

## **THE VIRTUAL WORLD AND ITS OBJECTS FROM THE PERSPECTIVE OF PRIVATE LAW REGULATION IN THE REPUBLIC OF UZBEKISTAN**

Эгамбердиев Эдуард Хажибаевич

Исполняющий обязанности доцента кафедры Гражданское право Ташкентского государственного юридического университета, доктор философии (PhD) по юридическим наукам

<b>ABSTRACT</b>	<b>KEYWORDS</b>
The article analyzes the problems of determining the legal status of the virtual world and objects in it, examines the theories of virtual property and gives the relationship between property rights and intellectual property to regulate relations arising in the virtual world.	virtual property , real world, virtual world, property law, private law, computer code.

### **Introduction**

With the emergence and rapid development of information technology, the modern world was divided into two: the real and virtual world. For the most part, the existing legal orders regulate precisely the relations that arise in the real world and can partly be applied to relations in the virtual space.

The development of technology and the emergence of a virtual space opposite to the real world today requires solving important issues related to the regulation of private law relations in this space. The question arises – can we use common instruments of private law in relation to the virtual world? If we pay attention to the history of the development and formation of private law, we can say that the newly created relations in this area have always found their place in the system of private law norms. In our opinion, private law relations arising in the virtual world should be regulated by the general rules of private law and only supplemented by the relevant institutions with the necessary set of new tools.

Property interests in virtual worlds flow into the real world, and assets accumulated in this world have value in the real world. Court cases over the ownership of various virtual assets are no longer uncommon in developed countries, and every day thousands of units of virtual property are transferred to the real world for real money.

The main purpose of this study is to study the issues of determining the legal status of virtual space, new approaches to the classification of objects in private law, the civil status of objects in the virtual world and the possibility of applying general institutions of private law to them.

In this area, a number of scientific works of Uzbek civil scientists are relevant, among which O. Okyulov [1], N.F. Imomov [2], D.M. Karakhodzhaeva [3-8, 12], L.M. Burkhanova [7-10, 12], B.R. Topildiev [11], U.Sh. Sharakhmetova [12, 13], K.M. Mehmonov [14-17], D.A. Yeschanova [18-20] and others should be distinguished.

The issues of legal regulation of the virtual world, the civil status of objects in it, the relations arising in this area were also considered by the author in previous scientific publications [21-24].

To determine the legal status of the virtual space, and the relations that arise in it, it is advisable to first understand what this space is. Virtual space does not exist by itself, since without appropriate technical means (computer, electronic network) there is no cyberspace. Here, information is expressed by a special programming language and is represented in the form of sets of zeros and ones (bits), that is, we are talking about digital technologies (codes), with the help of which we get into the virtual world. Some legal orders of our time even give a legal interpretation of the concept of the virtual world. An example of this can be the definition of the US Supreme Court of virtual space as a unique medium, known to its users as cyberspace, which is not located in a specific territory, but is available to everyone anywhere in the world via the Internet [25].

N.N. Teleshina compares the virtual space with the information space and comes to the conclusion that the second concept is much broader, since, along with the relations arising from the use of computer and other electronic networks, it also includes other relations, for example, about the formation and functioning of archives, libraries, databases and data banks [26].

In Russian language, the word "virtual" has several meanings: in the everyday sense, it is the opposite of the real one, an illusion, something impossible or imaginary; in the philosophical sense, it is possible, but not actual, being; from the point of view of computer science – stored in digital form as software, database, hypertext, etc.; something that is generated by a computer. [27]

That is, virtual space cannot exist on its own. First you need to create a material object (computer) and, when using it, already enter the virtual space, usually using the Internet. Thus, the virtual space is generated with the help of an object of the material world, which is also an object of private law (institutions of property law).

If we proceed from the concept of extending the institutions of private law to the technologies with the help of which virtual space is created, then we must solve the problem of using a specific sub-branch of private law in relations arising within the framework of virtual space.

Most computer code is just one step away from a pure idea. It's not competitive; That is, the use of code by one person does not deprive another person of the opportunity to use it. Such a code is protected by intellectual property law [28]. Intellectual property protects creative interest in non-competitive resources. If intellectual property did not exist, the creators would not be able to recover the costs of creating objects [29].

