



Social Participation in Crypto Markets and Its Impact on Society

Musabaev Rasuljon

Tashkent State University of Economics, 2nd year master's student,
Uzbekistan

OPEN ACCESS

SUBMITTED 31 May 2025

ACCEPTED 29 June 2025

PUBLISHED 31 July 2025

VOLUME Vol.05 Issue07 2025

COPYRIGHT

© 2025 Original content from this work may be used under the terms
of the creative commons attributes 4.0 License.

Abstract: The topic "Social participation in crypto markets and its impact on society" is directly related to modern technologies, financial innovations and digital assets, and studies the social, economic and cultural consequences of the active participation of members of society in crypto markets. Within the framework of this topic, the perception of crypto currencies and blockchain technologies among the general public, their impact on social equality, financial inclusion and information literacy are analyzed. Also, special attention is paid to the new professions and sources of income that have arisen as a result of participation in crypto markets, the role of young people and technologically advanced groups. The article aims to analyze the positive and negative social consequences of crypto finance in a balanced way.

Keywords: Crypto market, social participation, digital currencies, blockchain technology, financial inclusion, social equality, digital transformation, internet communities, crypto assets, new economic, opportunities.

Introduction: Nowadays, the digital economy and a number of related effective technologies, including e-commerce and e-business, are rapidly entering our lives. That is why, in order to further accelerate the development of the state and society, the leadership of our republic has adopted a number of important decisions. For example, in his Address to the Oliy Majlis on the most important priorities for 2020 dated January 25, 2020, the President of the Republic of Uzbekistan also expressed his views on the development of the digital economy in our country. In addition, in order to

implement the Decree of the President of the Republic of Uzbekistan No. PF-5349 dated February 19, 2018 "On measures for the further development of the sphere of information technologies and communications"¹, as well as to create conditions for the rapid development of modern information technologies for the implementation of the digital economy in the state management system in our republic, as well as to ensure information security, the Cabinet of Ministers adopted a Resolution on August 31, 2018 "On additional measures for the introduction and further development of the digital economy in the Republic of Uzbekistan", which defines the goals and objectives of the digital economy, and the Resolution of the President of the Republic of Uzbekistan No. PQ-3832 dated July 3, 2018 "On measures for the development of the digital economy in the Republic of Uzbekistan" can also be included in these measures.^[2]

In recent years, cryptocurrencies and blockchain technologies have led to revolutionary changes in the global financial system. Digital assets such as Bitcoin and Ethereum are becoming increasingly popular not only among investors, but also among ordinary citizens, young people, and technology enthusiasts. This process is called "social participation" — that is, the active participation of the general public in crypto markets, which significantly affects the level of financial literacy, economic opportunities, and access to information in society. This article examines the role of this social participation in crypto markets and the socio-economic changes taking place in society through it.

Cryptoassets are a rapidly growing unit in the global financial market, as evidenced by their popularity among private investors and companies that trade with their cryptocurrencies on the market. All this indicates the continued demand in the cryptocurrency market and creates the basis for searching for new directions for the development of digital financial assets in the market, both globally and domestically.

Let's look at each of them. The first direction of development may be the participation of many large companies in transactions with crypto-assets in Uzbekistan. The state has decided to create a competitive crypto-platform operating in the country, which will allow organizations to legally participate in the processes of circulation of crypto-assets. This interest is due to the fact that any commercial business sets the main goal of obtaining maximum profit, so it is always looking for a relatively stable source of financing its activities.

For example, many companies try to participate in the issuance of securities, as well as in the purchase and sale of financial stock exchange assets. Therefore,

digital assets are becoming increasingly attractive as a new means of financing. This is facilitated by the experience of American companies that were the first to use cryptocurrency as a means of payment and thereby achieved incredible financial results - according to statistical reports, after the introduction of the new payment method, the growth in revenue was about 330%, and the growth in the customer base was 40%.

Although the world of cryptocurrencies is expanding and gaining popularity, traditional banks are hesitant to use these digital assets, believing that their inherent risks outweigh the potential benefits. Banks may be cautious with cryptocurrencies, as transactions with these assets carry significant risks and therefore require careful and expensive due diligence. However, digital currencies can offer many advantages for financial institutions and their clients, they just need to study this market more. (K. Nazarov, 2023) At the current stage of human development, the virtual information and communication environment has become an integral part of social reality, as a result of which society has faced a new scientific research, namely the transition from the process of informatization (computerization) to the process of digitization.

Participation in crypto markets is expressed in several main forms:

1. Crypto investing - ordinary citizens or small investors buy cryptocurrencies and benefit from their growth in value.
2. Crypto trading - actively buying and selling cryptocurrencies in order to make a short-term profit.
3. Participation in NFT and DeFi platforms - participation in blockchain-based projects in the fields of art, games and financial services.
4. "Crypto communities" - collaborative support of projects and exchange of information on social networks such as Telegram, Discord, Reddit.^[4]

The unbanked are joining the financial system through crypto technologies. This is especially important in developing countries.

The crypto world is opening up new ways for young people to start their own businesses, freelancing, and earn money through NFTs. This is increasing technological literacy.

Social participants are quickly aware of global financial and technological innovations and are enriching their knowledge and skills.

The lack of central control in crypto markets provides participants with a freer and more democratic financial relationship. This in many cases enhances the sense of social justice.

Negative consequences and risks

There are many crypto-related scams on social networks. Uninformed participants are at risk of losing their funds.

A large number of citizens entering crypto markets do not have a full understanding of financial risks, which can lead to negative consequences in society.

Opportunities to use crypto technologies are not equal for everyone. Lack of Internet access, technical means and knowledge leaves some groups of people behind.

Many users resort to risky actions in pursuit of quick wealth. This leads to a strengthening of the culture of easy wealth in society.

Ways to regulate and sustainably develop social participation

1. Increasing financial literacy:

State and non-governmental organizations should conduct information campaigns on crypto markets.

2. Forming a legal framework:

Clear laws and regulations should be introduced to prevent fraud and illegal activities related to crypto assets.

3. Developing inclusive technological platforms:

Crypto technologies should be accessible and understandable for ordinary citizens. Mobile applications and interfaces should be simplified.

4. Forming a culture of responsible participation in society:

Focusing on gaining knowledge and experience before participating in crypto markets serves social stability.[5]

CONCLUSION

In conclusion, social participation in crypto markets is creating profound socio-economic changes in society. This process is accompanied by an expansion of financial opportunities, the emergence of new professions, and increased freedom of information. However, this participation is not without risks: financial illiteracy, fraud, and social inequalities also exist in this area. Therefore, establishing social participation in a healthy, sustainable, and responsible manner is an important factor for the development of society.

REFERENCES

Khodiev B. Yu. Tsifrovaya ekonomika v Uzbekistane. //Mirovaya economy, 2017, No. 12

Ayupov R.H., Baltabaeva G.R. Market of digital currencies: innovation and development prospects. -T: "Science and Technology" publishing house, 2018, 172 pages.

Baltabaeva G.R. and others. Directions of innovative development in small business and entrepreneurship. - T: "Science and Technology" publishing house, 2018, 232 pages.

Ayupov R.H., Baltabaeva G.R. Problems and solutions of formation of innovative economy in Uzbekistan. T: "Economy-finance" publishing house, 2015, 144 pages.

Azlarova A.A., Abdurakhmanova M.M. The role of commercial bank services in the development of the digital economy // "Economics and innovative technologies" scientific electronic journal. No. 6, November-December, 2019