ADVERTAGES AND ECONOMIC RISKS OF THE DIGITAL RUBLE

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The creation of the digital ruble has become the main innovation in the economy of the Russian Federation over the past few years. Like any high-tech project, the digital ruble has advantages and risks. The object of the study is the competitive advantages of the digital ruble and the risks that its implementation carries. The purpose of the study is to determine the feasibility of introducing a new form of national currency. The uniqueness of the study lies in a detailed and comprehensive study of the features of the digital ruble.

Keywords: digital ruble; digitalization; economics.

ПРЕИМУЩЕСТВА И ЭКОНОМИЧЕСКИЕ РИСКИ ЦИФРОВОГО РУБЛЯ

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Создание цифрового рубля стало главной инновацией в экономике Российской Федерации за последние несколько лет. Как и любой высокотехнологичный проект, цифровой рубль имеет преимущества и риски. Объектом исследования являются конкурентные преимущества цифрового рубля и те риски, которые несёт его внедрение. Целью исследования является определение целесообразности введения новой формы национальной валюты. Уникальность исследования заключается в подробном и всестороннем исследовании особенностей цифрового рубля.

Ключевые слова: цифровой рубль; цифровизация; экономика.
**Introduction:**

The digital ruble is an electronic form of national currency that is stored and transferred using digital ledger technologies such as blockchain [1]. Recently, interest in digital currencies has been growing, and many countries, including Russia, are beginning to consider the possibility of issuing their own digital currencies. In this article we will look at the advantages and potential economic risks of the digital ruble. The Bank of Russia is far from the first regulator to study the accomplishment of digital currency: 65% of representatives of central banks (mainly from Western European countries) are actively conducting research in this area [2].

**Advantages of the digital ruble:**

1. Improved payment efficiency: One of the main advantages of the digital ruble is the ability to make instant and low-cost payments. The digital ruble can significantly reduce the time and costs associated with traditional payment methods such as bank transfers and checks.

2. Increasing financial inclusion: The digital ruble can be accessible to all citizens, including those who do not have access to the traditional banking system. This can help improve financial inclusion and ensure convenient and secure access to financial services for all segments of the population.

3. Greater transparency: Through the use of blockchain technology, the digital ruble can provide greater transparency of transactions. All transactions will be recorded and it will not be possible to modify blockchain data without the appropriate permissions. This can reduce the risk of financial fraud and improve confidence in the financial system.

4. Another advantage of the digital ruble is its ease of use. To carry out transactions, you do not need to visit a bank or exchange office, and there is no need to have a bank card or account. All operations can be carried out online through special applications on smartphones or computers.

There is a large quantity of motives for establishing a digital currency system – from political (the most innovative and technological central banks will increase their role in the global economy) to economic and social (digital currency can minimize illegal transactions and reduce the risks of theft of funds).

**Economic risks of the digital ruble:**

1. Cybersecurity: Digital ruble, being an electronic currency, may face cybersecurity threats such as hacker attacks and cyber fraud. Due attention must be paid to the development and implementation of security measures to ensure the protection of citizens' digital assets and prevent possible threats.

2. Dependency on technology: The digital ruble relies heavily on the use of appropriate technology such as blockchain. In the event of a technology failure or malfunction, there may be a risk of delays or unavailability of
payments. It is necessary to develop a reliable and sustainable infrastructure to ensure the smooth functioning of the digital ruble system.

3. Monetary Policy: The introduction of a digital ruble may affect monetary policy and money supply management. The possible impact of digital currency issuance on inflation and financial stability needs to be carefully examined. An uncontrolled increase in the money supply can lead to hyperinflation and other negative consequences for the economy.

4. One of the main risks of issuing a digital ruble within the framework of the stated model is the outflow of liquidity from the banking sector. In particular, the digital ruble will not compete with time deposits and investment/savings instruments [3].

**Conclusion:**
The introduction of a digital ruble could provide a number of benefits, such as improved payment efficiency, increased financial inclusion and greater transparency. However, it is also important to consider economic risks such as cybersecurity, dependence on technology and the impact on monetary policy. Careful study and planning are necessary for the successful implementation and sustainable operation of the digital ruble. Despite these risks, the digital ruble continues to develop and attract the attention of investors and entrepreneurs. We may see even more new projects using this form of currency in the future.

**References**

