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## IMPORTANT ISSUES OF THE DEVELOPMENT OF E-GOVERNMENT IN THE CONDITIONS OF THE DIGITAL ECONOMY

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### ABSTRACT

In this article, digitization, electronic government and its problems and solutions as a logical continuation of innovation development are covered in detail. Also, a number of proposals and recommendations have been developed within the framework of the topic.

**Keywords:** Digitization, digital economy, "Electronic Government", Innovation, Innovation service, innovation brand, single Portal.

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### INTRODUCTION

Today, as a result of the further development of the information society, the introduction of new technologies and trends in it, as well as the increase in the internet factor, the term "electronic government" is becoming increasingly popular. In order to increase the efficiency of the use of the services of state bodies, to ensure simple, fast and convenient communication between citizens and the government, the development of e-government and the digitization of Public Administration in our country are becoming an urgent issue.

At the new stage of development of Uzbekistan, special importance is attached to digitization of Public Administration, wide use of digital technologies in all spheres and sectors. In particular, "we need to develop a national concept of the digital economy, which implies the renewal of all sectors of the economy on the basis of digital technologies. On this basis, "digital Uzbekistan-2030" program should be applied to life " was defined [1].

According to the resolution of the president of the Republic of Uzbekistan dated April 28, PP —4699, 2020 on measures for the wide introduction of the digital economy and the electronic government, by 2023 it is envisaged to double the share of the digital economy in the country's gross domestic product. The strategy for the development of the economy is based on factors such as the development of industry, the service sector and agriculture, the initiative of the entrepreneur, the provision of financial resources. By 2035 year on the account of deep structural changes in the economy, the gross domestic product of the country will reach 122 billion dollars. When determining such a scale of growth rate, it is taken into account that the nominal growth of

the GDP, the efficiency of the economy, the increase in incomes per capita.

The question of "digitization" is actually a new term, which implies the involvement of IT solutions in the process of innovation management and conduct, and, in effect, the use of Information Technology in all systems ranging from internet items to electronic government. Due to the pandemic in the last year, the volume of the world economy has decreased by 4.4 percent. At the same time, digitization has accelerated all over the world. The electron government facilitates the provision of public services to the population, entrepreneurs and government agencies, creates additional opportunities for self-government of citizens, increases their awareness of technological innovations and facilitates their participation in public administration. According to the decision of the Cabinet of Ministers of the Republic of Uzbekistan on December 30, 2012 number 378, the single interaktiv State Services portal (hereinafter referred to as the single Portal) was launched on the Internet in 2013 within the framework of the government portal of the Republic of Uzbekistan, including in the "Single Window" mode([www.my.gov.uz](http://www.my.gov.uz)).

## **ANALYSIS OF LITERATURE ON THE TOPIC**

A word about the digital economy borganda, economic activity, in which the main factor of production is the processing of them in large quantities and the use of the results of their analysis, in comparison with the traditional forms of Economic Conduct, is understood Digital-looking information that allows to seriously increase the efficiency of various types of production, technologies, equipment, sales, storage, delivery of goods

The Digital Economy model, published in 1994 by Canadian scientist don Tapskott, has sent our lives a drastic change. The fundamental essence of the development of digital innovations, including "Cloud computing", "mobile marketing" and "Artificial intelligence" digital technologies lies in increasing the well-being of the population [2].

One of the authors of the concept" digital economy " N.Thinking about this concept, Negroponte came to the conclusion that where there is Internet, the economy develops and industrial enterprises seek cities with high Internet speeds [3]. As a matter of fact,

Representative of the Russian Association of electronic communications S.A.According to plugotarenko's interpretation, "the ecosystem of the digital economy is a market segment that generates added value using digital information technologies"[4].

Hence, the Digital Economy describes it as a science that studies the economic activity of a person, which provides for the widespread introduction of electronic and Information-Communication Technologies in the production, taqsimlash and consumption processes of the blessings of society.. In his opinion, the term digital economy is used to denote two different concepts. First, the digital economy is considered a modern stage of development, which is characterized by the priority role of creative labor and information blessings. Secondly, the digital economy is a self-contained theory, the object of its study is an informed society [5].

There are three main components of the concept of digital economy [6]:

- 1) Support for infrastructure (hardware and software, telecommunications, networks, etc.);
- 2) Electronic business (conducting business and other business processes through computer networks);

3) e-commerce (distribution of products via the Internet). Digital transformation involves all aspects of human activity.

