
Foreign Experience of Digitalization of Banking Services in Our Country

Zhasur Ikromovich Juraev

BMA listener

Abstract: This article gives an idea of the foreign experience of digitalization of the banking sector in our country, as well as an analysis of the use of digital technologies. In addition, the work carried out on the application of the digital economy in Uzbekistan and the reforms carried out by the government, the possibilities of the digital economy, the features of cost reduction and the use of information and communication technologies that contribute to its development are outlined.

Keywords: digital economy, digital banking, telecommunications, technologies, regional economy, information and communication technologies, production, provision of services, Internet.

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The COVID-19 pandemic, which has spread to many countries and regions of the world, has had a serious impact on the global economy: some large industrial enterprises and small business organizations have been forced to temporarily stop their activities. Interest in the digital economy has grown significantly due to significant changes in society and the economy. Modern technologies and platforms have helped businesses and individuals reduce costs by minimizing personal interactions with customers, partners, and government organizations, as well as making communication faster and easier. The result is a digital or electronic economy based on network resources. The word "digitalization" is actually a new term, which implies the involvement of IT solutions in the process of innovative management and administration, and as a result, the use of information technologies in all systems, from Internet of Things to e-government. The main source of the digital segment of the economy is the growth of the transactional sector. In developed countries, this indicator makes up more than 70 percent of GDP and combines public administration, consulting and information services, finance, wholesale and retail trade, as well as services (utility, personal and social). At the same time, the absence of an effective rating system for the development of the digital economy and electronic government, as well as an interagency mechanism for its implementation, prevents a deep analysis of the current state of the digital transformation of economic sectors and regions. However, the absence of an effective rating system for the development of the digital economy and electronic government, as well as an interagency mechanism for its implementation, indicates that a deep analysis of the current state of the digital transformation of economic sectors and regions is an urgent issue.

Analysis of literature on the topic.

Different definitions and interpretations of the concept of digital economy and small business are presented in the scientific literature, and the role and importance of using digital technologies in the development of a sustainable economy is scientifically based. For example, Academician S.S. Gulomov (2021) defined the digital economy as an economy characterized by maximum satisfaction of the needs of all participants through the use of information, including personal information. A.V. Keshelava, V.G. Budanov, V. Yu. Romyantsev (2018) and others introduced the concept of "hybrid world" in order to explain the nature of the digital economy. According to

them, "digital economy" is an economy that exists in the conditions of a hybrid world. In this definition, the term "digital economy" is deliberately used in quotation marks. Because they believe that there is no such thing as a separate "digital economy" within the overall economy. G.N. The monograph published by Andreeva (2018) and others gives the following definition: "Digital economy is a systematic set of economic relations related to the production, distribution, exchange and consumption of goods and services in techno-digital form.

V.I. Tkach (2018) defines the essence of the term "digital economy" as follows: "Digital economy is a global, macro, meso, focusing on the use of intellectual capital in the context of the widespread use of digital platforms, algorithms, cloud infrastructures and changes in socio-ethical aspects in society and the management of security and synergy. and is a large-scale structure of people, businesses, and goods directed at the sustainable economic development of property and gross domestic product at the micro-levels. According to the definition given by M.Nikrem et al. (2016), the digital economy is the share of production carried out at the expense of "digital" resources in the total economic output. These digital resources include digital skills, digital equipment (accessories and components, software and communication equipment), intermediate digital products and services used in the production process.

Among the local scientists Muminov N.G. and Zakhirova G.M. (2020) emphasized the great importance of the state procurement system in the digitalization of the economy and the development of e-commerce.

In modern economic literature, there is no unified scientific definition of the activity of small business and private business entities. For example, A. Busigin (1992) defines the private sector as a special type of economic activity aimed at obtaining profit (income). He understands that the purpose of his activity is to produce and sell such a product that is in demand in the market and should bring profit to the entrepreneur. He considers small business as an economically active sector, and expresses its basis as a profit-oriented activity, and entrepreneurial activity as an understanding of the activity of production and sale of products for the purpose of profit. As a result, the content of the concept of small business refers to the purposeful activity of producing and selling a product that is in demand in the market.