But there is another kind of code that is rarely discussed in the technical or legal literature. This code is more like land or movable property than ideas. It permeates the internet and includes many of the most important online resources. Often, such code forms the structural components of the Internet itself. Domain names, URLs (uniform resource locators), websites, email accounts, crypto assets, items (artifacts and improvements) in multiplayer Internet games are all examples of the second type of code. They compete. If one person owns and controls them, others do not have access to them. Unlike the software on our computer, they do not disappear when the computer is turned off, and such code is called "virtual property".

However, there is a problem. In general, many legal orders continue to govern virtual property through intellectual property law. Even where there has been some acknowledgement that virtual property is somehow "different," no clear formulation of this distinction has been proposed. As a result, holders of intellectual property rights systematically eliminate emerging virtual property rights using contracts

called end-user license agreements [30, p. 1050]. Despite the existence of such agreements, there is no clear protection of property rights in the virtual world. That is, the owner of the code can limit the use of the object in the virtual world by the user.

Common ownership works to ensure that resources are used correctly. If a general theory of virtual property is not developed, then relations in this area will not be regulated at the proper level, which is why it is so important that we have a theory of virtual property. For example, a key step in the development of the Internet was the adoption of an ownership regime in the form of the International Corporation for Assigned Names and Numbers (ICANN), an organization that acts as an Internet address registration system.

The theory of virtual ownership is crucial to ensure the efficient use of Internet resources, reducing the costs of searching and negotiation that would otherwise prevent the flow of valuable resources to highly efficient use.

The theory of virtual ownership is also important for the future of the Internet. If we protect virtual property, the Internet can become a three-dimensional global virtual environment. The possibilities of medical, commercial, social, military, artistic and cultural development offered by such a virtual environment have only just begun to be explored. Thus, we must take care of the protection of virtual property, not only because markets already value it very much, but because we will all value it more because of the potential it offers for the development of society. Finally, the theory of virtual property is important for maintaining the equilibrium of the law as it adapts to new contexts [31].

Virtual property is a competitive, persistent, and interconnected code that mimics the characteristics of the real world. Virtual property shares three legally significant characteristics with real-world property: rivalry, perseverance, and interconnectedness. Based on these general characteristics, virtual property should be treated as real property in accordance with the law. Most of the code is intended to be used solely as an uncompetitive resource. One person's use of code doesn't prevent another person from using it. The lack of competition allows you to create and distribute many perfect copies at almost zero cost. The lack of code competition is a novelty of the Internet that has captured the imagination of legal and public circles most of all in the form of lawsuits against music and movie downloaders, manufacturers of file-sharing software [32].

Objects and places in the physical world are permanent. For example, a statue can only be sculpted once. After that, it remains in the town square for hundreds of years. Similarly, code is often made permanent, meaning it doesn't disappear after each use or run on a single computer. For example, an email account can be accessed from a laptop, personal computer, or mobile phone. When the owner of an email account turns off their laptop, the information in that account does not cease to exist. It is stored on the server of its Internet service provider.

Objects in the real world are also naturally interconnected. Two people in the same room perceive the same objects. Objects in the real world can influence each other according to the laws of physics. Similarly, code can be made interconnected, so that while one person can control it, others can use it. The value of a URL or email address isn't just that the owner has control over it; The value is that other people can connect to it and use it. They may not be able to manage it without the owner's permission, but as with real estate in the real world, with the owner's invitation, they can interact with it.

By now, we have seen that many important online resources have nothing to do with intellectual property. On the other hand, these resources have been designed to have legally significant characteristics of immovable and movable property. This makes common ownership an obvious

possible source of right for these resources. The critical question is whether property law can contribute anything useful to the regulation of intangible assets such as virtual property.

Property theory is the study of how limited resources should be used. However, it is not obvious that the resources of the Internet are limited. Cyberspace is infinite or almost infinite. People can create more space for themselves. Because Internet resources don't seem scarce, property theorists (as opposed to intellectual property researchers) don't say much about code to date. [9] But even where there is a lot of space, people can still block each other so that they are not productive. Mutual exclusion from the use of resources creates the same acute problem as the usual history of resource scarcity.