The digitization of documents and the emergence of electronic signatures, the expansion of the list and the acceleration of the provision of public services to citizens, have led to the emergence of a digital State (Electronic Government), which will provide new tools for the interaction of citizens and authorities. Over the past 25 years, the level of services provided has become much more complex, combining previously deployed technologies, creating completely new approaches to production processes and environmental management.

The support of the digital economy and the introduction of elements into the e-government have taken a strong place in the near-term development plan of Uzbekistan. This applies, first of all, to the tasks of further increasing the share of electronic document sharing and gradually transferring a certain part of public services through the Centers of public services into electronic form. Telecommunication infrastructure performs an important function in this process.

For the first time, the idea of creating an e-government appeared in 1990. The use of modern information and communication technologies in the activities of the state allowed the concept of "Electronic Government «to be born. "The very term" e-government " (e - government), appeared later - in 1997 on the initiative of the National Science Foundation of the United States» [7]. At the beginning of the 1960s, the concept of "Information Society" appeared almost simultaneously in America and Japan. M. A. Nikitenkova notes that in her work "the use of Information Technology and resources of the global Internet", at the end of the 1960s, research groups of four American universities began to study the ways of mutual electronic data exchange. In 1974, in the United States, the standard "transmission control protocol/network protocol" appeared, which allowed the processing and transfer of data through the formed "network of networks»

## **RESEARCH METHODOLOGY**

Comparative analysis, grouping, scientific abstraction, monographic observation methods were used as research methodology.

## **ANALYSIS AND RESULTS**

E-government (eh) is a system of organizational and legal measures and technical means aimed at ensuring the activities of state bodies in the provision of public services to individuals and legal entities through the application of information and communication technologies, as well as interagency electronic cooperation. Eh is not considered an alternative or analog form of traditional government, but is complemented by the provision of new methods and tools for increasing its effectiveness through digital technologies [8].

The term "electronic government", as well as the synonym "digital government", appeared in the middle of the 90-ies of the last century. However, the study of this phenomenon immediately begins. Thus, the first scientific publication devoted to e-Government problems appeared in 2003 [9]. In another report, a detailed description is given. "E-government" includes the use of information and Communication Technology (Iss) to improve the efficiency of the government, facilitate the use of public services, increase public access to information and ensure greater accountability to the citizens of the state" [10].

According to the law of the Republic of Uzbekistan "on electronic government", e — government is defined as a system of organizational and legal measures and technical means aimed at ensuring the activities of state bodies for the provision of public services to individuals and legal entities through the application of information and communication technologies "[11].

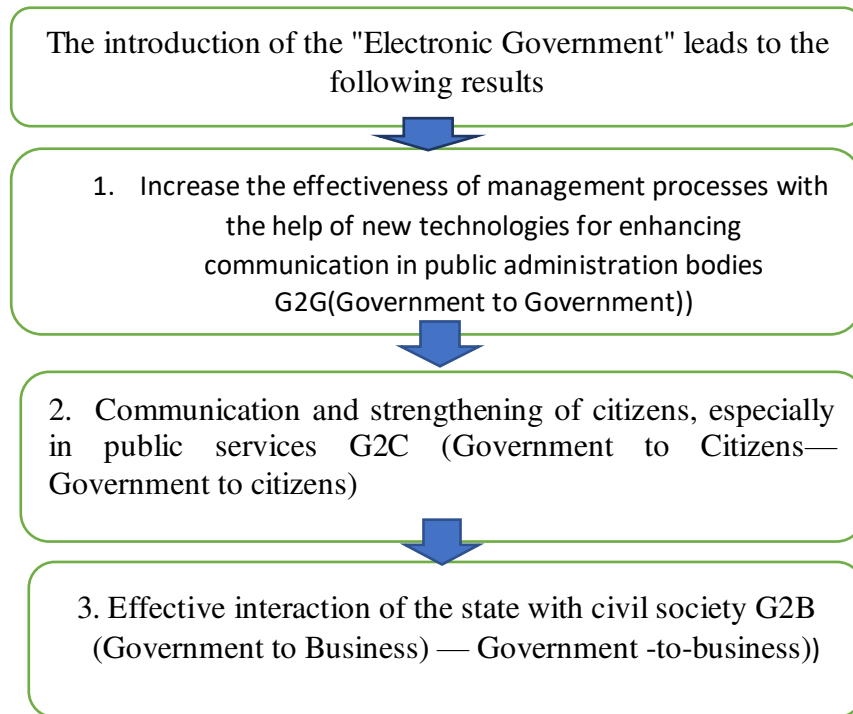
Objectives of implementation of e-government:

