

# Analysis of the Development of the Digital Economy in Our Country

Raufov Quvonchbek Khusin ugli  
Karshi Engineering-Economics Institute  
Student of Economics Faculty



## Abstract

**In the 21st century, the digital economy is developing very rapidly. The use of information technologies to generate new ideas remains the demand of the century. In such conditions, many countries are developing new plans and decisions on the development of the digital economy. Prospective actions in these directions are also being carried out in Uzbekistan. This article examines the digital economy and the development of the digital economy in Uzbekistan.**

**Keywords: Digital economy, e-commerce, innovation , technology, services, system, strategy.**

## Introduction

Nowadays, the whole world is developing rapidly. Especially digital technologies are developing very fast. We have now reached a point where we cannot imagine our life without technology . We're making things easier with these technologies. We are saving our time, and we are solving our long-distance tasks quickly. Digital economy, including e-services, e-commerce and businesses, is rapidly entering our country. As a result, many services, even government services, are moving to online services. A simple example is that if we use the digital services of the state, we are given a discount of up to 10 percent. It can be seen that our country also supports the digital economy. To give another example, banking services are also being digitized . You don't need to go to the bank and wait in line to make payments, you can use the bank's mobile application while sitting at home. Of course, these are very good facilities.

e-commerce is the delivery services that are becoming popular in our country . E-commerce is our trade using the Internet . This is certainly one of the manifestations of the digital economy. Now we can order an item or food without leaving the house, and they will deliver it to our house. Nowadays, the term digital economy is very common. Because the digital economy has a positive impact on the economy of developed countries. It is clear that the digital economy is playing an important role in the life of society.

## Literature Analysis and Methodology:

Digital economy is a digital technology that allows to significantly increase the efficiency of storage, sale and delivery of various technologies, equipment, goods and services, based on the use of the results of the analysis of processes and the processing of large volumes of data. is a set

of economic activities closely related to e-business and e-commerce, as well as digital goods and services produced and sold as a result of these activities. It is sometimes referred to as the internet economy, the new economy, or the web economy.

Nicholas in 1995 Negroponte was put into practice by a person who was originally a programmer. Up to now, this term is used by almost all professions, politicians, journalists, programmers.

The well-known sociologist and scientist Lyotard emphasized that the development of IT technologies and the universal distribution of knowledge enable the exchange of knowledge as a commodity in the market. The development of IT technologies is considered a decisive factor for establishing a digital economy. Advances in IT technology have led to the emergence of new media such as network-based databases, and the development of computer networks and the Internet has made it easier to gather information and knowledge from around the world. Information or knowledge intensity has increased the importance of information and knowledge as production factors of the economy with the help of IT technologies.

"Digital economy" is rapidly entering every sector of our country, including agriculture, industry, household services, education, health care, public services. Therefore, in order to improve the economy of our republic and to introduce the digital economy as soon as possible, a number of decisions are being taken by our government. For example, naming 2020 as the "Year of Development of Science, Enlightenment and Digital Economy" by the President of the Republic of Uzbekistan, according to President's Decree No. PF-5349 of February 19, 2018 "On Measures for Further Development of Information Technologies and Communications" and the decision PQ-3832 of 03.07.2018 "On measures to develop the digital economy in the Republic of Uzbekistan", as well as the decision of the Cabinet of Ministers of August 31, 2018, which defines the goals and tasks of the digital economy "On the introduction of the digital economy in the Republic of Uzbekistan and further on development The adoption of the Decisions on additional measures created a legal basis for the development of the digital economy in our country in order to implement the digital economy in the state management system, create conditions for the rapid development of modern information technologies, and ensure information security.

## Results and Discussions:

E-commerce has developed very quickly during the pandemic. Many people have been forced to switch to online services. As a result, the digital economy has developed very quickly. Even after the pandemic subsided, people continued to favor online services. This shows that the digital economy is becoming a strong economy and becoming more competitive. As a result, new jobs are being created. The digital economy will continue to be the main driving force of the economic development of our country and will serve to attract specialists and expand employment.

