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The Importance of the Digital Economy in the Economic Growth of Uzbekistan

Shadieva Gulnora Mardievna
Samarkand Institute of Economics and Service, Doctor of Economics

Sherzodova Diyora Sherzod qizi
Graduate student of Samarkand Institute of Economics and Service

Abstract: In the article, the history of the origin of the digital economy, its necessity and the priorities of the digitalization policy carried out in our country are mentioned. In addition, the results achieved in the first years of the transition to the digital economy of Uzbekistan and the future strategic plans are described.

Keywords: digital economy, economic growth, e-commerce, online markets, international trade, job creation, entrepreneurship, efficiency, productivity, automation, digitization, data analysis, artificial intelligence, innovation, startups, globalization, "Digital Uzbekistan - 2030".

Enter. In recent years, the role of advanced technologies and innovations in the development of economy in our country is increasing. This, in turn, has a significant impact on the production of new innovative technologies and the development of business processes. As the latest technologies penetrate into all spheres of human activity, the old traditional approaches and methods began to change. One of these new technologies is the emergence and spread of information and communication technologies. The introduction of these technologies had such an impact on the economy of our country that a new concept - the digital economy - appeared in our lives.

Digital economy is a modern stage of development, in which the main factor in production and service is information in the form of numbers, with the help of processing a large amount of information and analyzing the result of this processing, various types of production , is to implement more effective solutions than the previous system in service, technology, devices, storage, product delivery. In other words, the digital economy is the activities connected with the development of digital computer technologies in the provision of online services, electronic payments, internet trade and other types of industries.

In the 25th goal of the development strategy of New Uzbekistan for 2022-2026, the task is set: "Turning the digital economy into the main "driver" sector and carrying out work aimed at increasing its size by at least 2.5 times." In addition, measures were taken to digitize cities, improve the quality of construction and design works, and develop them within the framework of the "Smart City" concept.

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It is not for nothing that our country's president said, "In order to achieve progress, it is necessary and necessary to acquire digital knowledge and modern information technologies. This gives us the opportunity to take the shortest path to ascension. After all, information technologies are deeply penetrating all areas of the world today. Of course, we know very well that the formation of the digital economy requires the necessary infrastructure, a lot of money and labor resources. However, no matter how difficult it is, if we don't start today, when will we?! Tomorrow will be too late. Therefore, the active transition to the digital economy will be one of our most important tasks in the next 5 years," he said, expressing the importance of this field.

Literature analysis. They conducted scientific research on topics such as the digital economy, its content, the impact of the digital economy on economic development. We will mention some of them below. In particular, the concept of digital economy was first used by a Japanese professor in the 1990s during the Japanese crisis. In 1995, it was used in Europe by Don Tapscott's "Digital economy: obeshchanie i пашание в епоху сетевой разведки" and in the research work of Nicholas Negroponte (Massachusetts, USA) in 1995 [1].

The theory of digital economy is in the early stages of its development, because the transition of civilization to the digital information stage began only a few decades ago. 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 being widely studied by many economists. In the scientific literature, the modern "New digital economy" is called by different scientists with different terms. For example, "post-industrial economy" (D. Bell), "informed economy" (O. Toffler), (I. Niniluto), "techno-economy or digital economy" (B. Gates), "knowledge-based economy" (D. Tapscott)". The factor connecting these concepts is the primary place of information technology in the process of globalization of economic processes.

Research methods. In order to assess the importance of the digital economy in economic growth, the article uses research methods such as observation, summation, grouping, and methods of determining relationships between statistical data sources, as well as analysis and synthesis of theoretical research.

Analysis result discussion. The growth of the digital economy is linked to the growth of a number of markets directly related to digital and mobile technologies. At the current stage of technology development and the current state of the markets, the digital economy should be considered not as a goal, but as a means of increasing the efficiency of economic activity. The modern digital economy offers new business models and emphasizes the need to change governance mechanisms to reflect the changing reality.

One of the most important advantages of the digital economy is the high growth of e-commerce and online markets. First, there are no major barriers to trade, such as distance and time. With a few clicks, businesses and consumers can now trade goods not only within one region, but around the world. Such an opportunity can open new avenues for international trade and expand markets. These extensive digital connections not only drive economic growth, but also create an environment for greater competition and innovation.

We know that one of the main indicators of economic growth is the development of entrepreneurship. The digital economy helps to create new jobs and increase entrepreneurship. As an entrepreneur starts to use digital technologies in his production processes, he will require a skilled labor force to manage these technologies and new jobs will appear. In addition, the digital economy plays a

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decisive role in increasing the productivity of production. Automation and digitization enable processes to be simplified, costs reduced and efficiency increased across networks. For example, manufacturing processes can be automated to increase output and minimize errors, leading to greater efficiency and competitiveness in the global marketplace.

Also, the digital economy helps the growth of innovations and startups. Innovations create new opportunities and require rethinking of old networks. Any entrepreneur who uses innovations and start-ups in his business activities can find his place in the market, buy his products and compete easily.