- \* Improvement of public service procedures;
- \* Increase the level of participation of all voters in the governance process of the country;
- \* Expansion and support of self-service opportunities of the population;
- \* Technological knowledge and professional skills of citizens;
- \* Reduce the impact of the geographic location factor. In practice, the formation of eh is to improve the quality of public services by transferring them to electronic form and to create the opportunity for use by the population and business.

Through the widespread introduction of digital technologies into the activities of state bodies, today there is an opportunity to transfer services rendered in the traditional form to electronic form. Also, today in the Register of public services more than 80 state and economic management bodies 716 services, in 2020 in the single public services portal 50 new services were introduced, today the total number of electronic services on the portal is 216. On average, this portal is used from 40 to 50 thousand marathons per day. At the same time, the updated interpretation of the single public services portal began its activity. Several innovations and changes have been made, including the expansion of electronic payment options, the Portal Interface has been updated, and the statistical data has been more accurate and wider coverage. Today, 20 services have been introduced, including:

- - Enroll in the register for vaccination (vaccination) to COVID-19;
- - to agree to change the appearance of buildings and structures;
- - non-state activities of extracurricular education, sending notification for the activities of training courses on teaching foreign languages and other.

Mobile interpretation of the single portal has also been launched, and today it has created the opportunity to use more than 30 public services. In order to create convenience in the provision of public services to citizens and entrepreneurs, more than 500 post offices in the regions have been set up to provide 17 types of public services using the single interactive public services portal platform. On the basis of analysis of services established in the Register of public services for the population and business entities, it is desirable to conduct regular work on the transfer of actual services into electronic form. The results of the introduction of the electronic service are reflected in the following diagram.



**Fig 1. "Introduction of "electronic government"**

The results of the evaluation of the development of e-government in the world are presented in the report "ten-year action on the sustainable development of the Digital Government", published by the United Nations in 2020 year. In this rating, despite the fact that the indicators of Uzbekistan show stable growth, it ranked 87 among 193 countries and maintained the status of a country with a high level of development of e-government. In the table below, the ranking of the top ten countries in the development index of the e-government is presented.

Table -1

**The Electronic Government Development Index and the top ten ranking of countries (E-Government Development Index, EGDI) <sup>1</sup>**

Countries	The role of countries	Electronic Government Development Index
Denmark	1	0,9758
South Korea	2	0,9560
Estonia	3	0,9474
Finland	4	0,9452
Australia	5	0,9332
Swede	6	0,9365
England	7	0,9358
New Zealand	8	0,9339
USA	9	0,9292

<sup>1</sup> <https://nonews.co/wp-content/uploads/2020/10/eGov2020.pdf>

<b>Netherlands</b>	10	0,9228
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As indicated in the table, Denmark is in the first place as the leader of the rating - 0.97, this figure is the leading position in the Central Asian region of Kazakhstan-0.83, South Korea is the leader in the Asian region -0,95.

Among the problems facing countries in promoting E-government are limited resources, lack of digital infrastructure and lack of capacity and capacity.

Another important indicator is the electronic participation index (I-Partisipeishn index), which measures the effectiveness of efforts to use information technology in ensuring the communication of citizens and business entities with state bodies. The following table provides information on the Electronic Government Development rating of Uzbekistan (Table 2).

Table - 2  
**Uzbekistan's rating on the development of e-government in 2018-2020<sup>2</sup>**

<b>№</b>	<b>Indicator</b>	<b>2018 year</b>	<b>2020 year</b>	<b>Difference</b>
1.	Electronic Government Development Index	0,62070 (81-position)	0,6665 (87-position)	0,0458 (-6)
1.	Online services sub- index	0.79170	0.7824	- 0,009
2.	Human capital sub-index	0.73960	0.7434	0,0038
3.	Telecommunication infrastructure subindex	0.33070	0.4736	0,1429
4.	Electronic participation index	0,75840 (59-position)	0,8095 (46-position)	0,0511 (+13)

In 2020, Uzbekistan increased its figure to 0,80 (+0,05), increased its position in the overall rating by 13 points, and in 2018 ranked 46th (59th place), entered the list of countries with a very high level of development of the electronic participation index.