It is known that only 30% of more than 700 information systems in state bodies are connected to "Electronic Government". Only 27 out of 80 public service departments are integrated with the Public Service Agency. Therefore, the task was set to introduce a new procedure to increase or reduce the amount of bonuses given to the heads of ministries and agencies based on the level of integration of information technologies into their activities. Among the tasks set for this year, it is set to expand the local optical fiber network, to increase coverage of optical fiber communication in the preschool education system from 41% to 100%, in the public education system from 40% to 70%, in health care - from 38 to 100%.

The digital economy has the following characteristics: high level of automation, electronic document exchange, electronic integration of accounting and management systems, electronic databases, CRM, i.e. customer relationship system, and corporate networks. Through the digital economy, we will have a number of conveniences, and this will have a significant impact on increasing economic efficiency. That is, the cost of payments will decrease, more and faster information about goods and services will be obtained, the possibility of entering the global market of goods and services in the digital economy will increase, and again, by quickly obtaining the opinion of consumers, goods and services meet their needs, develop quickly based on their wishes. By developing a digital economy, we will have a number of advantages. It significantly increases the standard of living of people, which is its main benefit. The digital economy is a violent combination of corruption and black economy. Because the numbers seal the whole process, store it in memory and quickly provide information when needed. Under such conditions, it is not possible to hide any information, make secret deals, or not provide complete information about this or that information. The computer reveals everything. The abundance and systematicity of information prevents lies and fraud. Because the system cannot be cheated. As a result, it will not be possible to "launder" "dirty" money, steal funds, spend ineffectively and aimlessly, show growth or decrease. This, in turn, increases the flow of legal funds into the economy, taxes are paid on time and correctly, funds allocated from the budget are open, funds allocated to social sectors are not embezzled, funds allocated for schools, hospitals, roads are implemented on time and correctly. The choice of the state to develop the digital economy opens new directions in the field of information technologies and electronic documents in general.

Using the digital economy allows you to drastically reduce unnecessary costs. As we know, labor costs make up the main part of the costs of producing products, providing services and doing work. In the digital economy, the jobs performed by managers, marketers, and merchandisers are almost completely automated and outsourced to computer technology. Thanks to this, great efficiency is achieved in the economy. The saved funds will be directed to further digitization of the economy. In Uzbekistan, the share of the digital economy in the gross domestic product is 2.2 percent. At the same time, 7-8% is an average optimal indicator, for example, in Great Britain - 12.4%, in South Korea - 8%, in China - 6.9%, in India - 5.6%, and in Russia - 2.8%. %, Kazakhstan – 3.9%. According to the project of the concept of the development of the "Electronic government" system of the Republic of Uzbekistan, it is planned to increase the share of ICT services in the gross domestic product to 5.0% by 2025, and to 10% by 2030.

The available opportunities in this regard are not being fully used in our republic. In this regard, strategies for the development of the digital economy are being developed and approved, taking into account the diversified nature of the use of digital technologies and providing for the development of regulatory measures by the state that will help to eliminate obstacles to this process.

The digital economy requires quality internet from us. Our country is improving the quality of the Internet year by year, using all its opportunities. In the table below, we can see how the number of subscribers connected to the Internet in our country has changed over the last five years.

To the Internet in the cross-section of regions (Table 1)  
(by the end of the year; thousand units)

Areas	2017	2018	2019	2020	2021
Republic of Uzbekistan	11 168.0	13 321.7	16 386.2	19,981.0	22,987.2
Karakalpakstan Republic	606.8	767.9	922.3	1 071.9	1 234.2
Andijan	842.0	991.3	1 236.5	1 484.2	1 790.6
Bukhara	547.3	694.0	855.2	1 011.2	1 204.5
Jizzakh	371.3	468.2	569.1	667.2	794.1
Kashkadarya	702.5	877.8	1 162.4	1 440.9	1 696.2
Navoi	350.4	442.5	553.8	647.1	761.8
Namangan	749.8	961.5	1 198.3	1 379.5	1 637.0
Samarkand	1 018.7	1 225.7	1 505.9	1 795.4	2 132.5
Surkhandarya	551.5	721.4	958.6	1 151.5	1 323.5
Syr Darya	284.6	349.1	441.4	505.7	595.4
Tashkent	352.3	506.7	1 007.7	1 255.2	1 483.8
Ferghana	1 048.0	1 245.5	1 552.3	1 937.4	2 872.3
Khorezm	573.3	710.2	872.1	1 012.9	1 185.9
Tashkent sh .	3 169.7	3 359.9	3 550.6	4 620.9	4 275.4

Source: Statistics Agency in the presence of the President of the Republic of Uzbekistan  
( <https://stat.uz/uz/> )

We can see the number of subscribers connected to the Internet in each region . We can see that the number of subscribers connected to the Internet in 2017 will grow by 48.5% by 2021. This is certainly a clear example of changes in our country in the new Uzbekistan.