The development of the digital economy, the application of modern technologies to our lives can provide many positive opportunities in the life of every person. Through the development of these technologies, a person can use the service he needs faster, save many conveniences and money by buying the products he needs cheaply through the Internet.

In the 2022 international rankings, Uzbekistan's digitization position has significantly increased, including:

№	International index name	As of 2021	As of 2022
1	Index of GovTech Enablers	69th place	4th place
2	According to the results of GovTech Maturity Index	80th place	47th place
3	In the UN e-government ranking	87th place	69th place
4	"Government Artificial Intelligence Readiness Index" conducted by Oxford Insights	79th place	93th place
5	In the Inclusive Internet Index by The Economist Intelligence Unit	66th place	61th place
6	According to the analysis of "Open data Inception".	5th place	4th place

If we analyze the results of the table:

- According to the World Bank's "GovTech Enablers" index, our country ranks 4th in the world in terms of digital skills and innovations in public services, and will increase by 65 places compared to 2020.
- According to the results of the GovTech Maturity Index, Uzbekistan rose 37 places in the government and public services sector, ranked 43rd out of 198 countries and entered the "A" group of leading countries in the field of digital transformation.
- Also, as a result of this year's E-Government rating conducted by the UN every 2 years, Uzbekistan rose by 18 places and took 69th place among 193 countries and "high and very high developing" countries. was included.
- In the analysis of the "Government Artificial Intelligence Readiness Index" conducted by Oxford Insights, in 2022, our country rose 14 places among 160 countries to 79th place. In 2021, he took 93rd place.

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- In the "Inclusive Internet" index published annually by The Economist Intelligence Unit, our country rose by 5 places compared to last year (66th place in 2021) from 61st place in 2022. took place.
- According to the "Open data Inception" analysis, Uzbekistan ranked 4th among the 201 countries of the world in terms of open data sources and their number, increasing by 1 place compared to last year.

It is known that the "Digital Uzbekistan - 2030" strategy, as well as the "roadmap" for its implementation in 2020-2022, was approved based on the decree of the President of the Republic of Uzbekistan No. 6079 dated October 5, 2020. The strategy includes two programs: digitization of regions and digitization of networks, and includes priority directions such as development of digital infrastructure, e-government, and national market of digital technologies, education and training in the field of information technologies.

If we analyze only the field of information technologies within the framework of the program, the level of use of digitization technologies has been increasing significantly in recent years. In particular, the share of the digital economy in GDP is growing year by year. Positive dynamic changes in our country can be observed in the diagrams below.

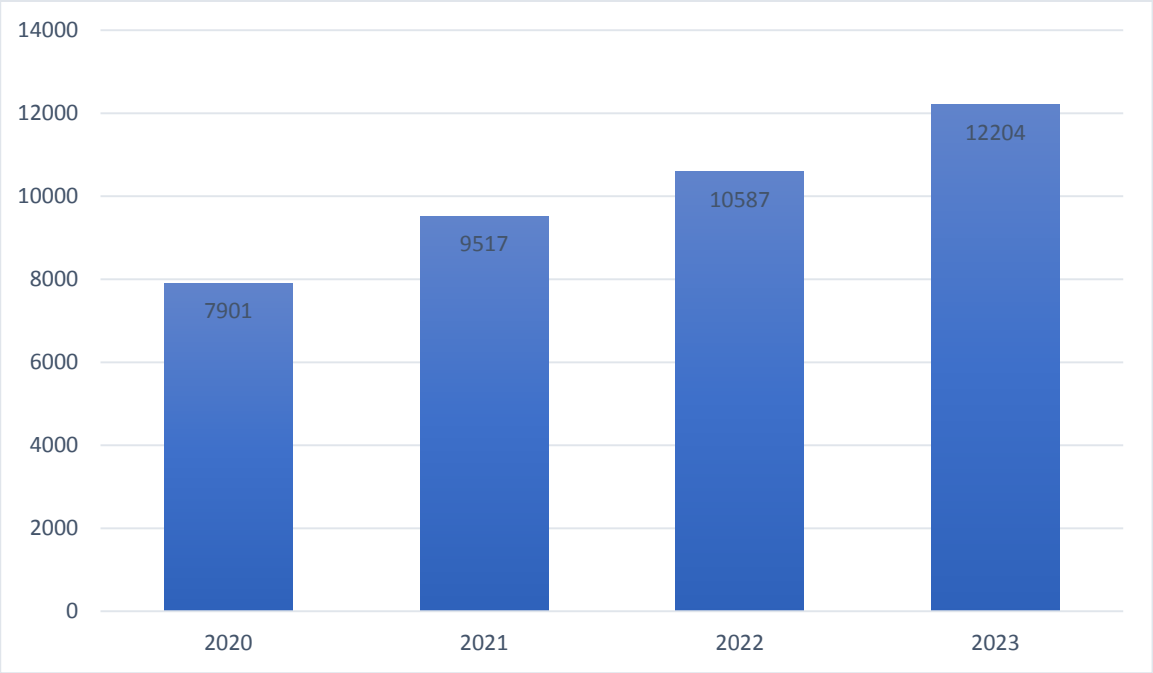

Diagram 1. Number of enterprises and organizations operating in the field of information and communication (in thousand units)

As can be seen from the data analysis of diagram 1, the number of enterprises and organizations operating in the information and communication sector in 2020 was 7 901 000, and in 2023, this figure was 12 204 000, grew up almost 1.5 times more.

