

## **DIGITAL TRANSFORMATION OF THE ECONOMY**

### **Цифровая трансформация экономики**

The world is changing rapidly. Digital technologies are penetrating all spheres of life, radically transforming not only industries, but also the very essence of the economy. The digital transformation of the economy leads to fundamental changes in business and society and requires reconfiguration of all socio-economic institutions. Such radical changes also concern economic science and management, challenging traditional economic laws and management tools formed in the pre-digital era.

The purpose of this article is to analyze the impact of digital transformation on the economy, examine the key elements, benefits and challenges, and outline the path to successful implementation of this process.

Digital transformation is not just a technological shift, but profound changes in business models, processes, relationships between consumers and producers, as well as in the socio-economic structure of society.

The key drivers of transformation are:

- Internet of Things (IoT): Connecting physical objects to the Internet to enable data collection and real-time control.
- Artificial Intelligence (AI): Automate tasks, optimize processes, perform predictive analytics, and deliver personalized experiences to consumers.
- Blockchain: Decentralized transaction recording technology that brings security and transparency to finance, logistics, and more.
- Big Data: Collect, analyze, and use massive amounts of data to make informed decisions.
- Mobile: Easily access information and services through mobile devices, creating new opportunities for businesses and consumers.

The impact of digital transformation on the economy is as follows:

- New business models: The emergence of platform businesses, sharing economy, on-demand services, direct sales from producer to consumer.
- Increased productivity: Automation and optimization of processes using AI and IoT increase the efficiency and productivity of enterprises.
- Changes in the labor market: The emergence of new professions in the IT sector, as well as an increase in demand for specialists with digital skills.
- New business opportunities: Digital technologies open up new opportunities for small and medium-sized businesses to enter the global market and increase profits.

- Global integration: Digital technologies facilitate global integration and cooperation between companies and countries.

Digital transformation is a process that brings with it both great opportunities and significant challenges. Here are some of the most pressing challenges that can be addressed to successfully implement digital transformation: Cybersecurity: Cybersecurity threats are becoming more serious in the digital environment. Social inequality: Digital transformation may worsen social inequality, as not everyone has access to digital technologies. Regulatory challenges: New regulatory mechanisms need to be developed to control digital technologies and protect information. Ethical challenge: There is a need to develop ethical standards for the use of digital technologies, especially in the field of artificial intelligence.

Based on the above, we can conclude that digital transformation is one of the main challenges and opportunities of the modern world. It offers new solutions to eliminate global problems, creates new professions and business models, but also carries risks that require careful analysis and action from both businesses and governments.

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## **PROSPECTS OF THE REPUBLIC OF BELARUS IN THE CONTEXT OF MODERN TRENDS OF THE WORLD ECONOMY DEVELOPMENT**

### **Перспективы Республики Беларусь в условиях современных тенденций развития мировой экономики**

The modern world economy is in a state of transformation caused by a set of global challenges that require new approaches and solutions. Key challenges include climate change, the digital revolution, inequality, geopolitical instability, resource scarcity, pandemics and demographic changes. These prerequisites have caused the emergence of new trends in the global economy, one of the main goals of which has become sustainable development.

The Republic of Belarus actively cooperates with the two largest international organizations – the Shanghai Cooperation Organization (SCO) and the BRICS group, seeking to strengthen its position in the system of international relations. The Republic of Belarus has been participating in the SCO since 2010 in the status of a dialogue partner, since 2015 in the status of an observer, and since 2024 in the status of a full member, which gives it access to participation in the organization's events and development of multilateral cooperation in various spheres.