

# Positive Aspects of Digitalization of the Economy and its Networks

**Kuldashev Farid G‘ulom o‘g‘li.**

Student of Tashkent Institute of Finance Uzbekistan, Tashkent city.

E-mail: [kuldashevfarid25@gmail.com](mailto:kuldashevfarid25@gmail.com).

**Annotation.** Nowadays, techniques and technologies are evolving. This article highlights the digitization of the economy and its sectors and the introduction of new techniques and technologies.

**Keywords:** economics, digital economy, digitization, digital technologies.

## 1. Introduction.

Today, techniques and technologies are developing so much that there are no areas that have not been penetrated, walls that have not been occupied. Of course, it also entered the field of economics, and we discovered a new economy. We call this economy the digital economy. The digital economy is an economic activity 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. is to implement more effective solutions than the previous system in production, service, technologies, devices, storage, product delivery. In other words, the digital economy is an activity connected with the development of digital computer technologies in the provision of online services, electronic payments, internet trade, crowdfunding and other types of industries [1].

The concept of digital economy was defined relatively recently, in 1995 by Nicholas Negroponte, an American scientist from the University of Massachusetts. The scientist mentioned what changes may occur during the transition from the old economy to the new economy after the intensive development of information and communication technologies [2].

Recently, the concept of "digital economy" has been used a lot. Indeed, in many developed countries, the digital economy has significantly influenced their development factors. The digital economy plays an important role in the life of society.

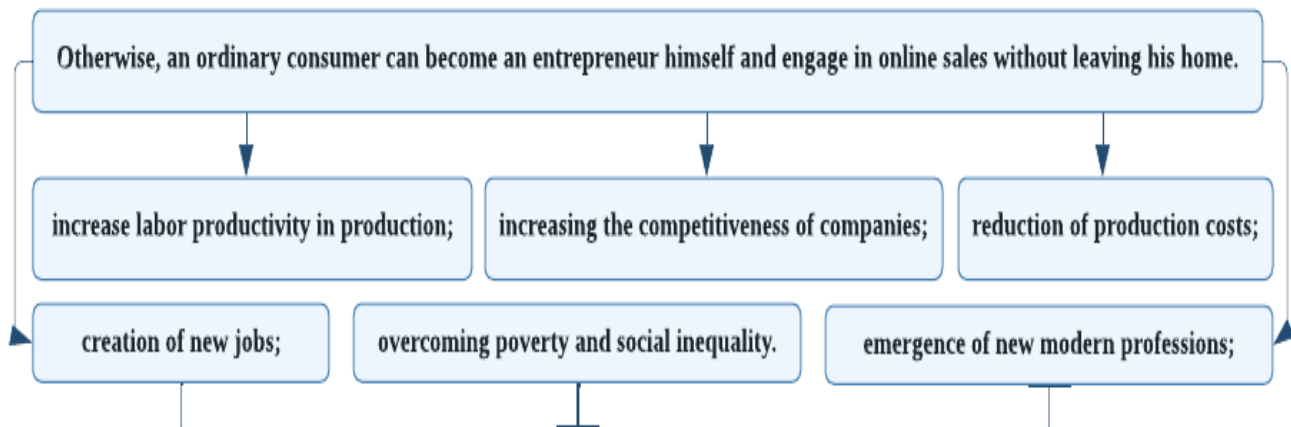
So this article will be about the digital economy. We will try to find answers to such important questions as “What is the digital economy?”, “Tasks and goals of the digital economy”, “Obstacles in the development of the digital economy in Uzbekistan”.

Before covering this topic, let’s look at a situation that can happen in our daily life. Imagine that you came home from work on Friday, you are in the company of your family members, and you suddenly have the idea to travel by car to the Samarkand region and the city of Samarkand on Saturday and Sunday. But you don’t have your own car. Then you entered the websites or mobile applications of car rental companies through your computer or smartphone, entered your name, driver’s license number and ordered a family car for 6 people for two days. Now you need to choose the direction of travel. Where to go, which museum, historical monuments to visit. Then you enter the sites or mobile applications of agencies that provide travel services, enter the number of your family members and choose a tourist destination that is interesting for you and your family members. Then on Saturday morning you will have a 6-seater car in front of your house, tickets to museums and historical sites on your smartphone, and a pre-booked place to stay at a hotel. You organized a two-day family trip by car without going anywhere or calling anyone. Then you went to Samarkand. After being there for two days, you feel a little tired when you come home on Sunday, and you have to go to work on Monday [3].

## 2. Analysis and discussion of results.

Due to the development and implementation of information technologies, many conveniences are appearing in our daily life. Let’s say we want to eat, but we don’t want to prepare it, it’s not a problem, we can order the food we want online through the Internet home delivery service. Or we need to transfer money

to a friend, in which case there is no need to go to a bank or financial institution, we can transfer money through mobile banking. We can provide many of these services online, via smartphone or computer.