In general, we can see that digitization is a logical continuation of the knowledge-based economy. In this regard, we found it permissible to shed light on the essence of innovation.

Innovation economy was formed as an economic science in the late 1920s and early 1930s, economist scientist N.Kondratev noted that the changes taking place in the technical sphere have a positive impact on Economic Development [12]. The economist acknowledged that the country has accumulated a mass of innovation and that economic conditions for its introduction have arisen.

For the first time the essence of "innovation" in economic science was laid by the Austrian scientist Y.Shumpeter describes: "innovation is a new way of looking at the existing process, an approach, applying new production to a particular process, which is related to modern discovery, development or human activity" [13].

<sup>2</sup>On the basis of the literature studied by the authors



According to Y.Shumpeter, the same innovative approach to economic activity determines the level of development of the economic system of each period. In his theory, entrepreneurship is regarded as the fourth factor in production. Also, the task of entrepreneurs is to open new sources of raw materials and materials or new markets, using inventions for the production of new goods or old goods in a new way, to reform and improve production. The scientist predicted that due to innovations, entrepreneurs, revolutionary changes in the economy will occur.

American economist scientist S.Kuznes introduced the concept of "innovation of the period" into economic science in the 1980s, according to his teaching, the basis of ensuring sustainable economic growth and increasing its level in a particular period of economic development is the introduction of innovations of the period, the source of which was shown to be science [14]. S.Kuznes believes that the introduction of innovations for a certain period, together with a positive effect, will also emphasize the possibility of its negative impact. Therefore, the participation of the state in the development of innovations in socio-economic relations and its introduction into production is important. The regular introduction of scientific and technical innovations into the economy, along with being an important factor in sustainable economic growth, brings about problems such as unemployment, tension in society, the formation of specialists of a new generation. On the theory of scientist innovations y. Shumpeter enriched his ideas with new approaches.

Features of digital economy with the Shumpeter theory we can see the comparative analysis in the table below(table 3).

Table 3

**Interpretation of the Shumpeter theory and comparative analysis of the properties of digital economy<sup>3</sup>**

<b>Economic expressions</b>	<b>Shumpeter theory</b>	<b>Digital economy</b>
Innovation	Introduction of new tokens	Introduction of digital products and digital services
Technologies	New methods of development	Digitizing the processes of production of tokens based on knowledge
Fight for the consumer	The discovery of new markets	Creating electronic markets and digital distribution channels
Coordination	Conquer new doctrine sources.	Implementation of B2B-EC for the management of supply networks
Entrepreneurship	Redirecting to profits. Reorganization of the firm. Risk acceptance strategies	Orientation to profit-modernization. Develop new models for managing digital business. Startups.

<sup>3</sup>On the basis of the literature studied by the authors

An example of the digital products shown in the table is the electronic delivery of Data (Data, Content) on several platforms and devices, including Yandex search engine, Feysbuk digital services. Also, knowledge-based tavarlarga books, technologies, patents, design, database are taken into account. And the electronic markets and digital distribution channels include electronic shopping systems, social networking recommendation communities.

In our opinion, "innovation is a complex of innovations, inventions, discoveries, ideas and new approaches in the form of human intelligence, innovations created on the basis of production experience, applied to production, and at the same time, innovations in the form of intellectual property that bring economic and social benefits" [15]. If an innovative idea is created, if it is not applied to production, if it does not prove its economic usefulness, then innovation is not considered. Since the innovations created are commercialized and applied in practice and have an economic and social effect, they can be considered as innovations.

According to the content of this definition, innovation not only consists of ideas, work, discoveries, but also the structure of innovation includes an absolutely new approach and principle of innovation in the organizational-managerial description of the organization, management and effective implementation of property objects, serving the overall development.

Summarizing the above points, it is possible to distinguish the following as the main directions of innovative development of electronic government in Uzbekistan:

▪ **1. Innovation in the methods of work of the state body:**

- -formation of online services in the state of trust;
- -expansion of electronic information exchange administrative abuse.