In the context of virtual property, the relevant utility is the code itself. Because virtual property only acts as a whole at the code level, the corresponding ownership package also appears at the code level. That right matters. And it can be sold. For example, if you're selling an address online, you're not selling the physical computers that host it. If you share an email address, you are not transferring your personal computer. The right code is what matters, no matter what system or movable it runs on. So, when we consider where to divide ownership rights on the Internet, we will preserve useful rights packages by providing virtual property rights at the code level. Therefore, the recognition of code-level ownership rights for virtual property is proposed. And accordingly, the question arises - if the code is property, that is, it acts as an object of civil law, then what type of property does it belong to - movable or immovable? Some scholars are inclined to the theory of movable property rights on the Internet [33; 34].

If we are talking about the fact that a person owns an account in the Zoom program and he pays a certain amount of money monthly for its use, then the person is entitled to use this account and invite a certain number of users to his "room" for a meeting to conduct an online conversation. At the same time, it is this person who owns the account in the virtual world, regardless of the intellectual property embedded in the base code.

In the event of a dispute over the use of virtual property, the courts of the Republic of Uzbekistan would refuse to consider a claim for virtual property just because there is no law regulating it. Cases on the application of property rights to the Internet are becoming more and more frequent in the modern world [35]. To resolve these cases, courts must have a clear justification for what property law will do in virtual spaces. What's more, as we've discovered, virtual property issues are pretty well addressed by rules that courts are already familiar with.

There is an even stronger argument in favor of addressing issues of distribution of use on the Internet by reference to common ownership. Contract and property have evolved to balance each other. The law of contract allows the parties to realize the value of personalized utility in the form of transactions. The law of property restricts this ability insofar as it blocks high-value property for low-value use.

If we talk about the legal nature of the virtual space, then it should be stated that relations in the virtual space should be regulated by private law, but the question of which institution remains open. In this sense, it is appropriate to consider the option of regulation through intellectual property or property law. That is, the virtual space that arises on the basis of a special computer code should belong to someone's property - a sub-branch of property law. And public and multi-user codes without competition should be governed by intellectual property. At the same time, everything that is created on the basis of these codes (certain virtual objects) should fall under the regulation of property law (ownership of virtual things).

In addition, it is necessary to note the role of intellectual property in virtual property. One extremely important caveat: the recognition of virtual property rights does not mean the destruction of intellectual property. The owner of the virtual property does not have the right to copy it. We instinctively and logically understand that the possession of a thing is always separate from the possession of the intellectual property embedded in the thing. The ownership of the book is not the intellectual property of the novel written by the author. The buyer of the book owns the physical book, nothing more. The ownership of the CD is not the intellectual property of the music. The buyer of the music owns that copy of the music, nothing more. Similarly, the ownership of virtual property does not threaten the intellectual property interests owned by the creator of the property. The owner of the virtual property has the same rights as the owner of the book.

Thus, intellectual property should not conflict with virtual property. In fact, the two institutions, if well balanced, will complement each other. In developed legal systems, there are already successful regimes that balance these interests. The doctrine of the first sale, for example, minimizes transaction costs by including the value of future sales in the value of the product when it is first sold [36]. Thus, the creator of the intellectual property does not track a long chain of potential follow-up sales. Similarly, virtual property will add value to intellectual property. Take websites for example: clear website rights have contributed to serious commercial investment in content for websites. This clearly benefits content creators. Ownership in the virtual world has real value in the sense that the creator of the software that creates the virtual world that underlies the virtual property will make a profit. Thus, the value of intellectual property is not a reason to waive virtual property rights.

Thus, we come to the following conclusions:

1. Virtual space does not exist by itself, it is created by man with the help of objects of the material world, and accordingly in relation to ideas, we use the norms of intellectual property (computer code), and to regulate relations between persons in the created virtual worlds (idea) and emerging relations about virtual objects, a proposal is put forward to regulate them by the norms of property law (property rights).
2. The most common objects in the virtual space are domain names, URLs (uniform resource locators), websites, email accounts, crypto assets, items (artifacts and improvements) in multiplayer Internet games that act as a set of codes (bits - zeros and ones), and it is these codes that form the basis of virtual objects. The idea of creating such an institution of private law in the legislation of the Republic of Uzbekistan as virtual property and making appropriate amendments and additions to the current Civil Code of the Republic of Uzbekistan is put forward.
3. Many developed legal orders still regulate relations from virtual property by the norms of intellectual property laws, which is erroneous and leads to a large number of disputes between users and developers. Therefore, it is necessary to differentiate relations in cyberspace.
4. Virtual space has virtually no boundaries and excludes any competition in relation to its use, as opposed to, for example, land plots (real world), which are limited, which creates the basis for establishing property rights in relation to limited resources. However, in cyberspace, there is the possibility of blocking users (restricting access to the use of a virtual object), which already creates an atmosphere of competition over the ownership of intangible goods and requires the establishment of ownership of the virtual object.
5. The introduction of the institution of virtual property into private law in no way infringes on intellectual property rights, since the virtual owner owns a specific virtual object created on the basis



