

Factors of Innovative Development of Digital Economy in Uzbekistan

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Abstract

In this article, the factors of the development of the digital economy in our republic, especially the innovative factors, are studied. By implementing the digital economy program in the Republic of Uzbekistan, the main results, i.e., the creation of a new regulatory and legal framework, the legal obstacles that prevent the creation of new technologies, and the creation of the infrastructure of the digital economy and development, including the development of networks, data processing centers, technical and software in accordance with the requirements of the times, ensuring the comprehensive development and renewal of the education system, creating a thorough basis for the development of various companies, firms, state enterprises and small businesses in the country, and the digital economy It is analyzed how to achieve the creation of many organizations in the field.

Keywords: digital economy, innovation, strategy, technology, e-business.

INTRODUCTION

In the conditions of the globalization of the world economy and the development of transnational companies, as well as the rapid development of digital technologies, the development of the digital economy in accordance with the purpose is of great importance. Here, as the President of the Republic of Uzbekistan, Sh. Mirziyoyev, stated, "We need to develop the "National Concept of Digital Economy", which envisages the renewal of all sectors of the economy based on digital technologies. On this basis, we need to implement the "Digital Uzbekistan-2030" program. increasing it by at least 30% will allow a sharp reduction in corruption. The analyzes conducted by reputable international organizations also confirm this. Therefore, the government will be instructed to develop a "road map" for the transition to the digital economy within 2 months. In this regard, it is necessary to pay special attention to ensuring information security" [1, 2b].

The field of modern digital economy has a special place in the development of the country's economy and ensuring macroeconomic stability. In the following years, the gross domestic product of our country we can observe that the share of the services sector and especially digital services is increasing. It is known that on January 28, 2022, the President of the Republic of Uzbekistan "New Uzbekistan for 2022-2026" on January 28, 2022, to further increase the effectiveness of the reforms carried out in the Republic of Uzbekistan, to create conditions for the comprehensive and rapid development of the state and society, to modernize our country, and to liberalize all spheres of life. Decree No. PF-60 on development strategy was signed. 1 of this Decree in 2022-2026 In the annex, the task of "rapid development of the service sector,



increasing the role and share of services in the formation of the gross domestic product, and fundamentally changing the composition of the provided services, first of all, according to their modern high-tech types" was defined. Therefore, in the near future, it is a priority to further increase the share of the services sector, especially the e-commerce sector, in the economy of our republic. When it comes to the service sector, it is necessary to pay a lot of attention to the commercial activities of digital technologies, which are considered to be an important component of it. The development of the digital economy in our country is very complicated and difficult, and in many aspects it is slow and contradictory. Its theoretical issues, legal-normative and other possibilities of systematic regulation are not sufficiently used in practice. As a result of the formation and development of market economy relations in our country, effective organization of commercial activities of economic entities with different ownership forms and improvement of providing them with professional digital electronic services is considered one of the urgent issues today. Today, new, modern methods of approach to the issues of evaluating the results of the digital economy and improving its effectiveness are very necessary. This requires conducting in-depth research on the existing theoretical, organizational and legal foundations and practical problems of improving the quality of e-commerce activities, as well as organizing and developing the digital economy at a modern level in our republic. In recent years, large-scale work on the rapid development of the digital economy has been carried out in our country. For this reason, the leadership of our republic made several important decisions in order to further accelerate the development of the country and society. For example, on January 25, 2020, the President of the Republic of Uzbekistan in his Address to the Oliy Majlis on the most important priority tasks that are important for the country's future indicated the following tasks for the development of digital technologies in our country: In order to rapidly continue the work that we have started in the field of educating the owner, forming a competitive economy, and raising it to a new, modern level, I propose to name 2020 in our country as the "Year of Development of Science, Enlightenment and Digital Economy" [1, 4b]

First of all, it should be said that the digital economy consists of a chain of interrelated production and management processes, an integral element of which is information exchange between chains (inter-human, inter-machine, through clouds, inter-data centers) using digital technologies. In the digital economy, information in digital form is considered the main element of production in all socio-economic fields, and the gradual transition to such an economic system will further increase the quality of life of citizens on a global scale, create new jobs, enable rapid economic growth, and ensure national independence. Implementation of the digital economy program in the Republic of Uzbekistan allows to achieve the following, namely:

- complete elimination of legal obstacles that prevent the creation of new technologies by creating a new regulatory and legal framework;
- creation and development of digital economy infrastructure, including development of networks, data processing centers, technical and software in accordance with the requirements of the times;
- ensuring comprehensive development and renewal of the education system;



- to create a thorough basis for business development of various companies, firms, state enterprises in the country;
- the emergence of many organizations in the field of digital economy, etc. [2, 45 b] .

The digital economy development program in our country should serve to implement its goals, namely:

- Creating an ecosystem of the digital economy in the Republic of Uzbekistan;
- creation of institutions and infrastructure of the country's digital economy system;
- implementation of all necessary measures to organize an information society covering all sectors of the republic;
- to increase the competitiveness of our republic on a global scale and in global markets, etc. [2, 51 b].

It is well known to specialists in the field of digital economy that the following can be included among the main decisive technologies of the development of this type of modern economy:

- Big data processing technologies - BIG DATA;
- Blockchain technologies;
- Cryptocurrencies and ICO (Initial Coin Offering) technologies;
- 3D technologies (additive technologies);
- Artificial Intelligence - AI;
- Neurotechnologies;
- Quantum technologies;
- Internet of Things - IoT);
- Robotics and sensors;
- Digital electronic platforms;
- Cloud technologies - Cloud Technologies;
- Mobile technologies;
- Virtual and augmented reality technologies - Virtual Reality and Augmented Reality (VR, AR);
- Crowdsourcing and crowdfunding technologies;
- Ecosystem organization technologies.