Foreign economist M.Yunus (2010) commented on the financial support of small business entities and emphasized that the main attention should be paid to the social effect of lending when lending to small business entities that have started a new activity. This scientist noted the increase in the demand for loans at market rates after the expansion of the financial capabilities of small business entities.

Also, J.K.Kambarov, N.J.Makhmudova (2016), one of our local scientists on improving the process of informatization and digitization in the field of economy, played an important role in their scientific work in setting the rules of industrial economy telecommunications, in setting technical standards, in supporting research and innovation, which and, in turn, expressed opinions that it helped the emergence of a new sector of the innovative economy - the digital market. Therefore, the modern digital revolution is mainly related to market and technological innovations. Most of the production activities and services are obtained through information technology. This century has become the century of informatization and digitization of information. Also, in the scientific article written by I.Yu.Umarov (2020), proposals and recommendations were developed on ways to improve business efficiency in innovative management in the digital economy. L.V. In his research, Lapidus (2018) developed theoretical rules and practical recommendations for managing e-business and e-commerce in terms of changing business models under the influence of the evolution of digital technologies.

Also, in the State program for the implementation of the strategy for the further development of the Republic of Uzbekistan: "The main factor of the production of the digital economy is the digital.

Research methodology. In the preparation of this article, the formality of regulatory and legal documents, used literature and Internet information, the comparative and critical analysis of the scientific and theoretical views of economists on the subject, the results of the study and generalization of advanced foreign experience, and the implementation of suggestions and recommendations were determined. Systematic analysis, generalization, and abstract-logical thinking were used during the study of the subject along with general economic methods.

Analysis and results. Complex measures are being implemented in our country for the active development of the digital economy, the widespread introduction of modern information and communication technologies in all sectors and areas, first of all, in public administration, education, healthcare and agriculture.

In particular, the implementation of more than 220 priority projects aimed at improving the electronic government system, further developing the local market of software products and information technologies, establishing IT parks in all regions of the republic, as well as providing the sector with qualified personnel has begun.

In the conditions of current globalization and scientific and technical development, the economy of the world's leading countries is characterized by the level of development of digital technologies, introduction of these technologies, and their use. Many countries are starting to create a new model for the development of the national economy, based on the development priority of the digital economy. The development of the digital economy in Uzbekistan is a strategic task that ensures economic security, competitiveness and development efficiency in the regional economy and in various sectors of the economy.

Based on the data presented in the McKinsey Global Institute report, after 20 years of growth, the share of traditional flows of goods, services and goods in the world GDP decreased from 53% in 2007 to 32% in 2018. Between 2005 and 2018, the volume of cross-border data exchange increased 54 times.

Digital technologies are changing the appearance and structure of the economy, replacing traditional business models, increasing competition and competitiveness among individual economic entities, regions and the entire country, leading to the expansion of markets and opportunities. Assessing the development and spread of the digital economy in the world is the cause of many discussions. Some experts divide the digital economy into "direct" (specific business activities on the network) and "indirect" (digital activities of mixed companies). The country with the largest share of the digital economy in GDP is the United States (10.9%). China (10.0%) is the second largest country after the United States. The share of the digital economy in the gross domestic product of all countries in the European Union is 8.2 percent, and in Russia's GDP is 3.9 percent, which is almost 3 times lower than the indicators of the leading countries in terms of the scale of the digital economy (Table 1).

Table 1 Expenditure on the digital economy and its components by some countries¹, in % of GDP

	USA	China	Western Europe countries	India	Brazil	Czechia	Russia
To the ICT sector of households expenses	5,3	4,8	3,7	3,2	2,7	2,2	2,6
Investments in digitalization of campaigns	5,0	1,8	3,9	2,7	3,6	2,0	2,2
ICT export	1,3	0,4	1,0	0,6	0,8	0,5	0,5
ICT import	-2,1	-2,7	-2,9	-6,1	-1,0	-2,1	-1,8
Total: The size of the digital economy	10,9	10,0	8,2	6,3	6,2	5,5	3,9