of the creative activity of a person, in respect of which intellectual property is distributed. That is, the right of a virtual owner to a virtual object is no different from the ownership of a book, and intellectual property extends to the person who created the virtual object or book.

## References:

1. Okyulov O. Constitutional norms on forms of ownership as an integral part of the doctrinal foundations in the new Civil Code of the Republic of Uzbekistan // Review of law sciences. – 2020. – T. 2. – No. Special Issue. – S. 26-33.
2. Imomov N. F. New objects of intellectual property law/Editor-in-Chief O. Okyulov //Tashkent: TSIL. – 2011.
3. Karakhodzhaeva D. M., TEMIROVA N. S. Civil law // General part. Tashkent: Ukituvchi. – 2008.
4. Karakhodzhaeva D. New mechanisms for the protection of private property as a basis for improving the investment climate // Review of the legislation of Uzbekistan. – 2019. – №. 1. – S. 34-35.
5. Karahodjaeva D. Innovative solutions in the field of the Institute of property rights and other real rights—the key to the liberalization of the economy //Review of law sciences. – 2018. – T. 2. – №. 3. – C. 11.
6. Sadullaev K., Karakhodzhaeva D. Crypto assets as an object of civil rights and their negotiability // Society and innovations. – 2021. – T. 2. – No. 4/S. – P. 66
7. ISSUES OF REGULATION OF THE INSTITUTION OF PROPERTY RIGHTS IN THE FIELD OF INNOVATIVE TRANSFORMATIONS CARRIED OUT IN UZBEKISTAN. DM Karakhodzhaeva, LM Burkhanova. ACCOUNTING AND ANALYTICAL TOOLS FOR STUDYING THE ECONOMY OF THE REGION, 243-248.
8. Karakhodzhaeva D. M., Burkhanova L. M. Features of the implementation of reforms of private ownership of land in the Republic of Uzbekistan // Science and Education. – 2021. – T. 2. – №. 5. – P. 1083-1096.
9. Burkhanova L. M. Legal characteristics of private property of certain types of legal entities in the context of the transition of the Republic of Uzbekistan to market relations // Bulletin of Perm University. Jurisprudence. – 2010. – №. 2. – S. 88-98.
10. Burkhanova L. M. Issues of improving the legal regulation of intangible benefits as a special object of civil law in the draft of the new edition of the Civil Code of the Republic of Uzbekistan. – 2021.
11. Topildiev B., Khursanov R., Usmonova M. Trust management agreement Property and prospects for its development in the Republic of Uzbekistan //European Journal of Molecular & Clinical Medicine. – 2020. – T. 7. – №. 3. – C. 3199-3205.
12. Dilorom K., Burkhanova L., Sharakhmetova U. Features of determining the legal status of legal entities in the draft new version of the civil code of the republic of Uzbekistan and the need to introduce new institutions in the legislation: Theoretical developments and proposals //European Journal of Molecular & Clinical Medicine. – 2020. – T. 7. – №. 2. – C. 2151-2161.
13. Шапахметова У. Issues of improving the regulation of circumstances preventing marriage in family law //Юридик фанлар ахборотномаси. – 2017. – №. 2. – C. 50-53.
14. Mehmonov K. M. FEATURES OF THE LEGAL REGIME OF DIGITAL RIGHTS // JOURNAL OF LEGAL RESEARCH. – 2021. – T. 6. – №. 1.
15. Mehmonov K. M., Musaev E. T. Legal Regime of Digital Rights //Ilkogretim Online. – 2021. – T. 20. – №. 3. – C. 1683-1686.