Now, using the open data and literature available in the global information system, we will get acquainted with the main indicators of the formation of the infrastructure of the digital economy and its characteristics on the example of several developed countries [3, 132 b]:

- emergence of new types of services that were not possible before the Internet. From 1990 to the present, several new markets for products and services have appeared based on the use of the Internet and information technologies. For example, messengers, aggregators, internet search engines, internet advertising, e-soching, e-learning, etc. A clear example of the emergence of new types of services is electronic commerce. According to 2017 data, e-commerce accounted for 13.6% of retail sales in England, 13.1% in Germany, 4.2% in Russia and 9.6% in China. The turnover of Internet trade in China in 2016 was around 400 billion dollars.
- the development of society creates new opportunities for the development and



management of e-business. For example, cloud data storage and management services provide unprecedented opportunities for business. Now companies and organizations do not require office spaces and data centers for their work, and there is no need to attract large amounts of investment for the creation of information systems.

- Capitalization of e-business companies depends on the number of users and their growth. This causes companies to get a large amount of income from sales. For example, YouTube receives 100 million requests a day, while Facebook has more than 2 billion participants. The same factor covers a very large group of users, which not only increases the capitalization, but also causes a large amount of money to be made in advertising. For example, in 2015, Facebook earned more than \$26.9 billion from advertising alone. According to the results of 2016, the annual income of Facebook was 27.6 billion dollars, and the net profit was 10.2 billion dollars. Thus, the digital economy is a new economic environment that creates new and huge opportunities for business [4, 87 b].

- the structure and character of competition in the conditions of the digital economy will change completely. It can be clearly stated that under the influence of new technologies of digital economy and e-commerce, business models will change completely. For example, aggregator companies in the market of passenger transportation (such as GettTaxi, Yandex.Tax) managed to make many changes in the operation of transport companies and bring them much closer to consumers. Food delivery companies have also achieved great success in a competitive market by bringing sellers closer to consumers. As a result, traditional offline companies are forced to transform their businesses or go online. This situation encourages entrepreneurs to organize their business on the Internet. Currently, there are full online companies such as AMAZON or OZON, social networks, messengers, Bay, AVITOs or trade networks, internet stores and logistics companies that place their e-commerce channels in the traditional offline business, depending on the type of e-commerce channels.

- the digital economy provided an opportunity to search for new ideas for business based on rapid business-analytics analysis and to implement feedback with customers. This made it possible to react reactively to the innovative expectations of potential customers. As a result of such work, free services such as GoogleAnalytics and Yandex.Metrika were born.

The digital economy is less characterized by a much shorter innovation life cycle. This prompts the rapid emergence of new versions of many new models of smartphones, computers, mobile applications, and computer houses. According to scientists and experts, new innovative transport systems are expected to appear in transport as well. For example, magnetic levitation vehicles, vacuum vehicles, Hyperloop systems, etc. can be a clear example of these.

The development of the digital economy is considered one of the strategically important issues for Uzbekistan, as well as for other countries, which determines its global competitiveness. It should also be recognized that the most acceptable measure for Uzbekistan today is to get rid of technological backwardness in the short term. Currently, due to the lack of the necessary number of full-fledged economic entities in our country, there are no conditions for the formation of a mature and full-fledged digital economy by itself. This means that it is necessary to create conditions for the development of the digital economy in our country, to direct it to



the most necessary areas, and to encourage this process to the extent possible. Another important distinguishing feature of our national economy is that the majority of gross economic income is generated by state-owned corporations (or companies with a large share of state participation). In many sectors of production, state-owned enterprises can account for up to 80% of the market. In such conditions, the most reasonable step is to create industrial digital platforms under the leadership of relevant ministries or state corporations. Such platforms create the necessary infrastructure base for the rapid development of the digital economy and the wide spread of technologies compatible with it. When creating digital economy platforms, it is necessary to focus on the following areas: telecommunications, energy, transport, healthcare, tax and taxation, medicine logistics, data processing, tourism, foreign economic activity, real estate trade and production. It is the development of these sectors that allows to create infrastructure and technological base. Then, by transferring them to other sectors, Uzbekistan will be able to develop a mature digital economy as quickly as possible. Such an approach seems to be the most appropriate for our republic today, but it is not without its shortcomings, of course. But a suitable strategy should take into account both the risks of the road and the risks of the digital economy to form the concept of the digital economy on which it should be based. We would also like to emphasize that many programs of the digital economy of developed countries (USA, Japan, Austria, Australia, Great Britain, Korea, etc.) focus on the social directions of "digital medicine" and "smart city". The direction of development of such projects does not have a serious economic effect, but this situation can be justified by a number of arguments:

- first, any large-scale development program must have public approval and support in an open, western-style society. Therefore, the development of the digital economy goes under the sign of such social projects;
- secondly, the implementation of digital technologies in large industries will sooner or later happen due to economic expediency in itself. And social projects need support from the state;
- third, most developed countries will have a substantial technological base to enable some form of digital economy. As a result of the implementation of large-scale social projects, feedback from a large number of non-specialist users is obtained, which allows to improve technologies from the user's point of view and make them accessible to wide segments of the population;
- fourthly, the implementation of digital technologies in industry (for example, the Internet of Things in production, large-scale introduction of 3D printers in production) is expected to solve a rather narrow range of tasks. Implementation of "digital medicine" and "smart city" social projects requires more complexity and diversity, and such projects are appreciated by the general public. A "social stress test" of this kind is necessary for all modern technologies, especially from the point of view of the control system. Thanks to the above-mentioned thoughts and ideas, the importance of these social directions for the social environment is, in our opinion, much clearer to everyone.



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