According to the World Bank, the digital economy accounts for more than 15% of global GDP and has grown 2.5 times faster than the physical world's GDP over the past decade. The 2nd diagram below shows the share of the information economy and e-commerce sector in the GDP of our country.

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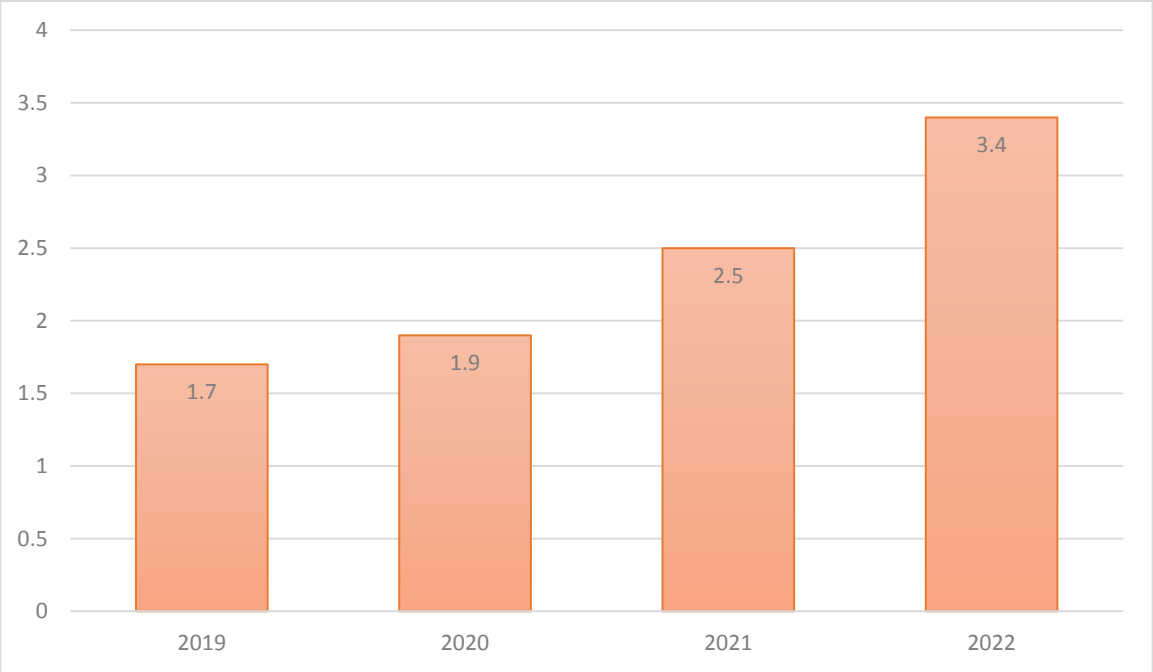

Diagram 2. The share of gross added value created in the fields of information economy and e-commerce in GDP

From the above analysis, we can see that the share of digital economy and e-commerce in GDP is not that high, the main reason for this is the low level of digital literacy of the population, poor internet speed or incomplete provision of technologies. In order to eliminate these problems, it is the most important condition for the successful implementation of the "Digital Uzbekistan - 2030" strategy.

Conclusions and suggestions. In conclusion, the digital economy is very important for economic growth in today's digitized world. It provides unlimited opportunities for enterprises, entrepreneurs and countries to enter foreign markets, increase the efficiency of foreign trade and develop innovations. By transitioning to a digital economy and bridging the digital divide, countries can use technology to create a more prosperous society. In our opinion, in order to achieve these goals, we must pay attention to the following:

- creation of a digitized environment and digital infrastructure for the stable operation of digital technologies, wide implementation of digital technologies in the provision of public services, sectors of the real sector of the economy, health care, state cadastre and other areas, as well as the territory of the Republic of Uzbekistan gradual provision of full coverage as possible with the possibilities of connecting to the global Internet network at the level of developed countries;
- To expand the scope of personnel training in the field of digital economy and train qualified programmers and employees with in-depth knowledge in these directions, training in modern information technologies that fully meet international standards at all stages of the educational system;
- to strengthen the scientific-theoretical base in the field of digital economy and to support the research activities of researchers in this field by establishing a special fund;

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- to promote and expand "digital literacy" not only among the younger layers of the population, but also among the upper layers, to hold seminars, courses and other events in places, neighborhoods, educational institutions in order to attract them to master information technologies transfer;

If this measure is implemented at a high level, the digital economy may become the main driver in Uzbekistan by 2030.

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