

## THE IMPORTANCE OF FINANCIAL LITERACY IN THE DIGITAL ECONOMY

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**Abstract:** *This thesis analyzes the importance of financial literacy in the context of digital transformation and the digital economy. The thesis examines measures aimed at improving financial literacy and analyzes the existing obstacles.*

**Keywords:** *digital economy, financial literacy, cybersecurity, online fraud, digital payments, mobile banking, financial education, digital technologies.*

In the 21st century, digital technologies are developing at a rapid pace. The volume of cashless payments is increasing year by year worldwide. According to statistical data, the global digital payments market reached 9.47 trillion US dollars in 2023 and is projected to reach 14.79 trillion dollars by 2027 [1].

At present, the expansion of the digital economy, as well as the active development of online payments, mobile banking, and investment platforms, is being observed. Digital technologies are creating various conveniences for the population, in particular, simplifying financial transactions and reducing the time required to carry them out.

At the same time, the development of digital technologies is also giving rise to new challenges. In particular, cybersecurity threats, the increase in financial fraud, and the population's exposure to financial losses as a result of low financial literacy are being observed. In such circumstances, it is of utmost importance for the population to possess a high level of financial knowledge and skills.

Financial literacy is the ability of an individual to possess financial knowledge, skills, and competencies, and through their practical application, to effectively manage personal income and expenses, make rational use of credit, save and invest, and minimize financial risks.

A financially literate person:

- does not fall into debt;
- develops a habit of saving;
- knows how to invest;
- ensures financial security for the future;
- plans the family budget correctly.

As the digital economy expands, the population and businesses are increasingly confronted with financial risks such as cybercrime and online fraud. In such circumstances, enhancing digital security and financial literacy is critically important. Abdurazakova (2025) argues that one of the most effective solutions in the process of improving financial literacy is the widespread introduction of step-by-step training and courses based on digital technologies [2].

According to the author, this approach is suitable not only for young people but for people of all ages, fostering a more informed approach to financial decision-making [2].

Bahronova and Isomova (2025) emphasize that the gradual integration of financial education into school and higher education curricula plays a significant role in improving students' financial literacy and their participation in the digital economy [3].

Mahmudova (2021) highlights that regardless of their level of development, every country should develop large-scale programs to improve the financial literacy of its population based on the specific characteristics of its economy and the mentality of its people — in particular, by producing programs and broadcasts through mass media that can reach a broad audience, along with systematic measures related to this process [4].

Certainly, such measures may have a positive impact on the development of financial literacy among the population. However, there remain a number of obstacles that still need to be taken into account in developing financial literacy in the digital economy. These include, in particular, the prevalence of unreliable financial advice and misleading advertising, as well as the difficulties faced by older members of the population in adopting digital technologies.

In conclusion, the rapid development of the digital economy demands an ever-higher level of financial knowledge and skills. In the face of cybercrime, online fraud, and the increasing complexity of digital services, the population can no longer rely solely on traditional financial knowledge.

As noted above, the widespread introduction of step-by-step training and courses based on digital technologies, the gradual integration of financial education into school and higher education curricula, and the development of systematic measures — including programs and broadcasts through television channels aimed at improving the level of financial literacy — are considered important factors in enhancing financial literacy.

However, on the other hand, unreliable financial advice and the difficulties faced by older members of the population in adopting digital technologies remain significant obstacles to improving financial literacy. For this reason, it is essential to provide interactive learning materials through digital online platforms and mobile applications, and to organize educational courses, webinars, and training programs designed for the general public.

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