16. Mehmonov K. M. ISSUES OF LEGAL REGULATION OF RELATIONS RELATED TO INFORMATION AND COMMUNICATION TECHNOLOGIES // Review of law sciences. – 2020. – №. 1. – S. 75-78.
17. MEHMONOV K. M. Computer virus as a source of increased danger // Law and life. – 2016. – №. 5-6. – P. 104-119.
18. Eshchanova D. A. THE MAIN ISSUES OF THE APPLICATION OF LEGISLATIVE NORMS IN THE FIELD OF INSURANCE IN THE REPUBLIC OF UZBEKISTAN //International journal of advanced research in education, technology and management. – 2023. – T. 2. – №. 4.
19. Eshchanova D. A. Improving civil law in investment activity insurance in the republic of uzbekistan //World Bulletin of Social Sciences. – 2022. – T. 13. – C. 16-21.
20. Eshchanova D. Actual problems of legislation of the development of internet insurance in Uzbekistan //TSUL Legal Report International electronic scientific journal. – 2020. – T. 1. – №. 1.
21. Egamberdiev E. KH. SOME PROBLEMS OF DETERMINING THE CIVIL LEGAL STATUS OF THE VIRTUAL WORLD AND ITS OBJECTS.
22. Egamberdiev E. KH. INTERNET OF THINGS TECHNOLOGIES AND PERSONAL DATA: ISSUES OF PROPERTY RIGHTS // Oriental renaissance: Innovative, educational, natural and social sciences. – 2023. – T. 3. – №. 1-2. – P. 541-558.
23. Khajibaevich E. E. Civil law status of virtual world objects //Eurasian Research Bulletin. – 2023. – T. 16. – C. 33-41.
24. Egamberdiev E. Kh. Legal issues of trade in objects of the virtual world for real money // INNOVATIVE SCIENTIFIC RESEARCH IN THE MODERN WORLD: THEORY, METHODOLOGY, PRACTICE. – 2022. – P. 100-105.
25. Darrel Menthe, Jurisdiction In Cyberspace: A Theory of International Spaces 4 Mich.Tel.Tech.LRev.3 (April 23, 2008) // <http://www.law.umich.edu/mttlr/vol-four/menthe.html>.
26. Teleshina N.N. Virtual space as a new legal construction: to the formulation of the problem. 2013. №7-2.
27. Kasyanov, V.V. Sociology of the Internet: textbook for academic bachelor's degree / V.V. Kasyanov, V.N. Nechipurenko. — Moscow: Yurait Publishing House, 2019. — 424 p. — (Bachelor. Academic course). — ISBN 978-5-534-04944-2. — Text: electronic // Educational platform Urait [site]. — URL: <https://urait.ru/bcode/438739>.
28. Bradford Smith & Susan O. Mann, Innovation and Intellectual Property Protection in the Software Industry: An Emerging Role for Patents?, 71 U. CHI. L. REV. 241, 242-44 (2004).
29. Richard Posner, Antitrust in the New Economy 3 (U. Chi., John M. Olin Law & Economics Working Paper No. 106, 2000), available at [http://papers.ssrn.com/sol3/papers.cfm?abstract\\_id=249316](http://papers.ssrn.com/sol3/papers.cfm?abstract_id=249316).
30. Fairfield, Joshua, Virtual Property. Boston University Law Review, Vol. 85, page 1047, 2005, Indiana Legal Studies Research Paper No. 35, Available at SSRN: <https://ssrn.com/abstract=807966>.
31. Caroline Bradley & Michael Froomkin, Virtual Worlds, Real Rules, 49 N.Y.L. SCH. L. REV. 103, 103 (2005).
32. MGM Studios Inc. v. Grokster, Ltd., 125 S. Ct. 2764 (2005).
33. Patricia Bellia, Defending Cyberproperty, 79 N.Y.U. L. REV. 2164, 2170 (2004).
34. Richard Epstein, Cybertrespass, 70 U. CHI. L. REV. 73, 76 (2003).
35. eBay v. Bidder's Edge, 100 F. Supp. 2d 1058 (N.D. Cal. 2000).
36. R. Anthony Reese, The First Sale Doctrine in the Era of Digital Networks, 44 B.C. L. REV. 577 (2003).