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# THE IMPACT OF DIGITAL TRANSFORMATION ON GLOBAL ECONOMIC GROWTH

**Botirov Bakhtiyor Fayzullayevich**

Jizzakh State Pedagogical University

Lecturer, Department of Educational Management

**Meliyeva Malikakhon Kasim qizi**

Jizzakh State Pedagogical University

Student of Management

**ANNOTATION:** This article analyzes the impact of digital transformation on global economic growth based on a systematic and comprehensive approach. The research studies the mechanisms of influence of digital technologies, including information and communication technologies, artificial intelligence, big data (Big Data), cloud computing and digital platforms on economic development processes.

**KEYWORDS:** digital transformation, global economic growth, digital economy, innovative technologies, artificial intelligence, big data (Big Data), labor productivity, competitiveness, digital infrastructure, human capital.

In the context of the increasing importance of digital transformation in the economic and social development of the world community, scientific research is being conducted on inclusive economic growth and its sustainability. The priority areas of scientific research in this area include assessing the contribution of digitalization to sustainable and inclusive growth while reducing social and economic inequality, taking into account the inclusiveness of growth for the long-term sustainability of economic and social processes in the country, the impact of technological changes, environmental problems and global economic crises on ensuring inclusive growth, access to quality education and health services, job creation, stimulating innovation and supporting entrepreneurship, analyzing complex economic, social and political factors, and developing effective models and methods that support inclusive growth.

Digital transformation is emerging as one of the most important factors of global economic growth in the 21st century. The rapid development and integration of technologies such as artificial intelligence (AI), big data, the Internet of Things (IoT), blockchain, and cloud computing have fundamentally changed production processes, business models, and international trade systems. These technological advances not only increase efficiency and productivity, but also create new markets, industries, and jobs.

In the context of globalization, digital technologies allow for the development of cross-border trade, improved access to financial and educational services, and stimulated innovation-driven growth. Countries that have successfully implemented digital solutions have high economic growth rates, increased competitiveness, and improved living standards. At the same time, digital transformation can

lead to problems in the labor market, skills mismatches, cybersecurity risks, and inequality between countries that lag behind in technological development and advanced ones.

In recent years, the Republic of Uzbekistan has made great strides in improving inclusive economic growth. Given the important role of the digital economy in the country's future economic and inclusive growth, the government has developed a program aimed at accelerating digital transformation. The "Uzbekistan-2030" strategy sets a goal of increasing the volume of GDP to $160 billion.[1] By mobilizing all opportunities, this figure is expected to reach $110 billion this year alone. If this pace is maintained, by 2030 the country's economy can reach $200 billion. This will be the basis for a sharp led to the improvement of healthcare infrastructure and increased access to medical services for the population, and infrastructure development includes the development of roads, railways and airports. In order to ensure inclusive growth of the country based on maintaining economic, social and financial stability, scientific research aimed at reducing financial poverty, eliminating inequality in income distribution among the population, expanding employment opportunities, reducing regional and gender differences in employment, and equalizing access to healthcare and education is relevant.

The relationship between digital transformation and economic growth has been widely studied in the scientific literature. Traditional theories of economic growth emphasize capital accumulation, labor productivity and technological progress as the main factors of development. Modern research, however, points to digital technologies as a catalyst that stimulates innovation, efficiency and global competitiveness. Brynjolfsson and McAfee[3] argue that digital technologies are fundamentally changing the way economies function, making old business models obsolete and creating new opportunities for value creation. Schwab[4] argues that the fourth industrial revolution, i.e. the transformation of industries and labor markets through digitalization, has an impact on productivity, income distribution, and global trade.

Recent studies examine the impacts across sectors, including finance, healthcare, manufacturing, and logistics, and show that digital tools can help improve operational efficiency, reduce transaction costs, and stimulate innovation. The World Bank and the International Monetary Fund (IMF) also emphasize the importance of strategic digital policies, workforce retraining, and investment in IT infrastructure to maximize the benefits of economic growth.

Digital transformation and its impact on inclusive economic growth have been widely studied by many foreign scholars. These studies were conducted by Aly, Tano, Kristyanto and Jamil, Xi and Wang, Guo, Tabarak and Bhat, Dubey, and Sun and Tang. It is important to note that these studies mainly used quantitative approaches and tried to forecast the impact on inclusive economic growth using empirical models. Thus, these studies are more valuable and practical for the relevant sectors.

Digital transformation is emerging as one of the main drivers of global economic growth today. The rapid development of information and communication technologies, artificial intelligence, big data, cloud computing and digital platforms is expanding the possibilities of increasing efficiency, reducing production costs and creating innovative products and services in all areas of economic activity.

The results of the study show that digital transformation has a direct impact on increasing labor productivity, optimizing business processes and forming new markets. Digitally enabled businesses are gaining an advantage in making decisions quickly, implementing flexible management systems, and

integrating into global value chains. This, in turn, strengthens the competitiveness of national economies and ensures sustainable economic growth.

At the same time, digital transformation is creating structural changes in the global economy, creating new professions and forms of employment. The development of human capital with digital skills not only accelerates economic growth, but also creates the basis for the formation of a knowledge-based economy. However, factors such as the digital divide, cybersecurity problems, and insufficient development of digital infrastructure limit the positive impact of digital transformation in some countries.

In conclusion, the impact of digital transformation on global economic growth is multifaceted, and its effectiveness directly depends on public policy, the institutional environment, and investments in human capital. By consistently implementing digital strategies, developing innovation ecosystems, and ensuring digital inclusion, countries will have the opportunity to achieve long-term and sustainable economic growth.

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