Security and Disadvantages of the Digital Economy

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Annotation: ***The government is understood less than the traditional functions of government regulation, including the best practices of regulation, how to evolve with these transformational changes and how to say. Therefore, it is very important to participate in such work, especially digital transformation is an ongoing regulatory process that creates needs that require rules. Areas such as retail, finance, communication and entertainment are already "numbered" in many countries.***

Keywords: ***Information security, technology, telecommunications, digital pox, USA.***

Indeed, in expanding the digital economy, it is necessary to strengthen international cooperation as much as possible. It is gratifying to note that as a result of effective measures taken in the field of information security in Uzbekistan, in 2019 we climbed to 41st place in the global cybersecurity index and took 52nd place.

As part of its ongoing efforts to address the Internet risks faced by young people, the Uzbek Center for Information Security (OCIS) held a series of training seminars on computer technologies in colleges and academic lyceums in March.

5G is expected to have a significant impact on the economic performance and GDP of countries. In 2016, mobile technology and services accounted for 4.4 percent of the $3.3 trillion global gross domestic product. By 2020, this figure will reach 4.2 trillion. US dollars, or 4.9 percent of global GDP, as the efficiency and effectiveness of high-speed mobile communications continues to grow.

Similarly, the GSMA said that mobile technologies and services accounted for 3.3% of Europe's GDP in 2017, while the continent's mobile ecosystem provides 2.5 million jobs. Europe is the most developed regional mobile market in the world, with 465 million unique mobile subscribers by the end of 2017, representing 85% of the population. The share of GDP is expected to grow to 4.1% by 2022, and with the launch of the first 5G network in Europe by 2020, countries will look to take advantage of the new mobile network.

The importance of 5G's potential economic impact really shouldn't be overlooked: The US has been working hard to establish itself as a 4G leader, and 4G mobile broadband has added $100 billion to the nation's gross domestic product. According to the GSMA, 4G will account for four out of five mobile connections in North America by 2020, which is higher than in other regions of the world. If the US loses its leading position in the world in wireless communications, it could be impacted by job losses and technological innovations abroad. The economic advantage of US 4G leadership will be lost. In Uzbekistan, the mobile operator UCELL also received permission to launch 5G in 2019.

There are problems in the telecommunications market of Uzbekistan that do not allow the country to reveal all the opportunities for the growth of the digital economy. The main limiting factor in the market is competitive competition, which increases investment and raises prices. MDITC has a monopoly on the country's international gateway, which operates through Uztelecom. As a result, the cost of IP transit remains the most expensive in the world, and the country's per capita bandwidth is very low. Uztelecom also has the country's widest long-distance network, although as of June 2018 it provided the country with about 24,500 kilometers of domestic fiber, which is low for the country. While there are no legal restrictions on other operators, including foreign companies, entering the market, there is clear evidence that Uztelecom's ISPs are receiving preferential access and connection

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prices. The complex, non-traditional process of licensing mobile operators (MNOs) has in the past forced some foreign companies out of the market altogether, and existing tax structures have hampered the growth of private mobile operators.

Digitalization opens up great and unprecedented opportunities. However, serious uncertainties remain in the development of such transformational technologies. Governments need to strive to better understand the potential implications for society and the new technologies that are critical to their governance.

Challenges can be divided into four main categories:

i) pressing issue;
ii) drafting “appropriate” rules;
iii) regulatory issues;
iv) institutional and cross-border issues.

Beyond the essence of digital innovation, the rapid pace of technological change calls for radical modernization. Digital technologies, as a rule, develop faster than those that control them or social structures. While the gap between technology and regulation is always a concern, digital technologies open up new opportunities for “walking”.

Digitalization is breaking down the traditional boundaries of markets and sectors, which is manifested in a “new” approach to telecommunications, media markets and digital platforms. It also confuses the traditional distinction between consumers and producers, as well as the growing number of individual "consumers" who consume and transmit electricity to the grid. The uncertainty of boundaries, in particular, affects the powers and scope of the regulator. The economic characteristics of digital business also require price regulation models, since pricing in the digital economy follows different rules. New forms of digital intervention may be needed to address market failures caused by information asymmetries in some digital markets (for example, transactions with personal data in exchange for "free" digital products or services).

Digitalization is challenging the notion of regulation by challenging the traditional notion of obligation. In particular, it makes it difficult for end users to allocate liability for damages or losses caused by the use of the technology. A specific example is due to the difficulty of offering new ways to distribute content when exercising copyright/property rights over the Internet. Another example is the difficulty of establishing liability when using AI (to the supplier, distributor or original equipment manufacturer?).

Traditional institutional frameworks around industry- or activity-oriented ministries and departments also show their limits in addressing the cross-cutting challenges associated with digitalization. Digital technologies can span multiple regulatory regimes, which can lead to confusion and risk. In addition, digitalization ignores national or jurisdictional boundaries and dramatically increases the intensity of cross-border flows and transactions. This allows companies to go global by being able to locate production processes or service centers in different countries of the world. This feature allows companies to open or block a "forum store" when it comes to their availability, internal tax and data protection policies, or other areas of regulation. The gap between the cross-border nature of digitalization and the division of regulatory structures across jurisdictions can reduce the effectiveness of action and, therefore, reduce the public's trust in government. It can also prevent the spread of beneficial digital innovations.

• In conclusion, the qualitative development of economic sectors, the social sphere and the public administration system in the current period and in the near future of human development is directly related to the widespread introduction of digital technologies. The development prospects of our country also depend on the development of the digital economy and the level of digital inclusion. To do this, it is necessary to list the following main conditions and priorities for the development of the digital economy:

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• • Creation of an institutional environment and digital infrastructure for the sustainable operation of digital technologies, the provision of public services, the widespread introduction of digital technologies in the real sector of the economy, healthcare, the state cadastre and other areas, as well as on the territory of the Republic of Uzbekistan to gradually provide the most complete coverage with the ability to connect to the global Internet networks at the level of developed countries;

• • Expansion of the scope of training and training of qualified programmers and engineers with deep knowledge in these areas, training in modern information technologies that fully meet international standards at all levels of the education system,

• • In particular, the successful implementation of the project "1 million programmers" in cooperation with foreign partners;

• • Strengthening the scientific and theoretical base in the field of the digital economy and supporting scientific activities in this area with the targeted use of the Digital Trust Fund;

• • Conducting seminars, courses and other events in educational institutions in order to popularize and expand "digital literacy" among the general population, involving them in the development of information technologies;

• • Strengthening the regulatory framework and improving legislation in the field of the digital economy, as well as the concept of "startups", creating a legal framework for their financing through venture funds;

• • create a labor market that meets the requirements of the digital economy and increase its mobility, improve the skills of specialists for the rapid introduction of new technologies;

• • Strengthening international cooperation in the field of the digital economy, implementing projects in cooperation with leading international technology companies, including the creation of modern research and production laboratories for innovative developments.

World experience shows that today digital technologies are rapidly developing, mainly in the scientific community and the private sector. Therefore, the state should create a favorable ecosystem by supporting innovative projects and IT companies in these areas..

The state will also support modern methods of digital education in support of innovation and digital ecosystems, develop standards for the effective regulation of innovative services, promote the development of new markets and reduce the risks of deepening technological processes. It is advisable to take measures.

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