

The Role of Commercial Banks in the Digital Economy in Uzbekistan

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Abstract

It is known that in developed countries of the world, special attention is paid to the study of development issues in commercial banks during the period of rapid growth of digital economy technology. In particular, banks are investing and financing the development of the “digital bank” business model. This article talks about the digital economy and its impact on the commercial banks of Uzbekistan. Also, the scientific literature on the subject of this article is studied and suggestions and recommendations are made regarding the existing problem.

Keywords: *Digital economy, banks, automated banking, commercial banks, technological base.*

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Introduction

The growth of the digital economy affects the entire economy. There are attempts to estimate the periods of influence of this sector on traditional sectors of the economy. At the same time, with the growth of the planet's population and the mobilization of resources, the electronic economy is not limited to electronic commerce and services but affects every aspect of life: health, education, Internet banking, and others. In other words, the digital economy is an activity directly related to the development of digital computer technologies, including services for providing online services, electronic payments, Internet trade, crowdfunding, etc. Usually, the main elements of the digital economy are e-commerce, Internet banking and electronic payments, cryptocurrency and blockchain, Internet advertising, and online games. The modern economy of any country is a wide network of various economic entities. The basis of their interaction is accounts and payments. The creation of a highly efficient, reliable payment system ensures the realization of their economic potential. In this regard, today not only information but also analytical technologies that allow to increase management efficiency are becoming in demand. Taking this into account, the accounting and bookkeeping core of the newly established automated banking systems has been transformed into a completely new technological base, taking into account the completeness and protection of the information necessary for the operation of the decision support system for bank management. based on At present, the level of development of automated banking systems, hardware and software tools, and the work experience of employees has reached a new level in terms of quality, and it is time for banks to pay more attention to management issues, maintain profitability, and improve operational efficiency for dynamic development in a competitive environment. Therefore, further work is being carried out on the development of the payment system, banking telecommunications network and banking information technologies.

In his address to the Oliy Majlis, the President of the Republic of Uzbekistan, Sh.Mirziyoyev touched on these problems and said:

we need to master, which allows us to follow the shortest path to all-round progress. In the modern world, digital technologies play a decisive role in all fields. Despite the fact that our country rose to 8 positions in the international index for the development of information and communication technologies in 2019, we are still lagging behind in this field.

Of course, we all understand well that the formation of the digital economy requires appropriate infrastructure, large amounts of money, and labor resources. But no matter how hard it is, we have to start today or it will be too late tomorrow. Therefore, accelerating the transition to the digital economy will be our priority for the next five years." In Uzbekistan, 2020 was declared the "year of development of science, enlightenment, and digital economy". This state program will continue in 2021. This does not mean that we are starting to move to a new stage, it means that we are focusing on what has been developed over the years since the independence of Uzbekistan. The transition to the digital economy will significantly change the market of banking services. changes. These changes, of course, will affect the banking environment of the Republic of Uzbekistan. According to world scientists, the wide use of digital technologies in various fields will increase labor productivity, expand convenience and opportunities, improve the quality of products and services, and economic development. causes swelling.

The term "digital economy" is widely used in theory and practice, but there is no agreement on its interpretation [1]. According to the famous statement formulated by Stan Kaplan in Risk

Analysis Methods, 50% of the world's problems arise from situations where the same words are used to express different concepts, and because the same concepts are interpreted with different words. In most cases, the digital economy is defined by a set of specific technologies, their application in the economic sphere, and the changes these technologies bring to the way economic agents interact. the digital economy is considered a separate stage of the development of the modern economy, which forms digital technologies and knowledge and opens new opportunities for society, business, and the state through their use; as a form of economic activity that occurs due to intersectoral interaction of people; as an economy, depends on digital technologies[2]. often, the definition of the digital economy changes the list of directions of influence on the economy and social sphere. Another digital economy is also called the invisible second economy because it is formed as a result of the digitization of new business processes thanks to digital technologies and is an "intangible" structure parallel to the general economic environment.

According to the definition of the World Bank, the digital economy is understood as a system of economic, social, and cultural relations based on the use of ICT.

In general, the digital economy is concerned with the creation, distribution, and use of digital technologies and their products and services.

The financial stability of a commercial bank means, on an expanded basis, to increase its own finances, as well as the finances of other economic entities, and to provide services to its financial operations. Other businesses

Not only their stability but also the bank's own financial stability is considered to be the success of financial services.

