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The General Economic Effects Of Digital Transformation on the Global Economy In The Third Millennium

By

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Abstract

The person, his way of thinking, and his freedom of speech are all influenced by the political system; yet, the rights of the people have a more significant impact than the system itself. As a consequence of this, the majority of cutting-edge discoveries originate in Western nations. Globalization was the primary force behind the transmission, development, and expansion of the digital economy, notwithstanding the modernity of the digital economy itself. Since the technical variable has become a force element for the state in addition to economic and military power, the active international position in the new global order belongs to whoever wields digital power. It is because the technological variable has become a force multiplier. Because of this, the purpose of the entirety of this paper is to reveal the interrelated relationship between growth and the digital economy, as investments in information and communication technology lead to raising productivity and growth. It is because the digital economy is based on science, knowledge, and technologies, particularly in activities that include science and expertise in their composition. Even though it is not the only factor that leads to growth, it is the primary focus of this paper. In light of these recent developments, information and communication technology has played an essential role in the economy's expansion. It is because it has led to a reduction in the costs of production, an improvement in the quality of the product, the establishment of the rule of competition in production, and the transformation of the production pattern from traditional (typical) output to display that caters to the preferences and inclinations of consumers. The information and communication technology services industry includes specialized knowledge services and technical skills that boost job options. Some examples of these talents are computer and programming skills.

Keywords: Digital Economy; Digital Transformation; Global Economy; Innovation

Introduction

It will not only be a competition for capital or low-cost raw materials or the openness of markets in the era of information technology; instead, it will continue for a very long time as a competition and struggle over knowledge represented by economic digitization. So it is because it is what will determine power, save money, create raw materials, and open markets, but the new era will be defined by information technology (Al-Yasiri, 2021). It will comprise a contemporary economic pattern in its systems, areas, and processes. These systems are of the utmost significance for transitioning from responses to actions, also known as taking control of the future. Recent advancements in the digital economy have made the space occupied by knowledge in this new approach more profound than what was known in the past, which depends on information as a significant competitive advantage. With the emergence and emergence of this modern economy, a set of variables began to change continuously, which led to a change in how knowledge is used in business. Concepts, manufacturing tools, administrative structures, and human connections come into play here. For this reason, economists have only begun to recognize the importance that information technology, innovation, and creative thinking play in broadening the scope of possible economic outcomes.

The information presented above leads us to conclude that the new economy does not use random forces and is not subject to the rules of chance.

The future vision makes this economy a practical and interactive system using all the entrances and methods in light of the digital economy (Ali, 2021). This future vision includes creating an appropriate environment for information and communication technology through knowledge as a new production element, providing an opportunity for investments that can work in the technology and information sector, and encouraging research and development. In addition, this future vision includes creating an appropriate environment for information and communication technology through knowledge as a new element of production and encouraging research and development. The new curriculum in this new system is based on a strategy that aims to direct education and learning toward the new economy (the knowledge economy) (the digital economy), which focuses on the educational course that develops capabilities for dealing with information and communication technology and acquiring its skills, as well as the need to speed up the activation of the role of the computer in formal education systems. This new curriculum is based on a strategy that aims to direct education and learning towards the new economy (the knowledge economy) (the digital economy

The dependence on human potential as the primary driving force of the economy, which acts via the human ability for invention and creativity, is the direct benefit of the digital economy (Al-Yasiri & Al-Yasiri, 2021). It has become the primary advantage of the digital economy. The sector of technology has evolved into the leader and guide for the rest of the sectors, as well as the catalyst for the developmental renaissance of any nation that has the potential to enter the Land of a wealthy future, in which knowledge and thinking have become the base of value (Sumanjeet, 2009). This new system contributes to achieving the growth that countries and at all levels desire, including the following areas:

a) Dissemination of this technology across business establishments to improve productivity and increase the efficiency of business operations.
b) Obtaining raw materials through outsourcing.
c) Adopting innovation in the digital economy by providing consumer demand for goods and services and adopting competitive advantages, such as financial intermediation and providing services via the Internet.
d) It contributes to creating and publishing new jobs that are more efficient than companies, as it works with the maximum possible capacity.