We can see the participation and position of the Republic of Uzbekistan in foreign and international indices in Table 2.

**Participation and place of the Republic of Uzbekistan in foreign and international indices**  
(Table 2)

International indexes	States total	Ranking position
E-Government Development Index 2020	193	87
ICT development index	176	95
Speedtest Global Index 2021	178	82
Telecommunications Infrastructure Index 2018	193	114
Global Cyber Security Index 2020	182	70
of broadband internet connection 2020 year	213	24
GSMA Mobile Connectivity Index 2020	170	124

Manba: Djulmatova S. R. Features of reforming the digital economy in uzbekistan. – 2022.  
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Paragraph 138 of the State Program "Year of Science, Enlightenment and Digital Economy Development" provided for the adoption of the decision of the President of the Republic of Uzbekistan on the development of the "Digital Uzbekistan - 2030" program. the real sector of the economy, health care, state cadastre and other areas, issues of approving the "Digital Uzbekistan - 2030" program; improvement of technical infrastructure of electronic government; development of human capital and improvement of personnel training and retraining system; digitization of public services and development of the information ecosystem ; ensuring the openness and transparency of the activities of state bodies and organizations, increasing the level of electronic participation of the population; ensuring information security, protecting information resources and systems; issues of appointing a single competent body in the field of digital economy and electronic government, as well as introducing the position of deputy head of digital technologies and electronic government issues in the Government, ministries and agencies, local government bodies.

The "Digital Uzbekistan - 2030" strategy and the "Roadmap" for its implementation, as well as programs for the digital transformation of regions and sectors for 2020-2022, were approved. At the same time, within the framework of digital transformation of regions, sectors and industries in 2020-2022:

- the construction of 20,000 kilometers of optical fiber lines and the development of mobile communication networks, the level of connecting settlements to the Internet, including broadband connection ports, will be increased to 2.5 million, from 78 percent to 95 percent;
- introduction of more than 400 information systems, electronic services and other software products in various areas of socio-economic development of regions ;
- Within the framework of the "One Million Programmers" project, 587,000 people, including 500,000 young people, will be trained in the basics of computer programming;
- than 280 information systems and software products for automation of management, production and logistics processes will be introduced in enterprises of the real sector of the economy;
- In order to improve the digital literacy and skills of governors, state authorities and officials of regions, to train them in the fields of information technology and information security, appropriate higher education institutions will be established, 12 thousand of which will be trained in information technology.

The development and implementation of the "Digital Uzbekistan-2030" strategy, the formation of thorough and perfect organizational and legal mechanisms, as well as innovative to ensure the organic cooperation of state bodies and business entities on the introduction of ideas , technologies and developments , to cover production and service provision in all sectors and industries with digital technologies, to cultivate personnel with deep knowledge of modern knowledge and intellectual potential in this regard, thus, in the country "informed serves to create a "society" environment.

## Summary:

In conclusion, we should not be afraid of new changes and new ideas. On the contrary, we should learn them and apply them in our life. The digital economy requires a variety of new knowledge, ideas and skills. Digital economy is also necessary for the development of our country.

Not the distant future, but the very near future, modern development, digital economy, that is, Big Data, artificial intelligence, neuro -technology, quantum technology, robotics , digital electronic platforms, cloud and mobile technologies, virtual and augmented reality technologies, crowdsourcing , digital technologies, technology, cryptocurrencies and ICO, 3D technology plays an important role in our lives. . That's why we need to learn to use these technologies and implement them in life as soon as possible . Because the digital economy is the future, and whether we like it or not , it will enter our lives.

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