

**IMPACT OF THE DEVELOPMENT OF THE DIGITAL ECONOMY ON THE
ECONOMIC GROWTH**

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Annotation: The article reveals impact of the development of the digital economy on the economic growth. The "Electronic Government" system in our country is an integral part of the development of the digital economy, the main goal of which is to simplify the transition to administrative procedures and processes, improve the quality of life of the population, and improve the investment and business climate.

Key words: digital economy, "Electronic Government", "digitalization", investment, business climate.

Introduction

Digital technologies, which are rapidly developing in the world, are leading to a fundamental qualitative and technological change in the socio-economic activities, economic policies and structures of state governance of countries. Thus, the different rates of introduction of digital technologies and their widespread implementation in economic and social life are leading to a further increase in development disparities between countries. The growth rates of the "digital economy" in the world are almost 15.5 percent. In developed countries, the share of the "digital economy" in gross domestic product has reached 7 percent. They are already benefiting greatly from the introduction of the "digital economy". In particular, the United States exports more than 400 billion US dollars of "digital services" per year. By 2025, the United States is expected to receive an additional 20 trillion US dollars in income from the "digitalization" of the industrial sector.

Literature review

Research on the use of information technologies in the economy of Uzbekistan, the implementation of the digital economy, and measuring its impact on socio-economics was conducted by S.S. Gulyamov, K.Kh. Abdurakhmonov, R.Kh. Ayupov, O.M. Abdullaev, G.R. Baltabaeva, O. Umarov and many other leading economists of our country. Their scientific research included research on the digital environment, which has a set of functions that meet the needs of consumers and producers, as well as provide the opportunity for direct interaction between them.

In today's conditions of intensifying transformation processes, studies on the impact of the digital economy as a single system on the economic development of the country, on the integrated, complex development of regions and the growth of per capita income have not been carried out to a sufficient extent. These aspects served as the basis for choosing the topic of this dissertation, determining its goals and objectives.

Methods and methodology

In research were using methods as like, analysis and synthesis, induction and deduction, economic-mathematical modeling, grouping of statistical data, comparative analysis, sample observation, correlational and regression analysis, scientific abstraction and other methods were used.

Analysing

In this regard, in recent years, as part of the comprehensive reforms carried out to radically modernize our national economy, a number of measures have been taken to introduce digital technologies into the socio-economic life and public administration system of our country.

For example, the introduction of the "Electronic Government" system in our country is an integral part of the development of the digital economy, the main goal of which is to simplify the transition to administrative procedures and processes, improve the quality of life of the population, and improve the investment and business climate.

In order to implement the main tasks set, as well as to achieve the goal of developing a digital society in our country, creating favorable opportunities for the population and entrepreneurs, and developing an effective and open public administration system free from bureaucratic obstacles and corruption factors, a national concept of the "digital economy" is currently being developed, which envisages the renewal of all sectors of the economy based on digital technologies. It is expected that the development of the digital economy will create an opportunity to increase the gross domestic product by an additional 30 percent. In the context of globalization and technological development of the world economy, it is difficult to imagine the economic development of Uzbekistan without a digital economy. According to the results of the study, it is estimated that by 2022 a quarter of global GDP will be in the digital sphere. However, the fact that Uzbekistan ranks 103rd out of more than 170 countries in the international information and communication technologies development index indicates that there are still many unresolved issues and work to be done in this area in our country.

One of the difficulties in accounting for the digital economy is that its universal boundaries are not defined. The digital economy can be considered at three different scales: the core, narrow, and broad digital economy. The core and narrow digital economy include ICT infrastructure, the sector producing ICT products, and digital and platform-based services. The broad digital economy, on the other hand, represents the added value created with the help of digital technologies in all sectors of the economy.

Although the scale of the digital economy in the narrow sense does not yet have a significantly large share in economic growth indicators, in the broad sense it is evident that the digital economy has a significant and significant share in the overall economy.

In the Republic of Uzbekistan, the development of the digital economy is also seen as a priority and the main driver for the development of economic sectors.

The research study examined the impact of the development of the digital economy on the country's economy. For this purpose, the impact of the level of development of the digital economy on the gross regional product (value added) in the regions of our republic was quantitatively analyzed.

Despite the wide attention paid to the digital economy and digital technologies in our country, until now, research on the calculation and accounting of many indicators reflecting the digital economy has not been sufficiently conducted. Therefore, as one of the main indicators reflecting the digital economy, the relationship between the added value created in the field of information and communication technologies and the gross regional product created in the regions was analyzed. In this, panel data obtained in the regions of the Republic of Uzbekistan for 2014-2018 were used.

Panel data is a combination of time series and spatial data, which allows analyzing the impact of independent variables (number of items, investments in fixed capital, value added created in the ICT sector) on the dependent variable (gross regional product) both over time and across regions. In the dissertation work, the following tasks were solved in the implementation of these analyses: descriptive statistics of indicators were analyzed; regression equations with random effects and

fixed effects were created; the adequacy of the regression equation with random effects was determined using the Hausman test; depending on the results of the Hausman test, regression equations with random effects or fixed effects were analyzed.

The variation, i.e., the difference, between these indicators obtained by regions in fixed capital investments and value added created in the ICT sector is quite large. The coefficient of variation for these two indicators is 89 percent and 172 percent, respectively. Typically, in normally distributed data, this value is at most 33.3 percent.

Conclusion and recommendations

1. Application of modern digital technologies to various sectors of macroeconomics (state, household and business) serves to ensure economic growth in the country.
2. The effective development of the digital economy is carried out through "bottom-up" systemic reforms, with the conditions for the development of the digital economy categorized into different levels based on the country's level of development;
3. the development index of the digital economy in the country developed based on the international rating calculation methodology provides an opportunity to assess the level of development of the digital economy in the country;
4. Based on the advanced experience of foreign countries in the implementation of the digital economy and the principle and calculation methodology defined in the Human Development Index, it is considered appropriate to maintain the development index of the digital economy in the countries.
5. The results of the multifactor econometric model of the development of the digital economy in Uzbekistan show that, with other factors remaining constant, a 1% increase in the number of jobs in the region leads to an average increase in the gross regional product in the regions by 0.78%, and a 1% increase in the added value created in ICT leads to an increase in the gross regional product by 0.75%. The above analyses show that today, the development of digital technologies is as relevant and important as the development of human capital in the regions. The increase in the added value created in the ICT sector and the development of the digital economy serve as the main factors for increasing the country's GDP.
6. There are other problems that hinder the development of the digital economy in our country: the lack of guaranteed electricity in remote regions of the country, the lack of high Internet speed, the incomplete formation of digital infrastructure; low public trust in remote services; the lack of readiness of the population's skill level for the transition to the digital system, etc.; such as the lack of competition and the secretive resistance of monopolistic state organizations.

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