Consequently, all indications point to a connected relationship between growth and the digital economy, as investments in information and communication technology lead to increases in both productivity and development (Al-Fatlawi, Al Farttoosi, & Almagtome, 2021). It is because the digital economy is founded on science, knowledge, and technologies, particularly in endeavors that incorporate science and knowledge into their make-up, even though it is not exclusively comprised of these elements. The development of an organization is not just dependent on this one aspect. In light of these recent developments, information and communication technology has played an essential role in the economy's expansion. It is because it has led to a reduction in the costs of production, an improvement in the quality of the product, the establishment of the rule of competition in production, and the transformation of the production pattern from traditional (typical) output to display that caters to the preferences and inclinations of consumers. The information and communication technology services industry includes specialized knowledge services and technical abilities that boost job options. Some examples of these talents include computer and programming expertise

(Almagtome, 2021).

Short-Term Economic Effects of Digital Transformation

A. The Impact Of Digital Transformation On Raising Production Efficiency

The slowdown in productivity growth has become the subject of extensive analysis by economists and their various interpretations of this phenomenon. One source of this difference has been whether the slow adoption of powerful new technologies explains the slowdown or whether the technological change has slowed and the capabilities of new technologies have been exaggerated. So some economists suggest that the slowdown in productivity caused by new technologies has to live, but it is only a short-lived effect that was felt with the adoption of computers in the 1990s. Others have also attributed this slowdown to the fact that new technologies are not up to the level of previous industrial revolutions, which means that the slowdown in productivity is the slowdown in technological progress. At the same time, optimists in the same period suggest that artificial intelligence (AI) can benefit from rapid progress in other sectors (Dung & Tri, 2021).

As a result of these developments, work is no longer the basis of value, as stated in traditional economic theories, but knowledge and thought have become the basis of weight. Therefore, economic growth results from the progress and development of human energies and their ability from manufacturing to thinking, creativity, and innovation. Information has become the source of wealth and the key to productivity and economic competition. Therefore, the digital economy contributes - through information and communication technology - to achieving economic growth that occupies social welfare on several levels, including (Kumar, Shenbagaraman, Shaw, & Ghosh, 2021):

- Dissemination of technology across business enterprises to improve productivity and increase the efficiency of business operations.
- Obtaining raw materials through outsourcing.
- Adopting innovation in the digital economy by providing consumer demand for goods and services and adopting competitive advantages, such as financial intermediation and providing services via the Internet.
- It contributes to creating and publishing new jobs that are more efficient than companies, as it works with the maximum possible capacity.

In all circumstances, it refers to the direct relationship between growth and the digital economy, as investment in information and communication technology leads to raising productivity and growth, because the digital economy is based on science, knowledge and technologies, and it gives a significant role to activities that contain a high technical composition, which includes science and knowledge, The digital economy also provides ideal information in terms of novelty, efficiency, importance, accuracy and verifiability, and the digital economy achieves sovereignty in persuading others and supporting decisions, although it is not the only factor that leads to growth on the basis that growth has many conditions, which led to a decline Production costs, improving the quality of the product and the rule of competitiveness in production, transforming the production pattern from typical (traditional) to production according to the desire and tastes of consumers, and the development of the services sector for information and communication technology, which includes some specialized knowledge services and technical skills that enhance career opportunities before computers and programming. Furthermore, favoring groups with higher education and technical skills, which provide a solid foundation for a society that transcends the inequalities

associated with Ownership and production, the technology works to restructure and integrate various business activities and companies, such as transferring assets from the public sector to the private sector, and consolidating power in the hands of large companies, in light of this sector there are natural differences due to the nature of jobs and businesses that are available according to the capabilities and skills of the individual, As well as the benefits occupied, depending on the position of employment in the service sector, such as workers in the field of knowledge (Shahpari, Allison, Harrison, & Stanley, 2021).