¹ Compiled by the author

In 2019, 20.7% of the world trade in goods was carried out through international electronic commerce - 3.535 trillion dollars. Despite clearly high growth rates, in 2019 there was a decrease compared to the previous two years: e-commerce 28% in 2017, 22.9% in 2018. By 2021, global e-commerce will reach 5 trillion. dollars, and in 2020 the share of e-commerce will fall below 20% (Chart 1)

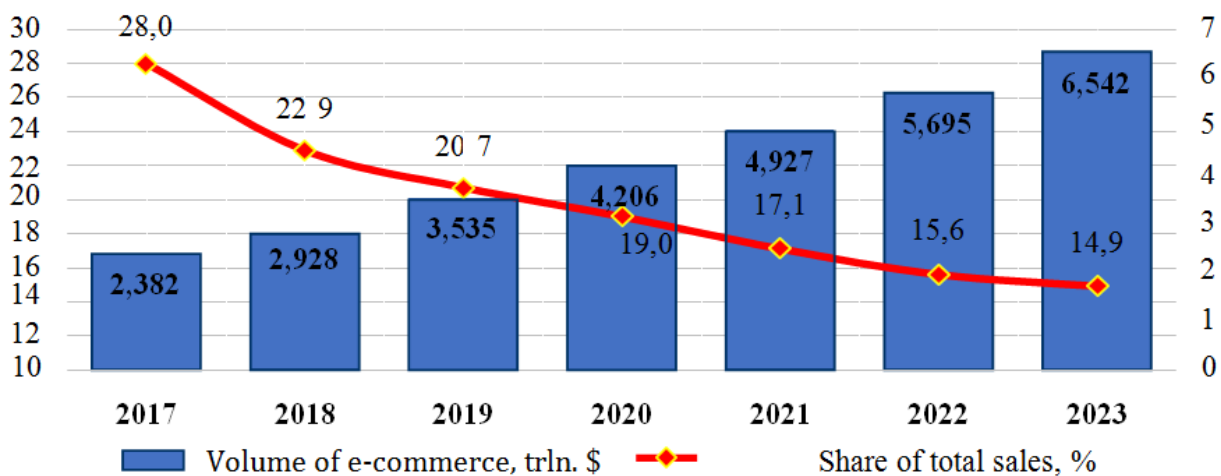


Diagram 1. Global e-commerce figures² (2017-2023)

Relevant practical activities are being carried out in our country in connection with the development of modern information and communication technologies, the creation of a unified, generalized system of providing electronic state services, and the introduction of new mechanisms for communication between state bodies and the population.

Further development of the digital economy in Uzbekistan requires personnel with scientific potential and various resources, which are important for comprehensive development of information and communication technologies in the country, including regions.

It should be noted that by today, the concept of digital economy has appeared in the economic theory and practice of a number of countries. It is characterized by the rapid development of digital technologies, the revolution in the information sector and the acceleration of the processes of globalization of the economy. The effectiveness of their use is based on increasing knowledge and is explained by the ever-expanding socio-economic relations.

The main factor of digital transformations in the activities of market entities is primarily the development of digital culture. At the current stage of the social and economic reform of the society, the environment creates characteristics of the institutional structure of the society, and on this basis, there is a need to form new concepts and approaches.

In recent years, the market of information and communication technologies of Uzbekistan has changed on a large scale through the implementation of projects for the modernization and development of telecommunication networks throughout the country. In particular, digital intercity stations were installed in all regional centers of our Republic, optical fiber cables and digital radio lines were installed in intercity and intraregional communication lines, television and radio transmission devices were modernized and installed, CDMA wireless radio communication system was introduced. The level of coverage of digital telecommunications in cities and district centers of the republic has reached 100 percent. The level of coverage of rural settlements by telecommunication networks was 90 percent, of which digital radio lines made up 52 percent. Uzbekistan's telecommunication system, which has direct international channels in 28 directions using optical fiber and satellite systems to 180 countries of the world, in turn, gives the country the opportunity to transition to a digital economy.