According to Wikipedia (the free encyclopedia), the digital economy (web economy, Internet economy, electronic economy) is economic activity based on digital technologies, related to electronic business and electronic commerce, and produced and sold by them. digital goods and services. Payments for services and goods in the digital economy are often made by digital currency (electronic money) [3].

The growth of the digital economy affects the entire economy. There are attempts to estimate the periods of influence of this sector on traditional sectors of the economy. At the same time, with the growth of the population of the planet and the mobilization of resources, the e-economy is not limited to e-commerce and services but affects every aspect of life: health, education, Internet banking, etc.[4]. In other words, the digital economy is an activity directly related to the development of digital computer technologies, including services for providing online services, electronic payments, Internet trade, crowdfunding, etc. Commonly, the main elements of the digital economy are e-commerce, Internet banking and electronic payments, cryptocurrency and blockchain, Internet advertising, and online games. Digital economy - production based on digital technologies.

Results

Prospects for development are associated with the active development of block technology cloud services, including online banking, Internet catalogs, and systems for identifying access to corporate sites. For global safety and hygiene, with the latest developments with the coronavirus pandemic, the World Bank recommends the use of bank cards only. In addition, the World Health Organization requires cash to be given because of the transmission of COVID-19. In such

difficult times, "HUMO" contactless cards are being actively introduced into the payment system of Uzbekistan. Contactless cards do not need to be handed over to cashiers or waiters in stores. Then, fewer strangers can view the map data and infect it with viruses. Another plus is that it can extend the service life of the card because it is less affected by mechanical effects - you don't need to take it out of your wallet or put it in the payment device. At the same time, the click application has developed a special service using a barcode. You don't need to take the card with you for this. Difficult times encourage us to choose from a difficult situation without harming our rational nature. Quarantine has proven to us that cash flow remains a short-term problem when it comes to buying and selling from home. Now the need of the hour was to increase electronic money in all settlement operations.

Discussion

It should be noted that the introduction of "numbers" and electronic commerce into life creates a number of disadvantages for humanity, among which we can list the following:

1. Cyber threat related to the problem of personal data protection (in part, the problem of fraud is called digital literacy). Of course, a topic that has caused controversy due to the security of e-banking is the confirmation of transactions using one-time passwords (the interception of traffic did not allow the hacker to finance).
2. "Digital slavery" (using data to control the behavior of millions of people). Modern equipment in our country its use has become popular in recent years, from the young generation to the elderly. According to Juniper's accounting books, in 2021, 3 billion landowners will already use banking services on smartphones and computers.
3. An increase in unemployment in the labor market, as the risk of the disappearance of certain professions and even industries increases (for example, many experts seriously believe that the banking system will disappear in the next decade). Almost all banks of Uzbekistan offer remote banking service (DBO) to their customers, which allows remote management of the bank account via the Internet and telephone. This can be done through the further distribution of information technology and its products: electronic cash registers, customer service bots, self-driving cars, etc.);
4. "Digital divide", i.e. the gap in digital education, access to digital services and products, and the resulting difference in the level of well-being of people in the same country or in different countries. After such new changes in the economy, new conditions and diversification of the profession of IT specialists will appear in the digitization market. Currently, about half of the world's population uses the Internet in their daily lives for learning and doing business. In the near future, the volume of virtual trade will exceed the standard types of trade relations. Digital money is more convenient to use, and it is very difficult to counterfeit it. Testing of new inventions has become more convenient and faster - there is no need for real tests. According to experts, the electronic economy will completely change the usual business processes and economic relations.

The digital economy, that is, the emergence of new opportunities, will definitely have a positive effect on human life.

Other benefits of developing a digital economy The World Bank considers the "digital dividend" of 2016:

* increase labor productivity;

- * increasing the competitiveness of companies;
- * reduce production costs;
- creation of new jobs;
- * elimination of poverty and social inequality.

These are just a few examples of how the digital economy is positively impacting our lives, creating so many opportunities for ordinary users and empowering the market[7].

Conclusion

There are several factors that influence the formation of digital banks in Uzbekistan from the above. Also, a number of problems and the formation of such banks and the operation of systems are related to the Internet, because many new technologies and innovations, as well as conveniences created by banks, are still at the threshold of the digital economy. The transition to a digital bank will not be a problem for the country's banks. New forms (flexibility) of financial and payment instruments will appear in the payment system, as well as issues of ensuring trust in the actions performed in the digital environment will become more acute. The rapid growth of scientific and technological development and new information technologies have a significant impact on the overall assessment of the bank's attractiveness.

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