2020 witnessed a broad shift towards employing a diverse workforce, coupled with the widespread adoption of cloud services and the resultant data boom emerging throughout the cloud and mobile infrastructure. To help companies secure their changing business in an unpredictable world, in addition to advanced security solutions to secure a distributed workforce - fundamentally - and secure private and public clouds, and secure analytics within cloud data and mobile computing. Accordingly, these companies and establishments - which work in information and communication technology - can achieve the highest percentages of added value. Moreover, the workers get a higher income than their peers working in traditional sectors because these companies have comprehensive international relations. It is the reason for their success in taking advantage of these relations to expand markets and obtain the largest percentage of the value because industries that depend on information and communication technology are characterized by pioneering industries, which reduces their dependence on raw materials. Moreover, its use of modern technologies enabled it to achieve more excellent added value and thus increase growth. For example, Amazon sells digital books and earns enormous profits through digital marketing, so information and communication technology has become part of the economic, social, and political activities.

Several studies have also concluded that ICT-intensive sectors, such as financial, research, and service institutions have higher productivity due to most of them making more significant complementary investments to improve business models and management quality (Dixit, Stefańska, Musiuk, & Singh, 2021). In general, the impact of the use of information and communication technology on the productivity of sectors - as in enterprises - depends on their ability to adapt and the degree of flexibility in modifying the practice of their work. This ability is usually more extraordinary for large enterprises with sufficient resources to access information about markets, tastes, and options. Consumers, and to attract skilled workers. On the other hand, the use of digital technologies is more profound in sectors that operate in a competitive environment characterized by easy entry and exit of companies and encourages the emergence of small and medium enterprises with global competitive capabilities and whose activity is based on large databases, cloud computing, and digital platforms, and the scope of their activity covers local and foreign markets because enterprises New technologies usually have a comparative advantage in using new technologies, as well as having enough room to grow and expand their operations quickly if they are successful, and downsize their operations or exit the market if they fail.

B. The Impact Of Digital Transformation On The Labor Market

With the advent of the Industrial Revolution, education was needed to prepare an educated class to fill jobs in all fields. With the information and communication revolution - which appeared at the end of the twentieth century - the transition of human beings to the information society began. Despite this, some educational institutions did not realize the importance of education in crossing into the information society except the American and Japanese governments (Hesabi & Shayan, 2021). The American government reconsidered its educational strategy, while the Japanese continued their tradition of giving education first place

in their scientific, social, and economic lives. The two countries governments have reaped the results of their plans, as the percentage of American discoveries - registered globally - amounts to 55% of the total of these discoveries. Japan recorded 21%, while the share of the European Union did not exceed 15% of the total global discoveries of 200,000 in 1990 (Andrews & Criscuolo, 2013). The challenge today is the extent of success in reaching the optimal investment for technology to raise the quality of education, expand its spread, and achieve the dissemination of knowledge, without this at the expense of the quality of education and without that at the expense of the actual cost. Also, one of the most important challenges facing education in the information society is the ability to explore new ways of teaching and devise solutions based on excellent knowledge of technological means and modern media used in education and an understanding of the strengths and weaknesses in modern technological applications. There is no doubt that the old education systems do not suit the needs of the information society, so these systems have to step aside and allow a large, diverse. The constantly evolving group in new methods and applications and technology must be used to expand the scope of education, expand training, and spread knowledge, considering that the value of technology in education is determined by its ability And its ability to reach learners whose personal or social circumstances prevented them from continuing their education in traditional educational institutions, and technology raises the quality of education. Accordingly, the year is in a state of cognitive transformation, as human resources are a permanent and inexhaustible resource, and its knowledge and scientific products are inexhaustible. Therefore, development theories focus on investing in the technological sector, developing the human element sustainably, and supporting individuals through education and training. When talking about the labor component, it raises an issue related to the traditional development of the abundance of the labor component - especially in developing countries - and what has occurred in this development is that what is now relied upon is the quality of the labor component in terms of the level of skill, the quality of the education system and the ability to deal with technological developments that are reflected It all depends on the productivity and the relative cost of the labor factor, which is what prompted these countries to proceed with the development of education, which represents a basic entry point for the next stage. The technological development experienced by the world has entered into every aspect of life. However, many organizations - at present - have been affected by technology, characterized by rapid and continuous change. If the symbol of the industrial revolution is the steam machine, then the electronic mind is a symbol of today's age; just as the industrial revolution has reduced the importance of muscular or physical effort, the information revolution will reduce the value of mental and routine work, through the use of computers. The eagerness behind the expansion of the use of technology in many organizations - in the modern era - has become a prominent feature, as the Vice Chairman of the Board of Directors of Ford Company - in the United States - asserts (The machine is evidence of the project's desire to search for better ways to produce goods, and more means effective, and this desire will continue to exist and continue under the pressure of competition) (Odei, Amoah, & Jibril, 2021). The scientific studies align with the developments of advanced and accelerating knowledge that led to the restructuring of the global economy. Here, it must be noted that the effects of digital transformation on employment through several channels, the most important of which is facilitating the availability of information on labor markets on the supply and demand sides, improving the alignment between them, and increasing the efficiency of job search (Search and Matching Job), especially through specialized digital platforms. As well as by increasing the demand for labor, the radical transformation witnessed by business models, organization, management, and means of production due to large digital technological developments generates new demand for high skills. On the other hand, the increase in broadband Internet use leads to self-