² www.emarketer.com

In Uzbekistan, development based on the potential of regions is a guarantee of the stability of the country's economic system. Because the development of the country directly depends on the level of development of the regions and the social stability of the society.

The development of the regional economy through the digital economy, like other branches of the economy, is rising to an actual level in the world economy. One of the main trends in the development of the world economy is the active development of the digital economy. The national economy of countries also adapts to changes in the world economy, and sometimes it is coordinated according to the previous level of development.

The current level of development of digital technologies and their impact on ongoing processes allows us to define the term "digital economy" using digital technologies. In this sense, in our opinion, it is appropriate to define that "Digital economy is the use of artificial intelligence as components of the economy, robotization of work processes, reduction of labor costs in the production process, modeling of economic systems using special computer programs, and increase of programming capabilities."

The level of technical support for production and service in the regions and the production technologies used include the use of new innovative developments aimed at reducing labor costs for workers. For this, regional manufacturers should be provided with high-quality equipment, modern control devices, computer and satellite navigation tools, programs for fuel consumption management, load optimization, and efficient use of equipment.

The use of high-tech equipment in regional production and service helps to save resources, increase efficiency and, as a result, reduce environmental impact and, most importantly, save costs. This, in turn, is related to the affordability and competitiveness of products and services.

In our opinion, the following are integral elements of the application of information and communication technologies that contribute to the development of the digital economy:

- the ability to provide information to producers and consumers and exchange information via the Internet;
- interactive possibility of fast information exchange and offering products in different markets;
- expansion of the market space and opportunities for using digital banking services;
- quick decision-making based on the effective use of software designed for artificial intelligence (mind), robotics and other processes.

The digital economy serves as a basis for the development of the regional economy, and also stimulates the effective development of industries and services. The use of information and communication technologies in the economy creates equal opportunities for promotion of products between large and small enterprises, which increases the efficiency of their activities and creates equal opportunities to ensure competition in the field.

In short, the implementation of digital technologies in the economy is not only a necessary infrastructure of the production process, but also has the potential to develop the regional economic system in the field of applying artificial intelligence directly in the production process. It is also closely related to the further expansion of the use of the digital economy in the regions, the improvement of service quality, the technical and technological equipment of production processes, and the ability to control processes at all stages of the product's life cycle.

Conclusions and suggestions. The following conclusions were formed in the course of scientific research carried out to ensure the effective use of digital economy technologies in the development of small business entities in our country:

1. Digital economy is a system of economic relations based on the use of digital information and communication technologies. The digital economy has many advantages. This reduces the cost of payments and opens up new sources of income. The costs of providing online services are

lower than in the traditional economy (primarily due to cost reduction), and the services themselves are much cheaper both socially and commercially. In addition, in the digital world, goods and services can quickly enter the mass market and have access to anywhere in the world. The product offering can be instantly modified to meet the new wants or needs of the consumer. The digital economy provides a variety of information, education, science and entertainment content faster, better and more conveniently.

2. The development of the effective use of digital economy technologies in the development of the activities of small business entities is one of the issues of strategic importance for Uzbekistan, which determines its global competitiveness, as well as for other countries. 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 required 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 shows the need to create conditions for the development of the digital economy in our country, to direct it to the most necessary areas and to stimulate this process to the extent possible.
3. The digital economy is due to the development of information, communication and economic and financial innovative technologies, as well as the openness of the infrastructure that provides the possibility of full interaction of all subjects of economic activity in the hybrid world, that is, objects and subjects of the process of creating, distributing, exchanging and consuming goods and services. may have a separate place. Also, for the effective use of digital economy technologies in the development of small business entities, all economic objects and entities should have significant digital components.
4. The most active driver of the digital economy is the state. He is the main customer and consumer of the digital economy. For example, China spent about 9 billion dollars for these purposes. Market capitalization is 210 billion. Alibaba Internet resource, which has more than USD, proved that these investments were well spent. A country that wants to get the most out of digitization needs to create and support a market for the necessary high-tech products. At the same time, it is important to keep the instruments that control the main platforms of the electronic economy in their tracks, while developing private applications for public administration, important sectors and enterprises in parallel.

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