1. **Innovations in the field of public services:**

- Formation of the advanced system of service provision;
- Expansion of electronic participation of citizens in public administration;
- Formation of advanced system of service provision to economic entities

2. **Innovation in Information Resource Management:**

- Integration and informatization of information resources;
- Strengthen information security;
- Promoting the specialization of ICT-systems.

3. **Innovations in the legislative system:**

Review of normative legal acts taking into account the conduct of electronic transactions of the government Institute of activity

In accordance with the decree of the president of the Republic of Uzbekistan № PF–5544 of September 21, 2018 "on approval of the strategy of innovation development of the Republic of Uzbekistan in 2019-2021", relevant assignments were given to the ministries and departments in order to increase the position of Uzbekistan in the Global Innovation Index (GII) rating.

- In order to improve the position of the Republic in international ratings, the following works are being carried out:
- In order to improve the e-government rating, a number of projects are being implemented on telecommunications infrastructure, online services), human capital subindex and electronic participation index.
- - A number of works are being carried out to improve the payment of state duties, fees, fines and other payments.



- In the global innovation index of the Republic of Uzbekistan for 2020:
  - \* relevant activities on the rated indicators;
  - \* tasks on indicators rated with low indicators;
  - \* Through questionnaires conducted by the World Economic Forum, tasks on indicators that are evaluated are identified.

In order to further develop and improve the services of the electronic government in the conditions of the digital economy, the following proposals and recommendations were developed:

1. In the conditions of uninterrupted power supply, it will be possible to talk about a continuous production cycle, processes, and therefore, we propose that the solution of the problem of continuous power supply, which is one of the basic conditions of innovative production and digitization in Uzbekistan, is a first-level issue. Because the uninterrupted power supply in remote areas will in turn be necessary for the good operation of quality Internet networks. And the solution of this issue will have to start with the elimination of problems related to interruptions in the power supply in the system of electricity, the introduction of energy-saving high technologies into the system, the transition to high technologies in which the energy capacity of production is reduced, the updating and modernization of the main funds of the energy system.

2. The single portal aims to introduce new services in the financial and credit sphere, mainly focused on social protection, together with new services related to the health of the population. In particular, in the field of citizenship (application for admission and exit from citizenship); in the field of tax, entrepreneurship, banking and finance (obtaining a certificate of business income, registration of self-employed persons, registration of goods and services purchased through a corporate card in a personal cabinet, registration of contracts concluded between economic entities, obtaining information on the credit history of citizens);

Social sphere (execution of thematic surveys, information on the benefits of material assistance to families with children under the age of 14 years, maintenance of the child until the age of two years and to low-income families, application for social benefits by the population, enrolling in the registry for vaccination (vaccination) to COVID-19);

Telecommunication sphere (licensing of the activities of the design, construction, );

Cadastre and construction (obtaining information about building or housing violations, obtaining copies from the State Register of real estate objects); education (issuing duplicate documents on Higher Education, non-state educational activity, sending a notification for the activities of training courses on teaching foreign languages, receiving documents to higher educational institutions, sending an application for admission to the magistracy of the Tashkent State Legal University.

3. There are the following problems in the transfer of Public Administration to digitization:

- Internet speed, infrastructure, internet connection rate, broadband Internet);
- technological limitations (unsystematic significant data, insufficient instructions for the use of information systems, etc.); - citizens who do not use social networks, the lack of a mechanism for delivering data to them;
- lack of clear norms of responsibility for data exchange between organizations implementing digital technologies; - lack of demand for the formation, processing, analysis,

implementation, decision-making, monitoring and implementation of a clear information system in the evaluation of the effectiveness and effectiveness of management solutions;

In conclusion, it should be noted that in carrying out the digitization in public administration, the following work should be carried out::

- clearly demonstrate their commitment in the exchange of information between organizations;
- Launch a separate protected channel or gateway in order to increase the number of central databases and ensure the connection between them;
- it is necessary to automatically establish mutual digital integration with databases;
- it is necessary to gradually reduce the provision of services to the applicant, that is, to increase automatic or life cycle services;
- transition from document adaptation to database adaptation in the administrative management process of each organization;
- to obtain results that facilitate decision-making through the collection and processing of data with the use of sensitive data, Internet of Things, artificial intelligence technologies.

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