employment or self-employment for highly skilled people who can use modern technologies. As a result, short-term contracts or self-employment has spread in labor markets worldwide instead of From permanent jobs (Gig Economy). On the other hand, digital transformation can cause the demand for many jobs to take off, especially in routine and repetitive work that does not require high skills, which can be done by machines more efficiently and less costly. Machines can perform many heavy-duty jobs better, and computers are better at processing large amounts of information.

On the other hand, recent developments in the field of artificial intelligence can make robots better in education and replace humans shortly, especially in areas that require accuracy in performance, reduce the possibilities of human errors, or contribute significantly to reducing expenses. And an increase in the speed of achievement, despite a large discrepancy in the estimates of the extent and rate of replacing humans with robots (Stiglitz, 2019). Some studies indicate that about 47% of the current jobs may gradually disappear due to the increase in digital transformation. Skilled in developed and developing countries, the labor share of the GDP has declined due to some professions. The proportion of medium-skilled occupations, which usually perform routine tasks, such as clerical work and information processing, has declined compared to high-skilled occupations. The middle classes belong mainly to the center and poor classes.

Long-Term Economic Impacts of Digital Transformation

The transformative power of digital and connectivity technologies is nowadays an empowering force for people, creating environments that nurture innovation and positively change business processes and the global economy. The recent International Telecommunication Union (ITU) Global Study on the Economic Contribution of Broadband, Digitalization, and ICT Regulation has provided a global econometric analysis based on robust and reliable data resources to measure the impact of fixed broadband mobile broadband, and digital transformation on the economy. As a whole. The study also analyzed the effect of institutional and organizational changes on the growth of digital services markets in Arab and developing countries. In addition to the evidence provided by this report on the importance of regulatory and institutional changes in driving digital growth, it also illustrates the positive effects that the spread of broadband technology and effective regulation of ICT can have on national economies and increase prosperity. The second Arab humanism - is an accurate analysis of the requirements of economic growth in the Arab region in light of the so-called knowledge economies. Robert Lucas, and Robert Solow. Those theories are based - in their results - on applied studies to measure the impact of human capital on the long-term growth rate (Coulibaly, 2013). This school believes that increased productivity is an internal, not an external, element in the growth process. It has to do with the behavior of individuals responsible for accumulating knowledge and other production elements.

Such as the accumulation of physical capital, the expansion of the labor force, and technological progress. Some came to explain that the knowledge element in the economic growth equation is research and development (RD) as a critical element in productivity growth. Which, in turn, depends on the accumulation of human capital. It is confirmed by the Arab Human Development Report, which indicates that Western countries' investment in the research and development sector has achieved the highest total investment returns compared to investments in other aspects. Studies have proven that more than 45% of per capita income in those countries - during the nineties - is due to the cultural progress achieved in the countries (Akpolat, 2014). Thus, the economy based on information and communication technology (the digital economy) has the potential to bring about significant changes in the structure. In

