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## CURRENT STATE OF DIGITALIZATION IN UKRAINE: TRENDS AND RISKS

Annotation: The trend of digitalization in the global dimension is obvious. This process is the basis for a new stage of "technological" race, which should result in geopolitical and geoeconomic leadership. At the same time, it is a chance for both developed and developing countries to improve their national socio-economic situation. Today, the main agenda for most countries in the world is digital transformation and the creation of a competitive digital economy.

The article considers what place Ukraine occupies in the conditions of digitalization, what trends follow digitalization and what are the main risks and advantages of digitalization development for Ukraine.

Key words: digitalization, digital economy, digital technologies, innovations, Internet.

The digital economy is a type of market of economic system entities in which one, several or all stages of economic processes are carried out through computer networks; one of the manifestations of economic freedom, innovation and the level of economic development [1].

Ukraine, whose economic policy is aimed at creating everyone conditions for integration into the European Union, must also take into account the outlined strategy of Europe Digital Single MarketStrategy. The first step, at the state level, for the development of the digital economy was the development in 2016 of the conceptual foundations of digitalization, which are reflected in the joint project "Digital Agenda of Ukraine - 2020". The project was initiated by the Ministry of Economic Development and Trade of Ukraine, and the project involved representatives of government agencies, leading companies in the field of digital technology, NGOs, associations, consulting groups, scientists, independent experts and others. Based on the existing project for the implementation of the digital economy in Ukraine in 2018, the Cabinet of Ministers of Ukraine approved the «Concept for the development of the digital economy and society of Ukraine for 2018-2020» [2].

The two main documents that our state should focus on in digitization define its following goals:

- digital modernization of all spheres of life and activity of the population;
- transformation of the traditional economy into a competitive, efficient and investment-attractive one;
  - availability of digital technologies;
  - increase of economic indicators at the international level;
- opportunities for human resources development, innovative entrepreneurship, digital industry [2] [3].

Since the digital economy is directly connected to the Internet, the possibility of its development is directly proportional to its availability, accessibility, geographical location of the settlement, and so on. According to the American company "We Are Social" and the Canadian company "Hootsuite", which are engaged in global sociological research, and annually publish the results of digitalization in the world on various indicators according to population. Based on the reporting indicators of these companies, the state of digitalization in Ukraine is analyzed. The number of Internet users in Ukraine is

Abstracts II International scientific-practical conference «ECONOMIC AND BUSINESS ADMINISTRATION DEVELOPMENT:SCIENTIFIC CURRENCIES AND SOLUTIONS». Kiev, October 21, 2021, National Aviation University. increasing every year. Percentage analysis shows that in 2019 the share of Internet users was 71% (22.96 million), 65% have the Internet at home. At the beginning of 2020, there were 19 million users in Ukraine, in 2021 the figure reached 26 million. At the same time, the penetration of social networks has increased by half: now 60% of the country's population is registered in them, while in January 2020 it was slightly more than 40%. Also, according to research, for four years in Ukraine the number of mobile users significantly exceeds the population of the country as a whole, this is due to the fact that a significant part of the population of Ukraine has several mobile devices (smartphone, tablet) [4].

Today, the world is on the verge of the widespread introduction of "fifth generation" communication technology - 5G. The new technology will make the mobile Internet faster and make it possible, for example, remote surgery. On May 17, 2019, President Petro Poroshenko signed a decree on the introduction of the 5th generation (5G) mobile communication system in Ukraine [5].

In addition, every citizen of Ukraine has their documents simply on the phone. All thanks to the new application "Diya", which is a great example of digitalization in Ukraine. Due to the Covid-19 pandemic, many people were forced to leave their jobs and work remotely at home using only a laptop or other gadget. The situation was the same with students.

So, digitalization is about comfort, but here too there are advantages and disadvantages.

So, the main risks or disadvantages of digitalization are data security, crime and terrorism, complexity, privacy concerns, social disconnect, work overload, digital media manipulation, job insecurity, plagiarism and copyright, anonymity and fake personal, over-reliance on gadgets, addictions, secondhand living, organisation and storage, depersonalise warfare etc.

**Conclusion:** Ukraine creates favorable conditions for the development of digital economic infrastructure, but there are a number of technical features that prevent the availability of means of communication for the entire population of the country and anywhere. To do this, the state economic policy should be aimed at stimulating productivity through innovation. World practice shows that technological innovations are directly related to positive economic indicators.

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