DIGITAL KNOWLEDGE AND THE ECONOMY

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Abstract: *The article examines the role of digital literacy in the development of the modern economy, its importance in forming human capital, and the impact of digital technologies on production, service, and management processes. It also analyzes issues related to developing digital skills, digitalizing the education system, and establishing an innovative economy.*

Keywords: *digital knowledge, digital economy, human capital, artificial intelligence, information technology, digital skills, innovation.*

Today, knowledge, information, and technology are becoming some of the most critical strategic resources in the global economy. While the main factors of production in the traditional economy were land, labor, capital, and entrepreneurship, knowledge and information are of particular importance in the modern digital economy. This is because human resources with digital knowledge contribute to creating new technologies, implementing them in practice, and increasing economic efficiency.

As our esteemed President emphasized, "***Where there is no science and research, there can be no development, progress, or future for any field***" [1].

Digital knowledge is understood as a person's knowledge and skills in using modern information and communication technologies, analyzing data, working on digital platforms, using electronic services, and managing technological processes. Digital knowledge is not limited to computer use; it also encompasses programming, working with databases, using artificial intelligence tools, adhering to cybersecurity rules, and the culture of digital communication.

Human capital plays a crucial role in the formation of the digital economy. Knowledgeable, enterprising specialists who have mastered modern technologies help achieve high results in all sectors of the economy. Specifically, the development of automated control systems in industrial enterprises, smart technologies in agriculture, electronic payments in the banking system, e-commerce in the trade sector, and e-government systems in public administration is increasing the demand for digital skills.

In various fields, from organizing daily life to industrial production, innovative technologies that significantly alter conventional practices are reaching their consumers at an increasing rate. Under the pressure of the rapid pace of innovation, companies are forced to support the processes and business operations they conduct,

develop new approaches to products and services, and replace their existing business models.

The speed at which new products enter the market is constantly increasing. Established business models and processes become ineffective. Businesses must operate in conditions of constant change and instability. New business models based on the principles of the "collaborative consumption economy" and electronic platforms are developing [2].

To date, the constant improvement of technologies and the rapid pace of production automation have made it possible to reduce the proportion of people employed in industry. In the mid-20th century, Alain Touraine, Daniel Bell, Alvin Toffler, and a number of other sociologists observed these processes and, in the course of their research, created a certain synthetic model of societal typology in their scientific works, identifying the following stages of societal development:

The pre-industrial (agrarian) society, in which the main driver of development is the agricultural sector.

The industrial society (18th–20th centuries), in which industry is the main locomotive of development.

The post-industrial society (from the second half of the 20th century to the present), in which knowledge is the main factor.

According to B.A. Begalov and M.K. Abdullayev, the digital economy is an activity where the main factors of production are data presented in digital form. The processing and use of this data in large volumes, including during its direct formation, make it possible to significantly increase quality, productivity, and efficiency in the storage, sale, delivery, and consumption of equipment, technologies, goods, and services across various types of production, when compared to traditional forms of management.

In our opinion, the digital economy is the process of regulating economic relations using digital tools and technologies in the context of a globalizing economy.

Another innovative direction related to digitalization is augmented reality (AR). Augmented reality technology, which allows for the integration of virtual objects into the real world, is considered one of the most promising technologies.

In line with global trends, Uzbek consumers use mobile phones to conduct electronic transactions, as they are more convenient and have a number of useful applications. When it comes to product selection, most respondents preferred to purchase clothing, as well as household appliances and electronics, via the Internet.

It would be shortsighted to consider old business models a complete anachronism. The boundaries between industries are disappearing and new opportunities are emerging, but at the heart of any commercial relationship is always a

simple desire—to sell or buy a product or service. In such a situation, consciously adapting existing assets to the changed rules of the game is the only correct and, most importantly, effective solution.

The process of the digital economy implies the need to change the following:

- business models and the existing portfolio of services;
- standards of conduct in relationships with clients and partners;
- a corporate culture with a special focus on personnel training and motivation;
- the level of responsibility and regulations for IT departments, incorporating virtualization and cloud technologies;
- the organization of the company's infrastructure, taking into account new technologies, the software and hardware requirements of the environment, and the interests of clients and partners.

The points above are also noteworthy because any changes aimed at improving one of these items can involve the elements that the company's business models work with, while leaving passive assets out of the process. Only the specific sector needed for the here and now will be affected.

In conclusion, digital knowledge is one of the key development factors in the modern economy. Developing digital skills improves the quality of human capital, fosters innovative ideas, enhances business processes, and strengthens the economy's competitiveness. Therefore, forming digital competencies within the education system, increasing the digital literacy of the public and entrepreneurs, and widely implementing advanced technologies are important conditions for economic progress.

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