addition to re-engineering performance methods, ways of thinking, production processes, and relations that govern economic institutions, there are many philosophies and management methods to keep pace with the significant development in modern information systems. It is important to note that a lot of literature has defined the economy through its stages of development, some of them described it as the science of wealth and how to obtain and develop it, and others defined it as the science that cares about people's affairs in their ordinary lives. However, the definition provided by Samo Wilson and Nord House is more important, as it is the science that studies how societies can use their scarce resources to produce valuable goods and distribute them among the various members of the community. Through the multiple definitions of economics, the so-called economic problem has been identified (multiple and diverse needs, the relative scarcity of resources), and the traditional concepts have been transformed into more sophisticated ideas, represented by informatics, as one of the most critical aspects of the development of the global economy, where the size of the global market for services has reached In the year 2000, information technology is about a trillion dollars, and it continues to increase over time. Thus, the country that does not realize that digitization today is the most critical factor in its transition from the stage of underdevelopment to development from poverty to wealth will find itself on the sidelines of progress and development. The information revolution - on three components that the machine uses (production methods) and the products that this machine manufactures, where the first component (the engine) is represented by three minds (humanity, automated, collective) since informatics is not considered a monopoly of man, but the mind shared with it. Robots are credited with artificial intelligence and digital engineering. At the same time, the collective mind represents the mixture of human and machine minds, forming what is known as (collective intelligence) three minds. It distinguishes the information and digital society from the rest of the communities. The second component (mechanisms) includes the stages of creative thinking, and the third component (products) harvested knowledge and innovation, which includes varieties of multiple cognitive products (Pershina, Soppe, & Thune, 2019).

C. The Effect On Correcting Structural Differences

Such as the digital economy – globally, 15.5% of the global GDP in 2016, driven by the growth of digital platforms and the increasing digitization of activities in the fields of industry, energy, agriculture, and trade, a proportion that is expected to grow to 24.3% by 2025 (Peña-López, 2017). In the same paper, developing a high-speed digital infrastructure based on cloud computing technology has become indispensable in providing job opportunities in urban areas that tend to turn into service centers (Chaengchenvate & Kiattisin, 2019). In this context, the digital economy is essential for achieving development in Middle East countries. For citizens of the region and small and medium-sized businesses alike to benefit from the digital opportunities offered by this new economy, broadband internet access must be available at an affordable cost and well-functioning electronic payment systems. Unfortunately, the digital infrastructure in the Middle East and North Africa is not keeping pace with the development in other regions, and digital payment systems in some countries are slow to spread. Also, the speed of the Internet connection is deficient. Despite the contradictions in the costs of using the Internet over the past three years, they are still high, especially for the lowest income.

Moreover, many Internet markets in the Middle East and North Africa are famous for monopolies or barriers that prevent competitors from entering, which makes the region one of the most expensive areas in which the market power of the Internet is concentrated. In the world. These numerous existing barriers limit the development of Internet infrastructure, and this barrier - in turn - limits innovation along the entire Internet sector value chain.

Suppose the level of Internet connectivity improves and supportive regulatory measures are taken. In that case, this could lead to the emergence of data centers, which will unleash data-intensive businesses and help the region move towards a data-driven economy. This similar opportunity for The Middle East and North Africa to achieve a great leap forward by adopting ambitious goals on the path of broadband Internet development, the widespread popularization of electronic payment systems, and by expanding the adoption of technology in the economy is the opportunity that is called for in the new World Bank report entitled "A New Economy." Therefore, it requires thinking about infrastructure in the twenty-first century, broadening the definition to include broadband networks, cloud computing, and the data to drive productivity growth (Rossotto & Badran, 2019). Moreover, studies confirm that using digital platforms for technology-based small and medium-sized companies plays a significant role in The data-driven economy.

On the other hand, the impact of data on SMEs in the non-technical sectors is just as significant. Still, digital business characteristics create dynamic competitiveness and a large consumer surplus (Garcia & Cayzer, 2019). Many of these characteristics depend on data as the main driver of business. Therefore, policymakers should pay attention to the physical factors required for the growth of digital platforms, which are indispensable to employment and growth in MENA countries as they move towards economic digitization. Below is a figure that shows the materiality required for the growth of digital platforms.

