



BLOCKCHAIN METHOD IN DEVELOPMENT OF DIGITAL ECONOMY

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ANNOTATION

The article discusses the current evolving digital economy in the world, its advantages, factors of development and the favorable conditions created by the digital economy. Blockchain technology will also be considered in the development of the digital economy.

KEYWORDS: *Blockchain, e-government, online, smart city.*

DISCUSSION

Today, the digital economy is evolving worldwide. Of course, with the advent of computer technology and the Internet in human life, it began to be widely used in all areas. In particular, it has affected the economy. The digital economy allows for the implementation of digital technologies in production and services in all areas. Currently, the United States and China are among the most developed economies in the world. According to statistics, these countries have the largest number of online commerce. Extensive work is being done to develop the digital economy around the world. The reason is that the digital economy creates favorable conditions not only in trade but also in many other areas. For example, the widespread use of digital electronic payment systems via the Internet in the global financial, credit and banking sectors provides fast and free settlements between businesses and the population without the involvement of the bank and sharply reduces settlement costs, as well as leading to a decline in the value of financial and credit reserves, dramatically increasing the efficiency of financial management of the state and the population as a whole, while resolving global debt problems and removing trade barriers to world markets. At the same time, transparency in education and similar areas will allow citizens to get acquainted with the economic processes carried out by the government online. In our country, the development of the digital economy is aimed at creating new jobs, improving the living standards of the population, the development of digital e-government in Uzbekistan, the digitalization of financial services.

At the same time, various measures are being taken in the country to develop the digital economy. In particular, the Resolution of the President of the Republic of Uzbekistan dated July 3, 2018 "On the development of the digital economy in the Republic of Uzbekistan" and December 13, 2018 "On the development of digital economy, e-government and information systems This is evidenced by the adoption of the decree "On additional measures for the introduction of Based on the above decisions and decrees, you can see that the following measures are being taken.

- Development of blockchain technologies, which are the main techniques of the digital economy, and training of qualified personnel for their use;
- Creation of a legal framework for the use of blockchain technologies based on foreign technologies;
- Establishing cooperation with government agencies and organizations in the introduction of innovative technologies for the development of the digital economy.

Another example of the development of the digital economy is the Digital Economy Fund established in Uzbekistan. The Digital Economy Development Fund implements promising and strategically important projects for the development of the digital economy in a public-private partnership, including in the field of cryptocurrency and cryptocurrency exchanges, assists in the development and implementation of blockchain technology,

Blockchain is one of the key technologies in the digital economy, which allows system



participants to exchange assets directly and reliably. In our country, the Digital Trust Fund for Support of Digital Economy has been established, which is a state institution aimed at attracting and consolidating investors' funds for the development of the digital economy, in particular in connection with the introduction of blockchain technology.

In this regard, from January 1, 2021 in our country, "blockchain" technology will be used in the activities of government agencies, in particular, in cooperation with other government agencies and organizations, public procurement, public services,

implementation of data verification, ensuring the state's participation in the charter capital, the system of corporate governance of large commercial organizations, in particular, the improvement of business processes, optimization of production, administrative and operational processes, as well as the introduction of modern management and implementation for resource management.

There are two ways to use blockchain in the digital economy, and both methods are currently being developed in our country. (Table 1)

Blockchain methods	Definition
Mass blockchain method	In this blockchain method, bitcoin cryptocurrency is widely used. In it, each participant will have the opportunity to read and write information.
Private blockchain method	It is based on the principle of limitation in writing and reading data. In this way, Participants can read and write only the part of the data that belongs to them.

Table 1. Definition of blockchain methods

The role of blockchain technology in the digital economy can be explained by the role of technology in business models based on it.

With the development of the digital economy in our country, the use of the following factors is of particular importance in increasing its development trends. (Fig. 1)

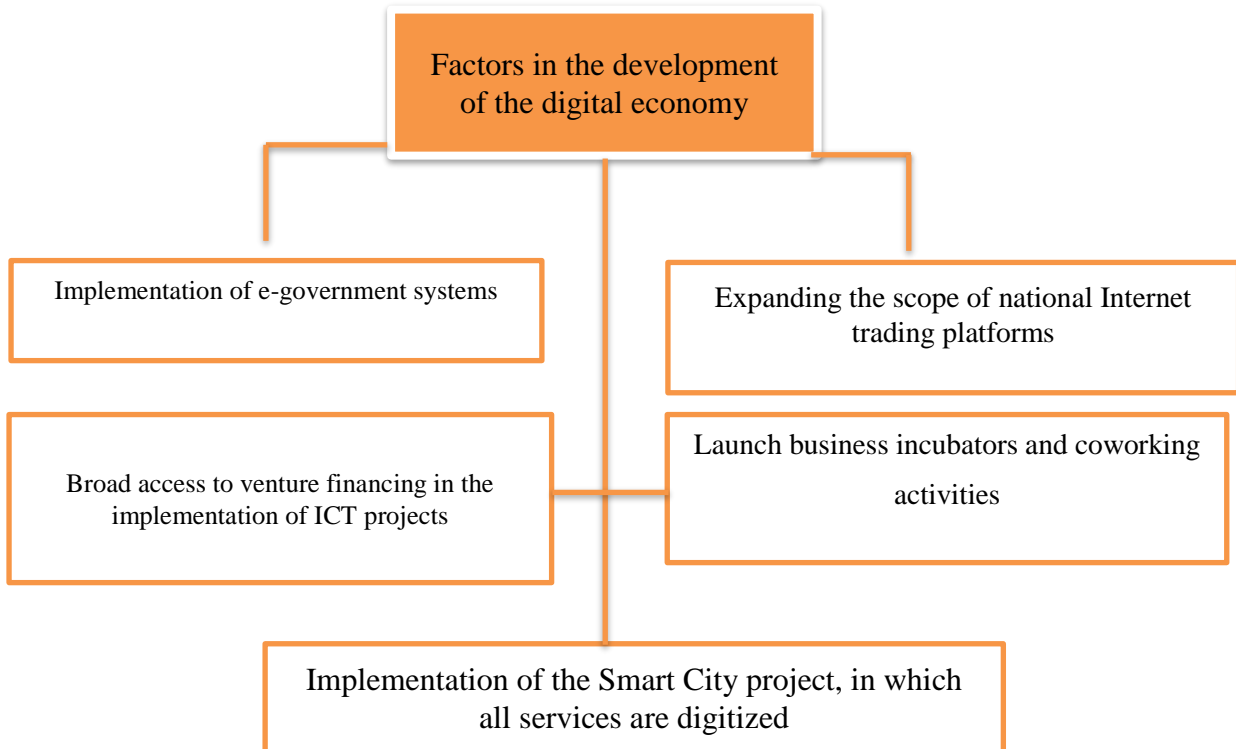


Figure 1. Development factors of the digital economy



As a result, we can say that the development of the digital economy is important for reducing the role of the state in the economy and improving the quality and transparency of public administration through digital electronic online platforms, creating a massive digital infrastructure for digital information technologies and electric transport, and ensuring innovative labor mobility. With the development of the digital economy in our country, we can create more favorable conditions for citizens, reduce long queues, surf the Internet, provide employment for citizens, and establish transparency and openness between the government and citizens.

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