**Fig. 1. Otherwise, an ordinary consumer can become an entrepreneur himself and engage in online sales without leaving his home [4]**

The advantages of the digital economy, the development of information and communication technologies, the application of modern technologies to our lives can provide many positive opportunities in the life of every person. Following the development of digital technologies, a person can use the service he needs faster, save a lot of money by buying the products he needs cheaply through the Internet. For example, buying a book in electronic form It may cost you much less to buy the same book in printed form (Fig.1).

As a result of studying the life-world experience of the state in the digital economy, it became clear that in countries with a developed digital economy, in the digital economy, the state (government) determines the rules of the market "game" for all participants of the game, and the most important role of the state in this as creating the same, equal rights and opportunities for the participants of the game. That is, whether it is a large company or a small business in the market, they are equal. They are given the same opportunities. It ensures that government regulations are followed and that, ultimately, the average consumer receives a quality, up-to-date service or product. Therefore, for the development of the digital economy, the state should create equal conditions for everyone, market rules, laws, contracts should be transparent as much as possible, laws should be based on market demand (that is, it should be able to determine development trends in the market in advance and adopt the necessary regulatory documents). it is necessary to provide freedom for the participants of the game [5].

Digital economy in Uzbekistan, like the countries of the world, the digital economy is developing in Uzbekistan. After the application of information technologies in our daily life, many opportunities are created for ordinary people. Nowadays, we can order many food products and meals without leaving home and have them delivered to our home [6].

But it should be noted that the digital economy in Uzbekistan is developing several times slower than the potential of Uzbekistan. That is, there is a chance

the necessary resources are available but development is very slow. As a reason for this, several obstacles to the development of the digital economy in Uzbekistan can be pointed out:

- 1) monopoly in many industries;
- 2) low internet speed and poor quality;
- 3) that legislation in the field of information technologies is behind the times;
- 4) extremely low level of computer literacy among citizens;
- 5) non-transparency of legislation;
- 6) lack of information technology specialists or their departure to other countries;
- 7) low information culture, information hygiene;
- 8) information technology security is not good;
- 9) few or (in some cases) lack of specialists who understand the field in governing bodies;

If the above-mentioned problems are solved gradually, systematically, based on world experience, Uzbekistan can easily become one of the countries with a developed digital economy [7].

Olimjon Umarov, the First Deputy Minister of Information Technologies and Communications Development of the Republic of Uzbekistan, said that the digital economy is not a separate type of activity, but the active use of information technologies in business, industrial facilities, and services. If in the ordinary economy material goods are considered the main resource, in the digital economy it will be information and data that can be processed and transmitted [8].

According to the results of the analyzes conducted by the prestigious international organizations, the digital economy will increase the gross domestic product by at least 30%, therefore, it will end the secret economy, says Eldor Tulyakov, executive director of the Development Strategy Center. - If we turn to international practice, today the digital economy is not limited to the field of e-commerce and services, but to every aspect of life, in particular, health care, science and education, construction, energy, agriculture and water management. , transport, geology, cadastre, archive, internet banking and other fields are rapidly entering and giving high results in each of them. The government's provision of electronic services and electronic products for its citizens is a key part of the digital economy. Broad development of this sector in our country will end the scourge of corruption.

Development and implementation of the "Digital Uzbekistan-2030" program in Uzbekistan, first of all, the formation of thorough and perfect organizational and legal mechanisms, as well as the introduction of innovative ideas, technologies and developments by state bodies and entrepreneurship ensuring the organic cooperation of its subjects, covering production and service provision in all fields and industries with digital technologies, cultivating personnel with deep knowledge of modern knowledge and intellectual potential, thereby serving to create an environment of "informed society" in the country.

Despite the presence of Click, Payme, M-bank, Upay, Oson and other payment systems that allow online payments, the rate of online payments for mobile payments, internet, utility payments is high it's not. In 2017, 34 percent of account holders made digital payments. By comparison, this figure is 96% in the UK. It is noteworthy that the number of payments through the terminal is increasing. For example, in 2018, payments through the terminal amounted to 53 trillion soums.

The concepts of digitization and cyber security always go hand in hand. Because along with the digitization of all systems and processes, it is important to ensure their technically perfect and error-free operation and safety. The more attention is paid to the development of the digital economy in our country, the more urgent it is to ensure cyber security. Uzbekistan is strengthening its position in the global cyber security index. In 2017, our country took 93rd place in this rating, and in 2018, it rose to 52nd place.