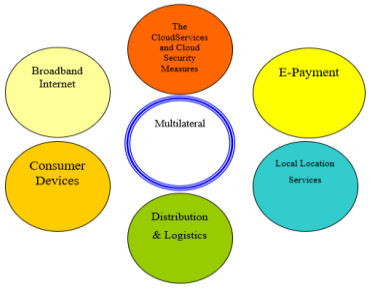

Fig.1 *Physical factors required for the growth of digital platforms*

So the use of information technology in economic activities, especially in increasing productivity and achieving long-term sustainable growth in living standards, where the actual consumption per capita, as well as its productivity, we see - for example, in the United States of America - equal to four times what it was similar to at the beginning of the third millennium (Gutbrod, 2020). The business world today is heading - and powerfully - towards a rapid increase in the use of information technology to create job opportunities and optimal use of human and natural resources to attract the most significant number of customers of different nationalities, to get out of the traditional pattern to the digital world, working to link the supply chains, manufacturing and distribution processes. Sales through a single stream of cross-border information, making the most of global integration of information systems by reducing product life-cycle and distribution accuracy, building relationships with businesses and customers, achieving greater flexibility in access to resources, better inventory control, improved customer satisfaction, reduced costs and increased Profitability (Azarenko, Mikheenko, Chepikova, & Kazakov, 2018). The digital economy contributes clearly and to a large extent to achieve increased production and productivity (Popelo, Garafonova, Tulchynska, Derhaliuk, & Berezovskyi, 2021). As for its role In industrial development, attaining advanced levels of comprehensive industrial development requires not only rising incomes but also making conscious efforts to achieve sustainable growth, enhance social inclusion and move towards environmentally friendly structural transformation, as well as transform resources from labor-intensive activities to capital-intensive activities. , which leads to achieving rapid growth rates

and sustainable growth in the long term, all of it is in reducing costs when using information technology, then consumers can know all the prices offered, and change the size and concept of the market and its types. New markets have been opened that did not exist before, expenses and costs have fallen, and goods are delivered by telephone to all parts of the world. New technologies - with knowledge content - generate higher returns and more significant economic growth potential. For the company to be in new markets, it must be able to innovate and innovate faster than its competitors. By relying on information technology to achieve structural changes in the economies of different countries, preceded by economic growth for some of its sectors through three areas, namely:

First: the information technology sector contributes to increasing economic growth thanks to its revenue, where Internet revenues represent about 5 1% of the total financial returns in the year 2000.

The second: is the increase in production rates in the economy with the quality of the product and the decrease in costs, and then in prices is the result of investment in information technology. Third: Reducing costs and improving organizations' performance came from the spread of the Internet and the emergence of e-commerce (digital).

D. The Impact of Digital Transformation On Long-Term Economic Growth

Digital transformation contributes to increasing economic growth through the increase in digital investments, that is, investments in digital equipment, information, and communication technology and in computer software, which is called capital deepening (Ganichev & Koshovets, 2019), and through the increase resulting from improving the efficiency of the use of production factors and innovations. Digital transformation contributes to economic growth by bringing about changes in existing value chains, creating new sources of value, and implementing innovative business models that are more efficient and sustainable. The digital transformation - which includes all government institutions and their services - is considered a supportive element for growth by adding transparency and enhancing confidence in transactions and contractual relationships, bringing services closer to individuals and the business sector, and making them more accessible, thus reducing the cost of transactions and information. The infrastructure of the digital economy also contributes to growth through the so-called impact of network externalities, or what is also called the impact of the network. In economic growth, it is usually higher in the case of digital infrastructure than in other types of infrastructure, particularly by disseminating information and increasing the organizational efficiency of enterprises. In a review of the most important studies that evaluated the impact of increasing the capital of information and communication technologies on production, Kretschmer and others (2013) that an increase in the volume of investment in information and communication technology by 10% leads - on average - to growth in output at a rate ranging between 0.5% to 0.6%.

