible to connect an additional 800,000 households to high-speed Internet;
- It is approved to double the number of users to 4 million by involving the private sector in the provision of electronic government services. [11]

The digital economy is said to bring unprecedented change to more than half of the industries that exist today. For example, according to experts of the World Bank, a 10% increase in the number of high-speed Internet users allows to increase the gross volume of national economies by 0.4-1.4% annually. In recent years, a number of measures have been taken to introduce digital technologies into the socio-economic life and public administration system of our country as part of comprehensive reforms for the radical modernization of our national economy. In particular, the President of the Republic of Uzbekistan "On measures to develop the digital economy in the Republic of Uzbekistan" in 2018

The adoption of the decision PQ-3832 on July 3 was an important step in the development of the digital economy, and the most important tasks for the further development of the digital economy in our country were determined. [12]

President Sh. Mirziyoev announced 2020 as the year of "Development of science and education and digital economy" in the Republic of Uzbekistan and emphasized that the

development of digital economy is the main task in the process of economic reforms. The goal is to turn Uzbekistan into a developed country, for this the President of the Republic of Uzbekistan Sh. Mirziyoyev, rapid reforms, science and innovation processes, "digital economy", "digital entrepreneurship" are being developed in the Republic.

President of the Republic of Uzbekistan Sh. Mirziyoyev, 28.04.2020 "On measures for wide implementation of digital economy and electronic government"

Decision No. PQ-4699 was adopted. According to this decision, the share of the digital economy in the country's gross domestic product in the Republic of Uzbekistan by 2023

The problem of multiplying by 2 times is set. [13]

In order to further develop the digital economy, it is proposed to pay special attention to the following directions:

- Training of mature specialist personnel who perform management in the conditions of the digital economy;

- Stimulating the use of digital economy in all branches and sectors of the Republic;

- Ensuring access of internet services to remote areas of the country;

- Taking measures to ensure the timely execution of the tasks specified in the above-mentioned decisions of the President of the Republic of Uzbekistan;

- If one of the new areas, such as the consistent formation of IT system education, is put into practice, I think that it will play an important role in finding a solution to the problems related to personnel issues in the field of small business management.

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