

DEVELOPMENT OF THE DIGITAL ECONOMY IN UZBEKISTAN AND IMPACT ON ECONOMIC GROWTH

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Abstract: The digital economy plays a crucial role in the economic development of countries worldwide. In recent years, Uzbekistan has been implementing significant reforms to enhance the digital economy. This article examines official decisions, their implementation, and outcomes concerning the development of the digital economy in Uzbekistan. Additionally, it explores the impact of digital technologies on economic growth.

Keywords: digital economy, innovations, technologies, e-government, economic growth.

The modern economy is unimaginable without digital technologies. World experience shows that the digital economy is one of the main factors in ensuring the economic stability of countries and their integration with global markets. Today, the digital economy is considered an important factor in economic development worldwide. The rapid development of digital technologies is bringing fundamental changes to all sectors, from production processes to services and the financial system. The digital economy is an economic system that involves automating economic processes, increasing efficiency and forming new business models through the use of information and communication technologies (ICT).

Globally, the digital economy is becoming an important component of gross domestic product (GDP) growth. According to the World Bank and the International Monetary Fund, the share of the digital economy in some developed countries is 25–30% of GDP. For example, in the United States, China, and the European Union, artificial intelligence, Big Data analysis, blockchain, and automated systems are becoming important factors of economic growth.

This article analyzes the impact of the digital economy on economic growth, its advantages and challenges, as well as changes in public policy and the business environment. The main goal is to study the role of the digital economy in economic stability and innovative development, and to show ways to effectively implement it.

Official decisions on the development of the digital economy in Uzbekistan. Special attention is being paid to the development of the digital economy in Uzbekistan. Within the framework of the "Digital Uzbekistan - 2030" program for 2020–2025, comprehensive measures are being implemented to automate public administration, expand electronic services, develop the startup ecosystem, and improve IT education. Within the framework of this program, such priority areas as:

Development of the electronic government system;

Digitization of public services;

Introduction of innovations in the banking and financial sector;

Expansion of e-commerce and payment systems;

Introduction of information technologies into the production and education system have been identified.

The most important documents adopted in Uzbekistan in recent years:

The "Digital Uzbekistan - 2030" program for 2020–2025.

The main goal: complete digitalization of public administration, economy and social sectors.

Result: more than 80% of public services have been transferred online.

Presidential Decree “On the Development of Electronic Government and Acceleration of the Digital Economy” dated April 7, 2021.

Main directions: introduction of electronic public services and blockchain technologies.

Result: The “Electronic Government” system has been expanded and more than 200 services are provided online.

Measures to develop the “Open Data Portal” and artificial intelligence technologies.

Goal: integration of digital technologies into business and public administration.

Result: the banking sector and financial markets have been digitized, resulting in simplified credit and payment systems.

Impact of the digital economy on economic growth. The digital economy impacts economic growth through the following aspects:

1. Impact on employment and the labor market.

New professions are emerging as a result of the development of the IT sector.

Opportunities to work from home are increasing.

Freelance and outsourcing services are developing.

2. Development of e-commerce and business.

In 2023, the volume of the e-commerce market reached 10 trillion soums.

Online payment systems have developed, and the number of international transactions has increased.

3. Digital financial sector and banking services.

Mobile banking and online lending services are expanding.

The number of fintech companies has increased sharply.

4. Digital technologies in public administration.

Public services have accelerated and excessive bureaucracy is disappearing.

The open data portal is helping to fight corruption.

The digital economy has become an integral part of today's global economy and is emerging as a new driver of economic growth. Its impact on economic development depends on the following key factors:

Increasing production efficiency

Artificial intelligence (AI), big data analysis, and automation processes help improve the efficiency of enterprises. Digital technologies reduce production costs, help use resources more efficiently, and increase labor productivity.

New markets and business models: The digital economy supports the development of e-commerce, fintech (financial technology), platform business models. For example, companies such as Amazon, Alibaba, PayPal offer the opportunity to provide services worldwide, unlike the traditional economy.

Employment and labor market transformation: While the digital economy creates new jobs, it also causes the loss of certain professions in the labor market. While new professions such as IT specialists, programmers and data analysts are in high demand in developed countries, jobs are being lost in traditional industries due to automation.

Financial sector and investments: Cryptocurrencies, blockchain technology and digital payment systems are changing the traditional banking system and accelerating financial transactions. Fintech companies increase economic activity by digitizing lending and payment services.

Public administration and innovation policy: To develop the digital economy, countries are promoting initiatives such as modernizing legislation, developing IT education, and supporting startups. For example, Uzbekistan is seeking to increase economic competitiveness in the digital economy by introducing the “E-government” system and developing IT parks.

At the same time, the following are important for further development of the digital economy:

Strengthening training in the field of information technologies;

Further development of digital infrastructure;

Strengthening cybersecurity measures.

In the future, Uzbekistan is expected to become one of the leading countries in Central Asia in the field of the digital economy.

The measures being implemented in Uzbekistan to develop the digital economy are having a positive impact on economic growth. The digitization of public services, the development of the IT sector, the expansion of e-commerce, and the proliferation of fintech companies are all contributing to the transition of the Uzbek economy to a new level.

The impact of the digital economy on economic growth is profound and multifaceted. It increases economic efficiency, develops new business models, affects the labor market, and transforms the financial sector. However, in this process, problems such as digital inequality, cybersecurity, and a shortage of skilled labor may also arise. Therefore, countries and businesses need to take a strategic approach to get the most out of the digital economy.

The digital economy is not just a technological innovation, but a strategic direction that will lead to a fundamental change in the economic system. Therefore, research on this topic is of not only theoretical but also practical importance.

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