



INTERNATIONAL JOURNAL OF CREATIVE RESEARCH THOUGHTS (IJCRT)

An International Open Access, Peer-reviewed, Refereed Journal

Digital Economy and Indian Society

Neeraj Kumar Rai

Assistant Professor

Govt. Girls Degree College Dhindhui, Patti, Pratapgarh

Abstract: Digital economy changing the ways of doing conventional business and different inter relationship of businesses. How business firms are providing and receiving services to each other are now completely change. Digital economy made a new shape and understanding of business that facilitates consumer services. It is important to understand different aspects of digital economy especially in context of India. This research paper is based on secondary sources.

Key Word: Digital economy, Indian Society, Virtual Shop, Digital India

Digital economy is one collective term for all economic transactions that occur on the internet. It is also known as the Web Economy or the Internet Economy. With the advent of technology and the process of globalization, the digital and traditional economies are merging into one. Digital economy is defined as an economy that focuses on digital technologies, i.e. it is based on digital and computing technologies. It essentially covers all business, economic, social, cultural etc. activities that are supported by the web and other digital communication technologies. the term digital economy refers to the convergence of computing and communication technologies through the Internet and the resulting flow of information and technology that is stimulating e-commerce and spurring vast organizational changes. The digital economy refers to a broad range of economic activities that use digitized information and knowledge as key factors of production. The internet, cloud computing, big data and other new digital technologies are used to collect, store, analyze, and share information digitally and transform social interactions. The digitization of the economy creates benefits and efficiencies as digital technologies drive innovation and fuel job opportunities and economic growth. The digital economy also permeates all aspects of society, influencing the way people interact and bringing about broad sociological changes

The digital economy consists of various components, key among which include, government; policy and regulation; internet, the World Wide Web (WWW) and, electricity infrastructure. Governments are an important component of the digital economy by virtue of their traditional role in providing primary funding for a country's communications infrastructure. They also have an important role to play in sustaining infrastructure development and improving e-readiness. Through national ICT policies, governments provide a national vision for infrastructure development that is aimed at enhancing digital services within their jurisdictions and beyond. ICT or telecommunication policies are fundamental in the digital economy. A conducive business environment is necessary for firms to thrive and benefit from ICTs. This requires a transparent, open and competitive business framework; clear, independent rules of law that are applicable to all firms; mechanisms for the easy set up and dissolution of businesses; transparent, simple and accessible corporate regulation; and equal and stable legal treatment for national and cross-border transactions. Information technology and digital economy present new opportunities for all sectors of the economy. Today, economy is undergoing fundamental changes as a result of the rapid development of information technology and its use is also very fast. Especially the dynamics of the development of informatics and its products and business development opportunities based on the use of Internet technology have enabled the growth of the role and importance of using information technology in business processes in terms of the new economy or digital economy. In terms of the digital economy, information technology creates opportunities for specialization and cooperation between companies from different regions by reducing transaction costs, creating ease of access to foreign markets and facilitating the development of new models of electronic business. The WWW is a sub-network which was developed at CERN in Switzerland (the European Laboratory for Particle Physics) and is the fastest growing part of the Internet. The WWW appears to be an ideal medium for businesses attempting to promote themselves and their wares. Setting up a site on the WWW, and thus gaining instant access to millions of people all over the globe, can be achieved at a small fraction of the cost using more conventional methods. It is already possible to visit 'virtual malls' full of 'virtual shops', browse through catalogues and examine various products in vast detail, all courtesy of the Web. Cheap, plentiful electricity fuels higher growth, and all the more so in the digital age. Lower-cost higher-capacity battery storage is opening new opportunities for commercial and industrial customers to store cheaper power profitably in off-peak periods. And better storage is helping break through the impasse that has hampered the growth of electric-vehicle charging stations. Power utilities, while facing a host of strategic challenges as they tackle growth opportunities, are moving up the digital learning curve.

The digital age is transforming everything: the nature of markets and products, how to produce, how to deliver and pay, the scale of capital to operate globally, and human capital requirements. It is also boosting productivity, exposing companies to new ideas, technologies, new management and business models, and creating new channels of market access. And all of this at relatively low costs. The features of a digital economy make it an inherently useful and advantageous system. Digitization has provided the solution for storage requirements of articles like books, music, film and newspaper. Libraries filled with archives of

newspapers, books and music cassettes would occupy vast amounts of space and labor for maintenance and recovery.