Cybersecurity, being a form of information security, is a different concept than high spirituality that serves to sort out information. It refers to more technical processes, and for the average user it means setting up reliable and strong passwords in mail, social networks, payment systems, protecting their personal computer and smartphone from viruses. In a broader sense, cyber security is a set of measures aimed at protecting networks, mobile applications and devices. This means maintaining the confidentiality of data, protecting their integrity, and the full operation of this or that site, application, or program [9].

According to the analysis of the "Cybersecurity Center" DUK, in 2019, 268 cyber security incidents were detected on the websites of the national segment of the Internet. This means that the number of crimes in the digital world has decreased by 44% compared to the previous year. Of these, 222 were related to unauthorized uploading of content, 45 to deface (a hacking attack that means a website page is replaced with another, such as an ad-supported page), and one to stealth mining (hidden activity on a cryptocurrency platform).

As a result of monitoring the national segment of the Internet, more than 130,000 threats to cyber security have been identified. Of these, 106,508 cases relate to hosts that became participants in botnet networks. 13,882 cases are related to blocking of IP addresses blacklisted by various services due to spam e-mail or password cracking. 8,457 cases are related to the use of the TFTP (Trivial File Transfer Protocol - a simple form of file transfer) protocol and the corresponding ports, which can lead to the download of extraneous content due to the lack of authentication mechanisms. 2,114 cases are related to the use of a vulnerable RDP (Remote Desktop Protocol) protocol. 1,042 cases were related to software and database

management systems not having an authentication mechanism, as well as SSL certificates with expired or invalid signatures.

These analyzes once again confirm the relevance of the issue of cyber security, because software vulnerabilities can cause an attacker to remotely access an information system or website, as well as files and data, and leak personal data of citizens. Cyber security measures prevent such situations [10].

According to the state program for the implementation of the five priority directions of development of the Republic of Uzbekistan in 2017-2021 in the “Year of Science, Enlightenment and Digital Economy Development” for 2020-2023 a national strategy on cyber security and a draft law “On Cyber Security” will be developed.

### **3. Conclusions and suggestions.**

Judging from the above information, we can see that the economy is one of the most desirable areas for us. But we need to realize that we need to digitize it in order to develop it. That is, if we digitize it, we will achieve maximum efficiency. This means that we achieve maximum profit while minimizing costs.

### **Literatura/Reference:**

1. <https://mininnovation.uz/oz/news/raqamli-iqtisodiyot-muammolar-va-imkoniyatlar> - prepared based on website information.
2. Muhammadjon Butaboev, Akmaljon Orinov, Farhod Mulaydinov, “Digital Economy” textbook, pages 7-393. <https://www.texnoman.uz/post/raqamli-iqtisodiyot-nima.html>
3. Nishonkulov, S. F. O. G. L., & Solidjonov, D. Z. O. G. L. (2021). Digital innovation technologies in educational business. *Science and Education*, 2(6), 233-238.
4. Inomkhoyayev, A. A. O., Yoldashev, A. E. O., & Nishonkulov, S. F. O. (2021). MATHEMATICAL MODEL OF THE IMMUNE SYSTEM FOR THE INFLUENCE OF A HARMFUL OBJECT ON A COMPUTER. *Scientific progress*, 2(2), 1662-1667.6.
5. Sulaymanov, J. B. O. G. L., Yuldashev, A. E. O. G. L., & Nishonkulov, S. F. O. G. L. (2021). Integrating Geographic Information Systems (GIS) with hydrological modeling. *Science and Education*, 2(6), 239-246.
6. Bakhtiyarovich O. B. THE ROLE AND SIGNIFICANCE OF THE REGIONAL INVESTMENT ENVIRONMENT IN ATTRACTING FOREIGN INVESTMENTS TO THE ECONOMY //Conferencea. – 2023. – C. 5-8.
7. Bakhtiyarovich O. B. THE ROLE AND SIGNIFICANCE OF THE REGIONAL INVESTMENT ENVIRONMENT IN ATTRACTING FOREIGN INVESTMENTS TO THE ECONOMY //Conferencea. – 2023. – C. 5-8.
8. Butaev J., Ochilov B. The role of the investment environment in attracting foreign investment //ASIAN JOURNAL OF MULTIDIMENSIONAL RESEARCH. – 2021. – T. 10. – №. 5. – C. 687-697.
9. Omonov S., Ochilov B. INCREASING INVESTMENT ATTRACTIVENESS IN ATTRACTING DIRECT FOREIGN INVESTMENT //International Finance and Accounting. – 2021. – T. 2021. – №. 2. – C. 26.
10. Chinkulov K. R., Ochilov B. B. Formation of Investment Environment: Scientific and Methodological Directions of Territorial Assessment //International Journal of Multicultural and Multireligious Understanding. – 2022. – T. 9. – №. 3. – C. 408-415.