On the other hand, several recent studies showed that the development of information and communication technology infrastructure, through the use of broadband and the increase in the number of Internet users, contributes - effectively - to increasing the growth of GDP per capita (Bertani, Raberto, & Teglio, 2020). The study - which included 73 countries - during The period (2004-2015) to estimate the relationship between a composite indicator that expresses the extent of the digital ecosystem development, comprising eight leading indicators and 64 sub-indicators, indicating that an increase of 0.13% of the per capita GDP growth. Another study - which included 150 countries - showed that an increase in the digital development index by 10% leads to a rise in the growth of per capita GDP by between 0.5% in

countries that are not developed in digital transformation and about 0.62% in developed countries. It reached a general conclusion that the positive effects of digital change on growth, employment, and innovation increase with the progress in implementing digital transformation policies. Taking advantage of the benefits of developing the digital economy also requires evolving laws, legislation, and regulations in Arab countries and giving them more flexibility to keep pace with the transformation. The current and expected significant technology, some of which is no longer valid at a time when the structure of the economy has changed and has become dependent - to a large extent - on data and information.

The digital transformation and future of the global economy

In the era of information technology, it will not only be a competition for capital or cheap raw materials or the openness of markets, but it will continue for a long time as a competition and struggle over knowledge of economic digitization because it is what will determine power, save money, create raw materials and open markets, but the new era It will constitute a modern economic pattern in its systems, fields, and mechanisms. These systems are essential for shifting from reactions to action, that is, owning the future (Bounfour, 2016). Recent developments in the digital economy have made the space occupied by knowledge in this new approach more profound than previously known, Which depends on information as a significant competitive advantage. With the emergence and emergence of this modern economy, a group of variables began to change continuously, which led to the change in concepts, production tools, administrative systems, and human relations. For this reason, in recent years, economists realized the role of information technology, innovation, and creativity in expanding economic possibilities. We conclude from the above that the new economy does not know random factors and does not depend on the laws of chance. All entrances and methods - making this economy a practical and interactive system, and this future vision includes creating an appropriate environment for information and communication technology, through knowledge as a new element of the production, providing an opportunity for investments that can work in the technology and information sector, and encouraging research and development, For everyone to have access to information technology so that we can develop human capital with high quality. The educational course develops the capabilities for dealing with information and communication technology and acquiring its skills, as well as the need to expedite the activation of the role of the computer in learning systems (Kaivo-Oja, Roth, & Westerlund, 2017). Last - but not least - the goal of digital transformation and its primary purpose must be in the interest of the citizen and his sense of well-being, quality of life, and security, and to reach this end, the path that begins with the creation and strengthening of the infrastructure, through the trembling of the turn of the economic wheel, must be known. And ending with achieving the economic abundance that the Arab citizen in particular will feel, which was taken into account by this future vision of the Arab world.

concussions and discussion

The digital economy is an electronic system applied in the country to achieve comprehensive benefits and bring significant economic, political, social, and cultural benefits. Increasing economic growth rates, as information is a new economic good that yields high financial benefits and contributes to improving the country's economic growth rates. For the continuity and development of technological technology, technology has worked to enter into the economic, political, and social aspects to achieve continuous interaction. Information technology will not be a substitute for the human being but will remain a means to support him, accomplish his work and solve his problems. Technology is an excellent tool and machine that obeys orders. The political system affects the individual, his thinking, and his freedom of

expression; Their rights are more influential than the closed system. Therefore, most of the advanced discoveries appear in Western countries. Despite the modernity of the digital economy, globalization was the main factor in its transmission, development, and spread. Whoever owns digital power has an active international position in the new world order. The technological variable has become a force factor for the state after the economic and military power. The developed countries have resorted to enhancing their importance through technological change, as the United States of America is a global leader in research and development. Therefore, a comprehensive development plan for the society should be drawn up in political, economic, and social terms, as well as informatics, and pay attention to technology in particular. Entering the digital society and striving to make Iraq among the digitally influential countries by promoting innovation and creativity and providing skills support programs. Paying attention to human skills and training them to advance the economic and political reality. Exploiting the available resources to ensure effective results. Finally, a comprehensive program for the digital transformation process should be developed that includes addressing and avoiding errors during the transitional phase or working on a project for the digital government in Iraq.

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