When the transactions are made digitally, they can be easily monitored. Any payment made by any customer to any merchant will be recorded. This way, there will be no means for illegal transactions to occur. By restricting the cash-based transactions and using only digital payments, the government can efficiently expel the black economy. This is one of the most obvious and common benefits of the digital economy. When the transactions are digitized, monitoring sales and taxes becomes convenient. Since each transaction is recorded, the customers will get a bill for their purchase, and the merchants are bound to pay the sales tax to the government. This, in turn, increases the revenue of the government – thus resulting in growth of the overall financial status of the country. One of the biggest advantages of moving towards digital economy is that it gives an empowerment to the citizens. The quicker, safer, and more efficient alternative to traditional governance, e-governance will be the ultimate outcome of the digital economy. From birth certificate to death certificate, everything is available online – thus it is convenient for people to access the information they need on the go. Digital economy will definitely pave a way to e-governance, where delivery of all government services would be done electronically. The digital economy has a lot of potentials to enhance job opportunities in new markets as well as increasing employment opportunities in some of the existing occupations in the government. This way, the unemployment rate in the country is bound to decrease. One of the few drawbacks of a digital economy is that it requires a substantial initial capital investment when establishing the necessary framework for any system.

The digital economy is the new productivity platform that some experts regard as the third industrial revolution. Digital revolution, also known as ‘The Internet Economy’ or Internet of Everything (IoE), is expected to generate new market growth opportunities, jobs and become the biggest business opportunity of mankind in the next 30 to 40 years. Goldman Sachs predicts that India - comprising 15% of the world population, with a growth rate of 7 to 8%, could be the second largest economy by 2030. This major opportunity of the digital economy has the power to change the lives of millions of people of India. It could be an important vehicle for change and it could provide the opportunity for India to dramatically expand its role and influence in the global economy and become a powerhouse of digital innovation. The government is on a mission to digitize the Indian economy

India provides a unique and digitally verifiable identity to 1.21 billion people who can avail government services, sign documents digitally and utilize payment systems using their fingertips. Using progressive policy measures such as provisioning of New Age payment banks, small finance banks and interplaying it with this world-class digital infrastructure, India has prepared itself well. Based on government’s mantra of bottom-up policy focused on inclusion and coverage, Indian Postal Payments Bank was created leveraging on this digital infrastructure and 1.55 lakh postal offices for providing banking services to every corner of India. This creates one of the biggest banking distribution system which enables banking at your

doorstep in local languages and by trusted partners. It has been felt that a lot more thrust is required to ensure e-Governance in the country promote inclusive growth that covers electronic services, products, devices and job opportunities. Moreover, electronic manufacturing in the country needs to be strengthened. In order to transform the entire ecosystem of public services through the use of information technology, the Government of India has launched the Digital India programme with the vision to transform India into a digitally empowered society and knowledge economy.

Conclusion: Today's economy is dependent on technology and it is very hard to differentiate between conventional economy and digital economy. Implementation of digital economy has so many challenges. As the world is adopting the digital economy, we also have to be aware of consequences of digital economy in the perspective of Indian society

References:

1. S M. Mutula, Digital Economy Components, Book Chapter in Book Digital Economies: SMEs and E-Readiness edited by S M Mutula, July 2009, pp. 29-31.
2. A B Shaqiri, M B Namani, Information Technology and the Digital Economy, Mediterranean Journal of Social Sciences, Vol 6, No 6, November 2015.
3. K. Patch, Businesses spin Web for distribution, PC Week, 11 (25), 73-75, 1994.
4. I. Watson, Commercial uses of the Internet, Managing Information, 4 (1), 24-25, 1994.
5. R. Minio, Businesses and the Internet: Some interesting experiments' Management and Technology, 2 (1), 11-13, 1994.
6. J Noffsinger, M Rogers, and A. Wagner, Powering the digital economy, McKinsey Quarterly, November 2018.
7. Jorge Arbache, Seizing the benefits of the digital economy for development, Opinion and analysis from ICTSD's network of experts, 8 June 2018
8. C Hensley, The Advantages and Disadvantages of a Cashless Economy, December 7, 2018
9. <https://www.digitalindia.gov.in>