THE INFLUENCE OF DIGITAL ECONOMY ON THE INVESTMENT POTENTIAL OF NON-STATE PENSION FUNDS OF THE REPUBLIC OF MOLDOVA

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Digital economy is rapidly developing worldwide. By means of internet, the e-economy was created, changing all the business relations and reducing their costs, based on B2B, B2C, B2E, and B2G reciprocal relations. The biggest growth is undergone by the e-commerce, as a concrete form of business, which is also associated with the development of scientific knowledge markets triggered by the emerging advancement of the research and development sector.

Digital economy implies a stronger exploitation of high quality concept labor, which, in its turn, is generating value, as well as creating new jobs and workplaces. Internet creates 2.6 jobs for each job lost within the conditions of digital economy [3]. It was estimated that a full exploitation of digital economy in the European Union will lead to the achievement of the Europe 2020 strategy objectives.

The economic effects triggered by the digital economy are diminishing the consumption of resources, promoting the entrepreneurial and innovation spirit, speeding the production and change of the economic processes and phenomena, high value-added, and many other.

It was estimated, that there will be 1 billion people over 60 by 2020 due to falling fertility rates and increasing lifespans. The world will increase from 7 billion to 10 billion by 2050 – a third of this increase would be due to longevity [2]. This will considerably increase the burden of state pension system, increasing the importance and necessity of the development of a strong private or non-state pension systems in any country. Digital economy brings an increased possibility to work for employees and experts of any age. Cloud computing, smart grids, social media, and other associated opportunities provide the possibility to unemployed or retired specialists to keep being engaged in the workforce globally, with no limits or borders [1]. Likewise, a part of these benefits would be transferred to private pension funds, diminishing the state burden.

In this sense, the situation in the Republic of Moldova is worsened by numerous factors, such as economic situation, low degree of digitization (as of 2015, the aggregate amount of IT expenses of Moldovan businesses represents just 1.2% of the country's GNP), weak IT education, small number of contributors to state pension system (respectively, a higher burden on employed population), lack of trust of the population, lack of any activity of local non-state pension funds, and many other correlated factors.

The investment potential of non-state pension funds can be estimated from two points of view – as the subject and object of investment. Digital economy can contribute to both. As a subject, a higher degree of digitization would allow better awareness and access to more efficient investment opportunities, increasing the investment potential of the non-state pension funds, thus improving the investment attractiveness of the non-state pensions funds to investors. Furthermore, digital education of people would lead to increased revenues (via internet, outsourcing and freelancing globally), and contribute to the knowledge of and, respectively, trust to the activity of non-state pension funds. In its turn, growth of the contributions and number of contributors to the non-state pension funds would ease the burden of the state pension for both employees and the state.

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